

**Independent Verifier's Report**

Ms. Sharon Snow  
Metropolitan Capital Strategies, LLC  
10655 Lomond Drive, Suite 105  
Manassas, VA 20109

We have verified the compliance of Metropolitan Capital Strategies, LLC (the "Company"), as defined in their composite disclosure presentations, with the requirements of the Global Investment Performance Standards (GIPS®) on a firm-wide basis from June 1, 2008 through December 31, 2009 and whether the Company's processes and procedures are designed to properly construct composites, calculate performance results and present composite information in compliance with the GIPS standards. In addition, we have examined the performance results in the accompanying disclosures of the Company's **FACT Funds® Tactical Growth Composite** from June 1, 2008 through December 31, 2009. The Company's management is responsible for compliance with the GIPS standards, the design of its processes and procedures, and for the Quarterly Performance and Composite Disclosure Presentations. Compliance with the Standards does not obviate the need for due diligence on the part of prospective or current clients or consultants in evaluating performance data and other important qualitative research on investment managers. Our responsibility is to express an opinion based on our verification and performance examination.

Our verification was conducted in accordance with the verification procedures set forth in the GIPS standards. Also our performance examination was conducted in accordance with the procedures set forth in the Guidance Statement on GIPS Performance Examinations. These procedures included examining, on a test basis, evidence about the Company's compliance with the GIPS standards, evaluating the design of the Company's processes and procedures referred to above, performing the procedures for a performance examination and performing any other procedures we considered necessary in the circumstances. Verification, including a performance examination, is not an audit of financial statements and is substantially less in scope than such. It does not involve forensic testing of every transaction in every account and does not ensure the absolute accuracy of performance information or guarantee against fraudulent activity. We believe that the procedures completed provide a reasonable basis for our opinion.

The Supplemental Information included in the Composite Disclosure Presentation is not a required part of the disclosures and as such, was not included in our examination. Accordingly, we express no opinion or any other form of assurance on such information. The Supplemental Information presented is the responsibility of the Company's management.

In our opinion, the Company, in all material respects, has complied on a firm-wide basis with the composite construction requirements of the GIPS standards as adopted by the CFA Institute. Additionally, the Company's processes and procedures are designed to calculate and present performance results in compliance with the GIPS standards. Also, in our opinion, the performance in the accompanying disclosures of the Company's **FACT Funds® Tactical Growth Composite**, for the period stated above, reflects results that comply with the calculation requirements of the GIPS standards in all material respects. The Quarterly Performance and Composite Disclosure Presentations are an integral part of this opinion.

*Ashland Partners & Co. LLP*

Ashland Partners & Company LLP

July 19, 2010

**METROPOLITAN CAPITAL STRATEGIES, LLC**  
**FACT FUNDS® TACTICAL GROWTH COMPOSITE**  
**QUARTERLY PERFORMANCE PRESENTATION**

*Asset-Weighted Returns Gross and Net of All Fees and Transaction Costs*

*Results have been calculated in U.S. Dollars*

*Gross is provided as supplemental information*

		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual
<b>2009</b>	<b>Gross</b>	<b>0.77%</b>	<b>1.13%</b>	<b>(2.65%)</b>	<b>0.84%</b>	<b>0.04%</b>
	<b>Net</b>	<b>0.02%</b>	<b>0.40%</b>	<b>(3.36%)</b>	<b>0.11%</b>	<b>(2.85%)</b>
<b>2008</b>	<b>Gross</b>		<b>1.02%*</b>	<b>1.35%</b>	<b>(0.97%)</b>	
	<b>Net</b>		<b>1.02%*</b>	<b>0.71%</b>	<b>(1.63%)</b>	

**\* Performance represents a partial period return from 6/1/08 to 6/30/08.**

Past performance is not indicative of future results. The Independent Verifier's Report and the Composite Disclosure Presentation are an integral part of this presentation.

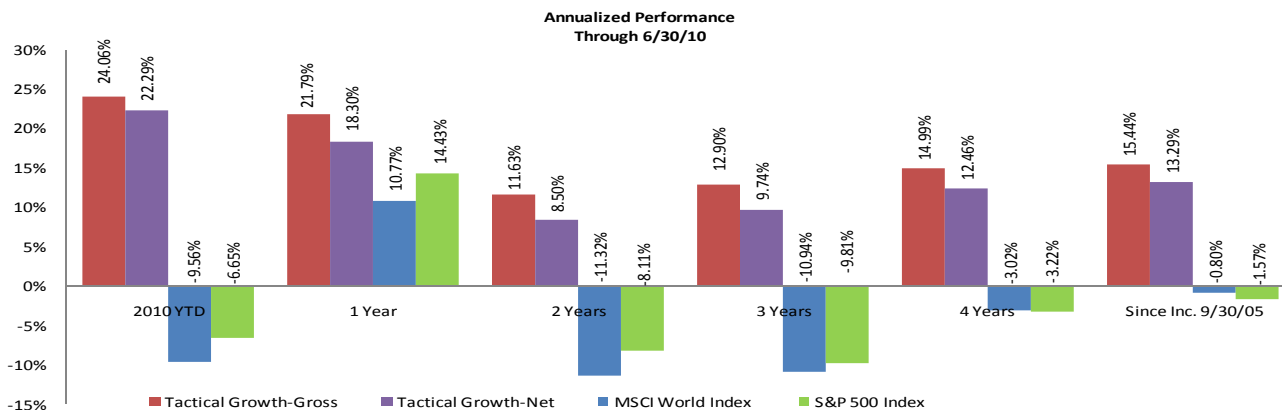
# METROPOLITAN CAPITAL STRATEGIES, LLC

Managing Investment Risk



June 30, 2010

## FACT Funds® Composite - Tactical Growth



	Total Firm AUM	Composite Assets		Annual Performance Results				
		USD (millions)	# of Accts	Composite Gross	Composite Net	MSCI World	S&P 500	Standard Deviation
YTD (as of 6/30/10)	83.0	55.6	78	24.06%	22.29%	-9.56%	-6.65%	0.37**
2009	65.2	44.6	76	0.04%	-2.85%	30.79%	26.46%	0.75
2008	67.6	46.2	48	2.66%	-0.15%	-40.33%	-37.00%	1.24
2007	38.3	27.9	22	23.90%	21.73%	9.57%	5.49%	N/A
2006		7.3	1	17.20%	17.19%	20.65%	15.79%	N/A
2005 (3 months)		6.7	1	6.89%	6.88%	3.16%	2.09%	N/A

\*\* Standard deviation number represents 2nd quarter only. N/A— information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

### DISCLOSURES

Past performance is no guarantee of future results. Investments may lose value. Composite data provided by Metropolitan Capital Strategies, LLC (MCS) is for illustrative purposes only. Actual results may differ from composite results depending upon the size of the account, custodian related costs, the inception date of the account and other factors. Investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested. Results presented include reinvestment of all dividends and other earnings. For further disclosures, please consult the MCS Schedule F ADV, MCS Form ADV Part II, and MCS Discretionary Investment Management Agreement, all of which can be found at [www.mcsmgr.com](http://www.mcsmgr.com).

**1. Compliance Statement** – Metropolitan Capital Strategies, LLC (MCS) has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). MCS has been verified for the periods May 1, 2007 through May 31, 2008 by Cohen Fund Audit Services and for periods June 1, 2008 through December 31, 2008 by Ashland Partners & Co., LLP. Copies of the verification reports are available upon request.

**2. Definition of Firm** – MCS is a registered investment adviser established in 2007. MCS manages a variety of equity assets for primarily U.S. retail clients.

**3. Composite Description** – The FACT Funds® Tactical Growth composite was created on May 1, 2007. Prior to January 1, 2009 the composite was named the Absolute Return Level III Composite (ARF). In presentations prior to September 1, 2009, the prior firm track record for this strategy was presented as supplemental information only as the GIPS portability requirements were not met at that time. Prior to May 2007, composite consisted of one account that is related to one of the firm's principals whose investment objectives and philosophy were similar. The composite does not unfairly inflate performance returns. The FACT Funds® Tactical Growth strategy primarily involves purchasing and selling Exchange Traded Funds ("ETFs") along with writing covered and uncovered put and call options, coupled with risk management techniques. Financial derivatives, or option contracts, allow clients to generate income that is intended to offset fees, increase account value, and limit downside potential in a specific underlying investment. There are special risks associated with uncovered option

writing, which expose the investor to potentially significant loss. Therefore, this type of strategy may not be suitable for all customers approved for options transactions. 1) The potential loss of uncovered call writing is unlimited. The writer of an uncovered call is in a risky position, and may incur large losses if the value of the underlying instrument increases above the exercise price. 2) As with writing uncovered calls, the risk of writing uncovered put options is substantial. The writer of an uncovered put option bears a risk of loss if the value of the underlying instrument declines below the exercise price. Such loss could be substantial if there is a significant decline in the value of the underlying instrument. 3) Uncovered option writing is suitable only for the knowledgeable investor who understands the risks, has the financial capacity and willingness to incur potentially substantial losses, and has sufficient liquid assets to meet applicable margin requirements. Cash positions and options are employed continually throughout the year. The Company intends to buy and sell securities on behalf of its clients on a short-term basis, generally at least every few months. The Company's clients are expected to incur short-term capital gains and losses, which are taxed less favorably than investments held for more than one year. A complete list and description of all the Company's composites is available upon request. The Composites include Metropolitan Capital Strategies, LLC discretionary accounts consistent with the investment strategies noted above.

**4. Management Fees** – Fees are negotiable. All accounts included in the composites are charged the rate corresponding to the assets placed under management with MCS. Bundled, tiered fee accounts make up 100% of the composite for all periods beginning May 1, 2007. Prior to May 1, 2007, the composite consisted of a single non-wrap fee portfolio and gross returns have been reduced by transaction costs. In addition, prior to May 1, 2007, gross and net returns are the same as the account was not charged a management fee. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. The bundled fees include custody, trading expenses, and other expenses associated with the management of the account. Management fees are calculated as follows: Less than \$500,000 of assets – 2.2% of assets (.5500% quarterly), at least \$500,000 but less than \$3 Mil – 2.0% of assets (.5000%

quarterly), at least \$3 Mil but less than \$10 Mil – 1.9% (.475% quarterly), more than \$10 Mil – 1.8% of assets (.4500% quarterly). Composite returns calculated in US dollars are presented net and gross of investment management fees and wrap fees. Gross returns are pure gross and considered supplemental to the net returns because they are not reduced by the transactions costs. Performance under one year is not annualized. Returns prior to 5/1/2007 are those from a previous firm and have been linked to current firm performance. Management fees vary depending on account size and have been included in the calculation of the returns for the net of fees calculation, but not for the gross of fees calculation. Management fees are billed quarterly beginning with the initial month an account is under Management. Dividends and interest are recorded on an accrual basis. Additional information regarding policies for calculating and reporting returns is available upon request.

**5. Composite Dispersion** – The dollar weighted dispersion of annual returns (standard deviation) on the schedules of composite total return is based upon dollar weighted portfolio returns. This calculation measures the spread of the annual returns of individual portfolios within a composite. Only portfolios that have been managed for a full annual period are included in the dispersion calculation. The lower the standard deviation, the smaller the difference in return among individual accounts in the composite.

**6. Benchmark** – Metropolitan Capital Strategies, LLC compares its composite performance to the performance of the MSCI World (Gross) Index ("MSCI World"). The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. For periods prior to December 31, 2009 the S&P 500 Index is used for comparison purposes. The S&P 500 Index consists of 500 US stocks chosen for the market size, liquidity and industry group representation. The benchmark was changed to more accurately reflect the strategy of the composite. The securities held in the Metropolitan Capital Strategies, LLC composites are not limited to securities that are included in the selected index. All information contained herein is stated as of the date referenced at the beginning of this document unless indicated otherwise.