

Auspice Diversified Trust

The Auspice Diversified Trust is a long/short fund that invests in a broad spectrum of commodity and financial futures. Using a formalized investment process, the fund captures dominant trends across a range of markets. The fund is either long or short depending on the current state of the market.



Morningstar
Canadian Investment Award
2011 Nominee

2011 Silver Medal
"Best Opportunistic Hedge Fund"

Investment Objective & Strategy

- The fund targets an annualized rate of return of 10-15%.
- The fund invests in over 30 commodities representing seven sectors (metals, soft commodities, grains, energies, interest rates, currencies, and equity indices.)
- Risk of the portfolio is allocated across the sectors ensuring broad portfolio diversification.
- Strategy aims to deliver superior returns by adapting organically to changes in volatility and risk.
- Risk management is based on rigorous drawdown and scenario analysis.
- Underlying LP has over 5 years of track record.
- RRSP and other registered vehicle eligible.

Key points regarding the fund:

- In 2008, the fund was the top performing alternative strategy in Canada at 44.30%.
- The strategy risks very little capital to achieve performance. (Margin to equity average <7%.)
- Multiple and flexible compensation structures.

Disclaimer

Performance is calculated net of all fees. The performance fee is a non resetting high watermark. Indexes are calculated using price returns. TSX returns are reported in \$CAD and S&P in \$USD. **Futures trading is speculative and is not suitable for all customers. Past performance may not be indicative of future results and there is no assurance that any of the fund's investment objectives will be met.** This document is for information purposes only and should not be construed as an offer, recommendation or solicitation to conclude a transaction and should not be treated as giving investment advice. ACA makes no representation or warranty relating to any information herein, which is derived from independent sources. No securities regulatory authority has expressed an opinion about the securities offered herein and it is an offense to claim otherwise.

Performance and Portfolio Characteristics

To Dec. 2011	YTD	1 year	4 year annualized	Since June 2007
Auspice LP		(3.66%)	9.55%	8.90%
Auspice Trust A		(4.14%)		
Auspice Trust F		(3.28%)		
Auspice Trust S		(4.29%)		

Since June 2007 (LP) (Fully diversified)	Auspice	TSX	S&P500
Return	47.81%	(15.38%)	(17.84%)
Annualized return	8.90%	(3.58%)	(4.20%)
Annualized volatility	13.47%	17.62%	19.53%
Sharpe ratio	0.59	(0.26)	(0.27)
Worst drawdown	(11.35%)	(44.27%)	(52.55%)
Correlation	1.00	(0.15)	(0.26)

Terms

Series:	Fundserv:	Mgmt Fee:	Perf. fee h-wmrk:	Advisor comp.:	Min.:
Class A	ACA718	2.00%	20%	1%	\$5000
Class F	ACA728	1.00%	20%	n/a	\$5000
Class I	ACA738	Negotiable	Negotiable	Negotiable	\$ 5 mil aggregate
Class G	ACA748	2.00%	15%	1.25%	\$10 mil aggregate
Class S	ACA758	2.00%	20%	1% trailer & 10% perf	\$10 mil aggregate

Liquidity	Monthly - no lock up - 10 day notice
Legal	McMillan LLP
Auditor	KPMG LLP, Chartered Accountants
Custodian & Trustee	BNY Trust Company of Canada

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