CTA DISCLOSURE DOCUMENT

Of:

Transworld Capital Management Limited

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REGISTERED WITH THE
COMMODITY FUTURES TRADING COMMISSION

AS A

COMMODITY TRADING ADVISOR

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

The information and opinions contained herein are subject to change or revision subsequent to the date of this Disclosure Document.

August 15, 2011

RISK DISCLOSURE STATEMENT

THE RISK OF LOSS IN TRADING COMMODITY INTERESTS 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 FUTURES CONTRACT OR SELL A COMMODITY OPTION OR ENGAGE IN OFF-EXCHANGE FOREIGN CURRENCY TRADING YOU MAY SUSTAIN A TOTAL LOSS OF THE INITIAL MARGIN FUNDS OR SECURITY DEPOSIT 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 INTEREST 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 NINE AND TEN, 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 INTEREST MARKETS. YOU SHOULD, THEREFORE, CAREFULLY STUDY THIS DISCLOSURE DOCUMENT AND COMMODITY INTEREST TRADING BEFORE YOU TRADE, INCLUDING THE DESCRIPTION OF THE PRINCIPAL RISK FACTORS OF THIS INVESTMENT STARTING AT PAGE FIVE.

YOU SHOULD ALSO BE AWARE THAT THIS COMMODITY TRADING ADVISOR MAY ENGAGE IN OFF-EXCHANGE FOREIGN CURRENCY TRADING. SUCH TRADING IS NOT CONDUCTED IN THE INTERBANK MARKET. THE FUNDS DEPOSITED WITH A COUNTERPARTY FOR SUCH TRANSACTIONS WILL NOT RECEIVE THE SAME PROTECTIONS AS FUNDS USED TO MARGIN OR GUARANTEE EXCHANGE-TRADED FUTURES AND OPTION CONTRACTS. IF THE COUNTERPARTY BECOMES INSOLVENT AND YOU HAVE A CLAIM FOR AMOUNTS DEPOSITED OR PROFITS EARNED ON TRANSACTIONS WITH THE COUNTERPARTY, YOUR CLAIM MAY NOT BE TREATED AS A COMMODITY CUSTOMER CLAIM FOR PURPOSES OF SUBCHAPTER IV OF CHAPTER 7 OF THE BANKRUPTCY CODE AND REGULATIONS THEREUNDER. YOU MAY BE A GENERAL CREDITOR AND YOUR CLAIM MAY BE PAID, ALONG WITH THE CLAIMS OF OTHER GENERAL CREDITORS, FROM ANY MONIES STILL AVAILABLE AFTER PRIORITY CLAIMS ARE PAID. EVEN FUNDS THAT THE COUNTERPARTY KEEPS SEPARATE FROM ITS OWN FUNDS MAY NOT BE SAFE FROM THE CLAIMS OF PRIORITY AND OTHER GENERAL CREDITORS.

FURTHER, YOU SHOULD CAREFULLY REVIEW THE INFORMATION CONTAINED IN THE RISK DISCLOSURE STATEMENT OF THE FUTURES COMMISSION MERCHANT OR RETAIL FOREIGN EXCHANGE DEALER THAT YOU SELECT TO CARRY YOUR ACCOUNT.

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 OR RETAIL FOREIGN EXCHANGE DEALER, AS APPLICABLE.

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THE ADVISOR:

Mr. Timothy Rea is the Principal of Transworld Capital Management Limited. It is a limited liability company formed in New Zealand on June 3, 2009, located at. 379 Hill Street, Richmond, Nelson New Zealand. The telephone number is US 312-235-2770 Transworld Capital Management Ltd was registered with the Commodity Futures Trading Commission (CFTC) as a Commodity Trading Advisor ("CTA") on June 18, 2009, and has been a member of the National Futures Association (NFA) since that date. Transworld Capital Management Limited will begin using this Disclosure Document on August 15. 2011

BUSINESS BACKGROUND OF THE PRINCIPALS:

Mr. Timothy Rea became a NFA Associate Member of and registered with the CFTC as an Associated Person and the listed Principal of Transworld Capital Management Limited on June 18, 2009. Also, from June 18, 2009 to July 10, 2009 he was a principal of Devin D. Brady, dba Axis Capital Management which was a Commodity Trading Advisor. He was also approved as a Principal of Progressive Trading Group Ltd on 11 July, 2011, a firm which has an application with the NFA pending as at the date of this document.

Prior to registering Transworld Capital Management Limited as a CTA, he is, and has been, from December 1, 1987 to the present, the Chief Executive Officer of Transworld Group, a firm located in New Zealand. This group is a business development and management company and consists of a number of private companies registered in New Zealand which have been involved in a variety of business activities such as motor vehicle importing, farming and commercial property investment & development, trading and system development. In the last five years his role has been mainly as a director with managers in place for day-to-day operations for other than the trading and systems development. While he still holds his position with the group, he is no longer involved with the day-to-day operation of the companies and has been able to spend the majority of his time in the area of trading and developing trading systems on a full time basis during the last five years.

In the August 1998 Mr. Rea started trading stocks and options for his own account and over time moved to pure systematic methods as well as to trading futures and forex. Mr. Rea started developing proprietary systems in February 2002 and has now uses a number of methods which he uses to trade primarily the electronic futures and forex markets. In May of 2007 he became an automated systems signals vendor under the trading name of Auto Trading Systems and has had both private and commercial funds as clients. Some of these systems have been featured on sites such as Strategy Runner, World Cup Advisor, Striker Securities and Futures Truth. He continues to hold this position.

Mr. George Robinson became an NFA Associate Member on October 29, 2009. He became registered with the CFTC as an Associated Person on November 17, 2009 and a listed Principal on April 22, 2010 of Transworld Capital Management Limited. He is also the Principal of the Commodity Trading Advisor firm, Advantage Trading Systems Ltd, since February 4, 2011 and a registered Associated person of that firm since February 8, 2011. Mr. Robinson's primary role is systems manager and assists Mr. Rea full time ensuring correct execution for both the CTA program and other systematic trading following Mr. Rea's methods. Prior to working with Mr. Rea and Transworld Capital Management Limited Mr. Robinson has also been a director of Elm Equity Limited from the 5th of April 2007 and still holds that position. His duties have been to direct and manage the company's investments. Elm Equity Limited is a private New Zealand registered trading company. Also from 1st May 2002 he has been a director of Robinsons Orchards Limited. His duties there were as manager and still serves in the capacity as a company director. Robinsons Orchards Limited is a New Zealand company first registered in 1954 which has been involved in various commercial activities including fruit production, property development and investment.

The advisor has previously directed customer accounts and a presentation of the composite performance are found on pages 11 of this disclosure document. The principal, Mr. Rea, of this advisor has traded his own account and the performance presentation for that trading is presented on page 12-13 of this disclosure document.

INTRODUCING BROKER ("IB") AND FUTURES COMMISSION MERCHANT ("FCM") OR RETAIL FOREIGN EXCHANGE DEALER ("RFED):

The client is free to use the Futures Commission Merchant (FCM) and Introducing Broker (IB) of their choice for the High Liquidity Program however, in order to ease the process of execution, the Advisor may use a "give-up" arrangement in which some trades are executed through an FCM of the Advisor's choice and then cleared by the client's FCM. This arrangement may result in the client paying a give-up fee which could range from $.50 to $1.50 per contract, per side. For the Transworld Forex Program the Advisor reserves the right to approve the RFED or IB used. Transworld Capital Management reserves the right to reject any FCM, IB or RFED requested by a client for any reason, including the belief that its execution and or back office service is not satisfactory or the commission or fees charged to a client are not satisfactory.

LITIGATION: TRANSWORLD CAPITAL MANAGEMENT LIMITED AND PRINCIPALS:

There has been no administrative, civil or criminal litigation against Transworld Capital Management Limited, Timothy Rea or George Robinson in the last five years and there is none pending, on appeal or concluded.

PRINCIPAL RISK FACTORS OF THESE TRADING PROGRAMS:

In addition to the risks inherent in trading commodity interests pursuant to instructions already provided herein by the Advisor, there exist additional risk factors, including those described below, in connection with a customer participating in the Managed Account Programs. There are also further additional risk factors applicable specific to the Transworld Forex Program stated in the last two paragraphs in this section. Prospective customers should consider all of the risk factors described below and elsewhere in this Disclosure Document before participating in any Program.

<u>Computer Trading</u>: Advisor utilizes a method of trading in which he uses computer-generated information to determine trending markets. If Advisor is incorrect in his interpretation of this information, the account may suffer a loss. Further, although steps are taken by the Advisor to minimize such problems, be aware that in certain situations such as power failures, virus attacks, loss of hard drives, etc, computer systems can be vulnerable.

<u>The Advisor is an Active Trader</u>: The trading activities of Advisor may be quite active and the turnover rate of the Advisor's portfolio substantial. With aggressive trading, day trading or multiple contract trading strategies, the commissions that the customer pays may be more than what is considered "normal" for commodity trading. Although it is difficult to estimate the number of trades that may be made since technical factors will determine the trades, it is possible that a trade, or trades, may be made several days in a row, then no trades may occur for several days. The potential customer should consider this carefully before investing.

<u>Commodity and Forex trading is speculative and volatile:</u> Commodity interest prices are highly volatile. Price movements for commodity interests are influenced by, among other things, changing supply and demand relationships; weather; agricultural, trade, fiscal, monetary and exchange control programs and policies of governments; United States and foreign political and economic events and policies; changes in national and international interest rates and rates of inflation; currency devaluations and revaluations and emotions of the marketplace. None of these factors can be controlled by the Advisor and no assurance can be given that the Advisor's advice will result in profitable trades for a participating customer or that a customer will not incur substantial losses.

<u>Commodity and Forex trading is highly leveraged:</u> The low margin deposits normally required commodity interest trading (typically 2% to 15% of the value of the futures contract purchased or sold for the High Liquidity program and 2% in the case of the Euro/USD Forex pair used for the Transworld Forex Program) permit an extremely high degree of leverage. Accordingly, a relatively small price movement in a contract may result in immediate and substantial

losses to the investor. For example, if, at the time of purchase, 10% of the price of a futures contract or Forex pair is deposited as margin, a 10% decrease in the price of the contract would, if the contract is then closed out, result in a total loss of the margin deposit before any deductions for brokerage commissions. A decrease of more than 10% would result in a loss of more than the total margin deposit. Thus, like other leveraged investments, any trade may result in losses in excess of the amount invested. When the market value of a particular open position changes to a point where the margin on deposit in a participating customer's account does not satisfy the applicable maintenance margin requirement imposed by the FCM, the customer, and not the Advisor, will receive a margin call from the FCM. If the customer does not satisfy the margin call within a reasonable time (which may be as brief as a few hours), the FCM will close out the customer's position.

<u>Commodity and Forex trading may be illiquid:</u> In relation to the High Liquidity program that trades Futures contracts most United States commodity exchanges limit price fluctuations in certain commodity interest prices 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. While these limits were put in place to lessen margin exposure, they may have certain negative consequences for a customer's trading. 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 taken nor liquidated unless traders are willing to effect trades at or within the limit. Contract prices in various commodities have occasionally moved the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the Advisor from promptly liquidating unfavorable positions and subject a participating customer to substantial losses that could exceed the margin initially committed to such trades. For the Transworld Forex program the Advisor believes liquidity will not significantly adversely affect the contemplated trading. However there may be times when the market could have low liquidity which could impact on the transaction prices or orders being rejected and so positions not exited at the exact time or prices sought which could result in losses higher than intended by the Advisor.

<u>Possible Effects of Speculative Position Limits:</u> For the High Liquidity program that trades Futures contracts, insofar as speculative position limits are applicable, all commodity accounts owned, held, managed and controlled by the Advisor are aggregated for position limit purposes. The advisor may manage additional client accounts in the future. Advisor believes that established position limits will not adversely affect the Advisor's contemplated trading. However, it is possible that from time to time the trading decisions of the Advisor may be modified and positions held or controlled by the Advisor may have to be liquidated in order to avoid exceeding applicable position limits.

<u>Positions held overnight</u>**:** For futures positions held overnight or longer, there is a higher margin requirement than for day trading. These higher margins will commit a greater amount of your equity to the trade and could affect the degree to which the trading portfolio can be diversified.

<u>Stop orders</u>**:** If stop orders are used to enter or exit the market, the customer should be aware that such orders become market orders when "triggered" and do not ensure that the order will be filled at the price stated on the stop order.

<u>Counterparty Credit Worthiness</u>: Under CFTC regulations, FCM's are required to maintain customer's assets in a segregated account. If a customer's FCM fails to do so, the customer may be subject to risk of loss of funds in the event of the FCMs bankruptcy. Even if such funds are properly segregated, the customer may still be subject to a risk of a loss of his funds on deposit with the FCM should another customer of the FCM or the FCM itself fail to satisfy deficiencies in such other customer's accounts. Bankruptcy law applicable to all U.S. futures brokers requires that, in the event of the bankruptcy of such a broker, all property held by the broker, including certain property specifically traceable to the customer, will be returned, transferred or distributed to the broker's customers only to the extent of each customer's pro-rata share of all property available for distribution to customers. If any futures broker retained by the customer were to become bankrupt, it is possible that the customer would be able to recover none or only a portion of those assets held by such futures broker.

<u>Forex Counterparty Credit Worthiness:</u> For the Transworld Forex Program the advisor will trade in off exchange foreign currency trading. Such trading is not conducted in the interbank market. The funds deposited with

counterparty for such transactions will not receive the same protection as funds used to margin or guarantee exchange-traded futures and options contracts. If the counterparty becomes insolvent and you have a claim for amounts deposited of profits earned on transactions with the counterparty, your claim may not be treated as a commodity customer claim for purposes of subchapter IV of chapter 7 of the bankruptcy code and regulations there under. You may be a general creditor and your claim may be paid, along with the claims of other general creditors, from any monies still available after priority claims are paid. Even funds that the counterparty keeps separate from its own funds may not be safe from the claims and priorities of other general creditors.

<u>FOREX PAMM Accounts:</u> For the Transworld Forex Program clients of the Percentage Allocation Management Modules (PAMM) may be restricted from making any account transactions until the end of the following day. The client may receive limited intraday reports of the activity that occurred in the account. During settlement and rollovers the client and the CTA may be restricted from making any transactions in the client's accounts while the system performs the necessary adjustments. The client will be responsible for the market movement during this time when the account may be restricted from trading.

SPECIAL RISK DISCLOSURE
FOR PARTIALLY FUNDED (NOTIONAL) ACCOUNTS

Please Note*: The following has been provided solely for the purpose of helping prospective clients to fully understand the information contained in this Disclosure Document. It is not meant as a recommendation by The Advisor to clients to fund accounts with notional equity. Clients should consult their financial advisors to determine whether or not the use of notional equity is suitable for them.*

Notional funds are funds not actually held in the account. Such funding is, instead, only a portion of the full amount which a client has agreed to allow the Advisor to trade as if the full amount of the funds were actually deposited in the account. Because notional funding involves credit risk to the client's Futures Commission Merchant ("clearing firm"), any such trading must be agreed to by the clearing firm. Notional funding allows a client to trade the account at a level higher than the cash actually held in the account.

An account with notional funds is leveraged to a greater degree than a fully funded account. The table below illustrates the impact that different degrees of leverage can have on the Actual Rate of Return. Actual Rate of Return is the net trading performance divided by the actual funds deposited into the account. The Fully Funded Rate of Return is the actual net trading performance divided by the nominal account size (in both cases Beginning Net Asset Value is adjusted for time-weighted additions and withdrawals). The nominal account size is the amount which is the basis for the trading level decisions. In a non-notional account, nominal account size is the actual funds.

If a prospective investor plans to partially fund an account, in lieu of providing full-funding, such prospective investor should interpolate the Rate of Return information in the table below to the level of leverage the investor contemplates using, so that the investor will be fully aware of the impact of partial funding upon account volatility. Moreover, the Rate of Return on these accounts must be interpreted with care and there are special risks inherent in partially funded accounts of which clients should be particularly aware. The Notionally Funded Accounts statement is intended to address this matter.

Notional equity creates *additional* leverage in an account relative to the cash in such account (see the general discussion of leverage in "The Risks You Face"). This additional leverage results in a proportionally greater risk of loss (and opportunity for gain). While the possibility of losing all the cash in an account is present in all accounts, accounts that contain notional equity have a proportionately greater risk of loss. For example, in an account that is funded with only 50% cash (and therefore has 50% notional equity), a loss of 10% of the account's total value (based on both cash and notional equity) will equal a loss of 20% of the cash in the account. Additionally, a client who funds his or her account with notional equity may receive more frequent and larger margin calls.

As of October 18, 2010 minimum margin requirements for Forex will be 2% for majors and 5% for non majors. Maximum leverage will therefore be 50:1 for all major currency and 20:1 for non major currencies.

THE DISCLOSURES WHICH ACCOMPANY THE PERFORMANCE TABLE MAY BE USED TO CONVERT THE RATES OF RETURN (RORS) IN THE PERFORMANCE TABLE TO THE CORRESPONDING RORS FOR PARTICULAR PARTIAL FUNDING LEVELS.

The following is for example, and shows notional funding only to 50%
Rates of Return (Fully Funded Subset)

	Gain/-Loss	-25	-20	-15	-10	-5	0	5	10	15	20	25
Funding	100%	-25	-20	-15	-10	-5	0	5	10	15	20	25
Level	90%	-28	-22	-17	-11	-6	0	6	11	17	22	28
	80%	-31	-25	-19	-13	-6	0	6	13	19	25	31
	70%	-36	-29	-21	-14	-7	0	7	14	21	29	36
	60%	-42	-33	-25	-17	-8	0	8	17	25	33	42
	50%	-50	-40	-30	-20	-10	0	10	20	30	40	50

NOTIONALLY FUNDED ACCOUNTS STATEMENT

YOU SHOULD REQUEST YOUR COMMODITY TRADING ADVISOR TO ADVISE YOU OF THE AMOUNT OF CASH OR OTHER ASSETS (ACTUAL FUNDS) WHICH SHOULD BE DEPOSITED TO THE ADVISOR'S TRADING PROGRAM FOR YOUR ACCOUNT TO BE CONSIDERED "FULLY FUNDED." THIS IS THE AMOUNT UPON WHICH THE COMMODITY TRADING ADVISOR WILL DETERMINE THE NUMBER OF CONTRACTS TRADED IN YOUR ACCOUNT AND SHOULD BE AN AMOUNT SUFFICIENT TO MAKE IT UNLIKELY THAT ANY FURTHER CASH DEPOSITS WOULD BE REQUIRED FROM YOU OVER THE COURSE OF YOUR PARTICIPATION IN THE COMMODITY TRADING ADVISOR'S PROGRAM.

YOU ARE REMINDED THAT THE ACCOUNT SIZE YOU HAVE AGREED TO IN WRITING IS NOT THE MAXIMUM POSSIBLE LOSS THAT YOUR ACCOUNT MAY EXPERIENCE. YOU SHOULD CONSULT THE ACCOUNT STATEMENTS RECEIVED FROM YOUR FUTURES COMMISSION MERCHANT IN ORDER TO DETERMINE THAT ACTUAL ACTIVITY IN YOUR ACCOUNT, INCLUDING PROFITS, LOSSES AND CURRENT CASH EQUITY BALANCE. TO THE EXTENT THAT THE EQUITY IN YOUR ACCOUNT IS AT ANY TIME LESS THAN THE NOMINAL ACCOUNT SIZE YOU SHOULD BE AWARE OF THE FOLLOWING:

1. **ALTHOUGH YOUR GAINS AND LOSSES, FEES AND COMMISSIONS MEASURED IN DOLLARS WILL BE THE SAME, THEY WILL BE GREATER WHEN EXPRESSED AS A PERCENTAGE OF ACCOUNT EQUITY.**
2. **YOU MAY RECEIVE MORE FREQUENT AND LARGER MARGIN CALLS.**

WITHDRAWAL / ADDITION OF FUNDS:

Examples of additions or withdrawals of funds with respect to the notional amount: If a customer has an account with $30,000 of actual funds and the Advisor trades the account as if it were $50,000 there would be $20,000 of notional funds. If the customer were then to withdraw $10,000 from the account, the Advisor will consider the notional funds to have increased to $30,000 and the nominal account size will remain the same at $50,000. For an addition of $10,000 to the account in the same example, the notional funds will have decreased to $10,000 and the nominal account size remains the same at $50,000. Any net profits or losses in a notional account will affect the notional amount of the account, but the nominal amount will remain the same unless and until profits exceed the original nominal amount at which time the account will no longer be considered a notional account.

TRADING PROGRAMS: "HIGH LIQUIDITY" AND "TRANSWORLD FOREX"

Transworld Capital Management Limited's trading methods are proprietary and confidential. The following description is of necessity and is not intended to be exhaustive.

High Liquidity program is trading contracts that normally are very liquid, such as the E-mini S&P 500 futures and Treasury Notes Futures, so a large volume can usually be traded without slippage being of a significant concern. There are a number of technically based systematic proprietary models used to determine these trades and as such there is not one way to describe the underlying methodology but will include trading both with, and counter to the trend at times. Generally trades will be shorter term in nature with most trades being completed round trip within a one to three day time frame however some trades may last longer at times. While the methods used are systematic in nature some discretion may be applied in modifying the underlying methods used and contracts traded and the advisor may choose to reduce or suspend trading during what may be seen as unusually high risk periods in the market. The minimum capital has been set to try to find a modest balance for draw down and returns as a percentage of the minimum however participants may prefer to use some notional capital or others a larger amount than the minimum for each unit traded to be in line with their own objectives and risk tolerance.

Transworld Forex program trades the EUR/USD Forex pair that generally provides better liquidity and a lower bid/ask spread than most other Forex pairs. There are a number predominantly short term technically based systematic methods used that may include but are not limited to trading break outs, reversals, trend continuation and retracement moves. Trades may be done in a PAMM account and the profits and losses allocated to the customer's account as a percentage of the overall trading done and trade sizes generally will be scaled up and down for the account size used. While the methods used are systematic in nature some discretion may be applied in modifying the underlying methods used and the advisor may choose to reduce or suspend trading during what may be seen as unusually high risk periods in the market. As notional capital may not be utilized at some Forex firms it takes a more aggressive approach to leverage than "High Liquidity" to take into account many clients prefer to use notional capital if they can.

COMMODITIES AND OPTIONS TRADED:

The principal commodities to be traded are Stock Index Futures and Treasury Note Futures for the "High Liquidity" program and for the "Transworld Forex" program the EUR/USD pair is used however the Advisor reserves the right to trade any and all commodity futures contracts, futures spreads and options on futures or Forex pairs. The Advisor will make decisions such as when to add or delete a commodity or Forex pair_from his trading list due to an increase or decline in volatility and/or liquidity or when to stop trading a particular contract month and begin trading another. This Advisor will not trade Exchange for Physicals or Security futures products in these programs.

FEE STRUCTURE:

Each customer of the Advisor will be charged, at a maximum, the fee as set forth below.

COMMISSIONS:

There will be a maximum commission charge of $20 per round-turn futures contract traded. The commission includes FCM brokerage and NFA fees and give- up fees if applicable. Forex may be traded with a bid/ask spread as set by the RFED of which all or some of this may be the RFED markup however if a commission does apply this shall not exceed $100 per million transacted. A bid/ask spread of 2 pips on the EUR/USD would mean a cost of $20 round trip per 100,000 traded. The value of a pip will vary with the currency pair but is the equivalent of $10 per 100,000 lot or seen as 0.0001 on the price of the EUR/USD pair which is what the Transworld Forex Program trades.

MANAGEMENT FEE:

The Advisor will charge a maximum Management Fee of 2% per year, at the rate of 1/12 of 2% per month of the ending net asset value for Futures or the average net asset value for Forex. "Ending net asset value" is the sum of all cash and cash equivalents, treasury obligations at their face value, other interest earned, if any, and current market value of all open futures and options positions. This fee will be assessed whether or not the account made money for the month. This calculation is done after the removal of all commissions and incentive fees

INCENTIVE FEE:

The Advisor will charge a maximum monthly incentive fee of 20% of net new profits. A performance Bonus will apply as listed below. Net new profits include profits, if any, on all closed positions and profits, if any, on open positions but not any currency gains or losses should the customer choose hold any funds in other than US Dollars. There will be a “High Water” mark set by new gains. Incentive Fees will not be charged on gains to get back to that mark after losses. Incentive Fees will only be charged, monthly on new Gains above that line. As an incentive fee will be charged this may be an incentive to overtrade and place riskier trades. The profits on open positions are not “realized” profits and they are carried over into the following month. In the following month, these unrealized profits could be lost or realize a further gain. Gains and losses will be net after commissions, management and incentive fees. The account will also be adjusted for any deposits or withdrawals. If any of the funds are ever held in interest bearing certificates, such as Treasury Bills, the interest on such items shall be considered as part of the profit. In order for an incentive fee to be payable, the net new profit value at the end of the month must exceed the highest adjusted net new high profit value of any previous month. The “highest adjusted net new high profit” simply means the highest profit achieved in the account after being adjusted down for the fees charged to the account. The incentive fee will be calculated on the last trading day of each month and is due and payable on the first business day of the month following the month in which the fee has been earned.

CONFLICTS OF INTEREST:

A possible conflict of interest is the fact that the Advisor and its Principal will, as stated below, trade for their own account(s). Although the Advisor will always put the best interest of his customers before that of his own trading, trading his own account means that the Advisor’s time will be divided between his own trading and that of his customers. As an incentive fee will be charged this may be an incentive to overtrade and place riskier trades. The advisor may receive up to a 1.5 pip rebate from the spread or commission of up to $15 per 100,000 on Forex volumes transacted or per round trip on futures contracts and this could be seen as an incentive to overtrade the account. The Advisor may share a portion of its fees with third parties in accordance with regulatory standards. Other than that, the Advisor has no arrangements with any FCMs, Forex Counterparties or IBs or any other entity or individual that would cause a potential conflict of interest.

OWN ACCOUNT:

The Advisor and/or the Principals of the Advisor will trade for their own account(s). You should be aware that the trading activity in these account(s) might significantly differ from the trading activity in a customer’s account. There is no assurance that the trading results in the Advisor’s/Principal’s proprietary account(s) will be the same as the performance in a customer’s Account since the Advisor and/or the Principals may trade more aggressively in their own accounts. If trades of the Advisor and/or its principals are “blocked”, with those of its customers, the Advisor will, in accordance with ethical trading practice, ensure that assignment of any “split fills” is consistent and equitable. The records for the proprietary account(s) of the Advisor that follows this program will be available for review by customers of the Advisor at the place of business of the Advisor, during normal business hours by appointment only.

ACCOUNT SIZE:

For the “High Liquidity” program, the minimum required account size is $ 50,000. For the “Transworld Forex” program the minimum account size is $25,000 The Advisor reserves the right to waive requirements on a case-by-case basis.

HIGH LIQUIDITY

THE FOLLOWING INFORMATION IS A PRESENTATION OF THE COMPOSITE PERFORMANCE OF ALL CUSTOMER ACCOUNTS TRADED IN ACCORDANCE WITH THE HIGH LIQUIDITY PROGRAM BEING OFFERED FROM JANUARY 2010–JUNE 2011.

Month	2010	2011
January	2.54%	-032%
February	0.06%	-4.81%
March	2.87%	0.86%
April	-1.06%	-6.35%
May	4.09%	2.91%
June	4.05%	5.01%
July	-8.62%	
August	-1.17%	
September	6.97%	
October	1.21%	
November	-8.77%	
December	5.19%	
Annual Rate of Return	6.12%	-3.35%

Name of the Advisor: Transworld Capital Management Limited	
Inception of customer Trading:	1-Jan-10
Inception of Trading pursuant to this customer program:	1-Jan -10
Number of customer accounts traded under this program:	20
Number of profitable accounts that have opened and closed since inception:	5
Range of gain (-0.04% to +31.34%)	
Number of losing accounts that have opened and closed since inception:	*27*
Range of loss (-0.81% to -23.70%)	
Total Customer actual assets under management by the Advisor:	$350,462
Total Customer actual assets under management under this program	$350,462
Total Customer nominal assets under management by the Advisor	$1,995,233
Total Customer nominal assets under management under this program	$1,995,233
Largest monthly percentage drawdown: (Nov-2010)	-8.77%
Worst peak to valley percentage drawdown: (June 30, 2010 to April 30, 2011)	-16.09%

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Monthly Rate of Return - Computed by dividing the net performance for the month by the beginning equity.

Largest Monthly Percentage Draw-Down represents the largest loss in the trading program's performance set forth in the composite performance record in any calendar month expressed as a percentage of the minimum required account size.

Worst Peak-to-Valley Percentage Draw-Down means the greatest cumulative percentage loss in the trading program's performance set forth in the composite performance record during any period in which the initial month end equity is not equaled or exceeded by subsequent month end equity.

Performance Accounting Method: Transworld Capital Management uses the "Only Accounts Traded" (OAT) Method to compute the rate of return. Rate of Return is calculated by dividing the Net Performance for the month by the beginning minimum required investment for the month, except that accounts that traded for only part of 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.

PROPRIETARY PERFORMANCE INFORMATION

THE FOLLOWING INFORMATION IS A PRESENTATION OF PERFORMANCE OF PROPRIETARY ACCOUNT OF THE PRINCIPAL OF THE ADVISOR WHICH WAS TRADED IN ACCORDANCE TO THE HIGH LIQUIDITY PROGRAM FOR THE PERIOD DECEMBER 2008 – JUNE 2011.

This performance takes into consideration any and all fees and incentive fees of the customer program being offered.

Month	2008	2009	2010	2011
January		3.42%	2.52%	0.31%
February		5.50%	-0.28%	-4.09
March		0.58%	3.17%	2.04%
April		1.60%	-0.58%	-5.96%
May		-0.23%	4.47%	4.38%
June		4.17%	5.06%	4.32%
July		-5.10%	-7.87%	
August		5.25%	1.54%	
September		2.20%	6.72%	
October		7.85%	1.55%	
November		0.58%	-8.51%	
December	2.15%	2.59%	5.64%	
Annual Rate of Return	2.15%	31.64%	12.78%	0.51%

Name of the Principal: Timothy Rea	
Date the Principal began trading:	1-Dec-08
Date the Principal began trading this program:	1-Dec-08
Number of proprietary accounts traded under this program:	1
Number of profitable accounts that have opened and closed:	0
Range of gain	0%
Number of losing accounts that have opened and closed:	0
Range of loss	0%
Total actual proprietary assets traded:	$31,683
Total proprietary nominal assets traded:	$52,791
Largest monthly percentage drawdown: (November, 2010)	-8.51%
Worst peak to valley percentage drawdown: (October 31, 2010 - April 30, 2011)	-10.78%

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS
No representation is being made that a client's account will or is likely to achieve profits or incur losses similar to those shown.

Monthly Rate of Return - Computed by dividing the net performance for the month by the beginning equity.

Largest Monthly Percentage Draw-Down represents the largest loss in the trading program’s performance set forth in the composite performance record in any calendar month expressed as a percentage of the minimum required account size.

Worst Peak-to-Valley Percentage Draw-Down means the greatest cumulative percentage loss in the trading program’s performance set forth in the composite performance record during any period in which the initial month end equity is not equaled or exceeded by subsequent month end equity.

PROPRIETARY PERFORMANCE INFORMATION:

THE FOLLOWING INFORMATION IS A PRESENTATION OF PROPRIATARY ACCOUNTS WHICH WERE TRADED IN ACCORDANCE TO THE TRANSWORLD FOREX PROGRAM FOR THE PERIOD SEPTEMBER 2009 – JUNE 2011

This performance takes into consideration any and all fees and incentive fees of the customer program being offered.

Month	2009	2010	2011
January	-	5.42%	35.18%
February	-	-11.95%	-30.45%
March	-	-23.48%	13.71%
April	-	21.56%	8.08%
May	-	-7.91%	2.83%
June	-	28.88%	20.68%
July	-	9.48%	
August	-	4.26%	
September	-6.65%	33.82%	
October	-0.28%	-8.55%	
November	6.57%	15.89%	
December	5.73%	-0.44%	
Annual Rate of Return	4.89%	65.16%	43.39%

Name of the Advisor: Transworld Capital Management Limited	
Date the Advisor began trading:	1-Dec-08
Date the Advisor began trading this program:	1 Sep-09
Number of accounts traded under this program:	5
Number of profitable accounts that have opened and closed:	0
Range of gain	0%
Number of losing accounts that have opened and closed:	0
Range of loss	0%
Total actual proprietary assets traded:	$28,594
Total proprietary nominal assets traded:	$28,594
Largest monthly percentage drawdown: (February-2011)	-30.45%
Worst peak to valley percentage drawdown: (January-2010 - March-2010)	-32.62%

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS
No representation is being made that a client's account will or is likely to achieve profits or incur losses similar to those shown.

Monthly Rate of Return - Computed by dividing the net performance for the month by beginning equity.

Largest Monthly Percentage Draw-Down represents the largest loss in the trading program’s performance set forth in the composite performance record in any calendar month expressed as a percentage of the beginning account size.

Worst Peak-to-Valley Percentage Draw-Down means the greatest cumulative percentage loss in the trading program’s performance set forth in the composite performance record during any period in which the initial month end equity is not equaled or exceeded by subsequent month end equity.