

Forward Tactical Growth Portfolio

Managed by Broadmark Asset Management

FORWARD MANAGEMENT

OBJECTIVE

The Forward Tactical Growth (FTG) Portfolio seeks to achieve above average, risk-adjusted returns, in any market environment, while exhibiting significantly less downside volatility than the market itself. We anticipate this objective will be accomplished by managing the ongoing net exposure compared to the market, as measured by the S&P 500.

PHILOSOPHY

We believe portfolio risk and return can be enhanced with a strategy that is not required to be long only and/or fully invested. Our multi-factor model has successfully identified these opportunities over time.

STRATEGY

We endeavor to out-perform traditional strategies:

- by increasing equity exposure when we believe risks are low = Up to 100% long
- by creating inverse exposure when we believe risks are high = Up to 100% inverse ETFs and/or defensive positions
- by taking a neutral position when we believe no clear opportunities are apparent = Up to 100% Cash

SUB-ADVISOR

Broadmark Asset Management

STYLE

Long/Short Equities

BENCHMARK

S&P 500 Index

FORWARD MANAGEMENT, LLC

Since 1998, Forward Management has provided institutions, investment professionals and high-net-worth individuals innovative investment products and solutions. Forward is the investment advisor to a family of mutual funds, including core, specialty and asset allocation portfolios, as well as a range of managed accounts in specialty and income-producing asset classes. Our investment management teams have deep expertise in their investment disciplines, allowing us to provide investors a range of investment products focused on adding alpha with low correlations.

Exposure Management

The FTG Portfolio model provides key determinates in assessing optimal stock market exposure including:

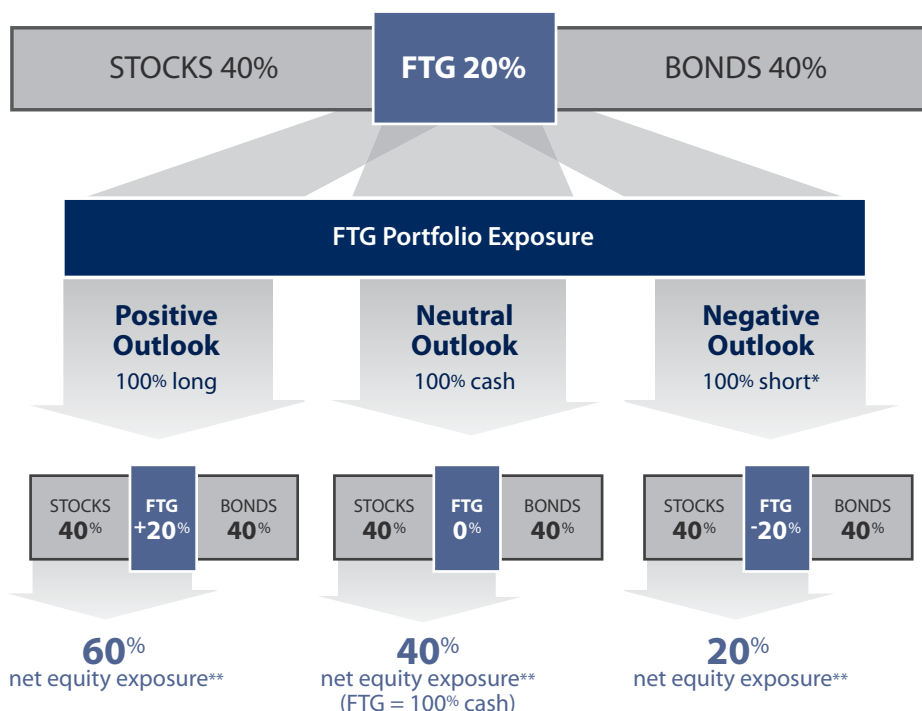
- Entry Points
- Exit Points
- Amount of Exposure
- Types of Exposure

Our unique approach includes both fundamental and model-driven analysis.

- VALUATION AND MONETARY POLICY: 25%
Assesses overall stock market risk.
- SENTIMENT: 25%
Contrarian indicator. Most investors are wrong at market inflection points.
- MOMENTUM MODELS: 50%
The major input in determining market exposure.

FTG Portfolio Allocation

The example below is designed to illustrate how a hypothetical 20% portfolio allocation to the Forward Tactical Growth Portfolio could impact overall equity market exposure. The example does not represent the composition of an actual portfolio.



*FTG Portfolio does not take actual short positions. The portfolio achieves short exposure through the use of inverse ETFs. The manager actively adjusts inverse ETF positions such that the inverse ETF position value closely matches that of a direct short ETF position

**Net equity exposure = stocks + FTG

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MANAGEMENT TEAM

Christopher J. Guptill
CEO and Chief Investment Officer

Mr. Guptill, a founding member of Broadmark Asset Management, LLC, is based in the California office and is responsible for the development of Broadmark's investment management programs and products. He is also responsible for the implementation of all portfolio management and execution. Mr. Guptill began his career in 1979 at Paine Webber, Jackson and Curtis. In the mid-1980s he developed a specialty for identifying emerging equity managers. In 1994 Mr. Guptill joined McKinley Capital Management, Inc., as a Senior Portfolio Manager. He later became the firm's Chief Equity Strategist. Additionally, Mr. Guptill developed, launched and co-managed the firm's highly successful alternative investment portfolios. Mr. Guptill is a 1979 graduate of California State University, Chico with a B.A. in Economics.

Richard P. Damico
Senior Portfolio Manager

Mr. Damico joined Broadmark in March 2005 and is based in the California office. As a Portfolio Manager, he participates in the implementation of portfolio management and trading functions. Most recently he was a Managing Director at ThinkEquity Partners, LLC where he established and was responsible for the development of the institutional trading desk at their San Francisco headquarters. Prior to ThinkEquity Partners, from 1997 to 2002, he was a Vice President and Senior Institutional Sales Trader at Morgan Stanley's San Francisco office, covering West Coast institutional accounts. Additionally, Mr. Damico was an Associate Director and Senior Sales Trader at Bear Stearns in San Francisco from 1990 to 1997.

Portfolio Composition

The portfolio seeks to create alpha on the dispersion of co-varying segments of the market. Traditional market neutral, low-volatility portfolios are typically dollar neutral and create potential alpha on the dispersion between paired, weak and strong, stock selections within multiple sectors.

Portfolio exposure is incrementally increased or decreased in relation to model outputs. Relative strength models help identify indexes and sectors with the greatest potential.

The sample portfolio below represents a hypothetical portfolio and does not represent actual portfolio holdings. Portfolio holdings are subject to change at any time.

+ POSITIVE VIEW

Positions		Tactical Enhancement Incremental Alpha			
Symbol	Holding	Symbol	Holding	Symbol	Holding
SPY	S&P 500 ETF	XLF	Financials	IBB	Biotechnology
DIA	Dow Industrial 30	XLK	Technology	GLD	Gold ETF
IWM	Russell 2000 ETF	XLE	Energy	GDX	Gold Miners
QQQQ	Nasdaq 100	XLB	Materials	USO	Crude Oil
MDY	Mid Cap 400	XLP	Consumer	OIH	Oil Services
EEM	Emerging Market	PPH	Pharmaceuticals	TBT	Short U.S. Treasury Bond

+/- NEUTRAL VIEW

Capital Preservation or Transition	
Symbol	Holding
BIL	Barclays 1-3 month T-Bill
	Cash

- NEGATIVE VIEW

Defensive positions and/or Inverse ETFs are used for hedging or to express a short view.

Tactical Hedge			
Inverse Exposure ETFs		Defensive	
Symbol	Holding	Symbol	Holding
SDS	S&P 500	UUP	U.S. Dollar
QID	Nasdaq 100	TLT	Treasury Bonds

For illustrative purposes only.

The portfolio primarily invests in security indexes and shares of ETFs, which can represent long, short, levered long or levered short positions in general asset classes of both U.S. and overseas equity markets. The underlying investments involve heightened risks related to liquidity, increased volatility and unfavorable fluctuations in currency values. The underlying international and real estate investments will also be subject to economic or political instability in the U.S. and other countries, credit risk and interest rate fluctuations.

An ETF is a security that tracks an index, a commodity or a basket of assets like an index fund, but trades like a stock on an exchange.

The portfolio's benchmark is the S&P 500. The S&P 500 Index is a capitalization-weighted index of 500 stocks traded on the NYSE, AMEX and OTC exchanges, and is comprised of industrial, financial, transportation and utility companies. Indexes are unmanaged and it is not possible to invest directly in an index.

Investing involves risk, including possible loss of principal. It is important to note that there are risks inherent in any investment and there can be no assurance that any asset class will provide positive performance over any period of time. Past performance does not guarantee future results.