RADIUS
CAPITAL MANAGEMENT LLC

Prudence ‣ Performance ‣ Personal Touch

Why Invest with Radius Capital Management?

I. Investments are Secure[1] and Liquid

II. Objective Quantitative Investment Process

III. Active Risk Management

IV. Strong Track Record Since Inception (1/1/2001)

Radius 100 Portfolio* **+78%**

vs. S&P 500 Stock Index§ -1%

[1] "Secure" refers to the custodian of your assets (Fidelity). As with all investments, the Radius portfolios fluctuate with the stock/bond markets and may lose value.

* Past performance is no guarantee of future results. The Radius 100 is a 100% stock mutual fund portfolio in existence since 1/1/2001. The portfolio returns are for the period 1/1/2001 to 7/31/2010. Returns include dividends and capital gains, and are *net* of all transaction costs and an annual management fee of 2%.

§ S&P 500 Index = Vanguard 500 Index Fund (VFINX)

Data Sources: Account statements (unaudited), Vanguard

I. Investments are Secure[1] and Liquid

Assets are
held in your name
at Fidelity Investments.

No minimum holding period –
you have access to your money
whenever you need it.

Money is invested solely in highly-liquid
well-diversified no-load and waived-load mutual funds.

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II. Investment Process

The result of over 20 years of extensive research and testing, the Radius strategy is a non-traditional quantitative investment model based on the following methodologies…

Portfolio Diversification → Focus On Managing Risk → Dynamic Portfolio Allocation

Portfolio Diversification

- No individual stocks, bonds, or options
- No sector-focused funds (e.g., specialty technology or precious metals fund)
- No country or region-specific international funds (e.g., Japan or Europe fund)

Focus On Managing Risk

- Based on the *Modern Portfolio Theory* work of 1990 Nobel Prize winning economists William Sharpe and Harry Markowitz
- Seeks to maximize the Sharpe Ratio of the portfolios:

$$\frac{\text{Return of Portfolio* } - \text{ Risk Free Return**}}{\text{Risk of Portfolio (std dev of monthly returns)}}$$

Dynamic Portfolio Allocation

- Not a market timing tool
- Momentum-based
- Goal is to identify – and invest in – the best performing market categories (e.g., large cap growth, small cap value) and the best funds within those categories.

* Total Return = Capital Appreciation plus Interest/Dividends
** 3-Month T-Bills

III. Risk Management: Monitoring Sector Concentrations

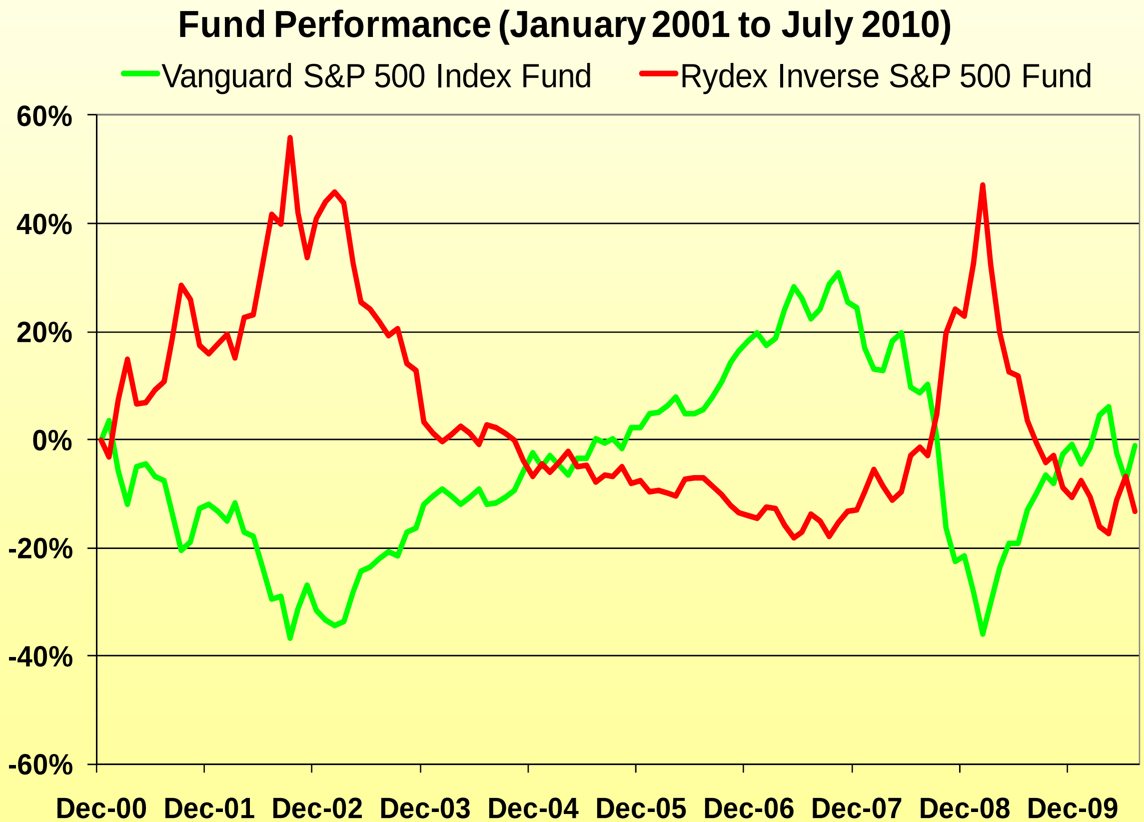
Background: Prior to Fall 2008 the Radius investment model relied on mutual fund companies and Morningstar to identify if a fund is "well diversified."

Issue: During 2008 it became clear that these sources do not provide completely accurate or timely data, as a number of "diversified" funds selected by the model turned out to be highly concentrated in just one or two sectors.

Solution: To avoid selecting funds with high sector concentrations, the Radius investment model now includes a (least-squares regression) sector analysis tool that filters out so-called "diversified" funds that are not, in fact, diversified.

III. Risk Management: Optional Addition of Bear Market Funds

Bear Market Funds are designed to provide returns opposite to those of the stock market by making investments whose value goes up when stock prices decline – *and vice versa*. When combined with long positions, bear funds can reduce volatility and provide a hedge to downside risk in declining markets.



There are two types of bear funds:

- **Actively Managed Funds** sell stocks short by picking companies whose stock prices are expected to fall
- **Index-Based Funds** bet against the market by using derivatives (futures and options) to achieve the inverse returns of a chosen benchmark.

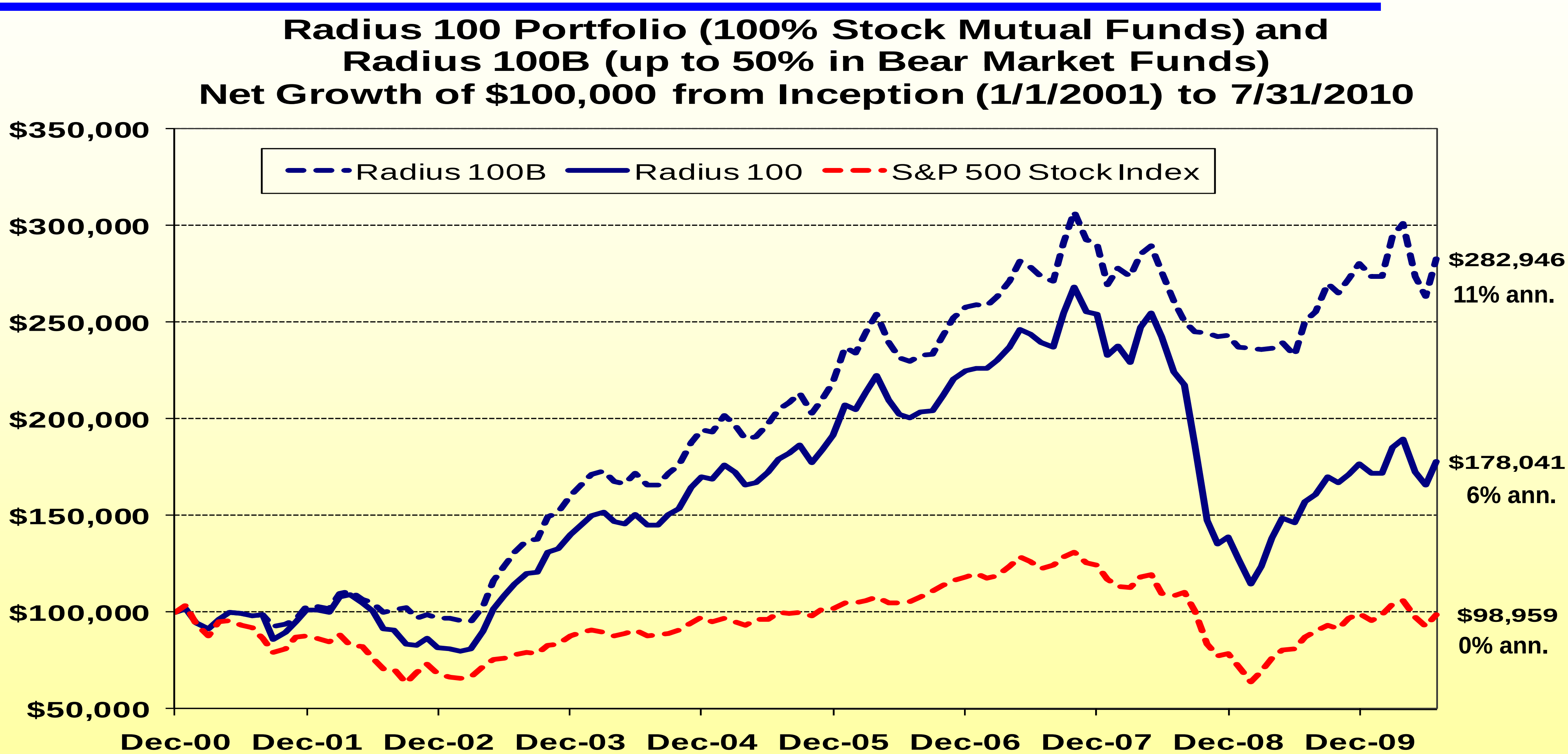
III. Risk Management: Radius “B” Portfolios

In 2009 Radius Capital Management introduced a modification to the standard “long-only” investment approach that allows up to 50% of the stock allocation in the portfolio to be invested in bear market funds.

- **Insurance Policy**: The hedging provided by the bear market funds acts as an insurance policy against severe portfolio loss in protracted bear market environments.
- **Cost of Insurance:** As with all insurance, the Radius “B” strategy comes with a cost, as these portfolios tend to underperform in the early stages of bull markets and are susceptible to market “whipsaws.” A whipsaw occurs when the stock market stages a significant rally shortly after bear market funds are added to the portfolio.
- **Not Always in Bear Market Funds**: It is important to note that these portfolios invest in bear market funds only after a declining trend has been established in the stock market. Thus for the vast majority of the time these portfolio configurations are invested exactly the same as their long-only counterparts.
- **Strong Back-Tested Performance:** The back-tested performance of the Radius “B” portfolios is strong, with portfolio declines significantly less than that of the Radius long-only portfolios.

Note: Back-testing was performed using exactly the same fund selection and replacement criteria as is used for the long-only portfolios. The only difference is that the long-only portfolios have not and do not allow bear market funds.

IV. Track Record: Growth of $100K

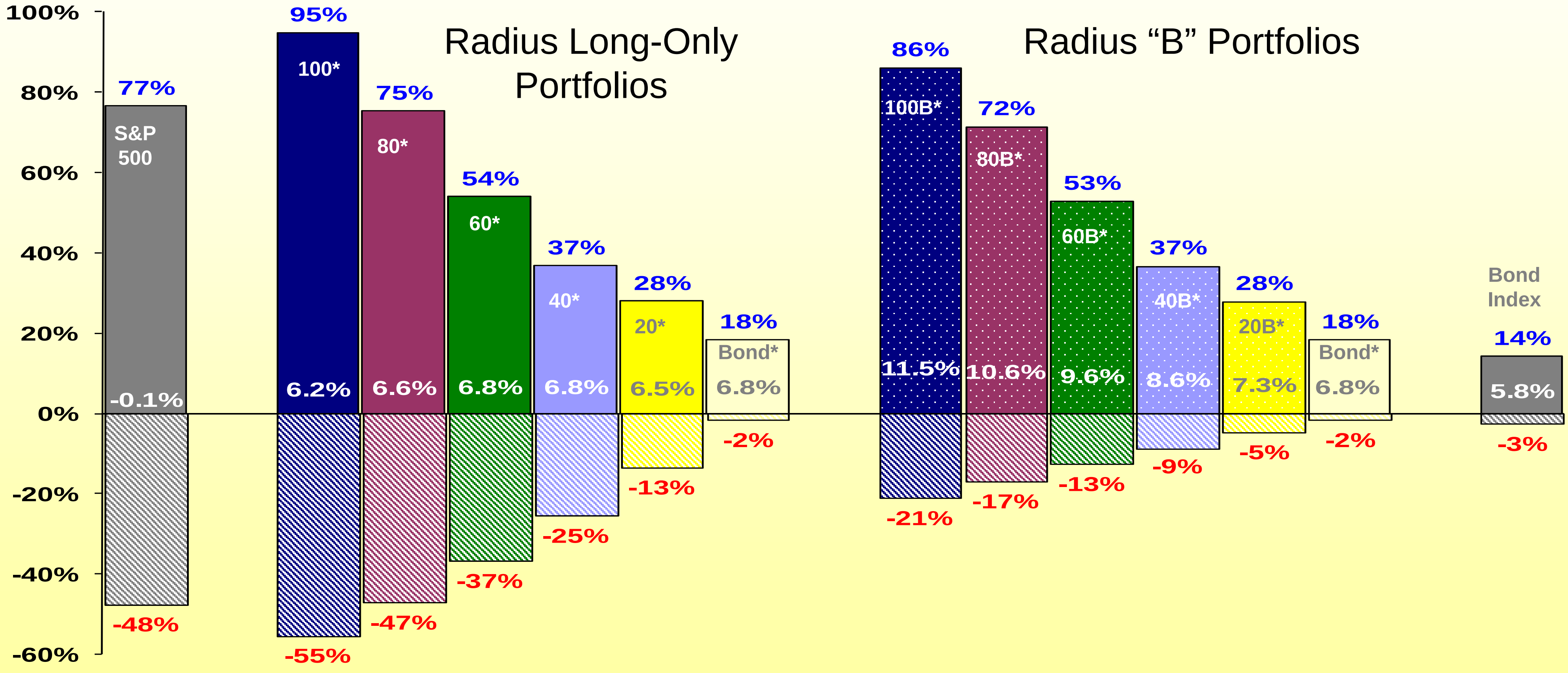


* Past performance is no guarantee of future results. Portfolio returns include dividends and capital gains and are net of all transaction costs and a 2% annual management fee. Performance data for Radius 100B portfolio are based on actual Radius 100 portfolio returns, which were then adjusted to reflect the inclusion of bear market funds for periods during which these funds were selected by the Radius proprietary investment model (as determined by their risk-adjusted returns).

§ S&P 500 Index = Vanguard 500 Index Fund (VFINX). Data Sources: Account statements (unaudited), Vanguard, Wall Street Journal, Lipper.

IV. Track Record: 12-Month Returns

Max, Min, and Avg (annualized) 12-Month Total Returns for All (including B) Portfolios from 1/1/2001 through 7/31/2010



•Past performance is no guarantee of future results. Portfolio returns include dividends and capital gains and are net of all transaction costs and account management fees. Performance data for Radius "B" portfolios are based on actual Radius portfolio returns, which are then adjusted to reflect the inclusion of bear market funds for periods during which these funds were selected by the Radius proprietary investment model (as determined by their risk-adjusted returns).

Note: All data prior to 11/30/2003 for the Radius 80, 40, and 20 Portfolios are based on actual returns from the Radius 100 and 60 (started 1/1/2001).

Data Sources: Account statements (unaudited), Vanguard.

IV. What Makes Radius Capital Management Better than Other Firms?

RADIUS CAPITAL MANAGEMENT

INVESTMENT STRATEGY

- Our investment process is both quantitative & objective.
- We pay close attention to risk management.
- We invest in the same portfolios as our clients.

PERFORMANCE TRACK RECORD

- Radius portfolios have outperformed their benchmarks without taking on excessive risk.
- Particularly strong results in bull markets.

ACTIVE RISK MANAGEMENT

- Each mutual fund is carefully screened to ensure that it is not overly concentrated in any one sector or industry.
- Bear market funds add an additional layer of protection.

PEACE OF MIND

- Your assets are secure[1] and liquid.
- Our business is investing, not sales.
- Investment management is our sole focus – and passion.

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IV. General Company Information (as of 7/31/2010)

- Registered investment management firm
- Founded in April 2004
- Minimum Initial Investment (household): $250,000
- Total assets under management: $19M
- Total number of clients (households): 52
- In 2010, Radius was featured in *Boston Magazine* as a “Five Star Wealth Manager” – Boston wealth managers selected for having the best client satisfaction in an independent survey of consumers and financial service professionals
- Clients include high net worth individuals, foundations, trusts, and retirement plans (profit sharing, defined benefit, 401k, and 403b)
- President and Portfolio Manager – Kimball Halsey
  - Developed the analytical tools behind the Radius Investment Strategy and has been tracking the market and developing/refining quantitative investment strategies since 1984
  - M.B.A. in Finance (Palmer Scholar: graduated in top 5% of class) The Wharton School, University of Pennsylvania
  - M.A. in International Studies, University of Pennsylvania
  - B.A. in Mathematics and Economics, Dartmouth College

Disclosures

- **Returns not Guaranteed**: This strategy has worked well in the past (both in actual and back-tested terms), but as with all investments, past performance is no guarantee of future results. Investment return and principal value will fluctuate, and it is possible to lose money – both in nominal and real terms.
- **Focus on Stocks**: The focus of the more aggressive Radius Portfolios (Radius 100, Radius 80 and Radius 60) is on investments in equity securities (stock mutual funds and ETFs). In the short term, the value of equity securities can fluctuate dramatically in response to business, political, market, and economic developments.
- **Portfolio Concentration:** Although the investment portfolios constructed using this strategy are well diversified from an individual stock and market sector standpoint, they may be highly concentrated in a particular fund category or categories. Although rare, it is possible for the equity portion of the Radius portfolios to be 100% invested in just one fund category (e.g., U.S. Small Cap or International).
- **Performance Track Record:** The Radius Risk-Adjusted Return investment strategy was developed by the president and founder of Radius Capital Management, Kimball Halsey. Although Mr. Halsey did not start Radius Capital Management until the spring of 2004, he has been investing money (initially his own and that of family members) using his strategy since January 1, 2001. During this time, Mr. Halsey managed the portfolios both independently (1/2001 – 6/2002) and while affiliated with two investment management firms: Halsey Advisory and Management (7/2002 – 5/2004) and Radius Capital Management (6/2004 – present). The initial amounts invested in the strategy were relatively small: $118K in the Radius 100 and $16K in the Radius 60.

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