

CMG Capital Management Group, Inc.

Bandon Directional Interest Rate Strategy

Investor Presentation

March 2010

Program Overview

The Bandon Directional Interest Rate Strategy (DIRS) is a growth oriented investment program that seeks to take advantage of inefficiencies created by traditional fixed income strategies. The strategy aims to be profitable regardless of market direction and has historically shown low correlation with traditional investments. It also strives to apply a consistent, disciplined approach emphasizing capital preservation.

The sub-advisor for Bandon is a former New York Federal Reserve Bank Economist that actively trades US Government bond futures.

The strategy's investment objective is to return to its investors 10-12% annualized net of fees, with an annual standard deviation of 6-8%.

The Opportunity

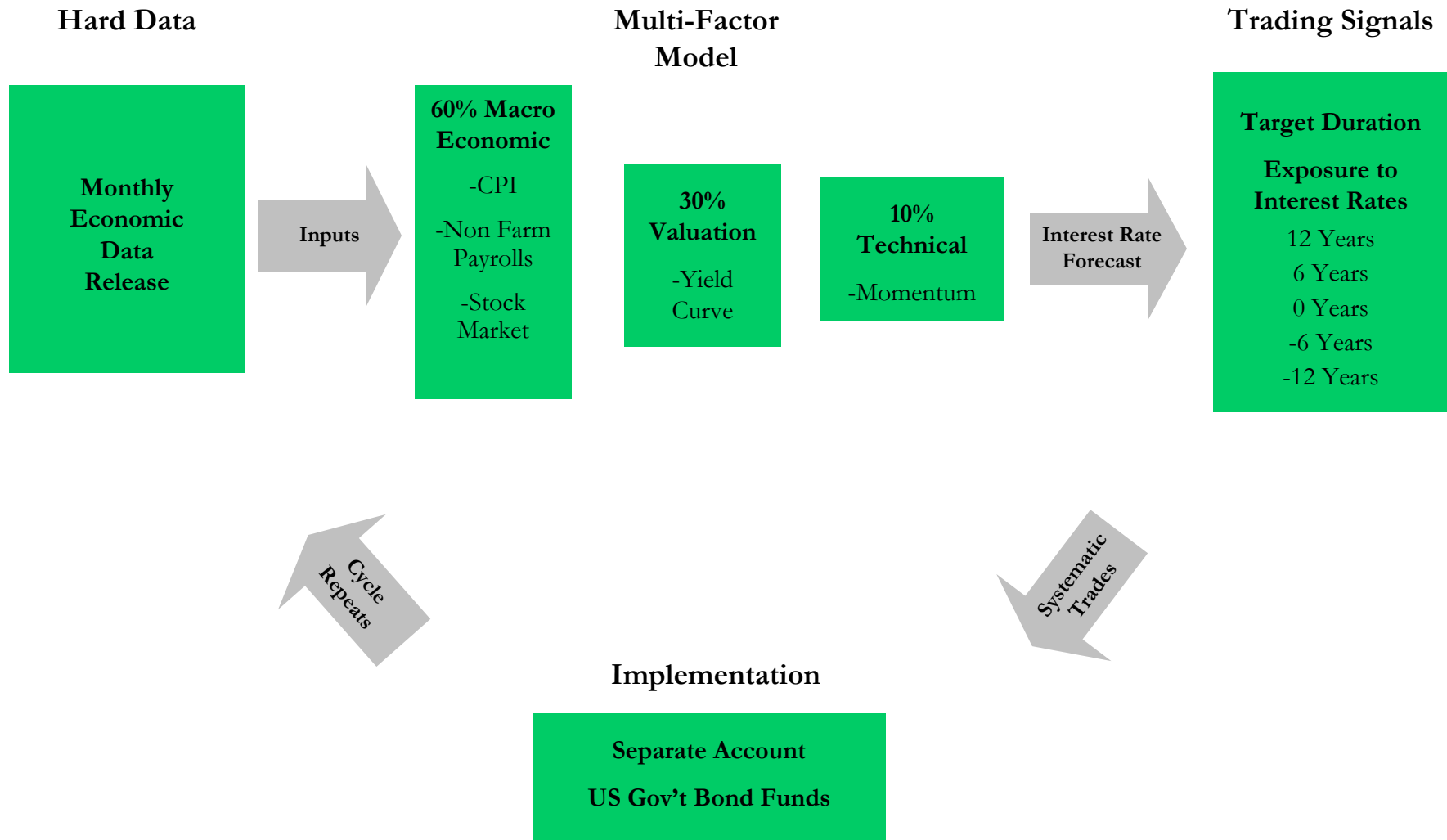
- Short / Medium term “mispricing” exists due to several biases in the traditional fixed income management process:
 - Inappropriate Time Frame – Most participants have a longer term orientation (6-12 months or longer). Interest rates just like other markets are difficult, if not impossible to predict over the long run.
 - Traditional Fixed Income Mandate – Rather than make large bets on the direction of interest rates most traditional fixed income managers choose to make small incremental changes to their interest rate exposures throughout the month, focusing most of their efforts on credit and sector.
 - Differing Investment Objectives – Many market participants are forced to trade not based on a fundamental view (e.g. mortgage traders), thereby creating an inefficiency in the market.
- Interest rates typically follow macroeconomic and valuation principle, with volatility on a month-to-month basis
- Bond prices can be forecasted with significant predictability in the short-term

Multi-Factor Approach

- DIRS deploys a multi-factor approach to project monthly fixed income exposures.
- The framework weights macro economic, valuation, and technical factors to determine monthly risk exposures and portfolio construction.
- Based on the research output, the portfolio will be positioned in Treasury mutual funds in the following way:
 - Strong readings: Long or Short - 15-year Treasury portfolio (~60%)
 - Modest readings: Long or Short - 7.5-year Treasury portfolio (~20%)
 - Unclear readings: Neutral...cash / money markets (~20%)
- The market risk is similar to being long or short a 15-year Treasury portfolio*
- A 4% stop loss is incorporated for further risk management
- No credit risk...no leverage...highly liquid

* While US Treasury security instruments held to maturity have little to no risk of return of principal this portfolio has approximately the same market risk as a 15-year Treasury portfolio but there is no assurance that clients will avoid substantial losses.

How Strategy Works



Investment Terms

- Minimum Investment \$100,000
- Subscriptions Daily
- Withdrawals Daily with 1 day prior written notice
- Lock up None
- Management fee 2.50%
- Administrator/Custodian Trust Company of America

Fund Manager

Bill Woodruff:

Mr. Woodruff is Bandon's founder, sole principal and managing member. As such, he is responsible for the oversight and management of all aspects of the firm's operations, including portfolio management. Prior to founding Bandon in 2007, Mr. Woodruff spent four years with Beacon Investment Group and its subsidiaries, ultimately serving as the portfolio manager for the firm's various hedge funds and alternative investment products. In that role, Mr. Woodruff was responsible for trading in a \$230 million hedge fund portfolio (\$300+ million on a leveraged basis), and created the trading approach for the DIRS Program that is now a flagship Bandon product. Mr. Woodruff began his career in the investment business as a stock broker for Philips & Co. Securities in 2002. He holds a B.B.A. in Finance from the University of Portland.

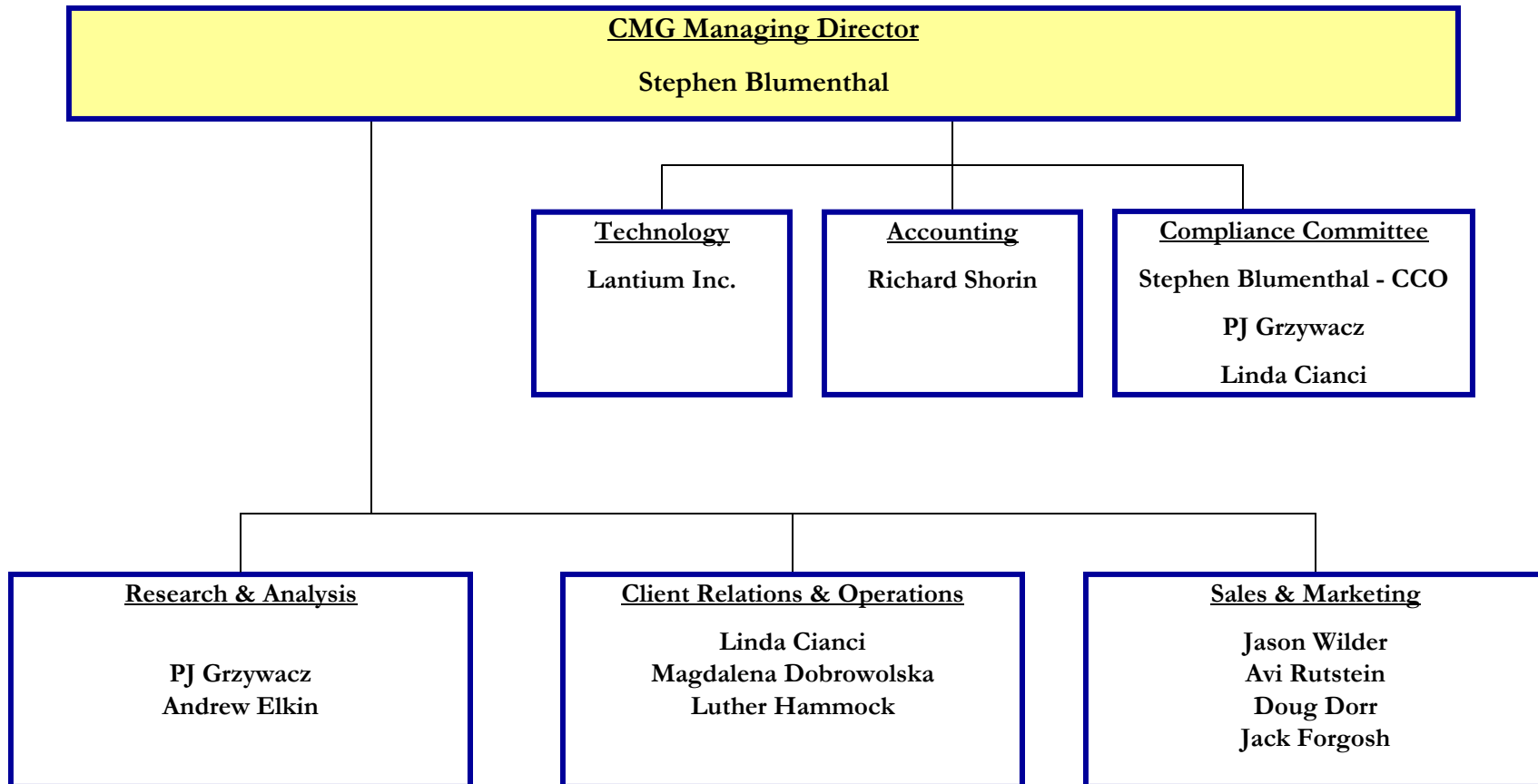
Benefits Of Investing With CMG

- Absolute Return Strategies platform offers multiple strategies through one account -- allows investors to customize their portfolio
- Research and due diligence team evaluate & monitor managers
- Seasoned and experienced investment team
- Daily liquidity; daily transparency
- Dynamic approach to asset allocation -- low correlation between investment strategies
- Consultative approach to match investor suitability with the appropriate investment strategies.
- Boutique Investment Advisory firm -- personalized attention that larger firms cannot provide.

Absolute Return Strategies Overview

- Eight investment programs designed for non-accredited investors:
 - Anchor Capital Stratus Program
 - Anchor Capital Long/Short High Yield Bond Strategy
 - **Bandon Directional Interest Rate Strategy**
 - CMG Managed Yield Bond Program
 - Heritage Capital Gold Strategy
 - Schreiner Capital Dynamic Index Program
 - Scotia Growth S&P Plus Program
 - System Research Treasury Bond Program
- Established client base includes institutional investors and high net worth individuals.
- 11 employees
- CMG Capital Management Group, Inc. is a Registered Investment Advisor with the SEC.

Organizational Chart



CMG Contact Information

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If you are interesting in participating in the Stratus program please contact:

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Disclaimer

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A potential investor considering an investment in one of the CMG programs should read the respective account documents for purposes of making its investment decision. The relevant documents contain a more complete description of each fund's restrictions, risks, and other factors relevant to a decision to invest.

No representations or warranties, expressed or implied, have been made as to the accuracy or the completeness of the information in this presentation and this presentation should not be relied upon for making an investment decision.

Hypothetical Performance Disclosure:

Certain monthly and annual rates of return shown in this presentation, and the resulting performance statistics, contain hypothetical performance. Hypothetical performance does not represent the profit or loss resulting from actual trades. Rather, this hypothetical performance was generated by applying the DTS trade selection methodology to market data from June 2002 to July 2004 using certain assumptions that are further described below. Hypothetical performance results have many inherent limitations, some of which are described below. No

representation is made that any account will or is likely to achieve profits or losses similar to those shown. In fact, there are frequently sharp differences between hypothetical performance results and the actual results subsequently achieved by any particular trading program. One of the limitations of hypothetical performance is that it is generally prepared with the benefit of hindsight. In addition, hypothetical trading does not involve financial risk and no hypothetical trading record can completely account for the impact of financial risk in actual trading. For example, the ability to withstand losses or to adhere to a particular trading program in spite of trading losses are material points that can adversely affect actual trading results. There are numerous other factors related to the markets in general or to the implementation of any specific trading program that cannot be fully accounted for in the preparation of hypothetical performance results and all of which can adversely affect actual trading results.

Furthermore, the hypothetical performance record does not fully represent the strategy to be implemented on behalf of the client accounts. The back-test was conducted using three funds. Cash equivalent allocations were made to ProFunds Money Market (MPIXX), long bond allocations were made to ProFunds US Government Plus (GVPIX), and short bond allocations were made to ProFunds Rising Rates Opportunity (RRPIX). Since the inception of the ProFunds Rising Rates Opportunity 10 (RTPIX) on January 10, 2005 short bond exposure has been obtained through RTPIX or a combination of RTPIX and RRPIX. Both GVPIX and RRPIX seek to obtain exposure to the 30-year government bond, RTPIX seeks

to achieve exposure to the 10-year government bond. Although the change in 10-year and 30-year treasury interest rates are highly correlated over longer periods of time, differences in correlation among maturities over shorter time periods may have a detrimental effect on the actual performance relative to the hypothetical performance.

Due to these differences and because the adviser's management of the DTS strategy (including, without limitation, instruments employed) may change from time to time, there are significant inherent limitations in the hypothetical performance information presented herein. Accordingly, customers should be particularly wary of placing any reliance on these results.