



## Diversification and Return Potential

### An Actively Managed Investment in Commodities and Financial Futures

Commodities and financial futures provide an alternative source of diversification, one that historical research indicates may deliver higher returns and lower risk than portfolios of stocks and bonds alone. An actively managed fund, incorporating multiple commodity trading advisor (CTA) strategies can provide investors with opportunities to earn returns superior to those of passively managed funds.\*

CTA Strategies May Provide

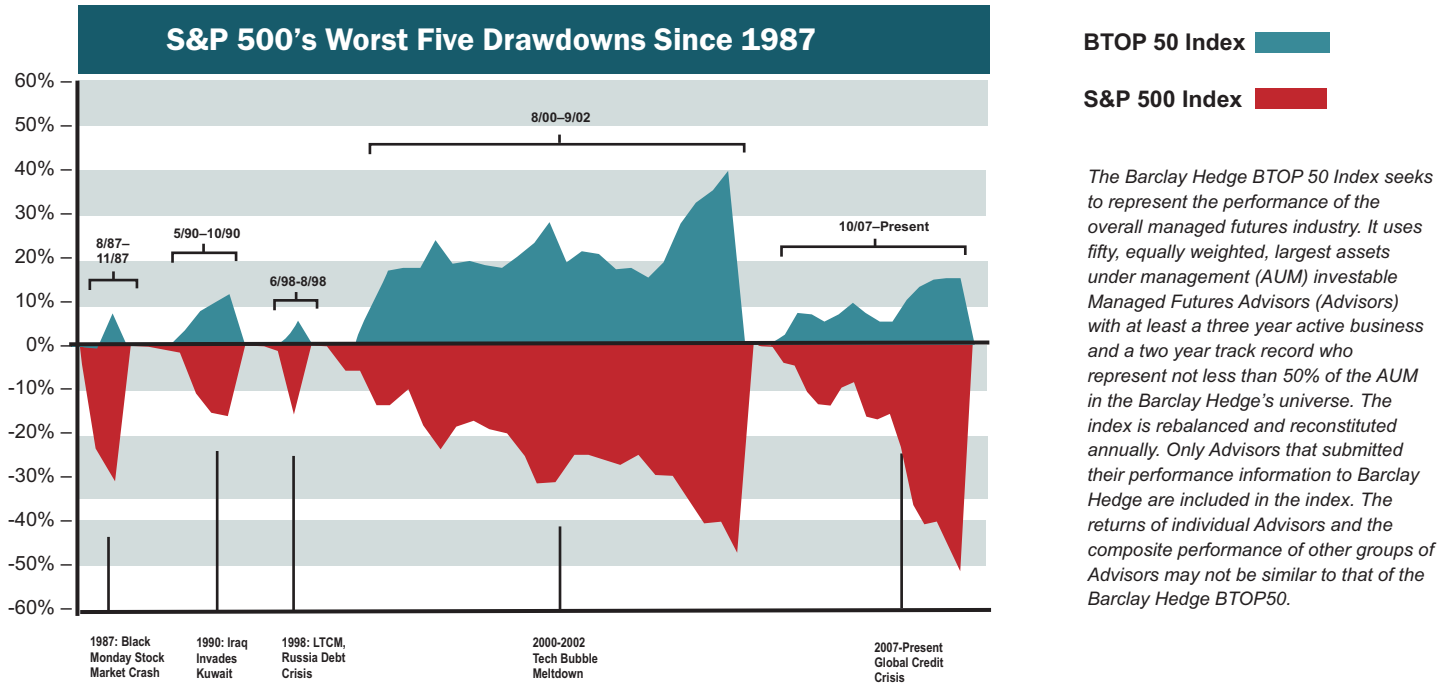
LIQUIDITY

INDEPENDENCE OF RETURNS

PERFORMANCE

## THE POTENTIAL OF MANAGED FUTURES ...

Managed futures have often produced outstanding returns during dislocations and in periods of crisis.\*



**DISCLOSURE:** YOU SHOULD CAREFULLY CONSIDER WHETHER YOUR FINANCIAL CONDITION PERMITS YOU TO PARTICIPATE IN A COMMODITY POOL. IN SO DOING, YOU SHOULD BE AWARE THAT FUTURES AND OPTION TRADING CAN QUICKLY LEAD TO LARGE LOSSES AS WELL AS GAINS. SUCH TRADING LOSSES CAN SHARPLY REDUCE THE NET ASSET VALUE OF THE POOL AND CONSEQUENTLY THE VALUE OF YOUR INTEREST IN THE POOL. IN ADDITION, RESTRICTIONS ON REDEMPTIONS MAY AFFECT YOUR ABILITY TO WITHDRAW YOUR PARTICIPATION IN THE POOL. The pool has not commenced trading and does not have any performance history. An investment in managed futures is speculative, involves a high degree of risk and is designed only for sophisticated investors who are able to bear the loss of their entire investment.

# Genesis Diversified CTA Fund I, LLC

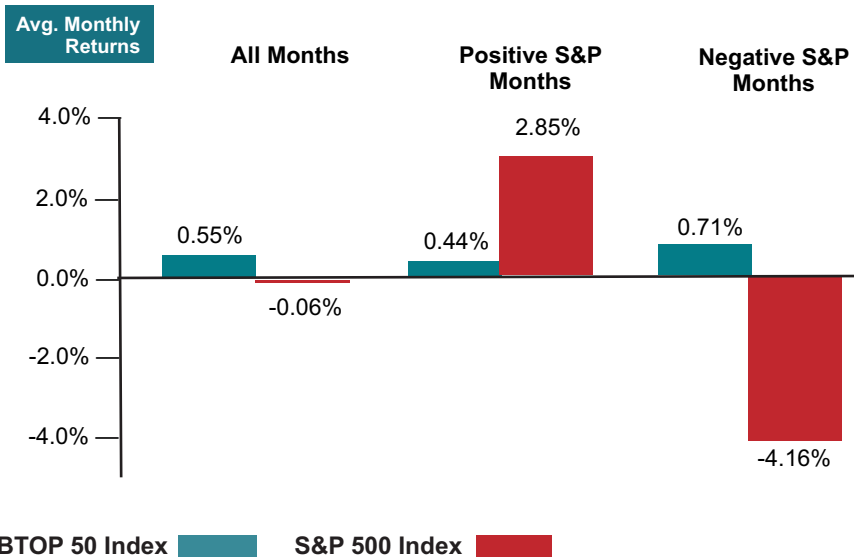


## Why Genesis?

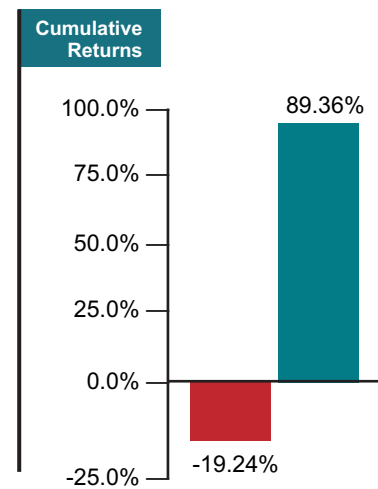
- Active Management
- Absolute Return Objective
- Seasoned Leadership Team
- Intraday Risk Control
- 30-day Liquidity

## ... IN A DIVERSIFIED, ACTIVELY MANAGED MULTI-MANAGER FUND

### CTA's vs Stocks: Steady and Sustained Returns.

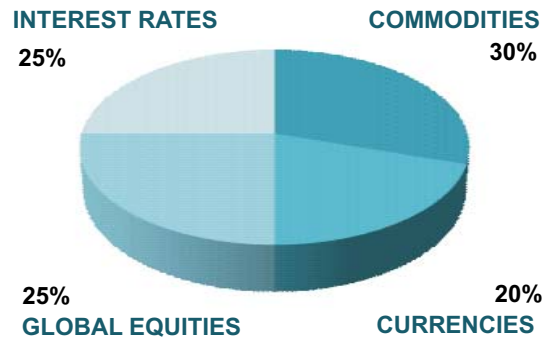


### 10 Years of Returns (8/99 – 4/10)



### Intraday Monitoring, Active Management

- Active management of portfolio
- Over 100 different markets eligible for trading
- Multiple professional traders
- Intraday, multi-level risk management
- Monthly liquidity
- Reduced correlation to traditional asset classes and hedge funds
- Portfolio optimization (*margin utilization*)



**Broad Exposure** – The Genesis Futures Fund I diversifies by market type, trading style and investment strategy

*The above chart is for informational purposes only and will not represent actual percentages of the portfolio.*



## BENEFITS OF MANAGED FUTURES

- **Liquidity:** Commodity trading funds can provide shorter liquidity periods, if necessary. Other alternative or hedge fund strategies at certain times could have significant lockup periods when investors may not be allowed to redeem or sell shares.
- **Lack of Correlation:** Since 1980, the correlation of the Barclay CTA index with the S&P 500 Index has been 0.00; with the Treasury market 0.05; and with world bonds 0.16. Therefore, managed futures tend to perform apart from other asset classes.
- **Performance:** Research has demonstrated that over a 25-year period, an allocation of only 20% of a portfolio to commodity and financial futures may improve performance and reduce risk of a traditional stock-and-bond portfolio.

## INSIGHTFUL, PROVEN, EXPERIENCED LEADERSHIP

Genesis deploys a team of investment professionals well-versed in the intricacies of commodity futures trading and the specific needs of investors in institutional, advisory and subadvisory roles.

**Timothy M. Holmes**  
25 years of experience

- Co-founder, Portfolio and Risk Manager
- Chief Investment Officer, 2007-2008
- Former Managing Member, Futures Options Trading Firm
- Professional Options Market Maker, 1985-2002

**Ronald S. Oldenkamp**  
33 years of experience

- Co-founder, Director of Client Service and Marketing
- Veteran Institutional Client Service and Marketing

**Matt Scharl**  
15 years of experience

- Portfolio and Risk Manager
- Equity and Risk Arbitrage Strategies Manager, 2004-present
- Futures Market Maker, S&P 500 Index, 1995-present

**James M. Donahue II**  
22 years of experience

- Co-founder, Portfolio and Risk Manager
- Professional Futures and Options Trader, 1987-2009
- Former Owner and Operator, Futures Options and Stock Trading Firm

*\* Refer to full biographies in back of profile.*

## Disclosure

*\*The pool has not commenced trading and does not have any performance history.*

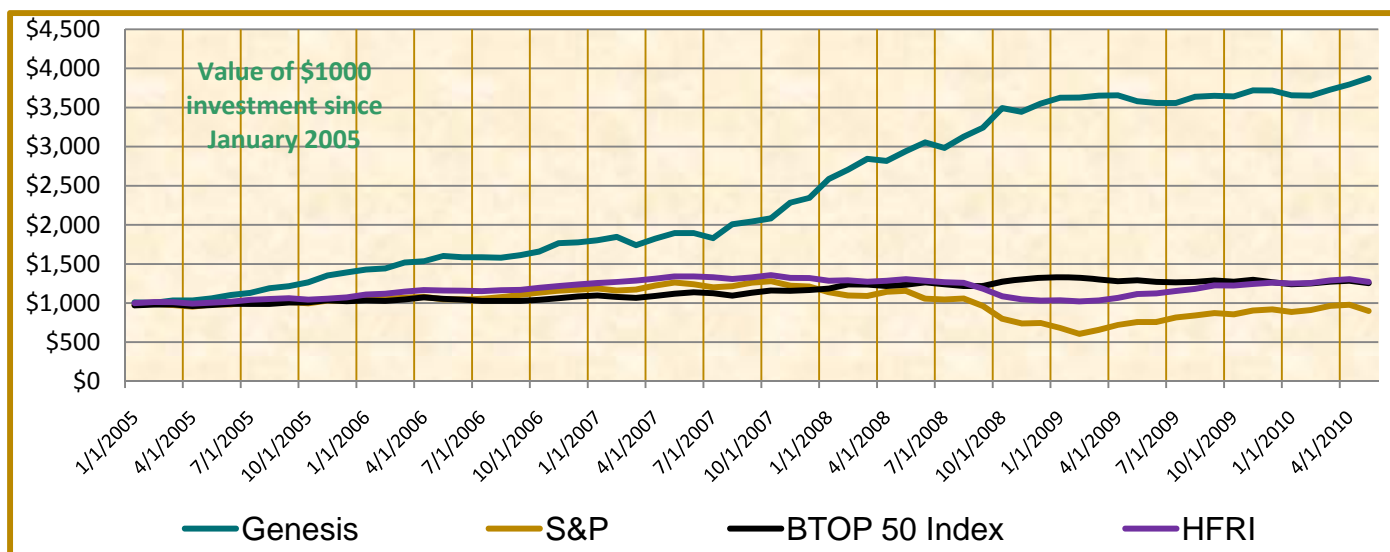
An investment in managed futures is speculative, involves a high degree of risk and is designed only for sophisticated investors who are able to bear the loss of their entire investment.

**For more information contact Ron Oldenkamp directly at 630.887.1414 or email at [ron@genesislam.com](mailto:ron@genesislam.com).**

# Genesis Diversified CTA Fund I, LLC



## Hypothetical Composite Fund Performance



Contact us for information on our methodology for generating the Hypothetical Composite Performance and the accompanying statistics, or refer to page 34 of our more extensive presentation—available upon request.

Active management and diversification may present advantageous risk-return patterns relative to other investment opportunities during a period of significant equity market retrenchment.

### Performance Metrics January 2005 thru May 2010

Statistics	Genesis RAM	S&P 500 Index	BTOP 50 Index	HFRI Index
APR	27.93%	-1.92%	4.20%	4.47%
1-Yr % Return	8.27%	18.52%	-2.92%	13.91%
3-Yr % Return	104.61%	-28.83%	11.94%	-5.20%
Correlation to S&P	-21.18%	100.00%	-6.27%	81.61%
\$1K invested Jan-2005	\$3,844.09	\$922.24	\$1,291.22	\$1,273.54
Volatility	10.48%	16.16%	6.18%	7.48%
Avg. Return/Volatility	2.46	-0.04	0.71	0.63
Alpha	25.71%	*	4.36%	4.96%
Beta	-0.14	1	-0.02	0.38
R <sup>2</sup>	0.04	1	0.00	0.67
Sortino Ratio	7.85	-0.06	1.35	0.91
Sharpe Ratio	2.46	-0.04	0.71	0.63
kurtosis	0.92	2.10	-0.59	3.58
skew	0.47	-1.03	0.14	1.29
Best Month	10.35%	9.39%	4.63%	4.64%
Worst Month	-5.72%	-16.94%	-2.87%	-8.19%
Max Drawdown	-5.72%	-33.50%	-4.34%	-22.90%

THIS COMPOSITE PERFORMANCE RECORD IS HYPOTHETICAL AND THESE TRADING ADVISORS HAVE NOT TRADED TOGETHER IN THE MANNER SHOWN IN THE COMPOSITE. HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY MULTI-ADVISOR MANAGED ACCOUNT OR POOL WILL OR IS LIKELY TO ACHIEVE A COMPOSITE PERFORMANCE RECORD SIMILAR TO THAT SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN A HYPOTHETICAL COMPOSITE PERFORMANCE RECORD AND THE ACTUAL RECORD SUBSEQUENTLY ACHIEVED.

ONE OF THE LIMITATIONS OF A HYPOTHETICAL COMPOSITE PERFORMANCE RECORD IS THAT DECISIONS RELATING TO THE SELECTION OF TRADING ADVISORS AND THE ALLOCATION OF ASSETS AMONG THOSE TRADING ADVISORS WERE MADE WITH THE BENEFIT OF HINDSIGHT BASED UPON THE HISTORICAL RATES OF RETURN OF THE SELECTED TRADING ADVISORS. THEREFORE, COMPOSITE PERFORMANCE RECORDS INVARIABLY SHOW POSITIVE RATES OF RETURN. ANOTHER INHERENT LIMITATION ON THESE RESULTS IS THAT THE ALLOCATION DECISIONS REFLECTED IN THE PERFORMANCE RECORD WERE NOT MADE UNDER ACTUAL MARKET CONDITIONS AND, THEREFORE, CANNOT COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FURTHERMORE, THE COMPOSITE PERFORMANCE RECORD MAY BE DISTORTED BECAUSE THE ALLOCATION OF ASSETS CHANGES FROM TIME TO TIME AND THESE ADJUSTMENTS ARE NOT REFLECTED IN THE COMPOSITE.

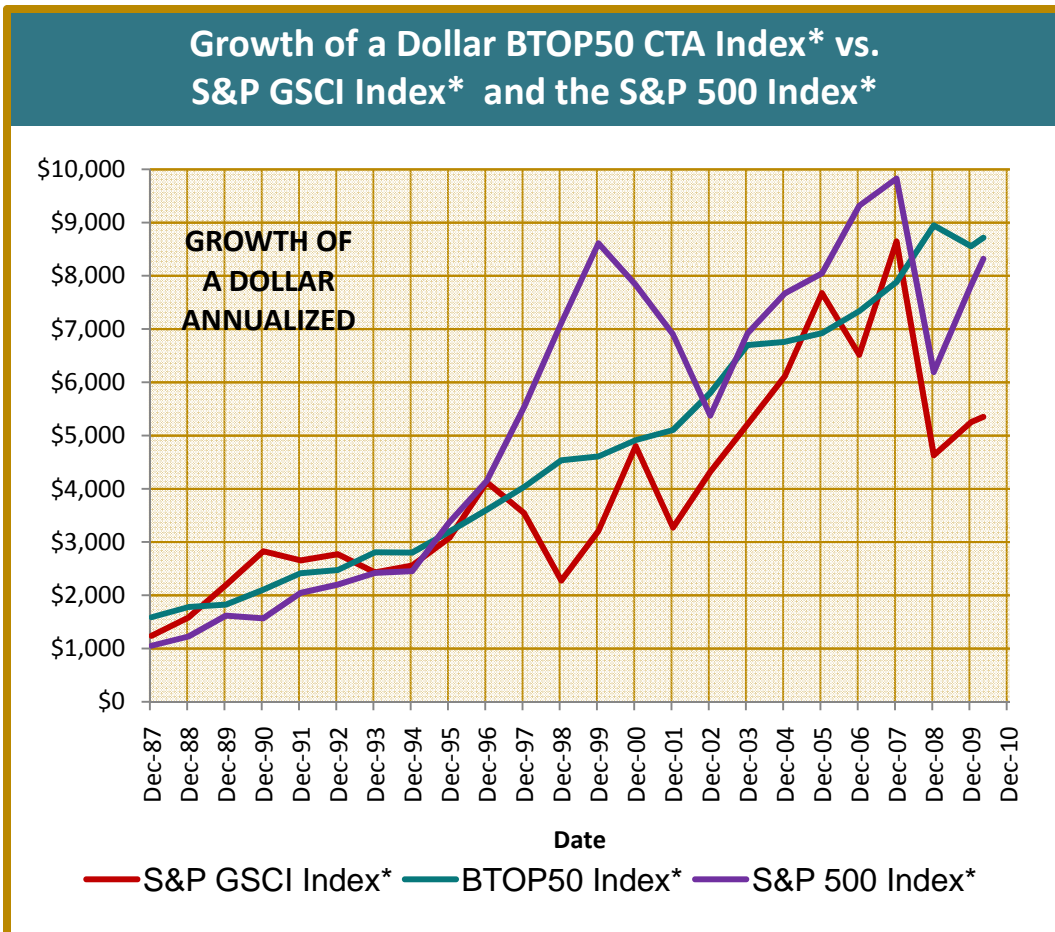
GRAM HAS HAD LITTLE OR NO EXPERIENCE ALLOCATING ASSETS AMONG PARTICULAR TRADING ADVISORS. BECAUSE THERE ARE NO ACTUAL ALLOCATIONS TO COMPARE TO THE PERFORMANCE RESULTS FROM THE HYPOTHETICAL ALLOCATION, CUSTOMERS SHOULD BE PARTICULARLY WARY OF PLACING UNDUE RELIANCE ON THESE RESULTS.

T-1



## Why Active Management?

Actively managed commodities trading strategies have been shown to significantly improve risk/reward results of investors



Source: Managed Futures, BTOP 50 CTA Index, Long *Commodities*; S&P GSCI Index—a sector weighted long only commodity index; Stocks, S&P 500 Index.

### Disclosure

The information herein is not to be relied upon by prospective investors as the basis for an investment decision. The Fund has not commenced trading and does not have any performance history. No performance guarantee of any kind is expressed or implied where opinions as to past or future market conditions and events are provided. Past performance is not necessarily indicative of future results. An investment in managed futures is speculative, involves a high degree of risk, and is designed only for sophisticated investors who are able to bear the loss of their entire investment. Please read the Private Placement Memorandum for Genesis Diversified CTA Fund I, LLC, which contains information about the material risks of an investment in the Fund.

Hypothetical and composite performance results have many inherent limitations. No representation is being 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 a hypothetical composite performance record and the actual record subsequently achieved.

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## Timothy M. Holmes

- Co-founder, Portfolio and Risk Manager of Genesis Research and Asset Management, LLC
- 25 years of experience
  - Owner, Managing Member, Futrex Trading, LLC, London & Chicago
    - Developed firm equity index and currency trading operations
    - Managed firm risk across multiple markets, divisions and exchanges
    - Monitored firm positions for profit optimization and risk tolerances
    - Directed information technology and developed option pricing and position analysis software
    - Supervised trader development
  - Options Market Maker, S&P 500 Index, NASDAQ 100, SPX, DMark, Yen and Eurodollar
  - Chief Investment Officer, Kingsbury Capital, LLC
  - Member, Chicago Mercantile Exchange and Chicago Board Options Exchange
- B.A., Mathematics; B.A., Physics: Kalamazoo College
- M.A., Mathematics; University of Pittsburgh
- Master of Divinity; University of Chicago Divinity School (2006)



## James M. Donahue II

- Co-founder, Portfolio and Risk Manager of Genesis Research and Asset Management, LLC
- 22 years of experience
  - Owner, Managing Member, JDII Capital Management Group
    - Developed equity index, currency and risk arbitrage and stock trading groups
    - Managed firm risk across multiple markets and exchanges
    - Oversight of investment and allocation decisions
    - Enhanced trader performance through consultation and method improvement
    - Developed, tested and implemented trading strategies and methodologies
  - Futures Market Maker, S&P 500 Index, NASDAQ 100
  - Options Market Maker DMark, Swiss Franc, and Yen
  - Trader, Currency Division Manager, Futrex Trading, LLC
  - Member, Chicago Mercantile Exchange
- B.A., Economics; B.A., Chemistry; Kalamazoo College



## Matthew A. Scharl

- Equity Member, Portfolio and Risk Manager of Genesis Research and Asset Management, LLC
- 15 years of experience
- Owner, DIARUS Enterprises
  - Developed equity index and risk arbitrage strategies
  - Traded soft commodity hedges
  - Consultant – soft commodities programs for hedging and trading
  - Managed risk across multiple markets
  - Oversight of investment and allocation decisions
  - Managed traders and developed strategy formation and trading methodologies
  - Futures market maker, S&P 500 Index
- Member, Chicago Mercantile Exchange
- B.S., Kinesiology; University of Michigan



## Ronald S. Oldenkamp

- Co-founder, Director of Client Service and Marketing, Genesis Research and Asset Management, LLC
- Over 30 years of experience in institutional client service, sales and marketing of investment products
- Has successfully identified and marketed top quartile emerging financial management companies. Has consulted in business development and has marketed over 15 money management firms and financial institutions.
- Raised in excess of 13 billion dollars in assets for investment manager clients over the past 16 years
- Founder and President of Genesis Marketing Group
- Regional Director at Metropolitan Life
- Founding member of The Third Party Marketers Association
- Board member for two non-profit organizations
- B.S., Agricultural Economics; Michigan State University

## MARKETER'S DISCLOSURE STATEMENT

1. Acorn Management Partners, LLC ("Acorn") has agreed with Genesis Research and Asset Management, LLC ("GRAM") to render certain consultation services including, but not limited to, acting as an independent marketing Marketer of GRAM. Acorn is not affiliated in any way with GRAM other than as an independent contractor performing such consulting and marketing services.
2. GRAM compensates Acorn for its services by paying it a monthly retainer fee plus a fee consisting of a specified percentage of all investment advisory and management fees paid to GRAM from investors, as recited in the Marketing Agreement between GRAM and Acorn and which is available for inspection, who made an investment in an investment vehicle, account, product or fund managed by GRAM which Acorn through a First Contact introduced to Manager, directly or indirectly, as described in the Marketing Agreement.
3. GRAM will not charge investors any fee in addition to GRAM's normal investment fee or profit participation in order to compensate Acorn for its services.