DISCLOSURE DOCUMENT

OF

Liberty Funds Group, Inc.

AS COMMODITY TRADING ADVISOR

Liberty Funds Group, Inc.
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THE COMMODITY FUTURES TRADING COMMISSION HAS NOT PASSED UPON THE MERITS OF PARTICIPATING IN THIS TRADING PROGRAM NOR HAS THE COMMISSION PASSED ON THE ADEQUACY OR ACCURACY OF THIS DISCLOSURE DOCUMENT.

The date of first intended use of this disclosure document is May 15, 2010

The delivery of this Disclosure Document at any time does not imply that the information contained herein is correct as of any time subsequent to the date shown above.

RISK DISCLOSURE STATEMENT

THE RISK OF LOSS IN TRADING COMMODITIES CAN BE SUBSTANTIAL. YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. IN CONSIDERING WHETHER TO TRADE OR TO AUTHORIZE SOMEONE ELSE TO TRADE FOR YOU, YOU SHOULD BE AWARE OF THE FOLLOWING:

IF YOU PURCHASE A COMMODITY OPTION YOU MAY SUSTAIN A TOTAL LOSS OF THE PREMIUM AND OF ALL TRANSACTION COSTS.

IF YOU PURCHASE OR SELL A COMMODITY FUTURE OR SELL A COMMODITY OPTION YOU MAY SUSTAIN A TOTAL LOSS OF THE INITIAL MARGIN FUNDS AND ANY ADDITIONAL FUNDS THAT YOU DEPOSIT WITH YOUR BROKER TO ESTABLISH OR MAINTAIN YOUR POSITION. IF THE MARKET MOVES AGAINST YOUR POSITION, YOU MAY BE CALLED UPON BY YOUR BROKER TO DEPOSIT A SUBSTANTIAL AMOUNT OF ADDITIONAL MARGIN FUNDS, ON SHORT NOTICE, IN ORDER TO MAINTAIN YOUR POSITION. IF YOU DO NOT PROVIDE THE REQUESTED FUNDS WITHIN THE PRESCRIBED TIME, YOUR POSITION MAY BE LIQUIDATED AT A LOSS, AND YOU WILL BE LIABLE FOR ANY RESULTING DEFICIT IN YOUR ACCOUNT.

UNDER CERTAIN MARKET CONDITIONS, YOU MAY FIND IT DIFFICULT OR IMPOSSIBLE TO LIQUIDATE A POSITION. THIS CAN OCCUR, FOR EXAMPLE, WHEN THE MARKET MAKES A “LIMIT MOVE.”

THE PLACEMENT OF CONTINGENT ORDERS BY YOU OR YOUR TRADING ADVISOR, SUCH AS A “STOP-LOSS” OR “STOP-LIMIT” ORDER, WILL NOT NECESSARILY LIMIT YOUR LOSSES TO THE INTENDED AMOUNTS, SINCE MARKET CONDITIONS MAY MAKE IT IMPOSSIBLE TO EXECUTE SUCH ORDERS.

A “SPREAD” POSITION MAY NOT BE LESS RISKY THAN A SIMPLE “LONG” OR “SHORT” POSITION.

THE HIGH DEGREE OF LEVERAGE THAT IS OFTEN OBTAINABLE IN COMMODITY TRADING CAN WORK AGAINST YOU AS WELL AS FOR YOU. THE USE OF LEVERAGE CAN LEAD TO LARGE LOSSES AS WELL AS GAINS.

IN SOME CASES, MANAGED COMMODITY ACCOUNTS ARE SUBJECT TO SUBSTANTIAL CHARGES FOR MANAGEMENT AND ADVISORY FEES. IT MAY BE NECESSARY FOR THOSE ACCOUNTS THAT ARE SUBJECT TO THESE CHARGES TO MAKE SUBSTANTIAL TRADING PROFITS TO AVOID DEPLETION OR EXHAUSTION OF THEIR ASSETS. THIS DISCLOSURE DOCUMENT CONTAINS, AT PAGES 9-10 A COMPLETE DESCRIPTION OF EACH FEE TO BE CHARGED TO YOUR ACCOUNT BY THE COMMODITY TRADING ADVISOR.

THIS BRIEF STATEMENT CANNOT DISCLOSE ALL THE RISKS AND OTHER SIGNIFICANT ASPECTS OF THE COMMODITY MARKETS. YOU SHOULD THEREFORE CAREFULLY STUDY THIS DISCLOSURE DOCUMENT AND COMMODITY TRADING BEFORE YOU TRADE, INCLUDING THE DESCRIPTION OF THE PRINCIPAL RISK FACTORS OF THIS INVESTMENT, AT PAGES 22-27.

YOU SHOULD ALSO BE AWARE THAT THIS COMMODITY TRADING ADVISOR MAY ENGAGE IN TRADING FOREIGN FUTURES OR OPTIONS CONTRACTS. TRANSACTIONS ON MARKETS LOCATED OUTSIDE THE UNITED STATES, INCLUDING MARKETS FORMALLY LINKED TO A UNITED STATES MARKET MAY BE SUBJECT TO REGULATIONS WHICH OFFER DIFFERENT OR DIMINISHED PROTECTION. FURTHER, UNITED STATES REGULATORY AUTHORITIES MAY BE UNABLE TO COMPEL THE ENFORCEMENT OF THE RULES OF REGULATORY AUTHORITIES OR MARKETS IN NON-UNITED STATES JURISDICTIONS WHERE YOUR TRANSACTIONS MAY BE EFFECTED. BEFORE YOU TRADE YOU SHOULD INQUIRE ABOUT ANY RULES RELEVANT TO YOUR PARTICULAR CONTEMPLATED TRANSACTIONS AND ASK THE FIRM WITH WHICH YOU INTEND TO TRADE FOR DETAILS ABOUT THE TYPES OF REDRESS AVAILABLE IN BOTH YOUR LOCAL AND OTHER RELEVANT JURISDICTIONS.

THIS COMMODITY TRADING ADVISOR IS PROHIBITED BY LAW FROM ACCEPTING FUNDS IN THE TRADING ADVISOR’S NAME FROM A CLIENT FOR TRADING COMMODITY INTERESTS. YOU MUST PLACE ALL FUNDS FOR TRADING IN THIS TRADING PROGRAM DIRECTLY WITH A FUTURES COMMISSION MERCHANT.

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BACKGROUND OF LIBERTY FUNDS GROUP, INC.

Liberty Funds Group, Inc. is a Texas corporation organized in November 1981. Its main office is at 2708 Fairmount St., Suite 202, Dallas, Texas, 75201. Its phone number is 214-369-0500. LFG became registered as a commodity pool operator on July 15, 1981. LFG became registered as a commodity trading advisor on August 19, 1994. As of April 15, 2010, LFG is registered with the State of Texas as an investment adviser. LFG (or its predecessor) has acted as the general partner of many private investment partnerships. The firm and its principals have developed longstanding relationships within the Managed Futures and Hedge Fund industries specifically with many leading investment managers, clearing brokers, and accounting, audit and law firms.

PAST PERFORMANCE OF LFG AS A COMMODITY TRADING ADVISOR AND AS A COMMODITY POOL OPERATOR IS SET FORTH ON PAGES 12-21 AND ON THE LAST PAGE HEREOF. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

The biographies of the principals of LFG are set forth below.

Craig L. Caudle is Chief Executive Officer of Liberty Funds Group, Inc. and has been an Associated Person and Principal since June 26, 1998, and has been a Branch Office Manager since February 21, 2007. Mr. Caudle graduated from Texas Tech University in 1983 with a B.S. degree in International Trade. From May 1983 through June 1985, he was a member of the Index and Options Market, a division of the Chicago Mercantile Exchange. From October 28, 1983 through June 13, 1985 Mr. Caudle was registered with the NFA as an Associated Person of Anspacher & Associates, Inc.. Anspacher and Associates, Inc. was a member of the Chicago Board of Trade and the Chicago Mercantile Exchange and was registered with the NFA as a Futures Clearing Merchant (FCM). From June 1985 through September 1987, he was a Funds Management Officer at NationsBank Texas where he traded for the bank's foreign exchange and government securities operations. From September 1987 until April 1994, Mr. Caudle was President of Star-Tex Asset Management, Inc., a CTA and CPO in Dallas, Texas. He was an Associated Person of Star-Tex as of November 17, 1988 and a Principal as of November 17, 1988. Mr. Caudle was also President of Star-Tex Brokerage, Inc., an Introducing Broker and a subsidiary of Star-Tex Asset Management, from April 1988 through April 1991. He was a Principal and Associated Person from July 1988 through April 1991. From April 1994 until joining the Liberty Funds in April 1998, Mr. Caudle served as the Director of Marketing and Operations for Abraham Trading Co. a Texas based CTA. He became an Associated Person of Abraham Trading in May 20, 1994. Mr. Caudle has served as the Director of Development for the Foundation for Managed Derivatives Research, Chairman of the Trading and Markets Committee for the Managed Funds Association, and on the Managed Funds Association's Conference Committee. Mr. Caudle currently serves on the Board of Directors for the National Futures Association (NFA), and serves as a member of the NFA's membership committee. He also serves on the CTA – CPO advisory committee for the NFA.

Christopher L. McKinzie is Chief Operating Officer of Liberty Funds Group, Inc. and has been an employee of Liberty Funds Group since March 2005 an Associated Person and Branch Office Manager since June 15, 2005, and Principal since June 17, 2005. Chris graduated summa cum laude from the University of Colorado in 1994 with B.S. degree in finance and accounting. In 2001, Chris received a MBA from the Kellogg Graduate School of Management at Northwestern University where he was the recipient of the F.C. Austin Scholarship. From September 1994 through July 1997 he was a senior accountant for KPMG Pete Marwick, LLC, an audit and tax firm, in Denver, CO. From July 1997 through February 2005, he was employed by Verio Inc., a division of Nippon Telegraph and Telephone, a telecommunications company. While at Verio his responsibilities, in chronological order, included Manager of Business Development and

Services, Director of Finance, Director of Product Marketing, VP of Business Management and Finance, and, most recently, Vice President of Global Sales.

Christopher M. Strong, Ph.D. has been an Associated Person since February 22, 2006 and a Principal of Liberty Funds Group, Inc. since October 27, 2006. He is Director of Research for LFG and is responsible for research on the trading strategies for all of LFG's Funds. Prior to joining LFG, Dr. Strong was a partner in Strong Quantitative Strategies, a commodity trading advisor and registered investment advisor formed in March 2003. He was an Associated Person from January 12, 2004 and Principal of Strong Quantitative Strategies from January 6, 2004 through February 2006 April 2006 respectively. Dr. Strong was Director of Research of Anchor Asset Management, LLC (Chicago, IL), an investment management company, from April 2002 through March 2003. From November 1998 through April 2002, he was Director of Research with Brandywine Asset Management, Inc., an equity and fixed income investment management company (Thornton, Pennsylvania). From January 1997 through November 1998, he was a Programmer with Bloomberg, L.P., an information services company supplying investment professionals with data and analysis (New York). From January 1996 through January 1997, he was a Researcher with Capital Fund Management, Inc. (Levellois, France), a registered CTA. From September 1995 to December 1995, he was a Post-Doctoral Researcher at Universite De Nice-Sophia Antipolis (Nice, France). From March 1995 to September 1995, he was a Post-Doctoral Researcher with Universite Paris VI (Paris, France). For the period June 1994 to March 1995 he was a Post-Doctoral Researcher at the University of California Los Angeles. For the period June 1990 to June 1994 he was a Research Associate at the University of California Los Angeles. Mr. Strong holds a B.S. (magna cum laude) in Atmospheric Sciences from the University of Michigan, and an M.S. and Ph.D. in Atmospheric Sciences from the University of California, Los Angeles.

William E. Arenz has been an Associated Person since February 22, 2006 and a Principal of Liberty Funds Group, Inc. since October 27, 2006. He became a Branch Manager on January 11, 2007. He is Director of Trading for all of LFG's funds and actively contributes to the trading strategy research. Prior to joining LFG, Mr. Arenz was a partner in Strong Quantitative Strategies, a commodity trading advisor and registered investment advisor formed in March 2003. He was an Associated Person and Principal of Strong Quantitative Strategies from February 2005 through February 2006 April 2006 respectively. Mr. Arenz was Managing Director of Anchor Asset Management, LLC (Chicago, IL), an investment management firm, from January 2002 through March 2003. From December 2000 through January 2002, he was President of BA Software Solutions, LLC. (Dallas, Texas), a computer software company. From March 1993 through November 2000, he was Vice President and Partner of ELM Financial, Inc. (Dallas, Texas), a registered CTA. Mr. Arenz was an Associated Person of ELM in May 1993 and a Principal in May 1996 through November 2000 respectively. Additionally, Mr. Arenz became an Associated Person with K2 Capital Management, Inc., a subsidiary of ELM Financial, Inc. in July 1993 From December 1985 through March 1993, he was a senior trader with Dean Witter Reynolds, Inc. (Chicago, Illinois) an FCM.

William R. Sachs has been an Associated Person and Principal of Liberty Funds Group, Inc., since December 3, 2003. Bill has been in the investment consulting business for 17 years. From May 2002 to the present, Bill has been a registered representative of Financial Counseling Corporation, a Broker/Dealer. From its inception in March 1991 through April 2002, Bill was instrumental in the development and operations of Crestwood Asset Management, a registered investment advisor in Dallas with $750 million under management. Bill was a portfolio manager, focusing on a large cap relative value investment style. In addition, Bill worked as consultant to Crestwood's clients on outside investment opportunities employing alternative investment strategies. From July 1988 through February 1991, Bill was a financial advisor for Smith Barney, and was an Associated Person from September 6, 1988 through February 27, 1991. From July 1986 through July 1988, he was a licensed financial advisor with Rauscher Pierce Refsnes, Inc. From June 1984 through July 1986 Bill was a petroleum engineer for Dresser Atlas in the offshore gulf coast region. He graduated in 1984 from the University of Texas in Austin, with a B.S. in geology.

David K. Hedreen is a Director of Liberty Funds Group, Inc. and became a Principal of the firm on November 23, 2009. Mr. Hedreen was formerly a Principal with Liberty Funds Group, Inc.

from April 23, 2004 through December 27, 2005. From September 15, 2000 through April 23,2004 Mr. Hedreen was retired and living on his ranch in Bandera, Tx. Prior to Liberty Funds Group, Mr. Hedreen was a trader with, and an Associated Person of, Jefferies & Company, Inc., a securities and investment banking firm, from July 30, 1985 through September 15, 2000. From July 8, 1999 to September 15, 2000, Mr. Hedreen was also a Branch Manager of Jefferies & Company, Inc. From October 5, 1984 through July 30, 1985, Mr. Hedreen took time away from the industry to travel and consider career opportunities. From September 6, 1983 through October 5, 1984, Mr. Hedreen was a trader and associated person of UBS Financial Services, Inc., a securities firm.

Liberty Trust II is a trust that is an owner of Liberty Funds Group, Inc., and whose beneficiaries are Craig Caudle, Chris McKinzie, and David Hedreen. Liberty Trust II became a Principal of Liberty Funds Group, Inc. on September 9, 2009.

In its capacity as commodity trading advisor Liberty Funds Group's trading principals Christopher M. Strong, William E. Arenz and Craig L. Caudle will make all the trading decisions for the company.

Litigation

There has been no material litigation pending or concluded against LFG or any of its principals within the last 5 years.

LFG Business

LFG is engaged in the business of offering trading advice to customers with respect to futures contracts, options on futures contracts and physical commodities, forward contracts and other commodity-related contracts traded on United States, foreign, and international exchanges and markets. (Such contracts are hereinafter referred to collectively as "commodity interests.") LFG trades commodity interests in interest rate sensitive instruments, currencies, agriculturals, energies, metals as well as other markets.

LFG has developed a Managed Account Program pursuant to which it directs the speculative purchase and sale of commodity interests for the accounts of participating customers in accordance with its trading methods and strategies. Because speculative commodity trading presents the risk of substantial losses, only persons with high income and the ability to absorb such losses should consider participating in the Program. See "DESCRIPTION OF TRADING METHODS AND STRATEGIES" and "PRINCIPAL RISK FACTORS."

LFG accepts accounts having at least $1.0 million to trade, although it reserves the right to waive this minimum. A qualified customer who desires to participate in the Managed Account Program must first open a commodity trading account with a registered futures commission merchant ("FCM") acceptable to LFG. Acceptance of an FCM generally will be based on whether trades either efficiently can be executed through or can be given up to the FCM. See "FEES AND EXPENSES--BROKERAGE ARRANGEMENTS" and "POTENTIAL CONFLICTS OF INTEREST."

A participating customer is free to select an Introducing Broker (IB) for its account. The IB must be registered with NFA and in good standing.

A participating customer must select an FCM to maintain its account because, as a commodity trading advisor, LFG is not permitted to hold customers' funds, securities, commodities or other property. A participating customer retains ultimate control over his account and may close out the account completely at any time in accordance with his agreement with his FCM and his agreement with LFG. In such case, the funds, securities, commodities and other property held in the customer's account, after deduction for commissions, premiums, fees and other expenses, will be returned directly to the customer or to such person as the customer directs.

LFG individual managed accounts currently do not use an introducing broker ("IB"). However, LFG will consider the use of an IB for accounts of sufficient size.

LFG will not receive any direct or indirect financial benefit from the maintenance of a participating customer's account with any particular FCM or IB. See "POTENTIAL CONFLICTS OF INTEREST."

In the Customer Agreement and Trading Authorization signed by each participating customer (a copy of which is enclosed with this Disclosure Document), the customer authorizes LFG to make trading decisions for the customer's account. In addition, in the Authorization to Pay Fees signed by each participating customer (a copy of which is enclosed with this Disclosure Document), the customer instructs the customer's FCM to transfer to LFG from the customer's account the management and incentive fees described under "FEES AND EXPENSES." A participating customer, and not LFG, is responsible for paying to the customer's FCM or IB, as appropriate, all margins, option premiums, brokerage commissions, and other transaction costs incurred in connection with transactions effected for the customer's account by LFG.

PROPRIETARY TRADING

LFG and its principals may, from time to time, trade commodity interests for its own proprietary account, and employees of LFG may trade for their own proprietary accounts. They may or may not trade their proprietary accounts in parallel with the accounts of LFG's customers, but will not knowingly trade opposite customers. Their proprietary accounts may produce trading results that are different from those experienced by participating customers. During business hours and at their own expense, participating customers may inspect the trading records of LFG or its principals.

DESCRIPTION OF TRADING METHODS AND STRATEGIES

Investment Strategy: Liberty Commodity Strategy In trading customer assets, LFG will employ an actively managed strategy that captures returns unique to the commodity asset class. Positions are taken in markets exhibiting upward price movements. Additionally, the strategy capitalizes on opportunities created by the dislocation of a market's term structure and on short term changes in market volatility.

Adaptive technical filters identify potential investment opportunities in each market and determine portfolio risk daily. Position weights are adjusted to maintain the portfolio target volatility level. The investment strategy captures the positive returns available from upward trending prices of individual commodity markets. The trend oriented approach will also take short positions in commodities on a filtered basis. The strategy adapts over time to reflect the changing price dynamics of each market.

A commodity market's term structure indicates how future delivery month prices compare to spot or nearby future prices. The term structure dynamics for individual commodity markets evolve over time. Occasionally, opportunities arise where an extreme dislocation in a market's term structure exists. Proprietary algorithms rank the current term structure of the commodity market vs. its historical norm and positions the strategy to capitalize on these dislocations.

Short term changes in volatility are monitored for trading opportunities. These opportunities may necessitate long or short positions to be taken in an individual commodity market. The resulting trades have an expected duration of one to five days and exhibit low correlation to both the directional and term structure trades.

Finally, LFG will employ an actively managed strategy that captures returns for a diversified portfolio of commodity futures and options on those futures based on a quantitative investment approach. The approach is designed to take advantage of false market momentum associated with failed trend following signals and to capture premium income from the decay of time value in the price of options.

Commodities Traded

The trading program to be utilized by LFG monitors 70 or more futures markets. It focuses investment activity on 30 or so markets that pass a liquidity screen. The key sectors that the program currently may trade include energy, base metals, precious metals, raw materials, food and fiber, livestock and grains.

Investment Strategy: Liberty Short Term Diversified Strategy

In trading customer assets, LFG will employ an actively managed strategy that captures returns for a diversified portfolio of commodity and financial futures based on short term changes in market volatility.

Short term changes in volatility are monitored for trading opportunities. These opportunities may necessitate long or short positions to be taken in an individual commodity or financial markets. The resulting trades have an expected duration of one to five days. The strategy exhibits low correlation trend following strategies.

The trading program to be utilized by LFG is based on research conducted on several commodity and financial markets. The program focuses investment activity on 30 or so markets that pass a liquidity screen. The key sectors that the program currently may trade include energy, base metals, precious metals, raw materials, grains, currencies, interest rates, and stock indices.

Investment Strategy: Liberty Diversified Option Strategy

In trading customer assets, LFG will employ an actively managed strategy that captures returns for a diversified portfolio of commodity and financial futures and options on those futures based on a quantitative investment approach.

The program takes advantage of two market truths. Trend following strategies generate more losing than winning signals and time value as a component of option pricing declines sharply in the weeks ahead of a particular option's expiration. Opportunities may necessitate long or short positions to be taken in an individual commodity or financial markets or options on those markets. The resulting trades have an expected duration of 10 to 40 days. The strategy exhibits low correlation trend following strategies.

The trading program to be utilized by LFG is based on research conducted on several commodity and financial markets. The program focuses investment activity on 13 or so markets that pass a liquidity screen. The key sectors that the program currently may trade include energy, base metals, precious metals, raw materials, grains, softs, livestock, currencies, interest rates, and stock indices.

Investment Strategy: Liberty Diversified Option Strategy – Aggressive

The Liberty Diversified Option Strategy – Aggressive, follows the same strategy as the Liberty Diversified Option Strategy noted above; the Aggressive strategy employs a greater risk per trade, which increases the volatility, and expected return, of the strategy.

FEES AND EXPENSES

LFG will charge clients a monthly incentive fee equal to 20% of Trading Profits and a monthly management fee, without regard to profitability, equal to 1/6 of 1% (2% per annum). No incentive fees are payable to LFG on interest income or original issue discount earned in a participating customer's account. The formula for calculating the foregoing fees and other terms and conditions relating to such fees are described in detail below. The fees paid by a new customer may be different from the stated management fee of 2% and incentive fee of 20%.

<u>Fee Arrangements</u>

Management and incentive fees begin to accrue commencing the first day of the trading period. During the trading period, management and incentive fees are calculated as of the end of each calendar month. During the trading period, a participating customer may pay an initial incentive fee calculated for a period which is less than a full month.

<u>Incentive Fee</u>. The incentive fee, calculated, accrued, and billed monthly, is equal to 20% of the increase, if any, in the "nominal account value" (defined in paragraph (i) of "Miscellaneous" below) of the customer's account as of the end of each calendar month (adjusting nominal account value for the purpose of calculating such fee by (a) excluding interest income earned in the account, (b) adding back (i) the incentive fees accrued or payable, (ii) any withdrawals of funds or nominal equity from the account, and (iii) any decline in the nominal account value of funds which can be attributed to funds withdrawn from the Account since the beginning of the month that immediately follows the last month-end at which an incentive fee was earned, and (c) deducting any additional funds deposited in the account since the last month-end at which an incentive fee was earned or, if no incentive fee has been earned previously, since the beginning of the trading period) <u>over</u> the greater of (a) the initial nominal account value of the account as of the beginning of the trading period, or (b) the nominal account value of the

account as of the beginning of the calendar month that immediately follows the last month-end at which an incentive fee was earned (the "High Water Mark").

The High Water Mark for the client account is adjusted immediately after (i) each withdrawal or other distribution from such client account or (ii) each Incentive Fee that is charged against such Account, as follows:

If an Incentive Fee is charged against a client as of the end of a calendar month in accordance with the formula described above but no withdrawal or other distribution from such account is effected as of the end of such calendar month, the High Water Mark for such account is immediately thereafter adjusted to equal the nominal account value of such account as of the end of such calendar month (determined after deducting the amount of such Incentive Fee), subject to further adjustment as described below.

If an Incentive Fee is charged against a client account as of the end of a calendar month in accordance with the formula described above and a withdrawal or other distribution from such account is effected as of the end of such calendar month, the High Water Mark for such account is immediately thereafter adjusted to equal the nominal account value of such account as of the end of such calendar month (determined after deducting the amount of such Incentive Fee and the amount of such withdrawal or other distribution), subject to further adjustment as described above or below.

If a withdrawal or other distribution from a client account is effected as of a particular Calculation Date (whether as of the end of a calendar month or otherwise) but LFG is not entitled to receive any Incentive Fees in connection with such withdrawal or distribution under the formula described above, the High Water Mark for such Account is immediately thereafter adjusted to equal the High Water Mark for such account in effect immediately prior to such withdrawal or other distribution, reduced in the same proportion that the amount of such withdrawal or other distribution bears to the nominal account value of such account determined immediately prior to such withdrawal or other distribution, subject to further adjustment as described above or below.

If a withdrawal or other distribution from a client account is effected as of a date other than the end of a calendar month and LFG is entitled to receive an Incentive Fee in connection with such withdrawal or other distribution in accordance with the formula described above, the High Water Mark for such account is immediately thereafter adjusted to equal the High Water Mark for such account in effect immediately prior to such withdrawal or other distribution, reduced in the same proportion that the amount of such withdrawal or other distribution bears to the nominal account value of such account immediately prior to such withdrawal or other distribution, subject to further adjustment as described above.

Under the foregoing principles, the High Water Mark for a client account is calculated net of the Incentive Fees charged against such account. This means that LFG is not required to "restore" the amount of any Incentive Fee charged against a client account before participating in future appreciation in the value of such account in accordance with the formula described above.

The High Water Mark (as adjusted from time to time as described above) carries forward from month to month until it is exceeded. This means that if LFG receives an Incentive Fee from such client account (with the result that a new High Water Mark for such account is established at that time), LFG may not receive any additional Incentive Fees from such client account as of a subsequent Calculation Date unless the nominal account value of such client account exceeds the new High Water Mark. LFG however, will not be required to "repay" any Incentive Fees in the event such client account declines in value.

If a participating customer withdraws from the Managed Account Program and then at a later date begins to participate again, the customer will be treated as a new participant for the purpose of calculating the highest nominal account value achieved in the customer's account as of the beginning of any previous month.

Management Fee. The management fee, calculated and billed monthly, without regard to whether the customer's account is profitable, is equal to 1/6 of 1% of the "nominal account value" (defined in paragraph (i) of "Miscellaneous" below) of the customer's account as of the end of each calendar month (adjusting nominal account value for the purpose of calculating such fee by adding back the management fees and incentive fees accrued or payable and any withdrawals of funds from the account since the last calendar month-end at which management fees were accrued or paid).

Because LFG permits notional funding of accounts participating in the Managed Account Program, and because participating customers may elect to fund the account with amounts sufficient only to satisfy margin requirements, management fees may exceed 2% of the actual money in the account. For example, if actual funds are one-half of the nominal account value of an account, the management fee would equal 4% per annum of the actual funds. Participating customers will be apprised of the precise percentage of management fees as a function of anticipated actual funds in the account at the time the account is opened.

Brokerage Arrangements

The FCM for the customer's account will charge the customer commissions on commodity interest transactions. Commission charges will be reflected on confirmations/purchase and sales statements sent to the customer. LFG will employ the use of specialist firms to assist in the execution of its strategies. This will, in most cases cost an additional $1 to $1.5 per side of futures contracts traded. In addition, the account will be charged NFA fees and applicable exchange fees on trades executed for the customer's account. A participating customer is directly responsible for the negotiation and payment to its FCM of all margins, brokerage commissions and fees, option premiums and other transaction costs incurred in connection with transactions effected for the customer's account pursuant to instructions provided by LFG. Miscellaneous

(i) The "nominal account value" of a participating customer's account refers to the net assets and notional equity in and committed to the account. Net assets reflect total assets minus total liabilities, determined in accordance with generally accepted accounting principles. Each position in a commodity interest is accounted for at fair market value and "notional equity" is defined as the amount by which the nominal account size exceeds the amount of actual funds which are on deposit in an account.

(ii) By the terms of the Managed Account Agreement, the customer may commence or add to funds in the Program only as of the first day of the month, and may withdraw funds from the Program only as of the last day of the month. Any account terminated prior to the end of the month will be treated as though the termination occurred on the last day of the month, and management and incentive fees will be calculated as though the account were managed through the last day of the month. If a participating customer withdraws from the Managed Account Program, the customer is billed for management fees and/or incentive fees accrued to the end of the month and the customer's obligation to pay future fees terminates. A participating customer is not entitled to a refund of any management fees and/or incentive fees paid or accrued to the date of such customer's withdrawal from the Managed Account Program.

(iii) Following the end of each month, a participating customer's account is obligated to pay the amount of management fees and/or incentive fees that are due and owing to LFG. Concurrently therewith, LFG sends to the customer a bill for such fees. In the Authorization to Pay Fees (copy enclosed), a participating customer authorizes its FCM to transfer to LFG management fees and/or incentive fees from the customer's account upon receipt of a bill for such fees from LFG. A bill is deemed sent to a participating customer upon LFG's depositing such bill in the United States mail in a first-class, postage prepaid envelope addressed to the customer and is deemed delivered to the customer personally whether actually received or not. A bill is deemed correct and is conclusive and binding on a participating customer unless a written or verbal objection from the customer is received by LFG within ten business days after such bill is mailed by LFG.

PERFORMANCE HISTORY

As a commodity trading advisor, on April 4, 2005, LFG began managing Liberty Commodity Partners, L.P., in reliance on CFTC Rule 4.7, which permits management of client assets if the clients satisfy certain financial requirements. With the May 15, 2010 disclosure document filing LFG will remove its 4.7 exemption.

The information presented in the following fund tables has been audited. The information for the separate managed account strategies has not been audited but the accounts were part of the audited fund performance. LFG believes that the information is accurate and fairly presented.

PROSPECTIVE INVESTORS ARE CAUTIONED THAT THE RESULTS SET FORTH IN THE FOLLOWING TABLES ARE NOT INDICATIVE OF THE RESULTS WHICH LFG MAY ACHIEVE IN THE FUTURE. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. NO REPRESENTATION IS MADE THAT LFG WILL OR IS LIKELY TO ACHIEVE FOR PARTICIPATING CUSTOMERS PROFITS OR INCUR LOSSES COMPARABLE TO THOSE SHOWN.

LIBERTY FUNDS GROUP, INC.
CAPSULE PERFORMANCE SUMMARY

TABLE I Liberty Commodity Strategy
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

	2010	2009	2008	2007	2006	2005
January	-2.69%	-4.07%	3.34%	-3.33%	5.29%	
February	0.38%	-6.25%	11.35%	4.63%	-3.80%	
March	1.94%	-1.91%	-5.80%	-0.75%	1.58%	
April		1.28%	0.35%	1.63%	7.00%	-7.20%
May		11.47%	2.42%	-0.39%	-0.15%	-0.99%
June		-3.02%	3.14%	-0.11%	-0.79%	0.25%
July		5.50%	-6.70%	1.22%	-2.09%	0.27%
August		-1.63%	-3.49%	-5.67%	0.55%	5.80%
September		-3.62%	-4.19%	10.06%	-8.69%	1.28%
October		4.05%	1.47%	1.20%	6.22%	-1.04%
November		5.84%	-0.33%	-1.87%	2.77%	3.34%
December		-1.63%	1.82%	6.50%	-2.66%	4.14%
Year to Date	-0.43%	4.70%	2.08%	12.82%	4.17%	5.40%

Commodity Trading Advisor:	Liberty Funds Group, Inc.
Trading Program:	Liberty Commodity Strategy
Inception of Trading CTA:	April 4, 2005
Inception of Trading for the program:	April 4, 2005
Number of Accounts traded pursuant to the program:	1
Total Firm Nominal Assets under management:	$51.1mm Nominal Funds traded as CTA, $63.3mm Where LFG Advises Clients on CTA Selection
Total Nominal Assets Under Management Pursuant to the Program	$14.0 million
Worst Monthly Percentage Draw-down:	9/06 (8.69%)
Worst Peak-to-Valley Drawdown:	2/08 – 3/09 (21.78%)
Number of Profitable Accounts Opened and Closed:	2
Range of Returns for closed profitable accounts:	3.4% - 5.6%
Number of Unprofitable Accounts Opened and Closed:	0
Range of Returns for closed profitable accounts:	N/A

"Drawdown" means the cumulative percentage decline in month-end NAV over a specified period. "Worst Peak to Valley Drawdown" means the greatest cumulative percentage decline in month-end NAV during a period in which the NAV is not equaled by a subsequent month-end NAV. Monthly rates of return are calculated by dividing net performance by beginning equity for the period. Annual rates of return are computed on a compounded monthly rate of return basis.

LIBERTY FUNDS GROUP, INC.
CAPSULE PERFORMANCE SUMMARY

TABLE II Liberty Short Term Diversified Strategy
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

Month	2010	2009	2008	
January	1.48%	-2.14%		
February	1.53%	-4.13%		
March	0.42%	0.37%		
April		-0.76%		
May		-1.43%		
June		0.57%		
July		0.94%		
August		-3.87%		
September		-1.81%		
October		1.17%	-0.92%	
November		1.66%	-2.28%	
December		0.16%	2.01%	
Year to Date	3.46%	-9.10%	-1.23%	

Commodity Trading Advisor:	Liberty Funds Group, Inc.
Trading Program:	Liberty Short Term Diversified Strategy
Inception of Trading CTA:	April 4, 2005
Inception of Trading for the program:	October 1, 2008
Number of Accounts traded pursuant to the program:	3
Total Firm Nominal Assets under management:	$51.1mm Nominal Funds traded as CTA, $63.3mm Where LFG Advises Clients on CTA Selection
Total Nominal Assets Under Management Pursuant to the Program	$18.4mm
Worst Monthly Percentage Draw-down:	02/09 (4.13%)
Worst Peak-to-Valley Drawdown:	10/08 - 9/09 (12.8%)
Number of Profitable Accounts Opened and Closed:	0
Range of Returns for closed profitable accounts:	N/A
Number of Unprofitable Accounts Opened and Closed:	0
Range of Returns for closed profitable accounts:	N/A

"Drawdown" means the cumulative percentage decline in month-end NAV over a specified period. "Worst Peak to Valley Drawdown" means the greatest cumulative percentage decline in month-end NAV during a period in which the NAV is not equaled by a subsequent month-end NAV. Monthly rates of return are calculated by dividing net performance by beginning equity for the period. Annual rates of return are computed on a compounded monthly rate of return basis.

LIBERTY FUNDS GROUP, INC.
CAPSULE PERFORMANCE SUMMARY

TABLE III Liberty Diversified Option Strategy
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

Month	2010	2009		
January	1.97%	0.43%		
February	-0.37%	-1.12%		
March	1.35%	1.19%		
April		0.25%		
May		-3.80%		
June		-0.05%		
July		0.94%		
August		5.66%		
September		4.44%		
October		3.62%		
November		4.31%		
December		0.47%		
Year to Date	2.96%	17.17%		

Commodity Trading Advisor:	Liberty Funds Group, Inc.
Trading Program:	Liberty Diversified Option Strategy
Inception of Trading CTA:	April 4, 2005
Inception of Trading for the program:	January 1, 2008
Number of Accounts traded pursuant to the program:	5
Total Firm Nominal Assets under management:	$51.1mm Nominal Funds traded as CTA, $63.3mm Where LFG Advises Clients on CTA Selection
Total Nominal Assets Under Management Pursuant to the Program	$14.4 million
Worst Monthly Percentage Draw-down:	05/09 (3.80%)
Worst Peak-to-Valley Drawdown:	05/09 – 06/09 (3.86%)
Number of Profitable Accounts Opened and Closed:	0
Range of Returns for closed profitable accounts:	N/A
Number of Unprofitable Accounts Opened and Closed:	0
Range of Returns for closed profitable accounts:	N/A

"Drawdown" means the cumulative percentage decline in month-end NAV over a specified period.

"Worst Peak to Valley Drawdown" means the greatest cumulative percentage decline in month-end NAV during a period in which the NAV is not equaled by a subsequent month-end NAV.

Monthly rates of return are calculated by dividing net performance by beginning equity for the period. Annual rates of return are computed on a compounded monthly rate of return basis.

CAPSULE PERFORMANCE SUMMARY
TABLE IV Liberty Diversified Option Strategy – Aggressive

There are currently, nor have there been, any accounts trading the Aggressive version of the Liberty Diversified Option Strategy. Therefore, there is no performance capsule of the strategy that can be shown here.

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LIBERTY FUNDS GROUP, INC.
CAPSULE PERFORMANCE SUMMARY

TABLE V (Liberty Wealth Protection Fund, LP)
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

LWPF	2010	2009			
January	-3.57%				
February	-0.05%				
March	1.95				
April					
May					
June					
July					
August					
September					
October		4.59%			
November		3.93%			
December		-2.77%			
Year to Date	-1.73%	5.69%			

Name of Pool:	Liberty Wealth Protection Fund, LP
Type of Pool:	Privately Offered
Inception of Trading of Pool:	October 1, 2009
Aggregate Subscriptions:	$12,800,000
Current Net Asset Value:	$11,200,000
Worst Monthly Percentage Draw-down:	1/10 (3.64%)
Worst Peak-to-Valley Drawdown:	11/09 – 2/09 (6.36%)

LFG Trades the Liberty Commodity Strategy, the Liberty Diversified Short Term Strategy, the Liberty Diversified Option Strategy, along with a trend following strategy (not offered as a separate managed account strategy) for the Fund. The Fund allocates risk equally to the trend following, commodity, and short term strategies. Currently the option strategy receives an allocation of risk that is one third less than the other strategies.

"Drawdown" means the cumulative percentage decline in month-end NAV over a specified period. "Worst Peak to Valley Drawdown" means the greatest cumulative percentage decline in month-end NAV during a period in which the NAV is not equaled by a subsequent month-end NAV.

Monthly rates of return are calculated by dividing net performance by beginning equity for the period. Annual rates of return are computed on a compounded monthly rate of return basis.

LIBERTY FUNDS GROUP, INC.
CAPSULE PERFORMANCE SUMMARY

TABLE VI (Liberty Global Fund, LP)

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

LGF	2010	2009	2008	2007	2006	2005
January	-4.34%	-2.61%	13.87%	-3.18%	2.69%	-10.86%
February	-0.08%	-1.10%	19.37%	-8.15%	-11.97%	-4.34%
March		-3.85%	1.73%	-14.25%	9.89%	3.86%
April		-3.01%	-9.09%	5.15%	18.38%	-12.58%
May		2.52%	8.12%	-1.64%	-4.53%	5.95%
June		-4.03%	6.37%	8.78%	-17.91%	6.37%
July		-2.38%	-23.25%	-3.87%	-17.12%	-2.98%
August		-2.46%	1.43%	-10.07%	10.94%	7.72%
September		-1.30%	17.36%	14.78%	6.48%	0.99%
October		-1.52%	20.43%	8.37%	-4.19%	-4.44%
November		6.79%	4.00%	10.45%	8.62%	12.45%
December		-1.20%	3.86%	1.72%	-12.71%	-9.48%
Year to Date	-4.42%	-13.70%	71.82%	3.65%	-17.71%	-10.42%

Name of Pool:	Liberty Global Fund, LP
Type of Pool:	Privately Offered
Inception of Trading of Pool:	1-Jun-88
Aggregate Subscriptions:	$87,780,000
Current Net Asset Value:	$8,900,000
Worst Monthly Percentage Draw-down:	7/08 (23.25%)
Worst Peak-to-Valley Drawdown:	4/06 – 8/07 (48.30%)

From June 1988 until October 2008 Liberty Global Fund, LP was managed exclusively by John W. Henry and Associates. LFG first began trading its Short Term Diversified strategy for the Liberty Global Fund in October 2008. LFG began trading its Diversified Option strategy for the Fund in January 2009. LFG began trading all of the Fund's assets in August 2009 and has managed all of the Fund's assets since that time. LFG uses a trend following system which was used for the Fund starting in August 2009. That program is not offered by LFG as a separate managed account program.

"Drawdown" means the cumulative percentage decline in month-end NAV over a specified period.

"Worst Peak to Valley Drawdown" means the greatest cumulative percentage decline in month-end NAV during a period in which the NAV is not equaled by a subsequent month-end NAV. Monthly rates of return are calculated by dividing net performance by beginning equity for the period. Annual rates of return are computed on a compounded monthly rate of return basis.

Prospective investors should note that Table VI below presents performance data Strong Quantitative Strategies, LLC, of which LFG was a principal. The accounts reflected in the table did not follow the same trading methods and strategies described under "DESCRIPTION OF TRADING METHODS AND STRATEGIES." Moreover, all accounts normally have been traded in parallel, however, the accounts were charged monthly management fees of between 0% and 1/6 of 1% of equity and incentive fees ranging between 0% and 20% of net performance.

The information presented in the following table has not been audited. However, LFG believes that such information is accurate and fairly presented.

TACTICAL FUTURES PROGRAM
Table VII
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

		2005
January		(5.94)%
February		(1.91)%
March		(1.95)%
April		(.64)%
May		
June		
July		
August		
September		
October		
November		
December		
Compound Year to Date (%)		(10.11) %

Trading Program: SQS Tactical Futures Program
Commodity Trading Advisor: Strong Quantitative Strategies LLC
Inception of Trading: January 15, 2004
Total Assets Under Management Pursuant to the Offered Program: 0
Worst Monthly Percentage Draw-down: (5.94%) in Jan 2005
Worst Peak-To-Valley Draw-down: (12.60%) from March 2004 to Apr 2005
Number of Accounts Open: 0
2005 Compound YTD Rate of Return: (10.20%)
Number of Accounts included in Capsule: 3 (including one proprietary account)
Number of Open Accounts (with Net Profits): 0
Number of Open Accounts (with Net Losses): 0
Number of Closed Accounts (with Net Profits): 0
Number of Closed Accounts (with Net Losses): 2

"Drawdown" means the cumulative percentage decline in month-end NAV over a specified period. "Worst Peak to Valley Drawdown" means the greatest cumulative percentage decline in month-end NAV during a period in which the NAV is not equaled by a subsequent month-end NAV. Monthly rates of return are calculated by dividing net performance by beginning equity for the period. Annual rates of return are computed on a compounded monthly rate of return basis.

Account Funding Matrix

ACTUAL RATE OF RETURN (1)	RATES OF RETURN BASED ON FUNDING LEVEL (3)	
-30.00%	-30.00%	-75.00%
-20.00%	-20.00%	-50.00%
-10.00%	-10.00%	-25.00%
0.00%	0.00%	0.00%
10.00%	10.00%	25.00%
20.00%	20.00%	50.00%
30.00%	30.00%	75.00%
FUNDING LEVEL (2)	100.00%	40.00%

Footnotes to Matrix:

(1) This column represents a hypothetical range of actual rates of return for fully-funded accounts reflected in the accompanying performance table.
(2) This percentage represents the actual amount of funds deposited in an account divided by the fully funded trading level of the account.
(3) This represents the rate of return experienced by a customer's account given the respective level of funding utilized by the trading advisor. The rates of return for accounts that are not fully-funded are inversely proportional to the actual rates of return, based on the percentage level of funding.

NOTIONALLY-FUNDED ACCOUNT

RISK DISCLOSURE STATEMENT

YOU SHOULD REQUEST YOUR COMMODITY TRADING ADVISOR TO ADVISE YOU OF THE AMOUNT OF CASH OR OTHER ASSETS (ACTUAL FUNDS) WHICH SHOULD BE DEPOSITED TO THE ADVISORS TRADING PROGRAM FOR YOUR ACCOUNT TO BE CONSIDERED "FULLY FUNDED". THIS IS THE AMOUNT UPON WHICH THE COMMODITY TRADING ADVISOR WILL DETERMINE THE NUMBER OF CONTRACTS TRADED IN YOUR ACCOUNT AND SHOULD BE AN AMOUNT SUFFICIENT TO MAKE IT UNLIKELY THAT ANY FURTHER CASH DEPOSITS WOULD BE REQUIRED FROM YOU OVER THE COURSE OF YOUR PARTICIPATION IN THE COMMODITY TRADING ADVISOR'S PROGRAM.

YOU ARE REMINDED THAT THE ACCOUNT SIZE YOU HAVE AGREED TO IN WRITING (THE "NOMINAL" OR "NOTIONAL" ACCOUNT SIZE) IS NOT THE MAXIMUM POSSIBLE LOSS THAT YOUR ACCOUNT MAY EXPERIENCE.

YOU SHOULD CONSULT THE ACCOUNT STATEMENTS RECEIVED FROM YOUR FUTURES COMMISSIONS MERCHANT IN ORDER TO DETERMINE THE ACTUAL ACTIVITY IN YOUR ACCOUNT, INCLUDING PROFITS, LOSSES AND CURRENT CASH EQUITY BALANCE. TO THE EXTENT THAT THE EQUITY IN YOUR ACCOUNT IS AT ANY TIME LESS THAN THE NOMINAL ACCOUNT SIZE YOU SHOULD BE AWARE OF THE FOLLOWING:

1) ALTHOUGH YOUR GAINS AND LOSSES, FEES AND COMMISSIONS MEASURED IN DOLLARS WILL BE THE SAME, THEY WILL BE GREATER WHEN EXPRESSED AS A PERCENTAGE OF ACCOUNT EQUITY.

2) YOU MAY RECEIVE MORE FREQUENT AND LARGER MARGIN CALLS.

3) THE DISCLOSURES WHICH ACCOMPANY THE PERFORMANCE TABLE MAY BE USED TO CONVERT THE RATES OF RETURN ("ROR'S") IN THE PERFORMANCE TABLE TO THE CORRESPONDING ROR'S FOR PARTICULAR PARTIAL FUNDING LEVELS.

POTENTIAL CONFLICTS OF INTEREST

LFG intends to continue to actively solicit and manage other futures fund, hedge funds and customer accounts. In conducting such activities, LFG may have conflicts of interest in allocating management time and administrative functions.

LFG individual managed accounts currently do not use an introducing broker ("IB"). However, LFG will consider the use of an IB for accounts of sufficient size. LFG will not receive any direct or indirect financial benefit from the maintenance of a participating customer's account with any particular FCM or IB. A customer is free to select any IB that is properly registered with the NFA and is in good standing.

LFG and its employees may, from time to time, trade commodity interests for their own proprietary accounts. In rendering trading advice to a participating customer, LFG will not knowingly or deliberately favor any proprietary account over the account of the customer. However, no assurance is given that the performance of all accounts controlled and managed by LFG will be identical or even similar. See "PROPRIETARY TRADING BY LFG AND ITS PRINCIPALS" and "PERFORMANCE HISTORY."

PRINCIPAL RISK FACTORS

In addition to the risks inherent in trading commodity interests pursuant to instructions provided by LFG (see "DESCRIPTION OF TRADING METHODS AND STRATEGIES"), there are other risk factors, including those described below, in connection with a customer participating in the Managed Account Program. Prospective customers should consider all of the risk factors described below and elsewhere in this Disclosure Document before participating in the Program.

<u>Commodity Trading Is Speculative And Volatile</u>. Commodity interest prices are highly volatile. Price movements for commodity interests are influenced by, among other things: changing supply and demand relationships; weather; agricultural, trade, fiscal, monetary, and exchange control programs and policies of governments; United States and foreign political and economic events and policies; changes in national and international interest rates and rates of inflation; currency devaluations and revaluations; and emotions of the marketplace. None of these factors can be controlled by LFG and no assurance can be given that LFG's advice will result in profitable trades for a participating customer or that a customer will not incur substantial losses.

<u>Commodity Trading Is Highly Leveraged</u>. The low margin deposits normally required in commodity interest contract trading (typically between 2% and 25% of the value of the contract purchased or sold) permit an extremely high degree of leverage. Leverage would be increased if a customer determines to use notional funds in the customer's account. Accordingly, a relatively small price movement in a contract may result in immediate and substantial losses to the investor. For example, if at the time of purchase 10% of the price of a futures contract is deposited as margin, a 10% decrease in the price of the contract would, if the contract is then closed out, result in a total loss of the margin deposit before any deduction for brokerage commissions. A decrease of more than 10% would result in a loss of more than the total margin

deposit. Thus, like other leveraged investments, any trade may result in losses in excess of the amount invested.

When the market value of a particular open position changes to a point where the margin on deposit in a participating customer's account does not satisfy the applicable maintenance margin requirement imposed by the customer's FCM, the customer, and not LFG, will receive a margin call from the FCM. If the customer does not satisfy the margin call within a reasonable time (which may be as brief as a few hours), the FCM will close out the customer's position.

Commodity Trading May Be Illiquid. Most United States commodity exchanges limit fluctuations in certain commodity interest prices during a single day by means of "daily price fluctuation limits" or "daily limits." The daily limit, which is set by most exchanges for all but a portion of the expiration month, imposes a floor and a ceiling on the prices at which a trade may be executed, as measured from the last trading day's close. While these limits were put in place to lessen margin exposure, they may have certain negative consequences for a customer's trading. For example, once the price of a particular contract has increased or decreased by an amount equal to the daily limit, thereby producing a "limit up" or "limit down" market, positions in the contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. Contract prices in various commodities have occasionally moved the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent LFG from promptly liquidating unfavorable positions and subject a participating customer to substantial losses which could exceed the margin initially committed to such trades. Further, not only may daily limits reduce or effectively eliminate the liquidity of a particular market, but they also do not limit ultimate losses, as such limits apply only on a day-to-day basis.

As part of its emergency powers, an exchange or the CFTC can suspend or limit trading in a particular contract, order immediate liquidation and settlement of a particular contract, or order that trading in a particular contract be conducted for liquidation only. In this regard, the Chicago Mercantile Exchange, which trades the Standard & Poor's 500 Stock Index futures contract ("S&P"), and the other futures markets that trade stock index futures contracts, adopted what has become known as "circuit breakers," that is, procedures for an automatic halt in trading that will be triggered whenever the Dow Jones Industrial Average ("DJIA") declines by a certain number of points.

In trading a participating customer's account, it also is possible that governments may intervene to stabilize or fix exchange rates, restricting or substantially eliminating trading in the affected currencies. General economic stabilization programs may also lead to widespread limitations on the permissible fluctuations of commodity prices. Similarly, trading in options on a particular futures contract may become restricted if trading in the underlying futures contract has become restricted.

Trading on Foreign Commodity Exchanges Involves Certain Risks. LFG may trade commodity interests on exchanges located outside the United States for the account of a participating customer. Such trading does not fall within the jurisdiction of the CFTC and will take place without benefit of the detailed financial, trade practice and customer protection regulations that apply to the activities of domestic exchanges and their members. In the past, the absence of a strong clearinghouse to stand behind the trades and to make good when one of the parties refused or was unable to fulfill the terms of the contract has resulted in significant losses for users of certain markets. In 1985, for example, certain members of the London Metal Exchange trading in the tin market declined to honor their commitments. At that time, the Exchange functioned solely as a principals' market in which performance with respect to a commodity interest contract was the responsibility only of the individual member with whom the trader entered into the contract and not of the exchange. These defaults ultimately caused the Exchange to close that market and settle outstanding positions at an artificial price. This action, in turn, produced for some commodity traders substantial losses and for others substantial reductions of the profits which they otherwise would have realized. Inadequate capitalization of the clearinghouse and clearing members on the Hong Kong futures market produced similar large losses in October of 1987. Following the steep fall in the market prices and liquidity, the Exchange instituted an emergency closing of the market. Upon its reopening four days later, certain members were unable to meet large margin calls. The clearinghouse in turn was unable to cover the losses because its guarantee fund was insufficiently capitalized. In both cases, the Exchange and its governmental authorities have taken steps to reduce the possibility of such market closings.

Furthermore, because a participating customer's account is denominated in United States dollars, its trading will be subject to the risk of fluctuation in the exchange rate between the local currency and dollars and the possibility of exchange controls. Unless LFG hedges a participating customer's account against fluctuations in exchange rates between the United States dollar and the currencies in which trading is done on foreign exchanges, any profits which a participating customer might realize in such trading could be eliminated as a result of adverse changes in exchange rates and a participating customer could even incur losses as a result of any such changes.

<u>Trading of Commodity Options Involves Certain Risks</u>. Options on certain futures contracts and options on certain physical commodities have been approved by the CFTC for trading on United States exchanges. Each such option is a right, purchased for a certain price, to either buy or sell the underlying futures contract or physical commodity during a certain period of time for a fixed price. LFG may engage in the trading of options for the account of a participating customer.

Although successful option trading requires many of the same skills as does successful futures contract trading, the risks involved are somewhat different. For example, if LFG, on behalf of a participating customer, buys an option (either to sell or buy a futures contract or commodity), the customer will be required to pay a "premium" representing the market value of the option. Unless the price of the futures contract or commodity underlying the option changes and it becomes profitable to exercise or offset the option before it expires, the participating customer may lose the entire amount of the premium. Conversely, if LFG, on behalf of a participating customer, sells an option (either to sell or buy a futures contract or commodity), the customer will be credited with the premium but will have to deposit margin with the customer's FCM due to the customer's contingent liability to deliver or accept the futures contract or commodity underlying the option in the event the option is exercised. Traders who sell options are subject to the entire loss which occurs in the underlying futures contract or commodity (less any premium received). In other words the seller of an option is subject to the same unlimited risk of loss as the buyer or seller of the underlying futures contract. The ability to trade in or exercise options may be restricted in the event that trading in the underlying futures contract or commodity becomes restricted. Such trading may involve additional risks because LFG has limited experience trading commodity options.

Day Trading and the use of Stop Loss Orders. The Short Term Diversified strategy will involve day trading and the use of stop loss orders. Slippage on fills related to these stop loss orders can undermine the performance of the short term strategy. This is due to the fact that stop loss orders might not be executed at the price on the order. Other short term trading systems generate a very large number of transactions and therefore drive up the costs associated with trading the account. Our method, however, trades approximately 3000 round turns per million dollars under management making it very similar in terms of cost to other LFG strategies.

A Participating Customer's FCM May Fail. Under CFTC regulations, FCMs are required to maintain customers' assets in a segregated account. If a participating customer's FCM fails to do so, the customer may be subject to a risk of loss of its funds on deposit with its FCM in the event of its bankruptcy. In addition, under certain circumstances, such as the inability of another customer of the FCM or the FCM itself to satisfy substantial deficiencies in such other customer's account, a participating customer may be subject to a risk of loss of its funds on deposit with its FCM, even if such funds are properly segregated. In the case of any such bankruptcy or customer loss, a participating customer might recover, even in respect of property specifically traceable to the customer, only a pro rata share of all property available for distribution to all of the FCM's customers.

LFG's Trading Decisions Are Based Primarily On Technical Analysis. Trading decisions made by LFG on behalf of participating customers are based primarily on technical analysis. However, its trading decisions do not adhere rigidly to any particular trading formula or system. See "DESCRIPTION OF TRADING METHODS AND STRATEGIES."

The profitability of technical and fundamental analysis depends upon the accurate forecasting of major price moves or trends in some commodities. No assurance can be given of the accuracy of the forecasts or the existence of some major price move. The best trading method, whether based on technical and/or fundamental analysis, will not be profitable if there are no price moves or trends of the kind the trading method seeks to follow. In the past, there have been periods without discernible trends and, presumably, such periods will continue to occur in the future. Any factor which would lessen the prospect of major trends in the future (such as increased governmental control of or participation in the commodities markets) may reduce the prospect that a particular trading method, whether technical and/or fundamental, will be profitable in the future. Moreover, any factor which would make it more difficult to execute trades at desired prices in accordance with a trading method's signals (such as a significant lessening of liquidity in a particular market) would also be detrimental to profitability. Further, many other trading methods utilize similar analyses in making market decisions. Therefore, bunching of buy and sell orders can occur, which makes it more difficult for a position to be taken or liquidated. No assurance can be given that LFG's trading methods and strategies and trading decisions for a participating customer will be successful under all or any market conditions.

A limiting factor in the use of technical analysis, in particular, is that such an approach requires price movement data which can be translated into price trends sufficient to dictate a market entry or exit decision. When the markets are trendless or erratic, a technical method may fail to identify a trend on which action should be taken or the method may react to minor price movements and thus establish a position contrary to overall price trends, which may result in losses. In addition, a technical trading method may underperform other trading methods when fundamental factors dominate price moves within a given market.

Existence of Speculative Position Limits May Prevent LFG From Applying Its Trading Approach To The Fullest. The CFTC and the United States exchanges have established limits referred to as "speculative position limits" or "position limits" on the maximum net long or net short speculative position which any person or group of persons may hold or control in particular commodity interest contracts. In addition, the CFTC requires United States exchanges to set position limits on all of their contracts that do not have CFTC-set limits. All accounts managed and controlled by LFG are combined (that is, aggregated) for position limit purposes. LFG believes that, at least for the near future, established position limits will not adversely affect its contemplated trading for participating customers. However, it is possible that from time to time the trading decisions of LFG may have to be modified and positions held or controlled by it may have to be liquidated in order to avoid exceeding applicable position limits. Such modification or liquidation, if required, could adversely affect the performance of the accounts of participating customers. If the application of position limits were to affect LFG's trading decisions, it will attempt to modify its recommendations in such a manner so as not to affect disproportionately the performance of any one customer account compared with that of any other account managed or controlled by LFG.

A Participating Customer Will Pay Substantial Fees and Expenses Regardless of Whether Any Profits Are Realized. A participating customer is subject to substantial brokerage commissions and other transaction costs and management fees. Accordingly, a participating customer's account will have to earn substantial trading profits to avoid depletion of the customer's funds due to such commissions, costs, and fees.

A participating customer, and not LFG, is directly responsible for paying the customer's FCM, as appropriate, all margins, option premiums, brokerage commissions and fees, and other transaction costs and expenses incurred in connection with transactions effected for the customer's account by LFG. Brokerage commissions and other transaction costs may be substantial. LFG considers the interests of its customers paramount and manages all accounts to further the interests of customers. Nevertheless, no assurance can be given by LFG as to any minimum or maximum number of transactions which will be entered into for a participating customer's account during any period for which the account is managed by LFG.

The fees charged by LFG for providing management services to a participating customer include a management fee and an incentive fee, and such fees may be higher or lower than the fees paid by other customers of LFG. Monthly management fees payable to LFG are based on the "nominal account value" (defined under "FEES AND EXPENSES") of a participating customer's account as of the end of each calendar month, without regard to the profitability of the account. Monthly incentive fees payable to LFG are based on the new increase in the nominal account value of a participating customer's account as of the end of each month. The calculation of any such increase includes unrealized profits (net of unrealized losses) in open positions, but excludes interest income earned in the account. Any such increase in a participating customer's account may never be realized.

A participating customer is responsible for bearing any and all expenses, losses, and fees incurred as a result of maintaining and having LFG trade the customer's account. In the Customer Agreement (copy enclosed), a participating customer agrees to indemnify and hold harmless LFG and its principals, employees, affiliates, and agents under certain circumstances. See "FEES AND EXPENSES."

Deductibility of Management and Incentive Fees Is Limited. Certain "miscellaneous itemized deductions," including so-called "investment expenses" such as management and incentive fees, are limited in their deductibility to the extent they exceed 2% of the adjusted gross income of an individual, trust, or estate. In addition, certain "itemized deductions" of individuals in the higher tax brackets are subject to reduction. Such reduction generally will equal 3% of the taxpayer's adjusted gross income in excess of $100,000, to a maximum of 80% of the taxpayer's "itemized deductions" otherwise allowable for the year. **EACH PARTICIPATING CUSTOMER MAY PAY TAX ON MORE THAN THE NET PROFITS GENERATED BY LFG'S MANAGED ACCOUNT PROGRAM.**

Each participating customer should satisfy himself as to the income tax and other tax consequences of an investment in the Managed Account Program with specific reference to his own tax situation by obtaining advice from his own tax professional before participating in the Managed Account Program.

Statutory Regulation. In accordance with the provisions of the Commodity Exchange Act, the regulations of the CFTC thereunder, and the rules of the NFA, LFG is registered as a CTA and is a member of the NFA. If the CFTC registration and NFA membership of LFG were terminated, suspended, revoked, or not renewed, LFG would be unable to trade commodity interests on behalf of participating customers until such registration and membership were reinstated.

Future Regulatory and Market Changes. Regulation of the United States markets has undergone substantial change in recent years, a process that is expected to continue. In addition, it is impossible to predict what, if any, significant new regulations may be promulgated as a result of regulatory action. The effect of regulatory change on the proposed trading activities of LFG is impossible to predict, but could be substantial and adverse.

In addition to future regulatory changes, the markets recently have undergone and are expected to continue to undergo rapid and substantial changes. Not only has the number of available commodity interest contracts proliferated substantially, but also electronic trading has been expanded and international trading greatly increased. There can be no assurance as to how LFG will perform given the changes to, and increased competition in, the marketplace.

CONCLUSION

In view of the foregoing, a prospective customer of the Managed Account Program should consider carefully the highly speculative nature and risks of loss inherent in trading commodity interest contracts. A participating customer should have significant resources beyond any funds which the customer deposits in the commodity trading account to be advised by LFG and such funds should represent risk capital to the customer.

THIS DOCUMENT IS NOT A CONTRACT AND DOES NOT MODIFY OR LIMIT THE TERMS OF ANY AGREEMENT BETWEEN LFG AND ANY CUSTOMER PARTICIPATING IN THE MANAGED ACCOUNT PROGRAM. PARTICIPATING CUSTOMERS SHOULD CAREFULLY REVIEW THE SPECIFIC TERMS OF THE CUSTOMER AGREEMENT AND TRADING AUTHORIZATION AND THE AUTHORIZATION TO PAY FEES ENCLOSED WITH THIS DISCLOSURE DOCUMENT.

CUSTOMER ACKNOWLEDGMENT OF RECEIPT OF DISCLOSURE DOCUMENT

The undersigned customer(s) ("Customer") hereby acknowledges receipt of a copy of the Disclosure Document dated May 15, 2010 of Liberty Funds Group, Inc. Customer has read and understands the Disclosure Document and has carefully considered the risks outlined therein.

______________________________	______________________________
First Customer's Signature	______________________________
______________________________	______________________________
First Customer's Name and Title	First Customer's Address - Street, City, State, Zip Code
______________________________	______________________________
Date	First Customer's Telephone Number
______________________________	______________________________
Second Customer's Signature (if a joint account)	______________________________
______________________________	______________________________
Second Customer's Name and Title	Second Customer's Address - Street, City, State, Zip Code
______________________________	______________________________
Date	Second Customer's Telephone Number

CUSTOMER AGREEMENT
AND
TRADING AUTHORIZATION

This Customer Agreement and Trading Authorization ("Agreement") is made and entered into as of the date set forth at the end of this Agreement by and between Liberty Funds Group, Inc. ("LFG"), and the undersigned customer ("Customer");

WHEREAS, Customer hereby acknowledges to LFG that Customer has received, read, and understood and carefully considered the risks outlined in the LFG Disclosure Document dated May 15, 2010, and Customer has signed an acknowledgment to that effect;

WHEREAS, Customer hereby represents to LFG that Customer has capital available and desires to invest such capital in speculative investments in "commodity interests," which term shall include, for purposes of this Agreement, contracts on and for physical commodities, and items which are now, or may hereafter be, the subject of futures contract trading, futures contracts on commodities, options on futures contracts and physical commodities, and securities (such as United States Treasury bills) approved by the United States Commodity Futures Trading Commission for investment of customer funds;

WHEREAS, Customer, if an individual, hereby represents to LFG that Customer is of full legal age in the jurisdiction in which Customer resides and is legally competent to execute and deliver this Agreement and to purchase, sell, trade, and own commodity interests as contemplated by this Agreement;

WHEREAS, Customer, if a corporation, partnership, trust, or other entity or association, hereby represents to LFG that Customer has full power and authority to execute and deliver this Agreement and to purchase, sell, and trade, and own commodity interests as contemplated by this Agreement and the individual executing and delivering this Agreement for and on behalf of Customer is of full legal age in the jurisdiction in which such individual resides and is legally competent and has full power and authority to do so on behalf of Customer and its stockholders, partners, or beneficiaries;

WHEREAS, Customer hereby represents to LFG that, if an entity, Customer is duly organized under the laws of ______________________, with full power and authority to enter into and perform its obligations under this Agreement and to conduct its business, and the performance by Customer of its obligations under this Agreement will not violate the terms or provisions of, or constitute a default under, the organizational and operational documents of Customer or any other agreement to which Customer is a party or by which it is bound;

WHEREAS, Customer hereby represents to LFG that, if necessary under the laws of the United States, Customer is registered as a commodity trading advisor and as a commodity pool operator with the Commodity Futures Trading Commission ("CFTC"), and/or is registered with the Securities and Exchange Commission ("SEC"), and is a member of the National Futures Association ("NFA"), and such registrations and membership, if applicable, have not expired or been revoked, suspended, terminated, or not renewed, or limited or qualified in any respect;

WHEREAS, Customer hereby represents to LFG that Customer has complied and will continue to comply with all laws, rules, and regulations having application to its business, properties, and assets (including, if appropriate, the Commodity Exchange Act, as amended, the Securities Act of 1933, as amended, the Investment Company Act of 1940, as amended, the Investment Advisers Act of 1940, as amended, CFTC regulations, NFA rules, United States and non-United States securities laws, and state securities laws), and there are no actions, suits, proceedings, or investigations pending or, to the knowledge of the undersigned, threatened against Customer or any of its principals or affiliates, at law or in equity or before any governmental department, commission, board, bureau, agency, or instrumentality, or any self-regulatory organization, or any securities or commodity exchange, in which an adverse decision could materially and adversely affect Customer's ability to conduct its business or to comply with, and perform its obligations under, this Agreement;

WHEREAS, Customer hereby represents to LFG that Customer is fully familiar with the speculative nature of commodity interest trading and its high degree of risk suitable only for a person who can sustain substantial losses which may be far in excess of such person's funds on deposit in such person's commodity trading account;

WHEREAS, Customer hereby represents to LFG that Customer is willing and able, financially and otherwise, to assume the risks of commodity interest trading and has the financial ability to bear losses in excess of the amount deposited pursuant to Section 1 of this Agreement; and

WHEREAS, Customer desires to retain LFG as Customer's commodity trading advisor upon the terms and conditions set forth in this Agreement, and LFG desires to service Customer in such capacity upon such terms and conditions;

NOW, THEREFORE, in consideration of the premises set forth above, the parties hereto do hereby agree as follows:

1. Customer has deposited the sum set forth at the end of this Agreement in commodity trading accounts (the "Account") established and maintained with the futures commission merchant named at the end of this Agreement (the "FCM").

2. Customer hereby constitutes, appoints, and authorizes LFG as Customer's true and lawful agent and attorney-in-fact, in Customer's name, place, and stead, to purchase, sell (including short sales), trade, and otherwise acquire, hold, dispose of, and deal in commodity interests, on margin or otherwise, on United States and foreign exchanges, , and otherwise and to make and take delivery of commodities in fulfillment of any commodity interests, all for Customer's Account and risk. Customer hereby gives and grants to LFG full power and authority to act for Customer and on Customer's behalf to do every act and thing whatsoever requisite, necessary, or appropriate to be done in connection with this power of attorney as fully and in the same manner and with the same force and effect as Customer might or could do if personally present, and Customer hereby ratifies all that LFG may lawfully do or cause to be done by virtue of this power of attorney. Customer hereby ratifies and confirms any and all transactions heretofore made by LFG for the Account and agrees that the rights and obligations of Customer in respect thereof shall be governed by the terms of this Agreement.

3. LFG's services to Customer shall not be deemed to be exclusive to Customer, and LFG shall be free to render similar services to others.

4. Any and all transactions effected by LFG for the Account shall be subject to the constitution, by-laws, rules, regulations, orders, and customs and usages of the exchange or market where executed (and of its clearinghouse, if any), and to the provisions of the United States Commodity Exchange Act, as amended, and to the rules, regulations, and orders promulgated from time to time thereunder, and to all applicable laws, rules, and regulations of the United States, the various states in the United States, and foreign jurisdictions. LFG shall not be liable to Customer as a result of any action taken by LFG which is necessary to comply with any such constitution, by-law, rule, regulation, order, custom, usage, act, or statute.

5. Customer, and not LFG, shall pay all margins, option premiums, brokerage and floor commissions and fees, and other transaction costs and expenses charged and incurred by the FCM and its agents in connection with the Account.

6. All transactions effected for the Account by LFG shall be for Customer's Account and risk. LFG has made and makes no guarantee whatsoever as to the success or profitability of LFG's trading methods and strategies, and Customer acknowledges that Customer has received no such guarantee from LFG or any of its principals, employees, affiliates, or agents and has not entered into this Agreement in consideration of or in reliance upon any such guarantee or similar representation from LFG or any of its employees, affiliates, or agents.

7. Neither LFG nor its principals, employees, affiliates, or agents shall be liable to Customer or to any other party, except that LFG shall be liable to Customer for acts by it or its employees, affiliates, or agents which constitute gross negligence, willful malfeasance, or fraud. Customer shall indemnify, hold harmless, and defend LFG and its principals, employees, affiliates, and agents from and against any liability, loss, cost, and expense, including attorneys' fees, that any of them may become subject to in acting as contemplated under this Agreement, or in connection with any transaction for the Account, or in connection with Customer's failure to pay any management fees and/or incentive fees to LFG, or in connection with investigating or defending any such liability, loss, cost, or expense covered by this indemnity.

8. (A) As compensation for LFG's services to be rendered pursuant to this Agreement, and for so long as this Agreement is in force and effect, Customer shall pay to LFG fees in accordance with the following fee arrangements:

> <u>Management Fee</u>. The management fee, calculated and billed monthly, without regard to whether the Account is profitable, is equal to [1/6 of 1]% of the "nominal account value" (defined in Section 8(B) below) of the Account as of the end of each calendar month (adjusting nominal account value for the purpose of calculating such fee by adding back the management fees and incentive fees accrued or payable and any withdrawals of funds from the Account since the last calendar month-end at which management fees shall have been paid).
>
> <u>Incentive Fee</u>. The incentive fee, calculated and billed monthly, is equal to [20]% of the increase, if any, in the "nominal account value" (defined in Section 8(B) below) of the Account as of the end of each calendar month (adjusting nominal account value for the purpose of calculating such fee by (a) excluding interest income earned in the Account, (b) adding back (i) the incentive fees accrued or payable from the Account, (ii) any decline in

the nominal account value of funds which can be attributed to funds or notional equity withdrawn from the Account since the beginning of the calendar month that immediately follows the last month-end at which an incentive fee was earned, and (iii) any withdrawals of funds from the Account, and (c) deducting any additional funds deposited in the Account since the last calendar month-end at which an incentive fee shall have been earned or, if no incentive fee shall have been earned previously, since the beginning of the trading period) <u>over</u> the greater of (i) the initial nominal account value of the Account as of the beginning of the trading period, or (ii) the nominal account value of the Account as of the beginning of the calendar month that immediately follows the last month-end at which an incentive fee shall have been earned(the "High Water Mark").

The High Water Mark for the client account is adjusted immediately after (i) each withdrawal or other distribution from such client account or (ii) each Incentive Fee that is charged against such Account, as follows:

If an Incentive Fee is charged against a client as of the end of a calendar month in accordance with the formula described above but no withdrawal or other distribution from such account is effected as of the end of such calendar month, the High Water Mark for such account is immediately thereafter adjusted to equal the nominal account value of such account as of the end of such calendar month (determined after deducting the amount of such Incentive Fee), subject to further adjustment as described below.

If an Incentive Fee is charged against a client account as of the end of a calendar month in accordance with the formula described above and a withdrawal or other distribution from such account is effected as of the end of such calendar month, the High Water Mark for such account is immediately thereafter adjusted to equal the nominal account value of such account as of the end of such calendar month (determined after deducting the amount of such Incentive Fee and the amount of such withdrawal or other distribution), subject to further adjustment as described above or below.

If a withdrawal or other distribution from a client account is effected as of a particular Calculation Date (whether as of the end of a calendar month or otherwise) but LFG is not entitled to receive any Incentive Fees in connection with such withdrawal or distribution under the formula described above, the High Water Mark for such Account is immediately thereafter adjusted to equal the High Water Mark for such account in effect immediately prior to such withdrawal or other distribution, reduced in the same proportion that the amount of such withdrawal or other distribution bears to the nominal account value of such account determined immediately prior to such withdrawal or other distribution, subject to further adjustment as described above or below.

If a withdrawal or other distribution from a client account is effected as of a date other than the end of a calendar month and LFG is entitled to receive an Incentive Fee in connection with such withdrawal or other distribution in accordance with the formula described above, the High Water Mark for such account is immediately thereafter adjusted to equal the High Water Mark for such account in effect immediately prior to such withdrawal or other distribution, reduced in the same proportion that the amount of such withdrawal or other distribution bears to the nominal account value of such account immediately prior to such withdrawal or other distribution, subject to further adjustment as described above.

Under the foregoing principles, the High Water Mark for a client account is calculated net of the Incentive Fees charged against such account. This means that LFG is not required to "restore" the amount of any Incentive Fee charged against a client account before participating in future appreciation in the value of such account in accordance with the formula described above.

The High Water Mark (as adjusted from time to time as described above) carries forward from month to month until it is exceeded. This means that if LFG receives an Incentive Fee from such client account (with the result that a new High Water Mark for such account is established at that time), LFG may not receive any additional Incentive Fees from such client account as of a subsequent Calculation Date unless the nominal account value of such client account exceeds the new High Water Mark. LFG however, will not be required to "repay" any Incentive Fees in the event such client account declines in value.

For purposes of this Section 8(A), the highest nominal account value of the Account as of the beginning of any previous month shall refer to the nominal account value achieved in the Account governed by this Agreement and shall not refer to any prior or other account(s) that LFG shall have managed or currently manages for Customer.

(B) The term "nominal account value" of a participating customer's account means the net assets and notional equity in and committed to the account (that is, total assets, plus notional equity, plus interest income paid and accrued, plus unrealized profits and losses on open commodity interest positions, minus total liabilities and accrued brokerage commissions).

(C) This Agreement shall not terminate except at the end of a month. If the Customer terminates this Agreement on a date other than at the end of a month, management fees and/or incentive fees shall be calculated as if such termination date were the end of a month. If this Agreement shall be terminated, Customer shall be billed for management fees and/or incentive fees accrued to the date of such termination and Customer's obligation to pay future fees shall terminate. Customer shall not be entitled to a refund of any management fees and/or incentive fees paid or accrued to the date of the termination of this Agreement.

(D) Following the end of each month, the Account shall automatically be debited for, and LFG shall be paid, the amount of management fees and incentive fees, respectively, that are due and owing to LFG. Concurrently therewith, LFG shall send to Customer a bill for such fees. A bill shall be deemed sent to Customer upon LFG's depositing such bill in the United States mail in a first-class, postage pre-paid envelope addressed to Customer and shall be deemed delivered to Customer personally whether actually received or not. A bill shall be deemed correct and shall be conclusive and binding on Customer unless a written or verbal objection from Customer shall be received by LFG within ten business days after such bill shall have been mailed by LFG. Customer shall authorize the FCM to transfer to LFG management fees and incentive fees from the Account upon receipt of a bill for such fees from LFG.

9. Customer hereby authorizes and directs the FCM to send to LFG a copy of the monthly account statements with respect to the Account which are sent to Customer, and the FCM is

similarly authorized and directed to provide LFG with copies of all confirmations, purchase and sale statements and other documents relating to the Account.

10. This Agreement shall become effective only after it shall have been signed by all parties. This Agreement is a continuing one and shall remain in full force and effect until terminated by written notice of either party to the other party as provided herein. This Agreement may be terminated by Customer, or in the event of Customer's death, incompetence, incapacity, disability, bankruptcy, dissolution, liquidation, insolvency, or termination by Customer's legal representative, by giving written notice of termination or written notice of Customer's death, incompetence, incapacity, disability, bankruptcy, dissolution, liquidation, insolvency, or termination, as the case may be, to LFG, which notice shall be deemed effective upon LFG's actual receipt of such notice. LFG may terminate this Agreement by giving written notice of termination to Customer, which notice shall be deemed effective upon LFG's depositing such notice in the United States mail in a first-class, postage pre-paid envelope addressed to Customer. Any such notice of termination given by Customer or LFG shall have no effect upon liabilities and commitments initiated, made, or accrued prior to the effective date of such termination.

11. All notices to either party shall be in writing. All notices to LFG shall be sent to LFG at the address appearing at the beginning of this Agreement. All notices and bills to Customer shall be sent to Customer at the address appearing at the end of this Agreement. Either party from time to time may designate in writing any other address to which notices, bills, and communications to such party may be sent.

12. This Agreement may not be assigned by either party without the prior express written consent of the other party.

13. This Agreement constitutes the entire agreement between the parties with respect to the matters referred to herein, and no other agreement, verbal or otherwise, shall be binding as between the parties unless it is in writing and signed by the party against whom enforcement is sought.

14. No provision of this Agreement may be amended or waived unless such amendment or waiver is in writing and signed by the parties. No amendment or waiver of any provision of this Agreement may be implied from any course of dealing between the parties or from the failure of either party to assert its rights under this Agreement on any occasion or series of occasions.

15. If any provision of this Agreement is, or at any time shall become, inconsistent with any present or future law, rule, regulation, or ruling of any jurisdiction, court, or regulatory body, exchange, or board having jurisdiction, such provision shall be deemed rescinded or modified to conform to such law, rule, regulation, or ruling and the remaining provisions of this Agreement shall not be affected thereby and shall remain in full force and effect.

16. This Agreement shall be deemed to have been made under, and shall be governed by and construed and enforced in accordance with, the law of the State of Illinois, USA (excluding the law thereof which requires the application of or reference to the law of any other jurisdiction).

17. The parties agree that any action or proceeding arising, directly, indirectly, or otherwise in connection with, out of, related to, or from this Agreement, any breach hereof, or any transaction

covered hereby shall be resolved, whether by arbitration or otherwise, within the City of Chicago, Cook County, State of Illinois, USA Accordingly, the parties consent and submit to the jurisdiction of the federal and state courts located within the City of Chicago, Cook County, State of Illinois, USA The parties further agree that any action or proceeding brought by either party to enforce any right, assert any claim, or obtain any relief whatsoever in connection with this Agreement shall be commenced by such party exclusively in the federal or state courts, or if appropriate, before an arbitral body, located within the City of Chicago, Cook County, State of Illinois, USA

18. If more than one person is signing this Agreement as Customer, each undertaking herein shall be a joint and several undertaking of all such persons, and the foregoing grant of power of attorney and authority to LFG shall be a joint and several grant by all such persons. Actions of any one Customer pursuant to this Agreement shall bind all such Customers unless indicated below. An Account in joint names creates a joint tenancy with right of survivorship and not tenancy in common.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the _____ day of ________________, 20___.

Liberty Funds Group, Inc.

____
Name, Title

______________________________ First Customer's Signature	______________________________ ______________________________
______________________________ First Customer's Name and Title	______________________________ First Customer's Address-- Street, City, State, Zip Code ______________________________ First Customer's Telephone #
______________________________ Second Customer's Signature (if a joint account)	______________________________ ______________________________
______________________________ Second Customer's Name and Title	______________________________ Second Customer's Address-- Street, City, State, Zip Code ______________________________ Second Customer's Telephone #
______________________________ Name of FCM	______________________________ ______________________________
______________________________ Name and Title of Individual Contact at FCM	______________________________ FCM's address-- Street, City, State, Zip Code
$______________________________ Amount of deposit with FCM*	______________________________ FCM's telephone number

FORM OF NOTIONAL FUNDS LETTER

_______________, 20___

Liberty Funds Group, Inc.
2708 Fairmount Street
Dallas, Texas 75201

Re: Customer Agreement and Trading Authorization

Gentlemen:

With respect to that certain Customer Agreement and Trading Authorization executed by me and dated ______________, 20___ (the "Agreement"), this letter will confirm that, pursuant to the Agreement, I have deposited $_____________ with the FCM ("Actual Funds"), and from and after ______________, 20___, I have designated $__________________ to be the size of capital committed to your trading discretion pursuant to the Agreement, plus or minus cumulative profits and losses (the "Designated Account Size").

I UNDERSTAND THAT I HAVE REQUESTED THAT YOU TRADE MY ACCOUNT WITH A DEGREE OF LEVERAGE THAT EXCEEDS THAT RECOMMENDED AS APPROPRIATE BY YOU, AND AM AWARE OF THE FOLLOWING:

1. I WILL INCUR GREATER RISK BECAUSE I MAY EXPERIENCE GREATER LOSSES, AS MEASURED BY A PERCENTAGE OF ASSETS ACTUALLY DEPOSITED IN MY ACCOUNT, THAN IN AN ACCOUNT FUNDED AT THE LEVEL RECOMMENDED AS APPROPRIATE BY YOU. THE DESIGNATED ACCOUNT SIZE IS NOT THE MAXIMUM POSSIBLE LOSS THAT I MAY INCUR. THE ACCOUNT STATEMENTS FROM THE FUTURES COMMISSION MERCHANT WILL DEPICT ALL ACCOUNT ACTIVITY, INCLUDING PROFITS, LOSSES AND ACTUAL CASH BALANCE IN THE ACCOUNT.

2. MY ACCOUNT WILL EXPERIENCE GREATER VOLATILITY, AS MEASURED BY RATES OF RETURN ACHIEVED IN RELATION TO ASSETS ACTUALLY DEPOSITED IN MY ACCOUNT, THAN AN ACCOUNT FUNDED AT THE LEVEL RECOMMENDED BY YOU. DUE TO SUCH GREATER VOLATILITY, I MAY RECEIVE MORE FREQUENT AND LARGER MARGIN CALLS THAN IF MY ACCOUNT WERE FULLY FUNDED.

3. I WILL PAY HIGHER ADVISORY FEES AND BROKERAGE COMMISSIONS, AS MEASURED BY THE PERCENTAGE OF SUCH FEES AND COMMISSIONS IN RELATION TO ASSETS ACTUALLY DEPOSITED IN MY ACCOUNT, THAN A CLIENT'S ACCOUNT FUNDED AT THE LEVEL RECOMMENDED BY YOU. MANAGEMENT FEES ARE CALCULATED INCLUSIVE OF NOTIONAL FUNDS.

4. DESIGNATED ACCOUNT SIZE IS ADJUSTED FOR ALL CHANGES IN THE VALUE OF THE ACCOUNT, BOTH ACTUAL AND NOTIONAL. FOR EXAMPLE, FPOFITS,

INTEREST, CASH ADDITIONS AND INCREASES IN THE NOTIONAL FUNDS AMOUNT WILL INCREASE THE DESIGNATED ACCOUNT SIZE. LOSSES, CASH WITHDRAWALS AND DECREASES IN THE NOTIONAL FUNDS AMOUNT WILL DECREASE THE DESIGNATED ACCOUNT SIZE.

5. NOTIONAL FUNDING INCREASES THE ABSOLUTE PERCENTAGES OF RATES OF RETURN AND DRAWDOWNS OF PERFORMANCE. FOR EXAMPLE, ASSUME A CLIENT HAD $500,000 IN ACTUAL FUNDS AND $500,000 IN NOTIONAL FUNDS. A TRADING LOSS OF $100,000 REPRESENTS A 10% LOSS OF THE DESIGNATED ACCOUNT SIZE BUT A 20% LOSS OF THE ACTUAL FUNDS DEPOSTIED BY THE CLIENT. SEE THE ACCOUNT FUNDING MATRIX THAT FOLLOWS THE CAPSULE PERFORMANCE SUMMARY.

Very truly yours,

____
(Print Name of Client)

____
(Signature of Client)

Liberty Funds Group, Inc.
2708 Fairmount Street
Dallas, Texas 75201

ARBITRATION AGREEMENT

The undersigned customer(s) ("Customer") hereby agrees that any controversy between Customer and Liberty Funds Group, Inc. ("LFG") or any of its principals, employees, affiliates, or agents, or its or their respective successors or assigns (hereinafter referred to as "affiliated persons") arising directly, indirectly, or otherwise in connection with, out of, related to, or from Customer's accounts with LFG, transactions between Customer and LFG, or any of its affiliated persons, or the Customer Agreement and Trading Authorization, Authorization to Pay Fees, or any other document or agreement now or hereafter existing that relates to Customer's accounts with LFG, or any breach of any of them or any transactions effected pursuant to them shall, except as provided below, be resolved by binding arbitration before a forum chosen in accordance with the following procedure. At such time as Customer notifies LFG or any of its affiliated persons that Customer intends to submit a controversy to arbitration or at such time as LFG or any of its affiliated persons notifies Customer that LFG or any of its affiliated persons intends to submit a controversy to arbitration, Customer shall have the opportunity to choose a forum from a list of two or more qualified forums provided by LFG.

LFG or any of its affiliated persons who is a party to any controversy arbitrated pursuant to this Arbitration Agreement shall pay any incremental fees which may be assessed by a qualified forum for provision of a mixed arbitration panel, unless the arbitrator(s) hearing the controversy shall determine that Customer has acted in bad faith in initiating or conducting the arbitration. A "mixed arbitration panel" is an arbitration panel composed of one or more persons, a majority of whom are not members of a contract market or employed by or otherwise associated with a member of a contract market and are not otherwise associated with a contract market.

Any award rendered in any arbitration conducted pursuant to this Arbitration Agreement shall be final and binding on and enforceable against Customer in accordance with the substantive law of the State of Illinois, USA, and judgment may be entered on any such award by any court having jurisdiction thereof.

THREE FORUMS EXIST FOR THE RESOLUTION OF COMMODITY DISPUTES: CIVIL COURT LITIGATION, REPARATIONS AT THE COMMODITY FUTURES TRADING COMMISSION (CFTC), AND ARBITRATION CONDUCTED BY THE NATIONAL FUTURES ASSOCIATION.

THE CFTC RECOGNIZES THAT THE OPPORTUNITY TO SETTLE DISPUTES BY ARBITRATION MAY IN SOME CASES PROVIDE MANY BENEFITS TO CUSTOMERS, INCLUDING THE ABILITY TO OBTAIN AN EXPEDITIOUS AND FINAL RESOLUTION OF DISPUTES WITHOUT INCURRING SUBSTANTIAL COSTS. THE CFTC REQUIRES, HOWEVER, THAT EACH CUSTOMER INDIVIDUALLY EXAMINE THE RELATIVE MERITS OF ARBITRATION AND THAT YOUR CONSENT TO THIS ARBITRATION AGREEMENT BE VOLUNTARY.

BY SIGNING THIS AGREEMENT, YOU: (1) MAY BE WAIVING YOUR RIGHT TO SUE IN A COURT OF LAW; AND (2) ARE AGREEING TO BE BOUND BY ARBITRATION OF ANY CLAIMS OR COUNTERCLAIMS WHICH YOU OR LFG OR ANY ITS AFFILIATED PERSONS MAY SUBMIT TO ARBITRATION UNDER THIS AGREEMENT. YOU ARE NOT, HOWEVER, WAIVING YOUR RIGHT TO ELECT INSTEAD TO PETITION THE CFTC TO INSTITUTE REPARATIONS PROCEEDINGS UNDER SECTION 14 OF THE COMMODITY EXCHANGE ACT WITH RESPECT TO ANY DISPUTE WHICH MAY BE ARBITRATED PURSUANT TO THIS AGREEMENT. IN THE EVENT A DISPUTE ARISES, YOU WILL BE NOTIFIED IF LFG OR ANY OF ITS AFFILIATED PERSONS INTENDS TO SUBMIT THE DISPUTE TO ARBITRATION. IF YOU BELIEVE A VIOLATION OF THE COMMODITY EXCHANGE ACT IS INVOLVED AND IF YOU PREFER TO REQUEST A SECTION 14 "REPARATIONS" PROCEEDING BEFORE THE CFTC, YOU WILL HAVE 45 DAYS FROM THE DATE OF SUCH NOTICE IN WHICH TO MAKE THAT ELECTION.

YOU NEED NOT SIGN THIS AGREEMENT TO OPEN AN ACCOUNT WITH LFG.

____________________________	____________________________
First Customer's Signature	Second Customer's Signature (if a joint account)
____________________________	____________________________
First Customer's Name and Title	Second Customer's Name and Title
____________________________	____________________________
Date	Date

Liberty Funds Group, Inc.
2708 Fairmount Street
Dallas, Texas 75201

AUTHORIZATION TO PAY FEES

The undersigned customer(s) ("Customer") hereby authorizes the futures commission merchant named below ("FCM") to deduct from Customer's commodity trading account with the FCM and remit directly to Liberty Funds Group, Inc. ("LFG"), immediately upon receipt of a bill from LFG, such management fees and/or incentive fees as shall become due and owing to LFG under the terms and conditions of the Customer Agreement and Trading Authorization between LFG and Customer.

Customer acknowledges Customer's ongoing responsibility to review regularly all customer account records and statements from the FCM and from LFG since such records will be conclusive and binding on Customer unless a prompt written and/or verbal objection from Customer is received by the FCM or LFG, as the case may be.

____________________________ First Customer's Signature	____________________________ ____________________________
____________________________ First Customer's Name and Title	____________________________ First Customer's Address-- Street, City, State, Zip Code
____________________________ Date	____________________________ First Customer's Telephone #
____________________________ Second Customer's Signature, (if a joint account)	____________________________ ____________________________
____________________________ Second Customer's Name and Title	____________________________ Second Customer's Address-- Street, City, State, Zip Code
____________________________ Date	____________________________ Second Customer's Telephone #

Accepted for the FCM:

______________________________ ______________________________

Name of FCM (Print or Type)

____

By: ___________________________ ______________________________

Authorized Signature

FCM's Address--
Street, City, State, Zip Code

____

FCM's Telephone #