

EQUINOX

Fund Management, LLC

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Q Describe your firm, its offerings and its mission.

Equinox Fund Management, LLC (“Equinox”) is a leader in the alternative investments industry. We believe in the value of non-traditional funds to reduce volatility and enhance overall returns in portfolios, and are committed to providing institutional-style investments to individual investors. Equinox’s Senior Management team has decades of combined experience in creating managed futures investments, including The Frontier Fund, a managed futures mutual fund, and commodity mutual fund. Equinox strives to provide the utmost level of client service and quality educational materials. Our products’ objectives include transparency and low minimum investments in order to avail investment opportunities to the broadest group of both accredited and non-accredited investors in the U.S.

Q Describe your investment strategy and how it might be unique.

Our investment process consists of four components:

- i. Research: Equinox uses proprietary and commercial databases and analytical tools to identify trading advisors that may be suitable for inclusion in our products.
- ii. Evaluation: Equinox uses quantitative and qualitative processes to evaluate and select trading advisors for inclusion in the products.
- iii. Fund Portfolio Design: Equinox analyzes the interrelationships among the selected trading advisors. The aim is to develop funds that offer diversification and consistent performance with less volatility.
- iv. Risk Management: In our attempt to achieve the specific investment objectives, Equinox monitors leverage, volatility, market sector exposure, losses from peak profit levels, and frequency of trading activity.

Q Describe how your investment products fit into a well-rounded asset allocation strategy.

Our products offer the following potential benefits to an investment portfolio:

Increased Diversification, designed to increase the potential for profit in rising or falling markets, taking long or short positions in a variety of sectors.

Low to Negative Correlation with traditional asset classes, due to the differing nature of profit opportunities.

Reduced Risk – even a modest allocation to our products may provide some level of reduced volatility by striving for positive performance potential when it’s most needed.

Increased Portfolio Performance – although past performance is not indicative of future results, historically managed futures have had a return similar to equities, with a lower standard deviation and lower maximum drawdown than equities.

Q How has your firm adapted during the recent economic downturn?

The key to true portfolio diversification is finding investments that perform well at different times and are likely to thrive during some volatile market conditions (as in 2008). Our products serve to provide this diversification when most needed: when traditional investments are not performing. Our trading advisors have different profit opportunities from those of traditional investments. They are adaptive, rather than predictive, looking at up-trends, down-trends, or even reducing their exposures during various market cycles and environments. Our advisors are often non-correlated to one another, which allows for even further diversification in two investments. This allows for broad exposure across multiple futures markets, trading timeframes, and strategies.

AT A GLANCE

Firm name: Equinox Fund Management, LLC

Principals: Richard E. Bornhoft, Robert J. Enck, Ron S. Montano, S. Brent Bales, Richard Knott

Employees: 50+

Location: Denver, CO

Years in business: 7

Assets under management: \$1.2 billion (March 31, 2011)

Minimum investment: \$1,000 (The Frontier Fund)