

METROPOLITAN CAPITAL STRATEGIES, LLC

A Different Approach to Investing



Tactical Growth Strategy

David A. Schombert
Chief Investment Officer

Sharon Snow
Chief Executive Officer

Deborah G. George, GEMS
Institutional Client Development

December 31, 2011

In Perspective



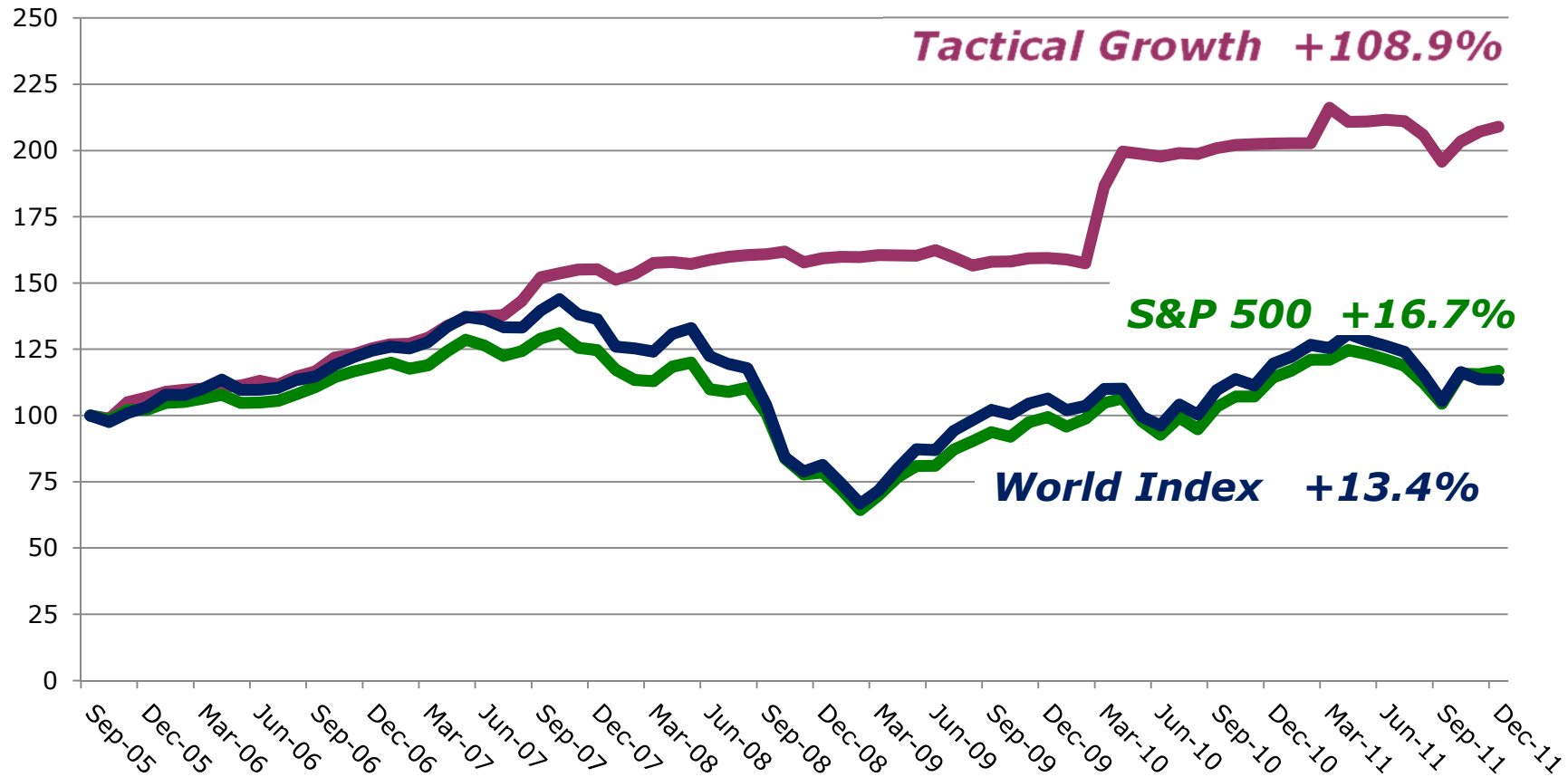
Are you better off than you were six years ago?

Our clients are.

Metropolitan Capital delivered a **12.5% annualized return***
by coupling **tactical investments to accelerate portfolio growth**
with **strategic investments in cash to protect it.**

** Metropolitan Capital Strategies' GIPS verified track record: 108.9 % cumulative, 12.5% annualized from Sep 30, 2005 to Dec 31, 2011 (inception of verified track record). Please see full disclosure at end of presentation.*

Metropolitan Capital Tactical Growth Performance



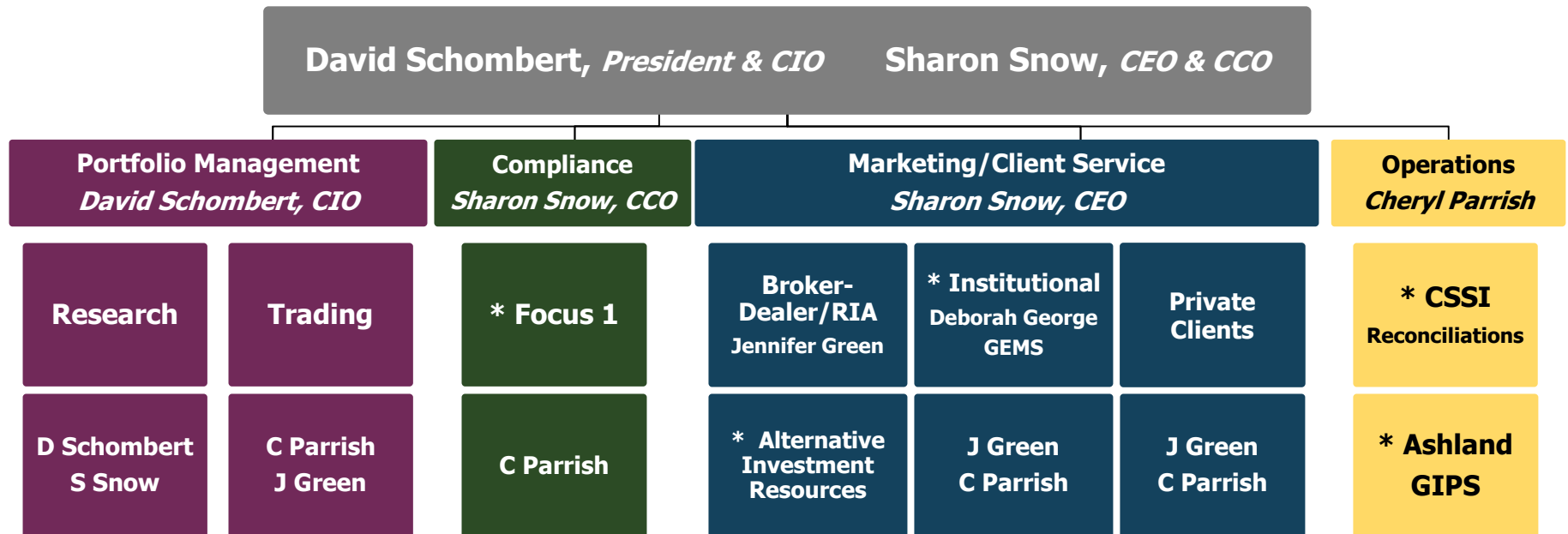
Based on Tactical Growth Gross Returns. Please see disclosures at the end of presentation.

Firm Overview



- SEC Registered Investment Advisor founded in April 2007
- **Owned by investment professionals**
 - David Schombert: 44%, Sharon Snow: 56%
 - Certified Women-Owned Business Enterprise, Virginia
- **GIPS® verified track record** from April 2007; Tactical Growth verified portable track record from October 1, 2005
- **Alignment of interests:** Principals' assets invested in strategy

Organization



** Indicates outsourced service*

Tactical Growth's Advantages



- **Access to all asset classes globally**
- **“Liquid alternatives” strategy:**
 - Hedge fund-like returns
 - No lockup
 - Full transparency
 - Liquidity
 - Low correlations all asset classes

Motivating Principles



“You have to think anyway, so why not think big?”

--- Donald Trump

“Rule No. 1: Never lose money.

Rule No. 2: Never forget Rule No. 1.”

--- Warren Buffett

Investment Philosophy



Market performance does not come in a straight line.

Our goal is to tactically capture strong rises, and avoid roller-coaster losses.

We believe we can identify **profitable entry levels and exit points** at certain points in the cycles.

We invest tactically only when:

- we identify 10%+ investment opportunities *and*
- our confidence in the rise is 90% or greater.

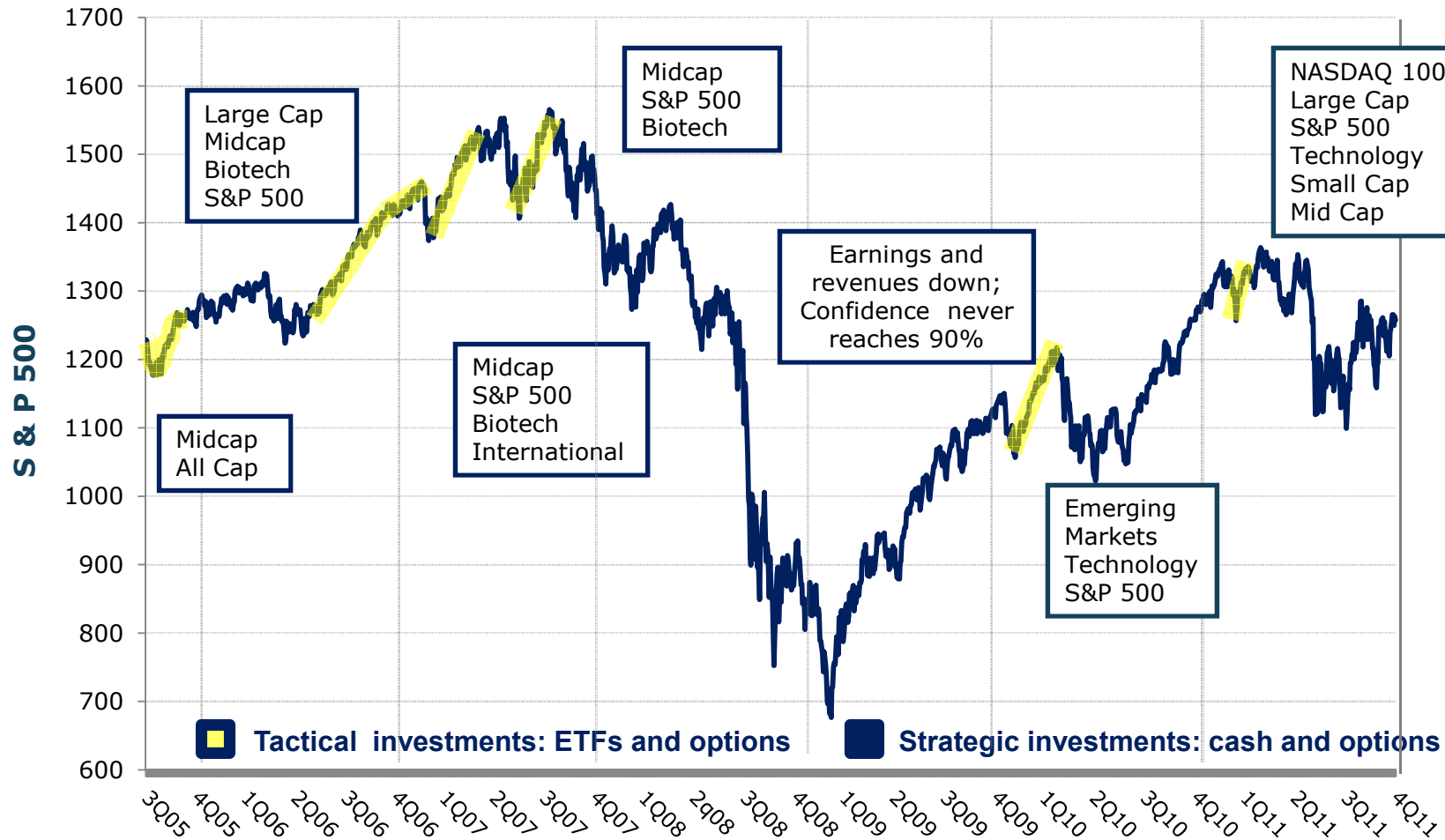
Otherwise, we strategically pair our options writing strategy with the lowest-risk assets until we become confident in another strong rise.

Buy and Sell Disciplines: Tactical Investments



- **Buy decision**
 - Confluence of positive technical conditions, fundamental and economic data
 - 90% or greater confidence in 10%+ upward price move
- **Sell decision**
 - Technicals forming a top, relative strength deteriorating
 - End of earnings season or forward guidance lowered.
- **Sell discipline**
 - Material unexpected negative event

MCS' Strategy in Action



Data Source S&P 500: Yahoo Finance

Tactical Investments: Daily Scan List



Equities

SPX	S&P 500
DIA	Dow Jones Industrials
MDY	S&P Midcap 400
IJR	S&P Small Cap 600
IWM	Russell 2000 (Small Cap)
IWB	Russell 1000 (Large Cap)
EEM	MSCI Emerging Markets Index

Sectors

BBH	Biotechnology
XLF	Financials
XLK	Technology
XLI	Industrials
XLV	Health Care
SMH	ML Semiconductors
OIH	Oil Services

Bonds

	Bonds
TLT	20+ Year Treasury Bond Index
TBT	UltraShort 20+ Year Treasury (200% Inverse 20+ Year T Bond)

Currencies

FXE	CurrencyShares Euro Trust
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Commodities

GLD	Gold Bullion
SLV	Silver

Real Estate

IYR	Dow Jones US Real Estate
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December 2011

Fundamental Algorithm



Fundamental algorithm enables fair comparison across asset classes to determine our confidence level.

- **Rank 26 factors** according to influence on specific investment
- **Determine current strength** of each factor for each specific investment
- Produces mathematic calculation indicative of confidence level on 1-100% scale; 90% or greater for investment consideration

Rank	Russell 1000
1	5 year earnings
2	5 year revenues
3	Debt
4	ROE
5	Cash flow

Rank	S&P MidCap 400
1	5 year earnings
2	5 year revenues
3	ROE
4	Cash flow
5	Price/Sales

Rank	Biotechnology Sector
1	5 year earnings
2	5 year revenues
3	Cash flow
4	R&D
5	ROE

Options Writing Strategy



- Overlays tactical and strategic phases of process
- Target : 2 - 3% annual return
- Short-term, low risk
- Write-only strategy
 - Puts and calls on major indices
 - Up to 3 months
 - Goal is to capture premium
- Limit: 1X account value
- Buy back or roll

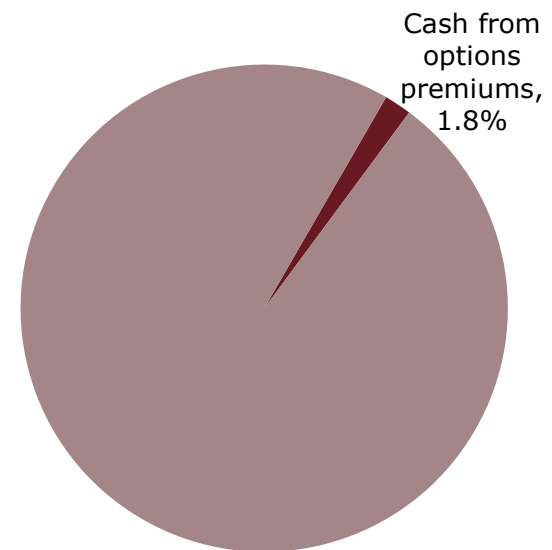
Current Portfolio



Tactical Growth Options Positions*

	<u>Security</u>			<u>Premium</u>
Puts				
	MDY	Jan 12	145	\$2.93
	MDY	Nov 11	148	\$2.02
	MDY	Nov 11	154	\$1.57
Calls				
	MDY	Nov 11	168	\$1.07
	MDY	Nov 11	167	\$1.39

* As of 11.14.11 Based on firmwide positions

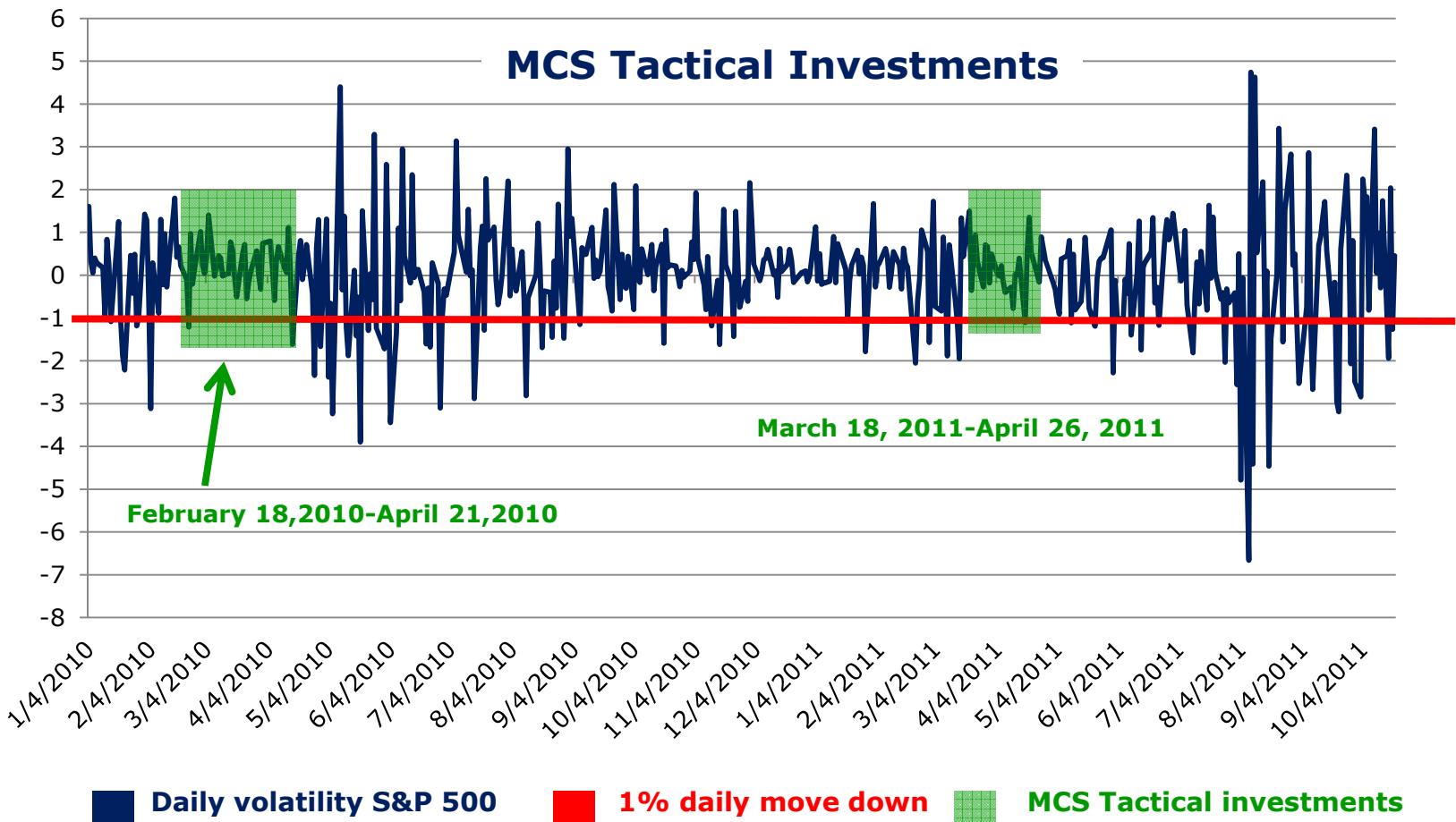


■ Cash from options premia ■ Strategic cash assets

Based on representative account

S&P 500 Volatility

The Value of our Confidence Factor



Source: Standard and Poor's Index Services from Yahoo Finance

Conclusion



- Access to all asset classes
- Participation in large market moves
- Downside protection
- Hedge fund-like histogram with positive skew and small drawdowns
- Full transparency
- Full liquidity
- Outstanding 12.5% annualized return September 30, 2005-December 31, 2011

"...You don't know what you've got 'til it's gone."

--- Joni Mitchell

Additional Information:

Holdings

Performance

Portfolio Characteristics

Factors

Fee Schedule

Biographies

Tactical Investments

September 2005 – October 2011



MCS Tactical Growth Investments

August 17, 2005* – December 30, 2005

Mid Cap- (IWR, MDY, IJH, JKG, VO, JKI, IJK, IJJ)	92.9%
All Cap- (VXF)	7.1%

July 5, 2006 – December 27, 2006

Mid Cap- (MDY, IWR, VO)	67.6%
Bio Tech- (BBH, IBB)	10.8%
Large Cap- (JKD, VV, IWB)	5.8%
S&P 500- (SPY)	5.2%
Money Market Funds	10.6%

February 27, 2007 – May 9, 2007

Mid Cap- (MDY, IWR, MVV)	54.0%
S&P 500 - (SPY, SSO)	8.8%
Bio Tech- (BBH)	6.1%
International- (FXI)	5.1%
Money Market Funds	26.1%

August 1, 2007 – October 24, 2007

Mid Cap- (MDY, MVV, IWR)	77.3%
S&P 500- (SSO)	10.9%
Bio Tech- (BBH)	2.2%
Money Market Funds	9.6%

February 18, 2010 – April 21, 2010

Emerging Markets- (EDC)	43.2%
Technology- (TYH)	27.2%
S&P 500- (UPRO)	11.8%
Money Market Funds	17.9%

March 18, 2011 – April 26, 2011

NASDAQ 100-(TQQQ)	34.9%
Large Cap- (BGU)	25.7%
S&P 500- (UPRO)	16.3%
Technology- (TYH)	9.6%
Small Cap- (TNA)	9.1%
Mid Cap- (MWJ)	2.9%
Money Market Funds	1.0%

*Portable track record began October 1, 2005

Fundamental Factors



Earnings/Revenue Related

5 Year Earnings Growth
5 Year Revenue Growth
Cash Flow
Debt
Debt/Equity Ratio
Dividends
Dividend Increase or Decrease
EPS
Revenue
Inventory Turnover
New Profit Margin %
ROE
YoY Quarterly Earnings Growth
YoY Quarterly Revenue Growth
R&D Expenditure

Market Related/Projections

Short Interest
Stock Splits
High & Low P/E Ratio for QoQ
Price to Sales Ratio
Shares Outstanding/Float
Forward Company Projections for Sales
Forward Company Projections for Earnings

Qualitative

CEO
Management Ownership
Industry Group
Current Standing in Industry

Economic Factors



Consumer Related

Auto Sales
Consumer Credit
CPI
Existing Home Sales
Initial Unemployment Claims
Michigan Consumer Sentiment Report
Personal Income & Consumption
Retail Sales

Global/Trade Related

Balance of Trade Payments
Foreign Exchange Rate
GDP
Productivity & Costs

Cost of Business Related

Employment Cost Index
Hourly Earnings
Non-Farm Payroll
Purchasing Managers' Index

Business Related

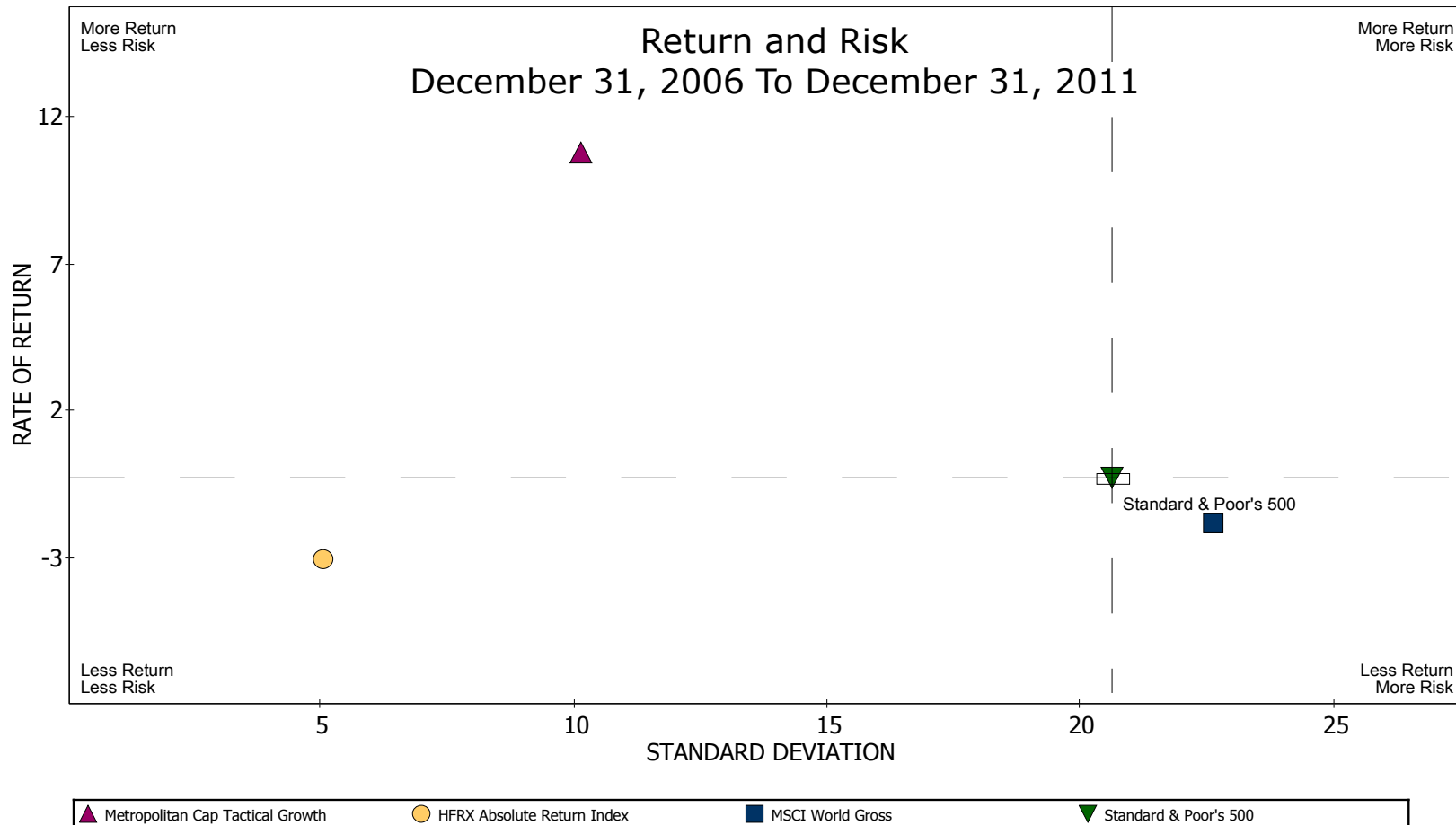
Business Inventories
Capacity Utilization Rates
Durable Goods Orders
Industrial Production
New Home Permits
New Home Sales
New Home Starts
Wholesale Inventories
PPI

Technical Factors



- 50-day Moving Average
- 200-day Moving Average
- Moving Average Convergence/Divergence
- Money Flow Index
- Relative Strength
- Volume

Risk and Return in Perspective



Supplemental information to the GIPS compliant presentation. Composite performance is gross of fees.

Please see disclosures at the end of presentation.

Disclosure Presentation

	Total Firm AUM	Composite Assets			Performance Results				Standard Deviation	
		USD (millions)	# of Accts	Composite Pure Gross	Composite Net	MSCI World	S&P 500	Composite Dispersion-Gross	Composite 3 Yr Std Dev	MSCI World 3 Yr Std Dev
2011	90.8	61.6	92	3.1%	0.4%	-5.0%	2.1%	0.9	12.6%	20.2%
2010	86.5	56.1	82	27.1%	23.7%	12.3%	15.1%	0.7	11.6%	23.7%
2009	65.2	44.6	76	0.04%	-2.9%	30.8%	26.5%	0.8	5.6%	21.4%
2008	67.6	46.2	48	2.7%	-0.2%	-40.3%	-37.0%	1.2	5.8%	17.0%
2007	38.3	27.9	22	23.9%	21.7%	9.6%	5.5%	N/A	N/A	N/A
2006		7.3	1	17.2%	17.2%	20.7%	15.8%	N/A	N/A	N/A
2005 (3 months)		6.7	1	6.9%	6.9%	3.2%	2.1%	N/A	N/A	N/A

Metropolitan Capital Strategies, LLC (MCS) is a registered investment adviser established in 2007. MCS claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. MCS has been independently verified for the periods May 1, 2007 through May 31, 2008 by Cohen Fund Audit Services and for periods June 1, 2008 through March 31, 2011 by Ashland Partners & Co., LLP. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Tactical Growth composite has been examined for the periods May 1, 2007 through March 31, 2011. Copies of the verification reports are available upon request.

The Tactical Growth Composite contains fully discretionary tactical growth accounts and for comparison purposes is measured against the MSCI World (Gross) Index. 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 was used for comparison purposes. The benchmark was changed to more accurately reflect the strategy of the composite. The securities held in the MCS composites are not limited to securities that are included in the selected index. The Tactical Growth composite was created on May 1, 2007. Prior to January 1, 2011 the composite was named the FACT Funds® Tactical Growth composite. Prior to May 2007, the 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. A list of composite descriptions and policies for valuing portfolios, calculating performance, and preparing compliant presentations is available upon request.

The Tactical Growth strategy primarily involves purchasing and selling Exchange Traded Funds ("ETFs") and writing uncovered put and call options. There are special risks associated with uncovered option writing which exposes the investor to potentially significant loss. Therefore, this type of strategy may not be suitable for all investors. 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. The option strategy may be employed continually throughout the year.

Wrap fee schedules are provided by independent wrap sponsors and are available from the respective wrap sponsor. The wrap fees include custody, trading expenses, and other expenses associated with the management of the account. Bundled, tiered fee accounts make up over 99% of the composite for all periods beginning May 1, 2007. Management fees per annum are as follows: Less than \$500,000 of assets – 2.2% of assets, at least \$500,000 but less than \$3 Mil – 2.0% of assets, at least \$3 Mil but less than \$10 Mil – 1.9%, more than \$10 Mil – 1.8% of assets. Fees are negotiable. 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. 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. 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.

The annual composite dispersion (standard deviation) presented is a dollar weighted dispersion for the accounts in the composite the entire year. Past performance is not a guarantee of future results. Investments may lose value. Results presented include reinvestment of all dividends and other earnings. For further disclosures, please consult the MCS Form ADV Part 2, and MCS Discretionary Investment Management Agreement.

Performance Results



Annual Returns to December 31, 2011

	2011	2010	2009	2008	2007	2006	Q4 2005
Tactical Growth-Gross	3.1%	27.1%	0.04%	2.7%	23.9%	17.2%	6.9%
Tactical Growth-Net	0.4%	23.7%	-2.9%	-0.2%	21.7%	17.2%	6.9%
MSCI World Index	-5.0%	12.3%	30.8%	-40.3%	9.6%	20.7%	3.2%
S&P 500 Index	2.1%	15.1%	26.5%	-37.0%	5.5%	15.8%	2.1%

Annualized Returns to December 31, 2011

	1 Year	3 Years	5 Years	Since Inc. 9/30/05
Tactical Growth-Gross	3.1%	9.5%	10.8%	12.5%
Tactical Growth-Net	0.4%	6.5%	8.0%	10.2%
MSCI World Index	-5.0%	11.8%	-1.8%	2.1%
S&P 500 Index	2.1%	14.1%	-0.3%	2.5%

**Information presented prior to May 1, 2007 is that of the portfolio management team while affiliated with a prior firm. Please see disclosures at the end of presentation.*

Portfolio Characteristics



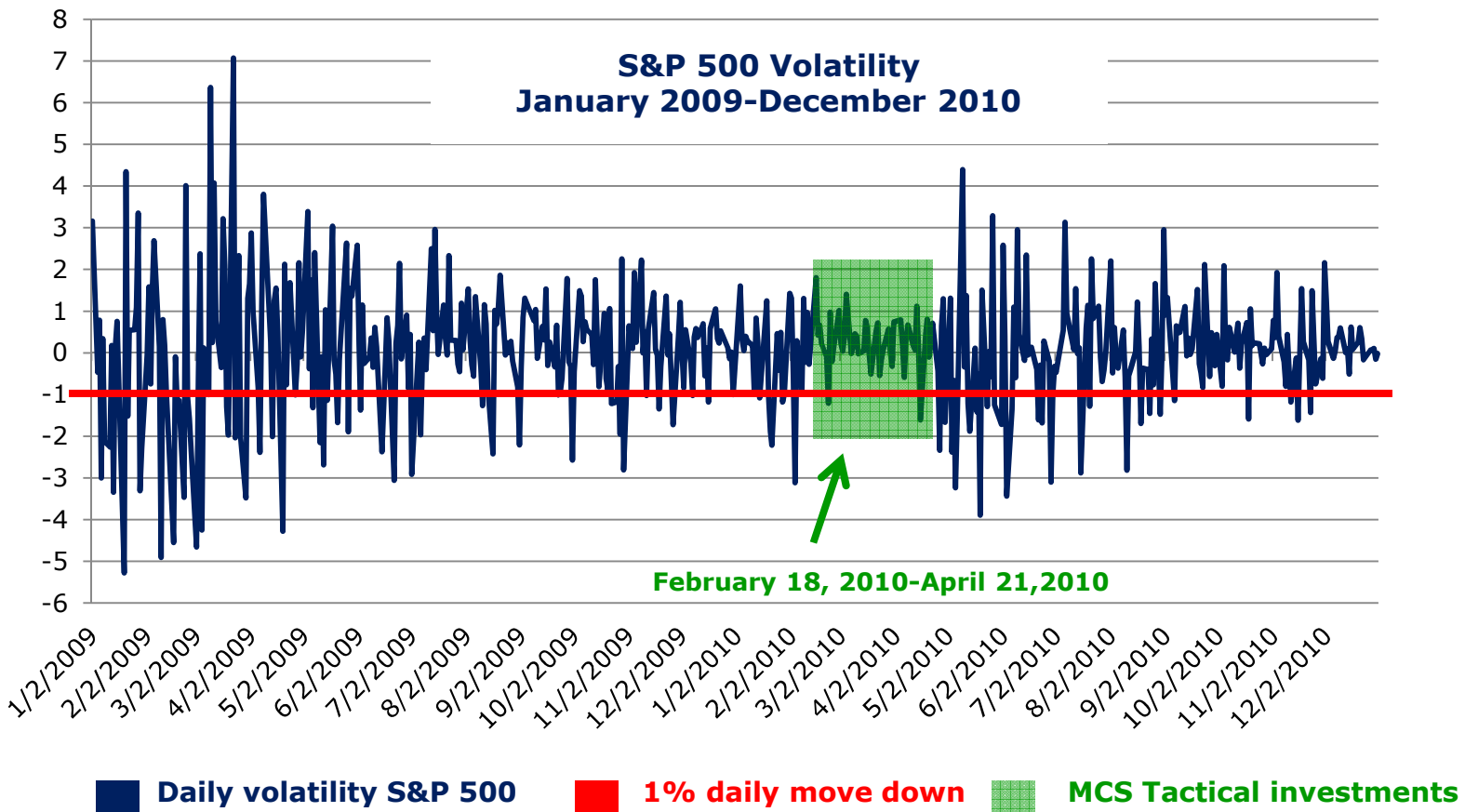
5 Years Ending 12/31/2011	Rate of Return	Std Dev	R- Squared	Sharpe Ratio	Max Ddown%	Sortino Ratio	Tracking Error	Info Ratio	Alpha	Beta
MCS - Tactical Growth	10.8	10.6	.06	0.9	-9.4	3.2	20.4	0.6	10.2	0.1
MSCI World Index	-1.8	20.3	1.0	-.2	-53.7	-.1	0.0	0.0	0.0	1.0

5 Years Ending 12/31/2011	Rate of Return	Std Dev	R- Squared	Sharpe Ratio	Max Ddown%	Sortino Ratio	Tracking Error	Info Ratio	Alpha	Beta
MCS - Tactical Growth	10.8	10.6	.06	0.9	-9.4	3.2	18.8	0.6	10.0	0.2
S&P 500 Index	-0.3	18.7	1.0	-.1	-51.0	-0.02	0.0	0.0	0.0	1.0

Source: PSN Informa. N/A – Not applicable. Supplemental information to the GIPS compliant presentation. Composite performance is gross of fees. Please see disclosure at end of presentation.

S&P 500 Volatility-2009 to 2010

The Value of our Confidence Factor



Source: Standard and Poor's Index Services

Tactical Investments

March-April 2011



- **Tactical investments including S&P 500 and NASDAQ 100** - March 18, 2011
 - Q1 earnings and revenue holding strong
 - Positive technicals, positive VIX, no new highs needed for 10% rise

- **Sell discipline engaged: Two material unexpected negative events**
 - Japan nuclear emergency upgraded to maximum level 7
 - Reduces likelihood of quick recovery, Suggests growth slowing globally
 - S&P downgrades outlook of US economy from stable to negative
 - Tactical investments strategically exited April 14, 2011, portfolios to lowest risk assets and low risk options

Annual Fee Schedule

Institutional Clients



Tactical Growth Investment Management Fees

Initial account assets \$5 million or greater: 1.5% of assets under management

Initial account assets less than \$5 million: 2.0% of assets under management

Minimum account size: \$250,000

Fees are billed quarterly in arrears, based on the average market value of the portfolio over the prior quarter.

Performance-based fees are available.

Biographies Institutional Team



David A. Schombert, Founder, President and CIO

David A. Schombert received his B.S. in Finance from George Mason University in 1975. Mr. Schombert began his career in finance as a financial risk analyst evaluating risk-reward on major contracts for Fortune 500 Companies. After 20 years in the private sector, Dave continued his career for 11 successful years as a Vice President of Private Client Wealth Management for the Smith Barney division of CitiGroup Global Markets, Inc. During his tenure in the financial arena, Dave developed a tactical and quantitative investment philosophy that set him apart from the standard investment approach. Dave is the Founder, President and CIO of Metropolitan Capital Strategies where he now uses his unique philosophy to manage its portfolios which are made up of two strategies, Tactical Growth and Tactical Moderate.

Sharon M. Snow, CEO and CCO

Chief Executive Officer, Sharon Snow, comes to MCS after a successful career in Private Client Wealth Management with Citigroup Global Markets, Inc., Smith Barney. Prior to receiving her B.S. in Business Management from the University of Maryland, Sharon owned several different corporations. She now utilizes her business expertise at MCS as CEO, assisting Dave with the trading strategy and working with the investment professionals that utilize MCS as a money manager for their clients. Involved in leadership and community roles, Sharon has held several board positions and received various recognitions at Smith Barney. Sharon is a historian of the market and has been quoted in numerous investment publications including The Street.com, Investment News, The Wall Street Transcript, Dow Jones, Investor's Business Daily, Investment Manager Weekly and Emerging Manager Monthly.

Deborah G. George, Institutional Client Development

Debbie is responsible for Metropolitan Capital's institutional client development through Growing Emerging Managers' Services (GEMS), an independent institutional marketing and client service company she founded in 2005. She has over 20 years of investment industry experience, building strong client bases for emerging money management firms. Before forming GEMS, she was Director of Marketing and Client Service at Blaylock-Abacus Asset Management and held similar positions at Philippe Investment Management, Valenzuela Capital Partners and HSBC Asset Management.

“At some point the world will notice that, relative to nearly all other assets, cash is in a boom.

And it sure makes sleeping easier.”

--- The Elliott Wave Financial Forecast

November 4th, 2011