

DISCLOSURE DOCUMENT
OF



ASCENDANT ASSET ADVISORS, INC.

A CALIFORNIA CORPORATION REGISTERED WITH
THE COMMODITY FUTURES TRADING COMMISSION
AS A COMMODITY TRADING ADVISOR
AND A MEMBER OF
THE NATIONAL FUTURES ASSOCIATION

THE COMMODITY FUTURES TRADING COMMISSION HAS NOT PASSED UPON THE MERITS OF PARTICIPATING IN THESE TRADING PROGRAMS NOR HAS THE COMMISSION PASSED ON THE ADEQUACY OR ACCURACY OF THIS DISCLOSURE DOCUMENT.

THE DATE OF THIS DISCLOSURE DOCUMENT IS **MARCH 1, 2010**; AND IT MAY NOT BE UTILIZED AFTER **NOVEMBER 1, 2010**.

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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. IN CONSIDERING WHETHER TO TRADE OR TO AUTHORIZE SOMEONE ELSE TO TRADE FOR YOU, YOU SHOULD BE AWARE OF THE FOLLOWING:

IF YOU PURCHASE A COMMODITY OPTION YOU MAY SUSTAIN A TOTAL LOSS OF THE PREMIUM AND OF ALL TRANSACTION COSTS.

IF YOU PURCHASE OR SELL A COMMODITY FUTURE OR SELL A COMMODITY OPTION YOU MAY SUSTAIN A TOTAL LOSS OF THE INITIAL MARGIN FUNDS AND ANY ADDITIONAL FUNDS THAT YOU DEPOSIT WITH YOUR BROKER TO ESTABLISH OR MAINTAIN YOUR POSITION. IF THE MARKET MOVES AGAINST YOUR POSITION, YOU MAY BE CALLED UPON BY YOUR BROKER TO DEPOSIT A SUBSTANTIAL AMOUNT OF ADDITIONAL MARGIN FUNDS, ON SHORT NOTICE, IN ORDER TO MAINTAIN YOUR POSITION. IF YOU DO NOT PROVIDE THE REQUESTED FUNDS WITHIN THE PRESCRIBED TIME, YOUR POSITION MAY BE LIQUIDATED AT A LOSS, AND YOU WILL BE LIABLE FOR ANY RESULTING DEFICIT IN YOUR ACCOUNT.

UNDER CERTAIN MARKET CONDITIONS, YOU MAY FIND IT DIFFICULT OR IMPOSSIBLE TO LIQUIDATE A POSITION. THIS CAN OCCUR, FOR EXAMPLE, WHEN THE MARKET MAKES A "LIMIT MOVE."

THE PLACEMENT OF CONTINGENT ORDERS BY YOU OR YOUR TRADING ADVISOR, SUCH AS A "STOP-LOSS" OR "STOP-LIMIT" ORDER, WILL NOT NECESSARILY LIMIT YOUR LOSSES TO THE INTENDED AMOUNTS, SINCE MARKET CONDITIONS MAY MAKE IT IMPOSSIBLE TO EXECUTE SUCH ORDERS.

A "SPREAD" POSITION MAY NOT BE LESS RISKY THAN A SIMPLE "LONG" OR "SHORT" POSITION.

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. THIS DISCLOSURE DOCUMENT CONTAINS, AT PAGE 7-8, A COMPLETE DESCRIPTION OF EACH FEE TO BE CHARGED TO YOUR ACCOUNT BY THE COMMODITY TRADING ADVISOR.

THIS BRIEF STATEMENT CANNOT DISCLOSE ALL THE RISKS AND OTHER SIGNIFICANT ASPECTS OF THE COMMODITY MARKETS. YOU SHOULD THEREFORE CAREFULLY STUDY THIS DISCLOSURE DOCUMENT AND COMMODITY TRADING BEFORE YOU TRADE, INCLUDING THE DESCRIPTION OF THE PRINCIPAL RISK FACTORS OF THIS INVESTMENT, AT PAGE 9-15.

YOU SHOULD ALSO BE AWARE THAT THIS COMMODITY TRADING ADVISOR MAY ENGAGE IN TRADING FOREIGN FUTURES OR OPTIONS CONTRACTS. TRANSACTIONS ON MARKETS LOCATED OUTSIDE THE UNITED STATES, INCLUDING MARKETS FORMALLY LINKED TO A UNITED STATES MARKET MAY BE SUBJECT TO REGULATIONS WHICH

OFFER DIFFERENT OR DIMINISHED PROTECTION. FURTHER, UNITED STATES REGULATORY AUTHORITIES MAY BE UNABLE TO COMPEL THE ENFORCEMENT OF THE RULES OF REGULATORY AUTHORITIES OR MARKETS IN NON-UNITED STATES JURISDICTIONS WHERE YOUR TRANSACTIONS MAY BE EFFECTED. BEFORE YOU TRADE YOU SHOULD INQUIRE ABOUT ANY RULES RELEVANT TO YOUR PARTICULAR CONTEMPLATED TRANSACTIONS AND ASK THE FIRM WITH WHICH YOU INTEND TO TRADE FOR DETAILS ABOUT THE TYPES OF REDRESS AVAILABLE IN BOTH YOUR LOCAL AND OTHER RELEVANT JURISDICTIONS.

THIS COMMODITY TRADING ADVISOR IS PROHIBITED BY LAW FROM ACCEPTING FUNDS IN THE TRADING ADVISOR'S NAME FROM A CLIENT FOR TRADING COMMODITY INTERESTS. YOU MUST PLACE ALL FUNDS FOR TRADING IN THIS TRADING PROGRAM DIRECTLY WITH A FUTURES COMMISSION MERCHANT.

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NOTICES

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE INVESTMENT ADVISOR AND THE TERMS OF THE TRADING PROGRAMS, INCLUDING THE MERITS AND RISKS INVOLVED. THESE TRADING PROGRAMS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR ANY REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DISCLOSURE DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS NOT CONTAINED HEREIN, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THE DELIVERY OF THIS DISCLOSURE DOCUMENT AT ANY TIME DOES NOT IMPLY THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE OF ITS ISSUE.

THIS DISCLOSURE DOCUMENT DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, A SECURITY IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION IN SUCH JURISDICTION.

INVESTMENT IN THE TRADING PROGRAMS INVOLVES A HIGH DEGREE OF RISK AND IS ONLY SUITABLE FOR A SOPHISTICATED INVESTOR FOR WHICH SUCH INVESTMENT DOES NOT CONSTITUTE A COMPLETE INVESTMENT PROGRAM AND WHO FULLY UNDERSTANDS AND IS WILLING TO ASSUME THE RISKS INVOLVED. ANYONE WHO IS NOT INDEPENDENTLY CAPABLE OF EVALUATING THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT AND THE RISKS INVOLVED IN PARTICIPATING IN THE TRADING PROGRAMS SHOULD NOT INVEST IN THE TRADING PROGRAMS.

A PROSPECTIVE INVESTOR SHOULD NOT CONSTRUE THE CONTENTS OF THIS DISCLOSURE DOCUMENT AS TAX OR LEGAL ADVICE. THIS DISCLOSURE DOCUMENT SHOULD BE REVIEWED BY THE PROSPECTIVE INVESTOR AND ITS INVESTMENT, TAX, ACCOUNTING, LEGAL AND OTHER ADVISERS.

BY ACCEPTING RECEIPT OF THIS DISCLOSURE DOCUMENT, EACH PROSPECTIVE INVESTOR AGREES NOT TO DUPLICATE NOR TO FURNISH COPIES OF THIS DISCLOSURE DOCUMENT TO PERSONS OTHER THAN SUCH OFFEREE'S INVESTMENT, TAX, ACCOUNTING, LEGAL AND OTHER ADVISERS, AND AGREES TO RETURN THIS DISCLOSURE DOCUMENT TO THE INVESTMENT ADVISOR PROMPTLY AFTER SUCH TIME AS SUCH OFFEREE IS NO LONGER CONSIDERING AN INVESTMENT IN THE TRADING PROGRAMS.

THIS DISCLOSURE DOCUMENT DOES NOT CONTAIN AN UNTRUE STATEMENT OF A MATERIAL FACT OR OMIT TO STATE A MATERIAL FACT NECESSARY TO MAKE THE STATEMENTS MADE HEREIN NOT MISLEADING IN LIGHT OF THE CIRCUMSTANCES UNDER WHICH THEY WERE MADE. IT CONTAINS A FAIR SUMMARY OF THE MATERIAL TERMS OF DOCUMENTS PURPORTED TO BE SUMMARIZED HEREIN.

THE COMMODITY TRADING ADVISOR

Introduction

Ascendant Asset Advisors, Inc. ("AAA") is a California corporation organized in November 2005; and it is the successor to Ascendant Asset Advisors, LLC. The principals of AAA elected to change the form of their organization on December 31, 2005 solely for the purpose of reducing the company's future tax liability. Management of accounts for clients of AAA ("Clients") continued without interruption during and subsequent to the succession.

AAA registered with the Commodity Futures Trading Commission ("CFTC") as a commodity trading advisor ("CTA") on April 27, 2005; and it became a member of the National Futures Association ("NFA") on May 2, 2005. AAA registered with the Commodity Futures Trading Commission ("CFTC") as a Commodity Pool Operator ("CPO") on February 12, 2008 and withdrew as a CPO on June 4, 2009. AAA's office is located at 8484 Wilshire Boulevard, Suite M300, Beverly Hills, California 90211-3218, where its books and records are kept and made available for inspection. AAA's telephone number is (310) 651-8000. Its web address is www.ascendantasset.com; and its email address is info@ascendantasset.com. The past performance of our trading programs (to the extent the programs have past performance) are presented on pages 26-38 of this Disclosure Document.

The Principals of AAA

The principals of AAA are listed below. Mr. Pedram makes trading decisions for the firm.

Payam Pedram is a founding member and Principal of AAA. He was approved as a Principal of AAA on April 22, 2005. He became registered with the CFTC as an Associated Person and a NFA Associate Member on June 6, 2005. Mr. Pedram is also registered with the California Department of Corporations as an Investment Adviser Representative. He was Managing Member of the Ascendant Global Strategies Fund, a Commodity Pool he started in March 2008 and closed in December of 2008. Mr. Pedram was also a Principal and a registered Associated Person of JPS Capital Management, LLC, a CTA/CPO from April 1, 2008 to December 31, 2009. Mr. Pedram was the Chief Investment officer at JPS and was responsible for investments and implementing new trading strategies. Mr. Pedram was also a Principal of Atlas Trading Group Inc from October 15, 2007 to March 20, 2008. Atlas Trading Group Inc was a FCM he co-founded but Atlas Trading Group Inc did not commence operations. Prior to founding JPS and Ascendant, Mr. Pedram was the president from August 2001 through December 2006 of PPedram.com, a computer services consulting firm that he founded. He is a Microsoft Certified System Engineer, a Cisco Certified Network Associate, and a graduate of Pepperdine University with a degree in Management. He also has an MBA from Pepperdine University with a dual emphasis in Finance and Dispute Resolution.

THE CTA'S TRADING PROGRAMS

The following description of AAA's investment strategies is only intended to provide an overview of potential strategies that may be used in the CTA's trading programs. These strategies are subject to change as market conditions may warrant. AAA cannot guarantee that its investment objectives will be achieved or that a Client will not incur substantial losses

AAA has six related trading programs that involve the writing of options on exchange traded futures contracts. Two of these programs involve the trading of futures as well as options on futures. As discussed below, the programs differ in their use of leverage, the degree to which the selected options are "out-of-the-money," the risk management techniques employed and the fees incurred by the clients. Although most of the programs have a similar objective of generating income through the writing of options, the differences between them are designed to moderate the risk and return characteristics of the primary options writing strategy to accommodate different levels of risk tolerance. The past performance of these programs (to the extent the programs have past performance) is presented on pages 26-38 of this Disclosure Document.

The Trading Programs

AAA's investment objective is to generate an above average return on Client capital in all market conditions while reducing overall risk exposure to underlying financial market movements. Currently, AAA manages six trading programs that write covered and uncovered options on select classes of futures contracts, such as indices, financials, and commodities, which are traded on domestic and foreign exchanges. The Aggressive Options Program, The Moderate Options Program, Short Term Trading Program, Money Market Alternative Program, Strategic⁰ Options Program, and Principal Protection Program are available to most prospective clients. Generally, the Aggressive Options Program, and Short Term Trading Program are more suitable for those investors who seek a highly aggressive and highly speculative investment program; while the Moderate Options Program is for clients seeking a moderately aggressive investment program. The Money Market Alternative Program and the Principal Protection Program are for clients seeking a moderate investment program. Strategic⁰ Options Program is traded similarly to the Moderate Options Program; but it is currently open exclusively to accounts of "related persons" (family members and relatives of the principals).

The Aggressive Options Program, Moderate Options Program, and Short Term Trading Program are relatively new programs being managed by AAA. The Short Term Trading Program trades futures as well as options on futures. The Aggressive Options Program and the Short Term Trading Program are more suitable for those investors who seek a highly aggressive and highly speculative investment program. The Moderate Options Program is more suitable for those investors who seek a moderately aggressive investment program. The objective of the new programs is to seek high absolute returns with low volatility and low correlation to the traditional equity and fixed income investments.

The Money Market Alternative Program and the Principal Protected Program are new programs being offered by AAA that are less aggressive than the other programs. The objective of these programs is to seek lower overall returns with lower risk than the Aggressive Options Program, The Moderate Options Program, Program, Short Term Trading Program, and Strategic⁰ Options Program. The Money Market Alternative Program will trade options on futures that are deep out of the money and the Principal Protected Program will buy bonds with the principal and trade options on futures with the interest.

The JLD DeVore Elite Trading Program (the "JLD DeVore Elite Program"), JLD Institutional Program, the JLD Managed Futures Trading Program, Strategic¹ Options Program, and Strategic² Options Program are no longer traded by Ascendant Asset Advisors.

There can be no assurance that client accounts in any of the programs will achieve their objective, or that the client accounts will not incur losses. This includes the Money Market Alternative Program. Futures and options trading is a high risk investment that should be made after consultation with independent qualified sources of investment and tax advice.

Enrollment in any of the trading programs is at the sole discretion of AAA. AAA may open new trading programs, close its current trading programs to new investors or to additional contributions by current clients, or discontinue its current trading programs at any time in its sole discretion.

The Differences Between the Trading Programs

Program	Name	Strategy	Approx. Position Holding Period	Approx. Margin/Equity	Accept Notional	Annual Mgmt Fee	Performance Fee	Annual Performance Goal	Minimum Investment
1	Aggressive Option Program	Option Writing	3-5 Weeks	60% or more	Yes	2.50%	25%	50%	\$100,000
2	Moderate Option Program	Option Writing	3-5 Weeks	30% or more	Yes	2.50%	25%	25%	\$100,000
3	Short Term Trading Program	Futures and Options	Daily	15% or more	Yes	2.50%	25%	20%	\$50,000
4	Principal Protection Program	Bonds & Options	3-5 Weeks	N/A	Yes	2.50%	25%	N/A	\$250,000
5	Money Market Alternative Program	Option Writing	3-5 Weeks	10%	Yes	2.50%	25%	8%	\$500,000

There are seven fundamental differences between the option trading programs:

First, AAA employs a different degree of leverage within each program. The Aggressive Options Program seeks greater leverage and use more available margin than the Moderate Options Program, the Short Term Trading Program, Money Market Alternative Program, and the Principal Protection Program. Utilizing a greater percentage of available margin may result in either enhanced gains or losses. If the markets move in a favorable direction, the use of greater leverage increases the potential rate of return. However, if the markets move in an unfavorable direction, a highly leveraged account may experience greater losses than an account using less leverage would. Also, a highly leveraged account is more vulnerable to potential losses as a result of a margin call than one utilizing less leverage.

Second, the selection of options, strike prices and expiration dates differ among the trading programs. Generally, each of the programs writes options on futures contracts that are “out of the money” that AAA believes will expire worthless if held until maturity and, thus, generate income in the account. (AAA may elect to close out short positions by buying them back prior to expiration.) Options that are further out of the money are less risky and consequently yield a lower premium than options that are closer to or “at the money.”

AAA may write options with strike prices that are closer to being “in the money” in the Aggressive Options Program than in the Moderate Options Program, the Short Term Trading Program, Money Market Alternative Program, and the Principal Protection Program. Options that are closer to being in the money will yield a higher premium, thereby generating more income in a Client’s account. However, such options will also incur a higher degree of risk that they will be exercised by the option holder at a loss to the Client if the financial markets move against the position.

Fourth, The Short Term Trading Program trades futures and options on futures on more than 10 different futures markets. This may include interest rates, currencies, stock indices, metals, agriculture, and energies. The goal of these Programs is to provide superior risk-adjusted investment returns by employing a technical trading system which uses proprietary indicators to evaluate and then execute trading opportunities. The Short Term Trading Program generally exits futures positions before the end of day to minimize any overnight risk. The program may use options on futures positions sparingly to hedge existing futures positions if they are held overnight. The options on futures positions are generally held for 1-3 weeks.

Fifth, the Money Market Alternative Program seeks lower overall returns with lower risk than the Aggressive Options Program, The Moderate Options Program, and Strategic⁰ Options Program. The Money Market Alternative Program will trade options on futures that are deep out of the money on more than 10 different futures markets. This may include interest rates, currencies, stock indices, metals, agriculture, and energies. All short positions will be covered forming a credit spread. While no options positions in this program will be naked there can be no assurance that client accounts in this program will achieve their objective, or that the client accounts will not incur losses. Futures and options trading is a high risk investment that should be made after consultation with independent qualified sources of investment and tax advice.

Sixth, the Principal Protection Program is our least aggressive program. The client's initial investment is invested in investment grade bonds - such as zero coupon bonds or Treasury Strips which are bought at a discount and the remaining funds are invested in options on futures to try and maximize returns. Although the goal of this program is not to have the client's initial investment at risk at any time the client's initial investment can be at risk in the bonds that are purchased even though they will be no lower than investment grade quality. Listed below are a few risks of the Principal Protection Program:

1. If a redemption is requested within 5 years of the initial Investment Ascendant might be forced to liquidate an investment early, this may cause the client to lose the principal protection and the client could lose money if the price of the bond has fallen since the initial investment.
2. The protection is based on taking no redemptions during the first 5 years of investment. Although reinvested profits will not add to the amount that is protected, any election to make redemptions or receive distribution in cash can reduce the protected amount.
3. Unless held in a tax-deferred retirement account, the client is responsible for any U.S. income tax on the imputed interest from any zero-coupon bond or treasury strip holdings as it accrues. This may be true although no actual cash distributions are paid into your account from the bonds.
4. In certain market conditions, the program may be invested entirely in zero-coupon bonds, Treasury Strips, or other debt securities. This could mean forfeiting all potential gains should stock prices rise.
5. Clients might not achieve any gains above the initial investment. In this case, performance would trail that of Treasury bonds purchased with no annual fees.
6. Clients might only receive the benefit of the protection on the maturity date.
7. The protection the program provides is only as good as the company or government that gives it. While it is an uncommon occurrence that the banks, governments, and insurance companies that typically back these guarantees are unable to meet their obligations, it happens.

Closed Programs

The Strategic¹ Options Program was closed as of January 30, 2009, the Ascendant Global Strategies Fund LLC was closed as of December 31, 2008, and the Strategic² Options Program was closed as of March 31, 2009.

The JLD DeVore Elite Trading Program, JLD Institutional Program, and the JLD Managed Futures Trading Program are still open but no longer traded by Ascendant Asset Advisors as of January 1, 2010.

Investment Methodology

AAA utilizes both fundamental and technical analysis to identify trading opportunities in the futures, commodities and equities markets. It employs fundamental top-down/bottom-up analysis of the broad financial markets to identify which instruments offer the best investment opportunities in the context of the specific domestic and international financial and geopolitical conditions prevailing at the time. Additionally, AAA employs a series of proprietary models and technical indicators to identify the specific contracts, expiration months and strike prices that offer the most advantageous trading opportunities.

Types of Investments Made

All of the trading programs engage in writing options primarily on futures contracts traded on U.S. and non-U.S. exchanges on more than 10 different markets which may include interest rates, currencies, stock indices, metals, agriculture, and energies with the exception of the Short Term Trading Program and the JLD Managed Futures Trading Program which trades both futures and options on futures. The Principal Protection Program invests in Bonds and trades options on futures. From time to time, some of a Client's assets may be invested in U.S. index cash options and/or U.S. equities options. The majority of investments will be made on regulated U.S. exchanges. A Client's securities and funds will be held by a registered future commission merchant ("FCM") based in the United States.

Although AAA does not intend to maintain significant amounts of Client assets in cash, it may decide in its sole discretion to do so, particularly when it believes that the trading programs should assume a temporary defensive posture, or when it determines that opportunities for investing in other financial instruments are unfavorable. Such cash reserves may earn interest from the custodian of Client's account, depending on the account's balance and the length of time that it has been established.

Trading on Margin

Margin is a minimum good faith deposit that stock and commodity exchanges require when a trader "shorts" an instrument (i.e., sells an instrument that it does not own) or when it borrows funds to purchase an instrument. Brokerage firms may impose higher margin requirements than the exchange minimums. The margin requirements placed on an account are administered by the brokerage firm or the FCM that carries the account. Margin requirements must be satisfied on an ongoing basis. When the value of the open positions in a Client's account drops to the extent it no longer satisfies the applicable maintenance margin requirements, the FCM may *automatically liquidate* certain open positions in the account if the applicable maintenance margin requirements are not satisfied.

AAA will make every effort to prevent such automatic liquidations from occurring by utilizing various protective strategies to reduce margin requirements. These strategies include purchasing protective long positions, selling "offsetting" short positions (e.g., selling calls to offset puts, or vice versa), or buying back (closing out) the open short positions that triggered the margin call. However, if the markets move too rapidly and substantially against the open positions, it might not be possible for AAA to respond quickly enough to prevent a margin call and the automatic liquidation of a Client's open positions, which could thereby result in substantial losses to Client's account.

The Use of Leverage

The margin requirements associated with writing options and trading futures offer the opportunity to utilize a significant degree of leverage in a Client's account. While taking advantage of this leverage may result in greater capital appreciation, a Client may also experience greater losses as a result of utilizing the leverage offered by the trading programs' options writing strategy and futures trading strategy. *The potential gain or loss on a leveraged investment in any financial instrument may be much greater than that of a non-leveraged investment in the same instrument.*

AAA acted as the manager and commodity pool operator of a commodity pool, named Ascendant Global Strategies Fund LLC (the "Global Strategies Fund"), that it formed in March 2008 to trade funds allocated, at its discretion, to the Strategic¹ and Strategic² trading programs. AAA received a management fee of 2.5% and a performance fee of 25% of "new net profits" from the Global Strategies Fund. The Global Strategies Fund was closed in December of 2008.

FEES AND EXPENSES

Each account in the Aggressive Options Program, Moderate Options Program, Short Term Options Program, Money Market Alternative Program, and the Principal Protected Program are charged a Management Fee and a Performance Fee, as described below. These programs charge a management fee of 2.5%. The fee level is based on the Net Asset Value ("NAV") of a Client's account on the first day of each calendar month.

NAV means total assets minus total liabilities, determined in accordance with generally accepted accounting principles, with each position in a commodity interest accounted for at fair market value.

Prior to acceptance in any of the trading programs, a Client will be required to complete an Asset Management Agreement ("AMA"), which will state the initial fee level to be applied to Client's account, subject to adjustment from time to time in the event that the then-current NAV triggers a different fee level. AAA may in its sole discretion charge different advisory fees than the fees shown in the table on page 4 of this document and based on such criteria as the size of the prospective investment, an existing relationship with AAA, the potential for additional investments, and the prospect of related party investments.

Management Fees

A Client's account in the Aggressive Options Program, Moderate Options Program, Short Term Options Program, Money Market Alternative Program, and the Principal Protected Program will be charged a management fee (the "Management Fee") each of 252 trading days equal to $\frac{1}{252}^{\text{nd}}$ of the annualized percentage of the applicable fee level on the NAV at the close of each such trading day. AAA may in its sole discretion modify its Management Fee with respect to any new or existing account upon not less than thirty (30) calendar day's written notice. Management Fees are due and payable regardless of whether or not a Client experiences gains in its account.

Impact of Notional Funds on Management Fees

AAA will accept "notional" funds only from institutional traders such as commodity pools, hedge funds, banks, trust companies, employee benefit plans and other financial institutions. AAA reserves the right to accept notional funds from financially sophisticated and high net worth individuals under appropriate arrangements which assure AAA of immediate access to notional funds. Notional funds are greater than the amount of funds actually deposited in the account and establish the level of trading in the trading program(s) selected by the Client.

In the case of nominal accounts, fees will not only be based upon the funds actually on deposit for trading by AAA, but on the nominal value of the account. For example, if a Client deposits \$250,000 in an account which is managed by AAA, but authorizes AAA to trade the account with an additional \$250,000 of notional funds, AAA will manage the account as if \$500,000 were initially deposited in it and management fees would be effectively based on the notional amount of \$500,000. In such a situation, if the Client were paying an annual management fee of 2.5% of his or her net asset value, he or she would be effectively paying 5% on the \$250,000 actually deposited in the account.

Performance Fees

At the end of each calendar month, a Client's account will be charged a performance fee (the "Performance Fee") equal to 25% for the Aggressive Options Program, Moderate Options Program, Short Term Trading Program, Money Market Alternative Program, and the Principal Protected Program. The 25% Performance fee will be charged from the Net New Profits achieved in Client's account during the month. *Net New Profits* are (a) the net realized trading profits and losses for the period, *plus* (b) the net unrealized trading profits and losses for the period, *plus* (c) the interest income for the period, *minus* (d) the net unrealized profits and losses at the end of the

previous period, *minus* (e) any net realized trading losses carried forward from previous periods that have not been recouped.

Performance Fees will be paid only when Net New Profits have been achieved relative to the trailing twelve (12) month period immediately preceding the month for which the fee is calculated. Because all prior trading losses accumulated during the preceding twelve (12) months must be recouped, a High Water Mark for the trailing twelve (12) month period is in effect for purposes of calculating Net New Profits. *High Water Mark* means that any losses in the account will be carried forward and must be recouped out of future gains before AAA can earn a Performance Fee, except that the High Water Mark shall never be less than zero. The High Water Mark is adjusted for partial withdrawals from the account in proportion to the extent that a Client has withdrawn funds during a period when such a carry-forward loss existed.

AAA may in its sole discretion modify its Performance Fee with respect to any new or existing account upon not less than thirty (30) calendar days written notice.

In the event that a Client requests a withdrawal of funds or securities from its account, such Client must leave sufficient funds in its account to satisfy all accrued Management Fees and Performance Fees owed to AAA.

In the event that a Client withdraws funds prior to the end of a calendar month, the Performance Fee will be computed and allocated at the market close on the date of withdrawal as if that date were the end of a month.

Clients Who Are Residents of California

Performance Fees will only be charged in accordance with the provisions of CCR Section 260.234. Clients should be aware that comparable services might be available from other sources for lower fees than those charged by AAA.

Transactional Expenses

In addition to Management Fees and Performance Fees, each account will pay for all transactional expenses including brokerage fees and commissions incurred on transactions in the account, custodial charges (if any) and interest on borrowed funds (if any). Commissions on futures and options trades vary in the range of \$4 to \$15.00 per round-turn depending on the clearing firm used. Clients who direct AAA to conduct brokerage through an IB or FCM where they maintain an account may pay commissions that are higher or lower than this range since AAA has no part in establishing the commission rate with these brokers. Any federal or state income taxes or other taxes incurred on transactions are the sole responsibility of the Client.

PAYMENT OF FEES

Payment of Management Fees and Performance Fees (collectively, "Fees") may be made through (i) the FCM carrying the Client's account via direct debit from the account, (ii) by remittance on an invoice delivered to Client, or (iii) by a combination of both of these methods. A Client is required to provide the FCM that carries such Client's account with written authorization to debit such Fees from the account in favor of AAA and, from time to time, to provide updated authorization upon AAA's request. AAA shall determine in its sole discretion the method by which Clients will be billed for such Fees in any given billing period; and it may modify such billing method without prior notice.

Any and all Fees invoiced directly by AAA are due and payable immediately upon receipt by the Client. The Client must deliver payment of such Fees to AAA within five (5) calendar days of the Client's receipt of an invoice where that method is employed. A Client's failure to make timely payment of such Fees is a material breach of the AMA that could result in its immediate termination without prior written notice to the Client. In the event of such termination, AAA will conduct an orderly liquidation of the positions in such Client's account; but it cannot assure such Client that losses will not occur due to premature liquidation of such positions. The Client is responsible for reasonable attorneys' fees and costs incurred in any action by AAA to collect unpaid Fees.

RISK FACTORS

THE FOLLOWING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED IN PARTICIPATING IN THE TRADING PROGRAMS. POTENTIAL INVESTORS SHOULD READ THE ENTIRE DISCLOSURE DOCUMENT BEFORE DETERMINING WHETHER TO INVEST IN THE TRADING PROGRAMS.

GENERAL

AAA's trading programs are speculative and involve significant trading risks. The trading programs are not intended to be a complete investment program. They are designed only for investors who have adequate means of providing for their needs and contingencies without relying on distributions or withdrawals from their accounts, who are financially able to maintain their investment and who can afford the loss of their entire investment. No assurance can be given that AAA will achieve its investment objectives or that an investor will realize a profit. An investor may lose some or all of its investment. Clients are personally liable for losses in their trading accounts. Potential loss is by no means limited to the amount of assets which you deposit in your account. For example, in a market in which the Advisor is unable to liquidate positions, you could lose well in excess of the maximum amount that you committed to your account.

Because of the nature of AAA's investment activities, the results of its trading programs may fluctuate from month to month and from period to period. Accordingly, potential investors should have a long-term outlook and be able to tolerate losses or substantial draw-downs in any given period.

Before making an investment, prospective investors should carefully consider all of the risks and take steps to understand the investment strategies employed by AAA. Investors are encouraged to consult their own legal, financial and tax advisers to evaluate these risks before deciding whether to invest in the trading programs.

INVESTMENT RISKS

Trading any type of futures or securities involves the risk of loss of capital. Trading commodity futures, forwards and options on futures contracts involves a greater degree of risk than investing in other types of financial instruments. A potential investor in the trading programs should be aware that the positions held in an investor's account have the potential to be highly volatile. Furthermore, AAA may utilize significant leverage, which may increase the volatility of the trading programs and amplify the potential for profits and losses.

While AAA will attempt to mitigate these risks by utilizing the strategies explained above, there can be no assurance that its trading activities will be successful or that a Client will not suffer significant losses. The following discussion describes the most prominent risks associated with AAA's trading strategies.

Operating History

AAA is a recently formed CTA with limited prior trading experience and performance history. The Aggressive Options Program, The Moderate Options Program, Short Term Trading Program, Money Market Alternative Program, and Principal Protection Program are new programs with even more limited or no prior performance history for prospective investors to evaluate.

Reliance on AAA

The success of the trading programs will depend upon the ability of AAA to develop and implement its trading strategies to achieve its investment objectives. If either of AAA's principals were to die, become ill or disabled, or otherwise cease to be involved in the active management of its business, the performance of the trading programs could be adversely affected. In such circumstances, AAA may be forced to terminate the trading programs altogether.

Investments May Be Speculative & Volatile

Commodity prices can be highly volatile; and market movements cannot always be predicted accurately. Some of the factors that influence the movement of prices for commodity interests include the following: changing supply and demand relationships; patterns of trade; general economic conditions; agricultural, trade, fiscal, monetary and exchange control programs, policies of U.S. and foreign governments; domestic and foreign political and economic events; changes in national and international interest rates and rates of inflation; currency devaluations and revaluations; corporate and industry developments; weather; and emotions of investors in the marketplace. Furthermore, from time to time governments may intervene directly in certain financial markets, particularly in currency and gold markets, by enacting regulations that are intended to directly influence the prices of these commodities.

Commodity and Futures Trading Is Highly Leveraged

Commodity interest trading and option trading are high risk investments that should be made only after consultation with independent qualified sources of investment and tax advice. Commodity Trading is Volatile and a principal risk in commodity interest trading is the traditional volatility (or rapid fluctuation) in the market prices of commodities. The volatility of commodity trading may cause your account to lose all or a substantial amount of its assets in a short period of time. Prices of commodity interests are affected by a wide variety of complex and hard to predict factors, such as political and economic events, weather and climate conditions and the prevailing psychological characteristics of the marketplace.

Substantial Leverage is another risk of trading futures. The low margin deposits that are normally required to trade commodities (typically 2-15% of the value of the contract purchased or sold) permit a high degree of leverage. Accordingly, a relatively small price movement in a futures contract may result in immediate and substantial losses to a Client. For example, if 10% of the price of a futures contract were deposited as margin at the time of purchase, a subsequent decrease of 10% in the price of the contract would result in a total loss of the margin deposit before any deductions for brokerage commissions if the contract were closed out at that time. A decrease in the price of more than 10% would result in a loss of more than the total margin deposit. Thus, any leveraged trade may result in losses that exceed the amount that was invested.

When the value of the open positions in a Client's account drops to the extent that the overall equity in the account no longer satisfies the applicable maintenance margin requirement, the FCM may automatically liquidate open positions in the account if the maintenance margin requirement is not immediately satisfied. If a margin call were to occur in a rapidly moving market, it could result in substantial losses to a Client's account.

Thus, like other leveraged investments, any trade may result in losses in excess of the amount invested. Commodity Trading May also be Illiquid because It is not always possible to execute a buy or sell order at the desired price, or to close out an open position due to market conditions and/or price fluctuations. As an example of this latter risk, it should be noted that when the market price of a commodity futures contract reaches its daily price fluctuation limit no trades or only a limited number of trades can be executed. Daily price fluctuation limits are established by the exchanges and approved by the Commodity Futures Trading Commission ("CFTC"). The holder of a commodity futures contract may therefore be locked into an adverse price movement for several days or more and lose considerably more than the initial margin paid to establish a position. In certain commodities, the daily price fluctuation limits may apply throughout the life of the contract, and hence the holder of a futures contract who cannot liquidate his position by the end of trading on the last trading day may be required to make or take delivery of the commodity. Another instance of difficult or impossible execution occurs in thinly traded markets or markets which lack sufficient trading liquidity. As a result, no assurance can be given that the Advisor's orders will be executed at or near the desired price. Clients are personally liable for losses in their trading accounts. **POTENTIAL LOSS IS BY NO MEANS LIMITED TO THE AMOUNT OF ASSETS WHICH YOU DEPOSIT IN YOUR ACCOUNT. FOR EXAMPLE, IN A MARKET IN WHICH THE ADVISOR IS UNABLE TO LIQUIDATE POSITIONS, YOU COULD LOSE WELL IN EXCESS OF THE MAXIMUM AMOUNT THAT YOU COMMITTED TO YOUR ACCOUNT.**

Risks of Trading Options

The primary strategy of the trading programs is to write (sell or “go short”) options on commodity futures. However, from time to time AAA may buy (“go long”) options on futures contracts. Also, AAA may go short or long on options on cash indices or on select equities.

Buying and selling either call or put options entail significant risks. Although an option buyer’s risk is limited to the amount of the option’s purchase price, an option may be subject to greater fluctuation than an investment in the underlying security. The use of leverage available in trading options may yield greater profits or greater losses than trading in the underlying securities would.

Selling uncovered (“naked”) options (i.e., where the seller does not own the underlying security) is significantly more risky than buying them. The potential loss from writing an uncovered call is unlimited since the value of the underlying security may increase infinitely. The potential loss that may result from writing an uncovered put is limited to the extent that the value of the underlying security cannot fall below zero; however, the losses may still be substantial or total.

AAA may use various strategies to mitigate the risk of loss inherent in writing options. These potential strategies include purchasing options to establish credit spreads which would limit the maximum potential loss if the short option position goes “in the money.” Alternatively, AAA may seek to reduce the risk of loss from selling options by buying back the short option positions if and when they become too risky. While these strategies might prevent a total loss to a Client’s account, they may be costly to implement and could result in a significant reduction of Client’s assets.

Clients are personally liable for losses in their trading accounts. POTENTIAL LOSS IS BY NO MEANS LIMITED TO THE AMOUNT OF ASSETS WHICH YOU DEPOSIT IN YOUR ACCOUNT. FOR EXAMPLE, IN A MARKET IN WHICH THE ADVISOR IS UNABLE TO LIQUIDATE POSITIONS, YOU COULD LOSE WELL IN EXCESS OF THE MAXIMUM AMOUNT THAT YOU COMMITTED TO YOUR ACCOUNT.

The Trading Programs Do Not Seek A Diversified Portfolio

The trading programs do not seek a diversified portfolio of investments. Rather, they focus on select financial instruments that AAA believes offer the best combination of favorable rates of return and manageable levels of investment risk. Nonetheless, AAA cannot guarantee that its trading strategies will be successful or profitable. And if these strategies result in a loss to the Client, the extent of the loss may be compounded by the fact that the Client’s investment portfolio was concentrated in a few financial instruments or investment styles rather than diversified across a wide array of financial products or strategies.

Brokerage Commissions And Transaction Costs

Although AAA has negotiated competitive commission rates with FCMs to whom, in the absence of a customer direction, it places accounts, AAA’s investment strategy involves a high volume of trading which generates substantial transaction costs. These costs will be borne by a Client regardless of whether the results of such trading are profitable. Furthermore, if AAA’s trading does not generate sufficient profits in a Client’s account, the transaction costs and Management Fees charged to the account would eventually exhaust all of the assets in the account.

AAA reserves the right to change FCMs at any time. Although commission rates are one of the factors that AAA will consider in the selection of an FCM, AAA may not choose the FCM that offers the lowest commissions or lower commissions than other FCMs charge. A small increase in the commission rate could have a significant effect on performance in a Client’s account due to the high volume of trading activity characteristic of the trading programs.

Holding Period

AAA seeks to establish investment positions that it expects to hold for short-term periods – generally, one to three months – although it may hold positions in select options for shorter or longer periods of time.

If AAA achieves capital gains in a Client's account, some or all these gains may be taxable as short-term gains; i.e., they may be taxed at significantly higher rates than long-term capital gains. Potential investors are strongly encouraged to consult their own tax advisers about possible tax consequences in connection with the trading programs. *AAA cannot provide, and this Disclosure Document does not purport to provide, tax advice to any Client or potential investor.*

Special Short-Term Trading Risks

AAA may engage in day trading strategies in commodity futures contracts or in securities. Such strategies involve significant risks. Day trading in futures contracts requires in-depth knowledge of the commodities and equity markets and of day trading techniques and strategies. In attempting to profit through day trading, AAA will compete with professional traders who are knowledgeable and sophisticated in those markets. AAA might not have as much experience as others who engage in day trading.

Day trading futures contracts can result in substantial transactional costs, even if the commission charge for each trade is low. The total commissions that a Client pays will reduce its profits or add to its losses. For example, if a round-turn trade costs \$4.50, and AAA executes an average of five round-turn transactions per trading day, then a Client's account would need to generate an annual profit of \$5,670 to cover the cost of commission charges.

Futures Markets May Become Illiquid

AAA may invest in contracts that may become illiquid. AAA may not be able to liquidate those investments promptly if the need should arise; therefore, its ability to realize gains or avoid losses in periods of rapid market price movement may be adversely affected.

Most U.S. commodity exchanges limit price fluctuations in certain futures contracts during a single day by means of "daily price fluctuation limits" or "daily limits." The daily limit, which is set by most exchanges for all but a portion of the expiration month, imposes a floor and a ceiling on the prices at which a trade may be executed, as measured from the last trading day's close. Although these limits were put in place to lessen margin exposure, they may have certain negative consequences for the trading of a Client's account. For example, once the price of a particular contract has increased or decreased by an amount equal to the daily limit, thereby producing a "limit-up" or "limit-down" market, positions in the contract can neither be opened nor closed unless traders are willing to effect trades at or within the daily limit. Contract prices in various commodities have occasionally moved the daily limit for several consecutive days with little or no trading taking place. Such an occurrence could prevent AAA from liquidating unfavorable positions promptly, thereby subjecting a Client to substantial losses that could exceed the margin initially committed to such trades.

Speculative Position Limits

Speculative position limits imposed by U.S. commodity exchanges may limit the number of futures positions that AAA can control, which may reduce the potential profit that could be achieved on such positions. All accounts owned, held, managed and controlled by AAA, its principals and affiliates are aggregated for purposes of determining whether AAA has reached the speculative position limits for a given contract. AAA may manage additional Client accounts in the future; if so, these accounts would be included in determining position limits. AAA believes that established position limits will not adversely affect its trading programs. However, it is possible that trading decisions may have to be modified, and positions held or controlled by AAA, its principals, and affiliates may have to be liquidated in order to avoid exceeding applicable position limits.

Smaller Investments May Be At Greater Risk

If a Client's account is funded at a low investment level, it may be more vulnerable to the rapid onset of potential losses as the result of a forced liquidation of open positions due to a margin call. Therefore, such an account will need to be traded more cautiously than one funded at a higher level. Consequently, smaller accounts may not permit the most efficient and effective implementation of the trading programs, which may diminish their performance. Furthermore, at lower investment levels, AAA may not be able to diversify a Client's investments as fully as would otherwise be recommended, which thereby increases the possibility that a Client may experience substantial losses.

Performance May Be Reduced By An Increase In Assets Under Management

As AAA's assets under management increase, the rate of return on investment of all accounts under its management may decline. Past performance by other commodity trading advisors has shown that such a correlation may exist. AAA has not agreed to limit the number of accounts nor the amount of funds that it will manage in the future, and it is currently seeking new investors. There can be no assurance that the performance of the trading programs will not be adversely affected by an increase in the amount of assets under their management.

Futures Trading Is A Zero Sum Activity

Futures trading is a zero sum, risk-transferring activity. For every transaction that results in a gain for one party, there will be an equal and corresponding loss for another party, which will be compounded by transaction costs and advisory fees. For speculators, as opposed to hedgers of commercial activities, one party's gain will result in another party's loss in the true economic sense.

FCM Failure

Pursuant to CFTC regulations, FCMs are required to maintain client assets in a segregated account belonging to all of the FCM's customers. However, if the FCM that carries a Client's account fails to do so, a Client may be subject to the risk of a loss of its funds in the event that the FCM becomes insolvent. Even if such funds are properly segregated, a Client's funds may still be subject to the risk of a loss if another customer of the FCM or the FCM itself fails to satisfy deficiencies in the segregated account by virtue of another customer's failure to comply with the FCM's margin requirements.

In the event of the bankruptcy of a commodity broker, U.S. bankruptcy laws require that all property held by the broker, including certain property specifically traceable to clients of the trading programs, will be returned to the broker's customers only to the extent of each client's pro-rata share of all property available for distribution to customers of the FCM. If an FCM utilized by AAA were to become bankrupt, it is possible that a Client would be able to recover none or only a portion of its assets held by such FCM.

Trading On Foreign Exchanges & Markets

AAA may engage in trading on foreign exchanges and markets. If so, the trading programs would be subject to the risk of fluctuations in the currency exchange rate between the local currency and the U.S. dollar, and to the possibility of exchange controls. Trading on foreign exchanges and financial markets involves additional risks not applicable to trading on U.S. exchanges and markets including, but not limited to, the following:

- They may not provide the same assurances of the integrity (financial and otherwise) of the marketplace and its participants as U.S. exchanges and markets provide.
- They may exercise less regulatory oversight and supervision over transactions and market participants.
- They may not afford all participants an equal opportunity to execute trades.

- They may be subject to a variety of political influences and the possibility of direct governmental intervention.
- They may have different clearance and settlement procedures for transactions than U.S. exchanges and markets. (There have been occasions when settlement procedures have been unable to keep pace with the volume of transactions on certain exchanges and markets, thereby making it difficult to conduct trades.)
- They may be “principals’ markets” in which performance is the sole responsibility of the counterparty with whom the trader has dealt, rather than the responsibility of an exchange or centralized clearing association. Each transaction on such an exchange or market may subject the trading programs to the risk of the counterparty’s credit failure or inability or refusal to perform its obligations.

Bond Risk

Sixth, the Principal Protection Program invests in investment grade bonds - such as zero coupon bonds or Treasury Strips which are bought at a discount and the remaining funds are invested in options on futures to try and maximize returns. Although the goal of this program is not to have the client’s initial investment at risk at any time the client’s initial investment can be at risk in the bonds that are purchased even though they will be no lower than investment grade quality. Listed below are a few risks of the Principal Protection Program:

1. If a redemption is requested within 5 years of the initial Investment Ascendant might be forced to liquidate an investment early, this may cause the client to lose the principal protection and the client could lose money if the price of the bond has fallen since the initial investment.
2. The protection is based on taking no redemptions during the first 5 years of investment. Although reinvested profits will not add to the amount that is protected, any election to make redemptions or receive distribution in cash can reduce the protected amount.
3. Unless held in a tax-deferred retirement account, the client might be responsible for any U.S. income tax on the imputed interest from any zero-coupon bond or Treasury Strip holdings as it accrues. This may be true although no actual cash distributions are paid into your account from the zero-coupon bonds or Strips.
4. In certain market conditions, the program may be invested entirely in zero-coupon bonds and other debt securities. This could mean forfeiting all potential gains should stock prices rise.
5. Clients might not achieve any gains above the initial investment. In this case, performance would trail that of Treasury bonds purchased with no annual fees.
6. Clients might only receive the benefit of the protection on the maturity date.
7. The protection the program provides is only as good as the company or government that gives it. While it is an uncommon occurrence that the banks, governments, and insurance companies that typically back these guarantees are unable to meet their obligations, it happens.

Zero-coupon bonds and Strips, unlike most bonds, pay no interest (or zero coupons). Instead, you buy them at deep discounts below face value. When the bond matures, you receive the face value, which represents the principal plus interest that has accrued. Because zero coupons don't pay any interest until maturity, their prices may be more volatile than other bonds with similar maturities that pay interest periodically.

Also, the difference between the discounted amount you pay for a zero-coupon bond or Strips and the face amount you later receive is the imputed interest. This is interest that the IRS considers to

have been paid, even if you haven't actually received it. While interest on zeros is paid out all at once, the IRS demands that you pay tax on this "phantom" income each year, just as you would pay tax on interest you received from a coupon bond.

WITHDRAWAL OF FUNDS AND SECURITIES

The withdrawal of funds or securities from a Client's account may adversely affect the performance of the Client's rate of return on its investment; or it may result in substantial losses. For these reasons, a Client is subject to certain restrictions on its ability to withdraw funds or securities from its account.

Withdrawals By Client

AAA suggests that clients who want to withdraw some or all of their funds or securities give AAA thirty (30) calendar days advanced notice from the initial or any subsequent deposit (by way of cash or a notional amount) in the Client's account by giving not less than fifteen (15) calendar days written notice to AAA. This request of advanced notice by AAA for withdrawals is suggested and not a requirement. In the event of such a withdrawal, the Client must leave sufficient funds in its account to satisfy all Fees owed to AAA. When a withdrawal request is made, AAA will endeavor to liquidate the Client's positions in an orderly fashion over a period of time reasonable to accomplish an orderly liquidation and will not be responsible for any losses incurred in the course of an orderly liquidation.

Effect of Substantial Withdrawal By Client

If a Client were to make substantial withdrawals from its account within a relatively short period of time, AAA may be forced to liquidate positions more rapidly than would otherwise be desirable, thereby reducing the value of a Client's assets and/or disrupting AAA's investment strategies. A reduction in the size of a Client's holdings could make it more difficult to generate a positive return or to recoup losses in the Client's account.

In the event that a Client makes a substantial withdrawal of funds and/or securities from its account to the extent that its total equity falls below the minimum investment level required to participate in the trading programs, AAA may in its sole discretion close the account and terminate the Client's AMA immediately.

TAX CONSIDERATIONS

Every Client is strongly encouraged to consult with its own tax advisers regarding the possible effects of tax laws on its investment in the trading programs. *AAA cannot provide, and this Disclosure Document does not purport to provide, tax advice to any Client or potential investor.*

Limitations on Deductions

Tax laws may limit a Client's ability to deduct certain losses and expenses incurred by Client in the trading programs. Potential investors should consult with a tax professional regarding limitations on tax deductions resulting from an investment in the trading programs.

Foreign Investors

The tax liability on gains achieved by the trading programs may be different for foreign investors than they would be for U.S. investors. Also, foreign investors may be subject to certain reporting and withholding obligations. Foreign investors should consult with their own tax adviser regarding the federal, state and foreign income tax consequences of an investment in the trading programs.

POTENTIAL CONFLICTS OF INTEREST

THE FOLLOWING DESCRIPTION OF POTENTIAL CONFLICTS OF INTEREST DOES NOT PURPORT TO BE A COMPLETE LIST OF THE POTENTIAL CONFLICTS OF INTEREST INVOLVED IN PARTICIPATING IN THE TRADING PROGRAMS. POTENTIAL INVESTORS SHOULD READ THE ENTIRE DISCLOSURE DOCUMENT BEFORE DETERMINING WHETHER TO INVEST IN THE TRADING PROGRAMS.

The contractual agreement and relationship between a Client, AAA and its affiliates may subject a Client to various conflicts of interest with AAA and/or its affiliates. Accordingly, prospective investors should carefully consider the following potential conflicts of interest before investing in one of the trading programs.

In evaluating these potential conflicts of interests, potential investors should be aware that AAA has a fiduciary duty to its Clients to exercise good faith and fairness in all dealings affecting them. In the event that a Client believes that AAA has violated its duties to Client, it may seek legal relief under applicable laws and regulations to recover damages from or require an accounting by AAA. Clients should be aware that the performance by AAA of its responsibilities to a Client will be measured by the terms of the AMA and applicable regulations and laws, and that if a Client signs the pre-dispute arbitration agreement accompanying the AMA, it will be required to resolve all disputes with AAA, its principals, portfolio managers or affiliates in arbitration rather than in a court of law of such Client's choice before a jury of its peers.

Fees

The fact that AAA earns a Performance Fee only if it generates a profit in a Client's account creates a potential conflict of interest by providing a possible incentive for AAA to make riskier or more speculative investments than it might make otherwise. In some cases, the Management Fees and Performance Fees charged by AAA may be greater than the total fees that other investment advisers charge for similar services. Additionally, the benefits provided by AAA to its Clients may be less than the services provided by other trading advisors.

Soft Dollars

AAA may receive "soft dollar" payments from its FCM or broker-dealer that carries Client accounts. These payments may come in the form of brokerage, administrative or research products or services that AAA utilizes in exchange for directing business to the brokerage firms. These products and services may be used by AAA in the management of all of its accounts and may not benefit directly or exclusively the accounts that pay the commissions that generate the soft-dollar credits. The fact that the products or services received from these providers could benefit AAA may create a potential conflict of interest for it in the allocation of client brokerage to such service providers. For example, AAA might be motivated to allocate its brokerage business to an FCM that charges higher commissions than another FCM who charges lower commissions but does not offer "soft dollar" benefits to AAA. At the present time, AAA does not have any soft dollar arrangements with its brokers, but may enter into such an arrangement at any time.

Notwithstanding a broker's willingness to provide "soft-dollar services," AAA will seek to achieve a combination of the best price and execution by taking into account a number of factors including the reputation and reliability of the broker, the broker's overall financial condition, the complexity of the trades, the broker's responsiveness, the confidentiality of the transactions, the privacy procedures of the broker and other factors. If AAA were to award its brokerage business to an FCM that offers "soft dollar" benefits, such an arrangement may create an incentive for AAA to increase the volume of its trading activity more than it might do otherwise in order to stimulate more "soft dollar" credits.

Competition With The Trading Programs For Transactions

AAA is free to manage accounts for other clients, managers, itself, its employees, its affiliates, its principals and their respective families, and to trade on the basis of methods similar or identical to those employed by AAA in the trading programs, or on methods that are entirely

independent of such strategies. A Client will not be permitted to inspect the records of accounts or written policies relating to such other transactions by AAA, its principals or affiliates.

It is possible that orders for the accounts of AAA, its principals or affiliates may be entered in advance of orders for the trading programs for legitimate reasons such as a neutral order allocation system, a different trading program or a higher risk level of trading. However, such proprietary trading is subject to the fiduciary duty of AAA to exercise good faith and fairness in all matters affecting a Client's account.

Competition With The Trading Programs For AAA's Time and Services

AAA's principals may become involved in other business, educational or personal activities in addition to their management of AAA and the trading programs. Consequently, potential conflicts of interest may arise in the allocation of their time and professional services to the management of AAA and the trading programs. AAA's principals will devote such time to the affairs of AAA as they determine to be necessary for the benefit of the trading programs in accordance with their fiduciary duties.

Competition With The Trading Programs For Investment Opportunities

AAA is obligated to use its best efforts to provide the trading programs with continuing and suitable investment opportunities consistent with their investment objectives, strategies and policies. However, AAA is not required to present to the trading programs every investment opportunity that comes to its attention, even if such opportunity is consistent with the investment objectives, strategies and policies of the programs. Accordingly, the trading programs may not be given the opportunity to participate in certain investments made by AAA, its principals or affiliates. In addition, if the trading programs reject an investment opportunity for any reason, AAA, its principals or affiliates may accept it. AAA will endeavor to resolve conflicts of interest with respect to investment opportunities in a manner deemed equitable to all parties to the fullest extent possible in a manner that is consistent with its fiduciary duties.

Additional Sellers

AAA may select agents to solicit accounts for the trading programs and compensate such agents by paying them a portion of its advisory fees based on the funds under its management attributable to such agents. Therefore, these agents may have a conflict of interest in advising prospective investors about whether they should invest in the trading programs. In addition, AAA may enter into fee sharing agreements with other persons (including affiliates) in exchange for services or benefits rendered to the trading programs. AAA has fee sharing agreements with a number of agents, and each prospective investor who is introduced to AAA by a financial intermediary should inquire of such firm whether it has a fee sharing agreement with AAA.

ARRANGEMENTS WITH FUTURES COMMISSION MERCHANTS AND INTRODUCING BROKERS

Futures Commission Merchants

AAA suggests Clients to maintain their accounts with one or more FCMs designated by it. Currently, there is one primary FCM that AAA directs its Clients to use, which is MF Global Inc. ("MFG"). However, if a Client desires to have their account at another FCM AAA will direct the Client to Peregrine Financial Group, Inc. ("PFG") but Clients are free to maintain their account at a FCM of their choice. AAA had previously directed clients to Interactive Brokers but now directs clients to MFG or PFG.

Each of MFG (NFA ID number 0266826) and PFG (NFA ID number 0232217) are registered with the CFTC as an FCM and is an NFA Member. They are located, respectively, at 717 Fifth Avenue, 9th Floor, New York, NY 10022, (212) 589-6200 (Man); and 190 South LaSalle Street, 7th Floor, Chicago, IL 60603, (312) 775-3000 (PFG).

These FCMs act only as clearing brokers for the accounts; as such, they are paid commissions for executing and clearing trades on the behalf of AAA Clients. None of the FCMs have passed upon the adequacy or accuracy of this Disclosure Document; nor will they act in any supervisory capacity with respect to AAA or the trading programs or participate in AAA's management. None of the FCMs, or their officers, directors or employees, are representatives of AAA or have any part in formulating or operating AAA's trading programs. Therefore, prospective investors should not rely on the FCMs in deciding whether or not to participate in the trading programs.

In accordance with CFTC regulations, AAA is required to advise Clients of material litigation and proceedings concerning its clearing brokers. Accordingly, AAA has been advised by each of the clearing brokers of the following information:

MF Global Inc.,

MF Global Inc. ("MFG" or "MF Global") is registered under the Commodity Exchange Act, as amended, as a futures commission merchant and a commodity pool operator, and is a member of the National Futures Association ("NFA") in such capacities. In addition, MFG is registered with Securities and Exchange Commission as a broker-dealer and is a member of the Financial Industry Regulatory Authority Inc. ("FINRA"). MFG was formerly known as Man Financial Inc. ("MFI") until the change of name to MFG was effected on July 19, 2007. MFG is a member of all major U.S. futures exchanges and most major U.S. securities exchanges. MFG's main office is located at 717 Fifth Avenue, 9th Floor, New York, New York 10022-8101. MFG's telephone number at such location is (212) 589-6200.

At any given time, MFG is involved in numerous legal actions and administrative proceedings, which in the aggregate, are not, as of the date of this Memorandum and/or Disclosure Document ("Memorandum"), expected to have a material effect upon its condition, financial or otherwise, or to the services it will render to the Partnership and/or Commodity Trading Advisor ("Trading Advisor"). There have been no administrative, civil or criminal proceedings pending, on appeal or concluded against MFG or its principals within the five years preceding the date of this Memorandum that MFG would deem material for purposes of Part 4 of the Regulations of the Commodity Futures Trading Commission (the "CFTC"), except as follows:

In May 2006, MFI was sued by the Receiver for Philadelphia Alternate Asset Fund ("PAAF") and associated entities for common law negligence, common law fraud, violations of the Commodity Exchange Act and RICO violations (the "Litigation"). In December 2007, without admitting any liability of any party to the Litigation to any other party to the Litigation, the Litigation was settled with MFI agreeing to pay \$69 million, plus \$6 million of legal expenses, to the Receiver, in exchange for releases from all applicable parties and the dismissal of the Litigation with prejudice. In a related action, MFI settled a CFTC administrative proceeding (In the Matter of MF Global, f/k/a Man Financial Inc., and Thomas Gilmartin) brought by the CFTC against MFI and one of its employees for failure to supervise and recordkeeping violations. Without admitting or denying the allegations, MFI agreed to pay a civil monetary penalty of \$2 million and accept a cease and desist order.

On February 20, 2007, MFI settled a CFTC administrative proceeding (In the Matter of Steven M. Camp and Man Financial Inc., CFTC Docket No. 07-04) in which MFI was alleged to have failed to supervise one of its former associated persons ("AP") who was charged with fraudulently soliciting customers to open accounts at MFI. The CFTC alleged that the former AP misrepresented the profitability of a web-based trading system and of a purported trading system to be traded by a commodity trading advisor. Without admitting or denying the allegation, MFI agreed to pay restitution to customers amounting to \$196,900.44 and a civil monetary penalty of \$120,000. MFI also agreed to a cease and desist order and to strengthen its supervisory system for overseeing sales solicitations by employees in connection with accounts to be traded under letters of direction in favor of third party system providers.

On March 6, 2008, and thereafter, 5 virtually identical proposed class action securities suits were filed against MFG's parent, MF Global Ltd. ("MF Global"), certain of its officers and directors, and

Man Group plc. These suits have now been consolidated into a single action. The complaints seek to hold defendants liable under §§ 11, 12 and 15 of the Securities Act of 1933 by alleging that the registration statement and prospectus issued in connection with MF Global's initial public offering in July 2007 were materially false and misleading to the extent that representations were made regarding MF Global's risk management policies, procedures and systems. The allegations are based upon MF Global's disclosure of \$141.5 million in trading losses incurred in a single day by an AP in his personal trading account ("Trading Incident"), which losses MFG was responsible to pay as an exchange clearing member. The consolidated cases have been dismissed on a motion to dismiss by defendants. Plaintiffs have appealed.

On December 17, 2009, MFG settled a CFTC administrative proceeding in connection with the Trading Incident and three other matters without admitting or denying any allegations and accepting a charge of failing to supervise (In the Matter of MF Global Inc. CFTC Docket No. 10-03). The three additional matters that were settled involved allegations that MF Global failed to implement procedures to ensure proper transmissions of price information for certain options that were sent to a customer, specifically that the price indications reflected a consensus taken on [a particular] time and date and were derived from different sources in the market place; failed to diligently supervise the proper and accurate preparation of trading cards and failed to maintain appropriate written authorization to conduct trades for a certain customer. Under the Commission's order, MFG agreed to pay an aggregate civil monetary penalty of \$10 million (which it had previously accrued) and agreed to a cease and desist order. In addition, MFG agreed to specific undertakings related to its supervisory practices and procedures and MFG agreed that it would engage an independent outside firm to review and assess the implementation of the undertakings and certain recommendations that MFG previously accepted. At the same time, MFG, without admitting or denying the allegations made by the CME, settled a CME disciplinary action relating to the Trading Incident by paying a fine of \$495,000.

On August 28, 2009, Bank of Montreal ("BMO") instituted suit against MFG and its former broker, Joseph Saab ("Saab") (as well as a firm named Optionable, Inc. and five of its principals or employees), in the United States District Court for the Southern District of New York. In its complaint, BMO asserts various claims against all defendants for their alleged misrepresentation of price quotes to BMO's Market Risk Department ("MRD") as independent quotes when defendants knew, or should have known, that David Lee ("Lee"), BMO's trader, created the quotes which, in circular fashion, were passed on to BMO through MFG's broker, thereby enabling Lee substantially to overvalue his book at BMO. BMO further alleges that MFG and Saab knew that Lee was fraudulently misrepresenting prices in his options natural gas book and aided and abetted his ability to do so by MFG's actions in sending price indications to the BMO MRD, and substantially assisted Lee's breach of his fiduciary duties to BMO as its employee. The Complaint seeks to hold all defendants jointly and severally liable and, although it does not specify an exact damage claim, it claims CAD 680.0 million (approximately \$635.9 million) as a pre-tax loss for BMO in its natural gas trading, claims that it would not have paid brokerage commissions to MFG (and Optionable), would not have continued Lee and his supervisor as employees at substantial salaries and bonuses, and would not have incurred substantial legal costs and expenses to deal with the Lee mispricing. MFG has made a motion to dismiss, which is pending.

In or about October 2003, MFI uncovered an apparent fraudulent scheme conducted by third parties unrelated to MFI that may have victimized a number of its clients. CCPM, a German Introducing Broker, introduced to MFI all the clients that may have been victimized. An agent of CCPM, Michael Woertche (and his associates), apparently engaged in a Ponzi scheme in which allegedly unauthorized transfers from and trading in accounts maintained at MFI were utilized to siphon money out of these accounts, on some occasions shortly after they were established. MFI was involved in two arbitration proceedings relating to these CCPM introduced accounts. The first arbitration involved claims made by two claimants before a NFA panel. The second arbitration involves claims made by four claimants before a FINRA panel. The claims in both arbitrations are based on allegations that MFI and an employee assisted CCPM in engaging in, or recklessly or negligently failed to prevent, unauthorized transfers from, and trading in, accounts maintained by MFI. Damages sought in the NFA arbitration proceeding were approximately \$1,700,000 in compensatory damages, unspecified punitive damages and attorney's fees in addition to the rescission of certain deposit agreements. The NFA arbitration was settled for \$200,000 as to one claimant and a net of \$240,000 as to the second claimant during fiscal 2008. Damages sought in

the FINRA proceeding were approximately \$6,000,000 in compensatory damages and \$12,000,000 in punitive damages. During the year ended March 31, 2009, the FINRA arbitration was settled for an aggregate of \$800,000.

MFI was named as a co-defendant in an action filed in Florida State Court by Eagletech Communications Inc. ("Eagletech") and three of its alleged shareholders against 21 defendants, including banks, broker-dealers and clearing brokers, as well as "100 John Doe defendants or their nominee entities". The complaint alleges that the defendants engaged in a criminal conspiracy designed to manipulate the publicly traded share price of Eagletech stock. Plaintiffs seek unspecified compensatory and special damages, alleging that "Man Group PLC d/b/a Man Financial Inc" participated in the conspiracy by acting as a clearing broker for a broker-dealer that traded in Eagletech stock. The complaint asserts claims under RICO, the Florida Securities and Investor Protection Act, the Florida Civil Remedies for Criminal Practices Act and a related negligence claim. On May 9, 2007, defendants filed a notice removing the State Court action to the United States District Court for the Southern District of Florida pursuant to 28 U.S.C. §1441(a). On October 2, 2007, Plaintiffs filed a first amended complaint in the Federal Court action asserting additional claims against MFG under Florida common law, including civil conspiracy, conversion and trespass to chattels. On February 26, 2008, the financial institution defendants, including MF Global Inc., filed a motion to dismiss seeking dismissal of all claims asserted in the amended complaint on the ground that the claims are barred by the Private Securities Litigation Reform Act ("PSLRA") and preempted by the federal securities laws. On June 27, 2008, the Court partially granted the motion, holding that the federal RICO claims are barred by the PSLRA and dismissing the RICO claims with prejudice. The Court declined to exercise supplemental jurisdiction over the state law claims and remanded those claims to the Florida State Court. On July 25, 2008, plaintiffs filed a notice of appeal of the Court's June 27, 2008 decision to the United States Court of Appeals for the Eleventh Circuit but subsequently withdrew its appeal.

In December 2007, MFG, along with four other futures commission merchants ("FCMs"), were named as defendants in an action filed in the United States District Court in Corpus Christi, Texas by 47 individuals who were investors in a commodity pool (RAM I LLC) operated by Renaissance Asset Management LLC. The complaint alleges that MFG and the other defendants violated the Commodity Exchange Act and alleges claims of negligence, common law fraud, violation of a Texas statute relating to securities fraud and breach of fiduciary duty for allegedly failing to conduct due diligence on the commodity pool operator and commodity trading advisor, having accepted executed trades directed by the commodity trading advisor, which was engaged in a fraudulent scheme with respect to the commodity pool, and having permitted the improper allocation of trades among accounts. The plaintiffs claim damages of \$32.0 million, plus exemplary damages, from all defendants. All of the FCM defendants moved to dismiss the complaint for failure to state a claim upon which relief may be granted. Following an initial pre-trial conference, the court granted plaintiffs leave to file an amended complaint. On May 9, 2008, plaintiffs filed an amended complaint in which plaintiffs abandoned all claims except a claim alleging that the FCM defendants aided and abetted violations of the Commodity Exchange Act. Plaintiffs now seek \$17.0 million in claimed damages plus exemplary damages from all defendants. MFG filed a motion to dismiss the amended complaint which was granted by the court and appealed by the plaintiffs.

The Liquidation Trustee ("Trustee") for Sentinel Management Group, Inc. ("Sentinel") sued MFG in June 2009 on the theory that MFG's withdrawal of \$50.2 million within 90 days of the filing of Sentinel's bankruptcy petition on August 17, 2007 is a voidable preference under Section 547 of the Bankruptcy Code and, therefore, recoverable by the Trustee, along with interest and costs.

In May 2009, investors in a venture set up by Nicholas Cosmo ("Cosmo") sued Bank of America and MFG, among others, in the United States District Court for the Eastern District of New York, alleging that MFG, among others, aided and abetted Cosmo and related entities in a Ponzi scheme in which investors lost \$400 million. MFG has made a motion to dismiss which is currently pending before the court.

In the late spring of 2009, MFG was sued in Oklahoma State Court by customers who were substantial investors with Mark Trimble ("Trimble") and/or Phidippides Capital Management ("Phidippides"). Trimble and Phidippides may have been engaged in a Ponzi scheme. Plaintiffs allege that MFG "materially aided and abetted" Trimble's and Phidippides' violations of the anti-

fraud provisions of the Oklahoma securities laws and they are seeking damages "in excess of" \$10,000 each. MFG made a motion to dismiss which was granted by the court. Plaintiffs have appealed.

MFG and an affiliate, MF Global Market Services LLC ("Market Services"), are currently involved in litigation with a former customer of Market Services, Morgan Fuel & Heating Co., Inc. ("Morgan Fuel") and its principals, Anthony Bottini, Jr., Brian Bottini and Mark Bottini (the "Bottinis"). The litigations arise out of trading losses incurred by Morgan Fuel in over-the-counter derivative swap transactions, which were unconditionally guaranteed by the Bottinis.

On October 6, 2008, Market Services commenced an arbitration against the Bottinis to recover \$8.3 million, which is the amount of the debt owed to Market Services by Morgan Fuel after the liquidation of the swap transactions. MF Global Market Services LLC v. Anthony Bottini, Jr., Brian Bottini and Mark Bottini, FINRA No. 08-03673. Each of the Bottinis executed a guaranty in favor of Market Services personally and unconditionally guaranteeing payment of the obligations of Morgan Fuel upon written demand by Market Services. Market Services asserted a claim of breach of contract based upon the Bottinis' failure to honor the guarantees.

On October 21, 2008, Morgan Fuel commenced a separate arbitration proceeding before FINRA against MFG and Market Services. Morgan Fuel claims that MFG and Market Services caused Morgan Fuel to incur approximately \$14.2 million in trading losses. Morgan Fuel v. MFG and Market Services, FINRA No. 08-03879. Morgan Fuel seeks recovery of \$5.9 million in margin payments that it allegedly made to Market Services and a declaration that it has no responsibility to pay Market Services for the remaining \$8.3 million in trading losses because Market Services should not have allowed Morgan Fuel to enter into, or maintain, the swap transactions.

The Bottinis also asserted a third-party claim against Morgan Fuel, which in turn asserted a fourth-party claim against MFG, Market Services and Steven Bellino (an MFG employee) in the arbitration proceeding commenced by Market Services.

On December 12, 2008, MFG settled three CME Group disciplinary actions involving allegations that on a number of occasions in 2006 and 2007, MFG employees engaged in impermissible pre-execution communications in connection with trades executed on the e-cbot electronic trading platform, withheld customer orders that were executable in the market for the purpose of soliciting, and brokering contra-orders and crossed orders on the e-cbot trading platform without allowing for the minimum required exposure period between the entry of the orders. MFG was also charged with failing to properly supervise its employees in connection with these trades. Without admitting or denying any wrongdoing, MFG consented to an order of a CME Business Conduct Committee Panel which found that MFG violated legacy CBOT Rule 504.00 and Regulations 480.10 and 9B.13 and 9B.13(c) and ordered MFG to pay a \$400,000 fine, cease and desist from similar conduct and, in consultation with CME Market regulation Staff, enhance its training practices and supervisory procedures regarding electronic trading practices.

MFG acts only as clearing broker for the futures accounts to be traded pursuant to this Memorandum and as such is paid commissions for executing and clearing trades. The cases and settlements referenced above will not materially affect MFG or its ability to perform as a clearing broker. MFG has not passed upon the adequacy or accuracy of this Memorandum and will not act in any supervisory capacity with respect to the General Partner of the commodity pool or to the Commodity Trading Advisor, as the case may be, nor participate in the management of the General Partner or of the commodity pool or of the Trading Advisor. Therefore, prospective investors should not rely on MFG in deciding whether or not to participate in the commodity pool or the trading program of the Trading Advisor.

PFG

Peregrine Financial Group, Inc. ("PFGBEST") provides the following language which may be incorporated into a CTA disclosure document for a CTA that manages some accounts for which PFGBEST may act as the carrying broker.

PFGBEST is an Iowa corporation with its principal address at 311 W. Monroe, Suite 1300, Chicago, Illinois 60606. PFGBEST is registered with the Commodities Futures Trading Commission ("CFTC") as a futures commission merchant ("FCM") and is a member of the National Futures Association ("NFA").

PFGBEST will maintain the Customer's account on a "fully disclosed" basis. The positions and funds of the Customer held by PFGBEST will be commingled with those of other customers, but segregated or separated from those of the Broker, pursuant to the CFTC's rules.

PFGBEST clears its customers' transactions on an omnibus basis. PFGBEST will be responsible for transaction, order execution of futures, options and off-exchange foreign currency contracts, as well as certain administrative duties, such as record keeping, transmittal of confirmation and statements to the Customer, and calculating the equity balances and margin requirements for the Customer's account.

PFGBEST has not assisted in the preparation of this disclosure document except to the extent that it has provided information relative to a description of itself, its limited role and the material legal proceedings that involves PFGBEST. PFGBEST is not connected in any way with this trading program, other than in its capacity as an FCM for the Customer's account. Accordingly, any person who is solicited in connection with this trading program should realize that those who solicited his investment are not representatives of PFGBEST, and PFGBEST is not involved with this trading program except in its limited role as a carrying broker. The opening and maintenance of the Customer's accounts with PFGBEST does not constitute an endorsement or recommendation of this trading program by PFGBEST.

Disciplinary History

There has been no other material administrative, civil, or criminal proceedings against PFGBEST or any of its principals with the preceding 5 years of the date of this Disclosure Document that would be material to a client's decision to open and maintain a commodities account with PFGBEST.

The Advisor, solely in reliance upon representations of the management of PFGBEST, believes that any pending litigation in which PFGBEST may be involved will not have a material effect upon PFGBEST's condition, financial or otherwise, and that such actions are not material to Customer's decision to have his account carried by PFGBEST. PFGBEST vigorously defends, as a matter of policy, civil litigation, reparations and arbitration proceedings brought against it and, in all such proceedings currently pending, the management of PFGBEST has represented to the CTA that PFGBEST has factually and legally sound defenses.

Introducing Brokers

AAA may also place orders with FCMs who carry accounts for IBs that refer prospective clients to AAA. In these instances, the Client typically has an established account with the referring IB and its clearing FCM and prefers to maintain its account with that FCM. Because the account is maintained with the referring IB's FCM, AAA has agreed with the Client to place its orders for execution and clearance with that FCM. Accordingly, those clients who direct AAA to maintain their accounts with the referring IB's FCM should be aware that their accounts may pay higher commissions and experience different executions, which could affect the performance in their accounts, from those accounts maintained at MFG or PFG.

AAA has a policy of sharing advisory fee revenues with referring IBs in an amount typically up to 20%. Although there may be instances where the percentage is higher or lower, the revenue sharing does not have the effect of increasing the Client's fees paid to AAA.

Clients may utilize the services of an IB of their own choice, provided that AAA approves the FCM through which the IB clears its customer transactions. AAA will consider whether the commission rate to be charged by the IB is generally competitive with those charged by other brokers and other factors as the quality of execution, confidentiality and clearance services of the

the IB's clearing broker. AAA may require Clients to utilize the services of a particular IB in the future.

SUBSCRIBING TO THE TRADING PROGRAMS

Minimum Investment

In order to participate in one of the trading programs, a Client must deposit at least \$100,000 for Aggressive Options Program and Moderate Options Program; \$500,000 for Money Market Alternative Program, \$250,000 for the Principal Protected Program and \$50,000 for the Short Term Trading Program (each, the "Minimum Investment") in U.S. funds with the FCM designated by AAA. AAA may in its sole discretion modify the Minimum Investment with respect to any Client or allow a Client to deposit securities in lieu of U.S. funds to satisfy the Minimum Investment.

AAA may in its sole discretion reject any account or any additional investment in the trading programs, in part or in whole, for any reason. AAA shall determine whether to accept or reject an investment within fifteen (15) calendar days following its deposit.

Enrollment Procedure

In order to participate in one of the trading programs, a potential investor must execute and sign an AMA, and deliver such document to Ascendant Asset Advisors, Inc. at 8484 Wilshire Boulevard, Suite M300, Beverly Hills, California 90211-3218. Account deposits must be made by wire transfer or check to the designated FCM.

Compliance With NFA Bylaw 1101

Pursuant to NFA Bylaw 1101, AAA is prohibited from opening an account and trading commodity futures contracts on behalf of any non-Member of the NFA who is required to register with the NFA. In order to participate in any of the trading programs, a Client must acknowledge in the AMA that it is not a prohibited party under NFA Bylaw 1101, which reads as follows:

NFA BYLAW 1101. PROHIBITION.

No Member may carry an account, accept an order or handle a transaction in commodity futures contracts for or on behalf of any non-Member of NFA, or suspended Member, that is required to be registered with the Commission as an FCM, IB, CPO, CTA or LTM, and that is acting in respect to the account, order or transaction for a customer, a commodity pool or participant therein, a client of a commodity trading advisor, or any other person, unless:

(a) such non-Member of NFA is a member of another futures association registered with the Commission under Section 17 of the Act, or is exempted from this prohibition by Board resolution;

(b) such non-Member of NFA is registered with the Commission as an FCM or IB under Section 4f(a)(2) of the Act and the account, order, or transaction involves only security futures products; or

(c) such suspended Member is exempted from this prohibition by the Appeals Committee.

No Member may accept orders in commodity futures contracts to cover leverage transactions, for or on behalf of any non-Member of NFA, or suspended Member, that is required to be registered with the Commission as an LTM, unless:

(a) such non-Member is a member of another futures association registered under Section 17 of the Act, or is exempted from this prohibition by Board resolution; or

(b) such suspended Member is exempted from this prohibition by the Appeals Committee.

SPECIAL DISCLOSURE FOR NOTIONALLY-FUNDED ACCOUNTS

Before AAA places any trade for a Client intending to use a notionally-funded account, such Client should advise AAA in writing of the amount of cash or other assets (actual funds) which should be deposited in AAA’s trading program(s) for such Client’s account to be considered “fully-funded.” This is the amount upon which AAA will determine the number of contracts traded in such Client’s account and should be an amount sufficient to make it unlikely that any further cash deposits would be required from such Client over the course of such Client’s participation in AAA’s trading program(s). For certain Clients who provide assurances that funds are immediately available, the FCM may permit the account to be traded on a notional basis with little, or no, actual funds deposited in the Client’s account. Clients intending to use a notionally-funded account should note that cash additions, cash withdrawals and net performance will affect the nominal account size.

Each potential Client is reminded that the account size Clients agree to in writing (whether fully-funded or a “nominal” or “notional” account size) is not the maximum possible loss that the Client’s account may experience. Clients should regularly consult the account statements received from their FCM in order to determine the actual activity in their account, including profits, losses and current cash equity balance.

To the extent that the equity in a Client’s account is at any time less than the nominal account size, the Client should be aware of the following:

1. Although the Client’s gains, losses, fees and commissions measured in dollars will be the same, they will be greater when expressed as a percentage of account equity.
2. Partial funding increases leverage, which magnifies both positive and negative rates of return.
3. The greater the disparity between the nominal account size and the amount deposited, maintained or made accessible to the FCM, the greater the likelihood and frequency of margin calls as a percentage of the actual funds committed.
4. The disclosures which accompany the performance table may be used to convert the rates-of-return (“ROR”) in the performance table to the corresponding RORs for particular partial funding levels.

ACTUAL RATE OF RETURN ¹	RATES OF RETURN BASED ON VARIOUS FUNDING LEVELS ²			
30%	30%	60%	75%	100%
20%	20%	40%	50%	66.67%
10%	10%	20%	25%	33.33%
0%	0%	0%	0%	0%
-10%	-10%	-20%	-25%	-33.33%
-20%	-20%	-40%	-50%	-66.67%
-30%	-30%	-60%	-75%	-100%
FUNDING LEVEL ³	100%	50%	40%	30%

¹ This column represents a range of hypothetical rates of return for fully-funded accounts.

² This column represents the rate of return experienced by a client on actual funds at various levels of funding (shown in the bottom line of the table) traded by AAA. The rates of returns for accounts that are not fully-funded are inversely proportional to the actual rates of return based on the percentage level of funding.

PRIVACY POLICY

AAA collects and maintains non-public personal information about Clients in the course of providing investment advisory services to Clients. None of such information is disclosed to third parties except as required or permitted by law. Furthermore, access to such information is restricted to only those employees of AAA who must view such information in the course of providing account services to Clients.

AAA maintains physical, electronic and procedural safeguards that meet or exceed federal standards for the protection of such non-public personal information. These standards are reasonably designed to (i) insure the security and confidentiality of a Client's records and information, (ii) protect against any anticipated threats or hazards to the security or integrity of a Client's records and information and (iii) protect against unauthorized access to or use of a Client's records or information that could result in substantial harm or inconvenience to a Client.

Maintaining the privacy of each and every Client's personal information is of the utmost importance to AAA. Please contact AAA's management at (310) 651-8000 if you have any questions or concerns regarding AAA's privacy policy or the protection of your personal information.

³ This column represents different funding levels measured by the percentage of actual funds divided by the fully-funded trading level.

PERFORMANCE HISTORY

Overview of Aggressive Options Program

- A. Name of the CTA: Ascendant Asset Advisors, Inc.
- B. Name of the Trading Program: Aggressive Options Program.
- C. CTA began trading client accounts: August 30, 2005.
CTA began trading this Program: March 1, 2009
- D. Number of Accounts as of the Date of the Document: 6.
- E. Amount of Nominal Assets Under Management in the offered trading program: \$338,552.58
Total Amount of Nominal Assets Under Management in all trading programs: \$556,148.30.
- F. Largest Monthly Drawdown: -21.16%, December 2009.
Note: Drawdown means losses experienced by the trading program over a period of time.
- G. Worst Peak-to-Valley Drawdown: -47.96%, June 2009 to February 2010
Note: Peak-to-valley drawdown means the greatest cumulative percentage decline in month-end Net Asset Value ("NAV") due to losses sustained by a trading program during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV.
- H. Number of accounts traded pursuant to the offered trading program that were closed with Positive net performance: 2, the cumulative returns on the accounts ranged from 10.08% to 13.16%
- I. Number of accounts traded pursuant to the offered trading program that were closed with Negative net performance: 1, the cumulative return on the account was -3.5%

Ascendant uses the "Only Accounts Traded" (OAT) Method to compute the rate of return. Rate of Return is calculated by dividing the Net Performance by the adjusted beginning Net Asset Value for the month, except that accounts that traded for only part of the month or experienced "material" additions/withdrawals during the month are excluded from the calculation. Year-to-date Rate of Return is computed on a compounded monthly basis.

MONTH	2009	2010
January	0.00	-4.30
February	0.00	-5.17
March	39.00	
April	30.23	
May	5.02	
June	3.15	
July	-18.15	
August	-16.92	
September	2.57	
October	-13.80	
November	20.97	
December	-21.16	
YEAR	12.44%	-9.24

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Overview of Moderate Options Program

- A. Name of the CTA: Ascendant Asset Advisors, Inc.
- B. Name of the Trading Program: Moderate Options Program.
- C. CTA began trading client accounts: August 30, 2005.
CTA began trading this Program: August 2009
- D. Number of Accounts as of the Date of the Document: 4.
- E. Amount of Nominal Assets Under Management in the offered trading program: \$86,445.91.
Total Amount of Nominal Assets Under Management in all trading programs: \$556,148.30 .
- F. Largest Monthly Drawdown: -6.33%, February 2010.
Note: Drawdown means losses experienced by the trading program over a period of time.
- G. Worst Peak-to-Valley Drawdown: -11.61%, December 2009 to February 2010
Note: Peak-to-valley drawdown means the greatest cumulative percentage decline in month-end Net Asset Value (“NAV”) due to losses sustained by a trading program during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV.
- H. Number of accounts traded pursuant to the offered trading program that were closed with Positive net performance: 1, the cumulative return on the account was 0.70%
- I. Number of accounts traded pursuant to the offered trading program that were closed with Negative net performance: 0

Ascendant uses the “Only Accounts Traded” (OAT) Method to compute the rate of return. Rate of Return is calculated by dividing the Net Performance by the adjusted beginning Net Asset Value for the month, except that accounts that traded for only part of the month or experienced “material” additions/withdrawals during the month are excluded from the calculation. Year-to-date Rate of Return is computed on a compounded monthly basis.

MONTH	2009	2010
January		-5.64
February		-6.33
March		
April		
May		
June		
July		
August	1.20	
September	0.20	
October	8.25	
November	-0.16	
December	5.49	
YEAR	15.61%	-11.61

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Overview of Short Term Trading Program

- A. Name of the CTA: Ascendant Asset Advisors, Inc.
- B. Name of the Trading Program: Short Term Trading Program.
- C. CTA began trading client accounts: August 30, 2005.
CTA began trading this Program: May 1, 2009
- D. Number of Accounts as of the Date of the Document: 3.
- E. Amount of Nominal Assets Under Management in the offered trading program: \$131,149.81.
Total Amount of Nominal Assets Under Management in all trading programs: \$556,148.30.
- F. Largest Monthly Drawdown: -2.54%, November 2009.
Note: Drawdown means losses experienced by the trading program over a period of time.
- G. Worst Peak-to-Valley Drawdown: -2.54%, October 2009 to November 2009
Note: Peak-to-valley drawdown means the greatest cumulative percentage decline in month-end Net Asset Value (“NAV”) due to losses sustained by a trading program during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV.
- H. Number of accounts traded pursuant to the offered trading program that were closed with Positive net performance: 3, the cumulative returns on the accounts ranged from 13.98% to 109.38%
- I. Number of accounts traded pursuant to the offered trading program that were closed with Negative net performance: 0

Ascendant uses the “Only Accounts Traded” (OAT) Method to compute the rate of return. Rate of Return is calculated by dividing the Net Performance by the adjusted beginning Net Asset Value for the month, except that accounts that traded for only part of the month or experienced “material” additions/withdrawals during the month are excluded from the calculation. Year-to-date Rate of Return is computed on a compounded monthly basis.

MONTH	2008	2009	2010
January			-.74
February			3.60
March			
April			
May		9.85	
June		13.99	
July		5.77	
August		1.06	
September		0.37	
October		0.24	
November		-2.54	
December		2.71	
YEAR		34.80%	2.83%

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Overview of Principal Protection Program

- A. Name of the CTA: Ascendant Asset Advisors, Inc.
- B. Name of the Trading Program: Principal Protection Program.
- C. CTA began trading client accounts: August 30, 2005.
CTA began trading this Program: N/A
- D. Number of Accounts as of the Date of the Document: 0.
- E. Amount of Nominal Assets Under Management in the offered trading program: \$0.
Total Amount of Nominal Assets Under Management in all trading programs: \$556,148.30
- F. Largest Monthly Drawdown: N/A.
Note: Drawdown means losses experienced by the trading program over a period of time.
- G. Worst Peak-to-Valley Drawdown: N/A
Note: Peak-to-valley drawdown means the greatest cumulative percentage decline in month-end Net Asset Value ("NAV") due to losses sustained by a trading program during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV.
- H. Number of accounts traded pursuant to the offered trading program that were closed with Positive net performance: 0
- I. Number of accounts traded pursuant to the offered trading program that were closed with Negative net performance: 0

Ascendant uses the "Only Accounts Traded" (OAT) Method to compute the rate of return. Rate of Return is calculated by dividing the Net Performance by the adjusted beginning Net Asset Value for the month, except that accounts that traded for only part of the month or experienced "material" additions/withdrawals during the month are excluded from the calculation. Year-to-date Rate of Return is computed on a compounded monthly basis.

MONTH	2009	2010
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		
YEAR		

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Overview of Money Market Alternative Program

- A. Name of the CTA: Ascendant Asset Advisors, Inc.
- B. Name of the Trading Program: Money Market Alternative Program.
- C. CTA began trading client accounts: August 30, 2005.
CTA began trading this Program: N/A
- D. Number of Accounts as of the Date of the Document: 0.
- E. Amount of Nominal Assets Under Management in the offered trading program: \$0.
Total Amount of Nominal Assets Under Management in all trading programs: \$556,148.30.
- F. Largest Monthly Drawdown: N/A.
Note: Drawdown means losses experienced by the trading program over a period of time.
- G. Worst Peak-to-Valley Drawdown: N/A
Note: Peak-to-valley drawdown means the greatest cumulative percentage decline in month-end Net Asset Value ("NAV") due to losses sustained by a trading program during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV.
- H. Number of accounts traded pursuant to the offered trading program that were closed with Positive net performance: 0
- I. Number of accounts traded pursuant to the offered trading program that were closed with Negative net performance: 0

Ascendant uses the "Only Accounts Traded" (OAT) Method to compute the rate of return. Rate of Return is calculated by dividing the Net Performance by the adjusted beginning Net Asset Value for the month, except that accounts that traded for only part of the month or experienced "material" additions/withdrawals during the month are excluded from the calculation. Year-to-date Rate of Return is computed on a compounded monthly basis.

MONTH	2009	2010
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		
YEAR		

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Overview of JLD Managed Futures Trading Program (Formerly JLD Global Commodity Program)

- A. Name of the CTA: Ascendant Asset Advisors, Inc.
- B. Name of the Trading Program: JLD Managed Futures Trading Program.
- C. CTA began trading client accounts: August 30, 2005.
CTA began trading this Program: June 1, 2008.
- D. Number of Accounts as of the Date of the Document: 0.
- E. Amount of Nominal Assets Under Management in the trading program: \$0

Total Amount of Nominal Assets Under Management in all trading programs:
\$556,148.30
- F. Largest Monthly Drawdown: -7.93% July 2009
Note: Drawdown means losses experienced by the trading program over a period of time.
- G. Worst Peak-to-Valley Drawdown: -9.55% June 2009 – August 2009
Note: Peak-to-valley drawdown means the greatest cumulative percentage decline in month-end Net Asset Value (“NAV”) due to losses sustained by a trading program during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV.
- H. Number of accounts traded pursuant to the offered trading program that were closed with Positive net performance: 1; the cumulative return on the account was 6.38%
- I. Number of accounts traded pursuant to the offered trading program that were closed with Negative net performance: 2; the cumulative returns on the accounts ranged from -1.65% to -1.66%

Ascendant uses the “Only Accounts Traded” (OAT) Method to compute the rate of return. Rate of Return is calculated by dividing the Net Performance by the adjusted beginning Net Asset Value for the month, except that accounts that traded for only part of the month or experienced “material” additions/withdrawals during the month are excluded from the calculation. Year-to-date Rate of Return is computed on a compounded monthly basis. The JLD Managed Futures Program is open and has clients but no longer traded by Ascendant Asset Advisors. Below is the performance of the program while managed by AAA.

MONTH	2008	2009
January		4.12
February		12.39
March		10.58
April		5.99
May		1.70
June	21.14	3.90
July	17.32	-7.93
August	3.46	-1.76
September	-3.92	2.08
October	4.42	2.77
November	3.49	-0.64
December	3.37	3.22
YEAR	57.81%	41.04%

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Overview of JLD DeVore Elite Trading Program

- A. Name of the CTA: Ascendant Asset Advisors, Inc.
- B. Name of the Trading Program: JLD DeVore Elite Trading Program.
- C. CTA began trading client accounts: August 30, 2005.
CTA began trading this Program: January 3, 2007.
- D. Number of Accounts as of the Date of the Document: 0.
- E. Amount of Nominal Assets Under Management in the trading program: \$0.
Total Amount of Nominal Assets Under Management in all trading programs: \$556,148.30
- F. Largest Monthly Drawdown: -60.89% January 2008.
Note: Drawdown means losses experienced by the trading program over a period of time.
- G. Worst Peak-to-Valley Drawdown: -60.89% December 2007 - January 2008.
Note: Peak-to-valley drawdown means the greatest cumulative percentage decline in month-end Net Asset Value (“NAV”) due to losses sustained by a trading program during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV.
- H. Number of accounts traded pursuant to the offered trading program that were closed with positive net performance: 22, the cumulative returns on the accounts ranged from 12.41% to 145.85%
- I. Number of accounts traded pursuant to the offered trading program that were closed with negative net performance: 2, the cumulative returns on the accounts ranged from -5.54% to -17.62%

Ascendant uses the “Only Accounts Traded” (OAT) Method to compute the rate of return (“Rate of Return”). Rate of Return is calculated by dividing the Net Performance by the adjusted beginning Net Asset Value for the month, except that accounts that traded for only part of the month or experienced “material” additions/withdrawals during the month are excluded from the calculation. Year-to-date Rate of Return is computed on a compounded monthly basis. The OAT Method is designed to present a more accurate representation of the composite Rate of Return of the Trading Program; however, due to the inevitable variation in the timing, execution and placement of individual option trades, the Rate of Return for a single account within Trading Program will often differ, by varying degrees, from the composite Rate of Return of the Trading Program as a whole. There has been no recent trading in this program because most of the clients moved to the JPS Fund and so it currently has no clients but it is still open to investors. The JLD DeVore Elite Trading Program is open but no longer traded by Ascendant Asset Advisors. Below is the performance of the program while managed by AAA.

MONTH	2007	2008	2009
January	9.14	-60.89	NT
February	7.7	38.35	NT
March	9.10	23.41	NT
April	-7.00	10.22	NT
May	-4.60	22.40	NT
June	18.6	20.65	NT
July	2.47	-0.48	NT
August	12.55	NT	NT
September	5.42	NT	NT
October	7.17	NT	NT
November	6.66	NT	NT
December	5.35	NT	NT
YEAR	97.31%	8.16%	NT

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

Overview of JLD Institutional Program

- A. Name of the CTA: Ascendant Asset Advisors, Inc.
- B. Name of the Trading Program: JLD Institutional Program.
- C. CTA began trading client accounts: August 30, 2005.
CTA began trading this Program: August 1, 2007.
- D. Number of Accounts as of the Date of the Document: 0.
- E. Amount of Nominal Assets Under Management in the trading program: \$0.
Total Amount of Nominal Assets Under Management in all trading programs:
\$556,148.30
- F. Largest Monthly Drawdown: -55.14, January 2008.
Note: Drawdown means losses experienced by the trading program over a period of time.
- G. Worst Peak-to-Valley Drawdown: -55.14, December 2007 - January 2008.
Note: Peak-to-valley drawdown means the greatest cumulative percentage decline in month-end Net Asset Value (“NAV”) due to losses sustained by a trading program during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV.
- H. Number of accounts traded pursuant to the offered trading program that were closed with positive net performance: 8, the cumulative returns on the accounts ranged from 0.12% to 118.27%
- I. Number of accounts traded pursuant to the offered trading program that were closed with negative net performance: 1, the cumulative returns on the account is -2.92%

Ascendant uses the “Only Accounts Traded” (OAT) Method to compute the rate of return (“Rate of Return”). Rate of Return is calculated by dividing the Net Performance by the adjusted beginning Net Asset Value for the month, except that accounts that traded for only part of the month or experienced “material” additions/withdrawals during the month are excluded from the calculation. Year-to-date Rate of Return is computed on a compounded monthly basis. The OAT Method is designed to present a more accurate representation of the composite Rate of Return of the Trading Program; however, due to the inevitable variation in the timing, execution and placement of individual option trades, the Rate of Return for a single account within Trading Program will often differ, by varying degrees, from the composite Rate of Return of the Trading Program as a whole. The JLD Institutional Program is open and has clients but no longer traded by Ascendant Asset Advisors. Below is the performance of the program while managed by AAA.

MONTH	2007	2008	2009
January		-55.14	NT
February		38.80	NT
March		14.51	NT
April		9.68	NT
May		21.25	NT
June		22.61	NT
July		-0.44	NT
August	14.65	8.11	-0.89
September	5.59	NT	4.08
October	7.88	NT	1.40
November	6.72	NT	5.36
December	5.91	NT	3.20
YEAR	47.43%	25.14%	13.73%

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

Overview of Strategic² Options Program (CLOSED)

- A. Name of the CTA: Ascendant Asset Advisors, Inc.
- B. Name of the Trading Program: Strategic² Options Program.
- C. CTA began trading client accounts: August 30, 2005.
CTA began trading this Program: August 30, 2005.
- D. Number of Accounts as of the Date of this Document: 0.
- E. Amount of Nominal Assets Under Management in the trading program: \$0.00.
Total Amount of Nominal Assets Under Management in all trading programs: \$556,148.30
- F. Largest Monthly Drawdown: -67.06 January 2008
Note: Drawdown means losses experienced by the trading program over a period of time.
- G. Worst Peak-to-Valley Drawdown: -93.69% December 2007 - January 2009.
Note: Peak-to-valley drawdown means the greatest cumulative percentage decline in month-end Net Asset Value ("NAV") due to losses sustained by a trading program during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV.
- H. Number of accounts traded pursuant to the offered trading program that were closed with positive net performance: 33. The cumulative returns on the accounts ranged from 0.81% to 390.42%.
- I. Number of accounts traded pursuant to the offered trading program that were closed with negative net performance: 67. The cumulative returns on the accounts ranged from -3.63% to -124.39%.

Ascendant Asset Advisors uses the "Only Accounts Traded" (OAT) Method to compute the rate of return ("Rate of Return"). Rate of Return is calculated by dividing the Net Performance by the adjusted beginning Net Asset Value for the month, except that accounts that traded for only part of the month or experienced "material" additions/withdrawals during the month are excluded from the calculation. Year-to-date Rate of Return is computed on a compounded monthly basis. The OAT Method is designed to present a more accurate representation of the composite Rate of Return of the Trading Program; however, due to the inevitable variation in the timing, execution and placement of individual option trades, the Rate of Return for a single account within Trading Program will often differ, by varying degrees, from the composite Rate of Return of the Trading Program as a whole.

MONTH	2005	2006	2007	2008	2009
January		-5.62	7.58	-67.06	-1.00
February		28.23	8.93	31.07	55.62
March		5.21	10.39	16.63	0.00
April		10.32	-19.37	12.42	NT
May		-9.15	-37.28	2.90	NT
June		23.16	44.97	26.34	NT
July		11.79	18.90	-23.76	NT
August	-35.65	8.37	9.64	13.26	NT
September	115.60	5.5	6.83	-41.85	NT
October	24.08	-2.61	10.86	-44.99	NT
November	-4.90	-5.74	11.63	-47.03	NT
December	9.87	29.96	5.18	-40.84	NT
YEAR	79.88%	139.6%	72.60%	-93.63%	54.07

In February of 2008, due to the operating procedures of one of the Trading Program's clearing brokers, a significant number of client accounts experienced "forced liquidations" by the clearing broker at times when there were volatile movements in market prices. New positions were promptly initiated for the clients experiencing the forced liquidations. As a result, the Rate of Return calculated pursuant to the OAT Method was 27.10%; however, if the Rate of Return had been determined solely with respect to client accounts that had not experienced such forced liquidations, it would have been approximately 7.49%.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

Overview of Strategic¹ Options Program (CLOSED)

- A. Name of the CTA: Ascendant Asset Advisors, Inc.
- B. Name of the Trading Program: Strategic¹ Options Program.
- C. CTA began trading client accounts: August 30, 2005.
CTA began trading this Program: October 26, 2005.
- D. Number of Accounts as of the Date of the Document: 0.
- E. Amount of Nominal Assets Under Management in the trading program: \$0.00.
Total Amount of Nominal Assets Under Management in all trading programs: \$556,148.30
- F. Largest Monthly Drawdown: -82.38%, January 2008.
Note: Drawdown means losses experienced by the trading program over a period of time.
- G. Worst Peak-to-Valley Drawdown: -92.61%, December 2007 - December 2008.
Note: Peak-to-valley drawdown means the greatest cumulative percentage decline in month-end Net Asset Value (“NAV”) due to losses sustained by a trading program during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV.
- H. Number of accounts traded pursuant to the offered trading program that were closed with positive net performance: 13, The accounts closed with cumulative gains of 2.30% to 264.35%.
- I. Number of accounts traded pursuant to the offered trading program that were closed with negative net performance: 61, the cumulative returns on the accounts ranged from -5.92% to -121.51%.

Ascendant uses the “Only Accounts Traded” (OAT) Method to compute the rate of return (“Rate of Return”). Rate of Return is calculated by dividing the Net Performance by the adjusted beginning Net Asset Value for the month, except that accounts that traded for only part of the month or experienced “material” additions/withdrawals during the month are excluded from the calculation. Year-to-date Rate of Return is computed on a compounded monthly basis. The OAT Method is designed to present a more accurate representation of the composite Rate of Return of the Trading Program; however, due to the inevitable variation in the timing, execution and placement of individual option trades, the Rate of Return for a single account within Trading Program will often differ, by varying degrees, from the composite Rate of Return of the Trading Program as a whole.

MONTH	2005	2006	2007	2008	2009
January		-3.37	-0.78	-82.38	58.51
February		18.33	12.24	8.34	NT
March		1.94	4.98	8.48	NT
April		9.67	4.03	8.51	NT
May		-15.39	-2.66	4.95	NT
June		6.36	11.22	6.72	NT
July		29.31	3.89	0.86	NT
August		4.71	17.22	8.63	NT
September		2.24	-1.95	-21.99	NT
October	0.00	-1.03	8.83	-27.67	NT
November	-1.74	-13.24	9.56	-24.16	NT
December	13.94	27.16	4.09	-37.39	NT
YEAR	11.96%	73.88%	95.11%	-92.61%	58.51

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

Overview of Ascendant Global Strategies Fund (CLOSED)

- A. Name of Pool: Ascendant Global Strategies Fund, LLC
- B. Type of Pool: Privately Offered
- C. Inception of Trading: April 2, 2008
- D. Aggregate Subscriptions: \$4,265,301
- E. Current Net Asset Value: \$0
- F. Worst Monthly Percentage Draw-down: -80.22% December 2008
Note: Draw-down means losses experienced by the trading program over a period of time.
- G. Worst Peak-to-Valley Draw-down: -93.47% June 2008 - December 2008

Note: Peak-to-valley drawdown means the greatest cumulative percentage decline in month-end Net Asset Value ("NAV") due to losses sustained by a trading program during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV.

Rate of Return is calculated by dividing the Net Performance by the adjusted beginning Net Asset Value for the month. Year-to-date Rate of Return is computed on a compounded monthly basis.

MONTH	2008
January	
February	
March	
April	7.37%
May	9.13%
June	5.30%
July	-34.14%
August	15.13%
September	-41.30
October	-11.55
November	-16.11
December	-80.22
YEAR	-91.94%

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

Overview of JPS Fund

- A. Name of Pool: JPS Fund LLC
- B. Type of Pool: Privately Offered
- C. Inception of Trading: July 11, 2008
- D. Aggregate Subscriptions: \$10,958,600.
- E. Current Net Asset Value: \$ 2,820,305.80.
- F. Worst Monthly Percentage Draw-down: -49.41% September 2008.
Note: Draw-down means losses experienced by the trading program over a period of time.
- G. Worst Peak-to-Valley Draw-down: -74.18% August 2008 - August 2009

Note: Peak-to-valley drawdown means the greatest cumulative percentage decline in month-end Net Asset Value ("NAV") due to losses sustained by a trading program during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV. The performance of JPS Fund LLC is that of JPS Capital Management LLC when Messrs. DeVore, Pedram, and Paolillo were principals. Messrs. Pedram and Paolillo are no longer principals.

Rate of Return is calculated by dividing the Net Performance by the adjusted beginning Net Asset Value for the month. Year-to-date Rate of Return is computed on a compounded monthly basis.

MONTH	2008	2009
January		19.39
February		0.25
March		4.16
April		-4.57
May		-19.00
June		2.80
July	7.88	-13.59
August	4.31	-6.81
September	-49.41	3.56
October	-30.64	3.96
November	-1.51	3.85
December	-6.36	3.93
YEAR	-63.58%	-7.30%

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Overview of Strategic⁰ Options Program (PROPRIETARY ACCOUNT)

- A. Name of the CTA: Ascendant Asset Advisors, Inc.
- B. Name of the Trading Program: Strategic⁰ Options Program.
- C. CTA began trading client accounts: August 30, 2005.
CTA began trading this Program: November 10, 2005.
- D. Number of Accounts as of the Date of the Document: 10.
- E. Amount of Assets Under Management in the offered trading program: \$32,963.28.
Total Amount of Nominal Assets Under Management in all trading programs:
\$556,148.30 .
- F. Largest Monthly Drawdown: -94.27%, October 2008.
Note: Drawdown means losses experienced by the trading program over a period of time.
- G. Worst Peak-to-Valley Drawdown: -98.64%, December 2007 - February 2009.
Note: Peak-to-valley drawdown means the greatest cumulative percentage decline in month-end Net Asset Value ("NAV") due to losses sustained by a trading program during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV.
- H. Number of accounts traded pursuant to the offered trading program that were closed with Positive net performance: 3, the cumulative returns on the accounts ranged from 64.66% to 93.61%.
- I. Number of accounts traded pursuant to the offered trading program that were closed with Negative net performance: 10, the cumulative returns on the accounts ranged from -26.34 % to -99.39%

Ascendant uses the "Only Accounts Traded" (OAT) Method to compute the rate of return. Rate of Return is calculated by dividing the Net Performance by the adjusted beginning Net Asset Value for the month, except that accounts that traded for only part of the month or experienced "material" additions/withdrawals during the month are excluded from the calculation. Year-to-date Rate of Return is computed on a compounded monthly basis. The OAT Method is designed to present a more accurate representation of the composite Rate of Return of the Trading Program; however, due to the inevitable variation in the timing, execution and placement of individual option trades, the Rate of Return for a single account within Trading Program will often differ, by varying degrees, from the composite Rate of Return of the Trading Program as a whole.

These accounts are also different from the other accounts in that they pay no management or performance fees. They are not accounts of the principals of the firm but they are accounts of related persons of the principals of the firm and therefore may be considered proprietary accounts by the National Futures Association.

MONTH	2005	2006	2007	2008	2009	2010
January		-10.15	19.16	-69.62	-1.93	-4.33
February		27.31	7.70	20.04	-1.20	5.04
March		.68	10.16	14.71	0.94	
April		3.65	10.79	12.33	2.11	
May		-10.55	1.49	4.07	0.56	
June		4.39	23.14	32.50	-0.75	
July		20.97	0.89	-27.71	3.4	
August		6.21	7.08	14.27	1.32	
September		10.56	25.00	-12.81	0.33	
October		3.89	10.32	-94.27	0.00	
November	0.65	-23.35	22.39	-47.03	0.27	
December	8.36	46.22	7.92	-0.95	-4.08	
YEAR	9.06%	84.35%	285.13%	-98.59%	0.76%	0.49%

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.