



Artex Value
LIMITED



Artex Component System

Open your eyes to global investment

Diversified Alternative Investment Portfolios

Staying ahead of today's markets and your investments requires the discipline to think and respond like a professional manager, in both good and bad markets. Avoiding fear, resisting greed; spreading your risk, but confronting and accepting risk when opportunities appear. The AECOS program is a way to invest like an institution: creating your own portfolio profile, identifying the global sectors to include, and then designing a risk/reward profile that suits your personality.

AECOS combines several money management strategies using both conventional and alternative investments, offering flexibility, diversification, liquidity and capital protection. The goal is to work with you to develop an approach to managing your assets, an approach that focuses first on reducing long term risk and maintaining your capital base. Then, once the risk is under control, to layer low-correlated investments and strategies to take advantage of above average returns available from a variety of sectors that you may not currently be considering.

The AECOS philosophy avoids following crowds and looks for opportunities where others may not be searching. We combine this attitude with ongoing research to provide you with current tools normally available to larger institutional investors such as banks and pension programs.



Our Investment Philosophy

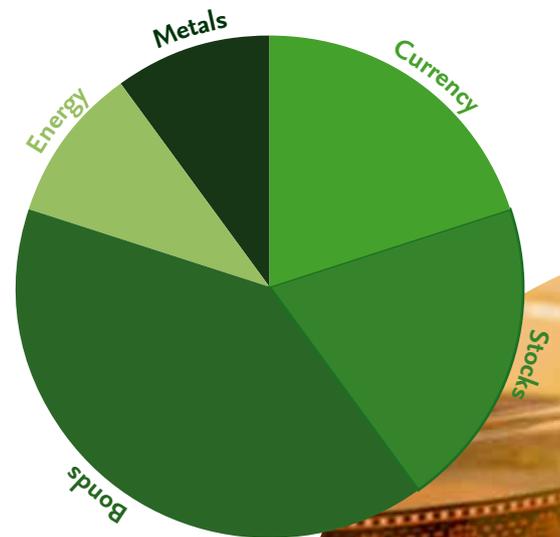
Artex manages its own state-of-the-art global macro systems that maximize flexibility, diversification and security. We invest based on fundamental and technical factors, but we start with the premise that each investor must determine his own expectations of risk and reward in the portfolio.

No two investors are alike, and each needs an investment approach that suits his particular needs. Your portfolio structure should be unique--risk suited to your own tolerance--and a return based on your own expectations and desires. YOU should design and direct your own portfolio, while we provide the framework and the systems tailored to your profile.

AECOS allows you to adjust the portfolio mix between sectors based on the changing market environment. Do you expect higher inflation and oil prices? You might consider giving us the order to increase your allocation to crude oil and metals. Meanwhile, risk is controlled and monitored by Artex, your bank, and the global prime brokers for your account.

Your account is organized in your name and maintained in a segregated custodial account using one of Artex' relationships with established brokers such as Merrill Lynch and Archer Daniels Midland (ADM). Daily performance reports and detailed quarterly performance updates are available on-line using password protected internet access. Liquidity and access to your portfolio capital is offered weekly.

All personal information is strictly confidential. Before opening the accounts, investors complete a detailed questionnaire from Artex outlining their investment backgrounds, as well as their preferred investment strategy and risk/reward expectations.



Building strategies for top results

Artex applies the following principles to its investment strategy:

- 1** We invest in a broad, global portfolio. Artex invests only on the most liquid, regulated exchanges in the US, Japan and Europe. No off-exchange contracts are utilized, and our portfolios can be liquidated the same day.
- 2** We diversify the portfolio--both our investments and trading strategies rely on multiple sectors and signals.
- 3** We monitor the leverage to withstand changes in market environment. The key to long term success is protecting your capital base, particularly during poor market conditions. Artex dynamically adjusts the portfolio's exposure to stocks, bonds and "alternative" sectors as market conditions change.
- 4** We use an environmental filter, to identify the fundamental relationship between stocks and interest rates. Artex uses this filter to add leverage during "favorable" market environments, and de-leverage during "hostile" environments.
- 5** We use a technical filter to identify broad "trends" in stocks and bonds, and determine the optimal leverage to employ at any given time.
- 6** We use volatility to exit and enter trades, taking profits early and avoiding early entries.
- 7** Finally, we hedge our portfolios in a base currency that suits the investor, to reduce losses suffered due to currency exposure.





Global Major Market Stocks

The **global stock program** comprises two separate portfolios—Major Markets Growth, and Emerging Markets Opportunities; Artex combines these two programs as a single unit, and adjusts the mix based on global market conditions.

The **Major Market Growth** attempts to identify top growth stocks within the US S&P 500, Asian 500 and European 350 Universe, combining technical strength with our proprietary fundamental filter. As with all stock investments, picking the right stocks is only the first part of an investment strategy.

In addition to applying “stops” on all stocks within the portfolio to protect against losses, Artex identifies the best market environment for stock investments, and this is where our environmental filter plays a key role in dynamically increasing or decreasing our market exposure to stocks. Finally, we consider the long-term trend of the broader equities market to determine if a “hedge” against stocks is appropriate. If so, we may “short” the appropriate stock index against a portfolio of stocks, thereby reducing risk during poor markets.



US/NORTH AMERICA

- S&P 500
- NASDAQ
- RUSSELL 2000
- Canada

EUROPE

- S&P 350
- FTSE
- DAX
- CAC

LATIN AMERICA

- Mexico
- Brazil

Emerging Markets

AECOS expands its stock investments beyond the US and major markets, to the global emerging markets based on research that suggests the largest growth in the coming years will come from emerging markets. Analysis of global indexes provides us with an efficient way to capture the capital weighted comparisons between these markets. Through this analysis, Artex can assess the appropriate relative weighting among, and between, major and emerging markets.



GCC
Saudi Arabia

- ASIA
- S&P 500
- NIKKEI--Japan
- China
- Hong Kong-Hang Seng
- India
- Singapore
- Korea

Australia

Investment Strategy for Stocks

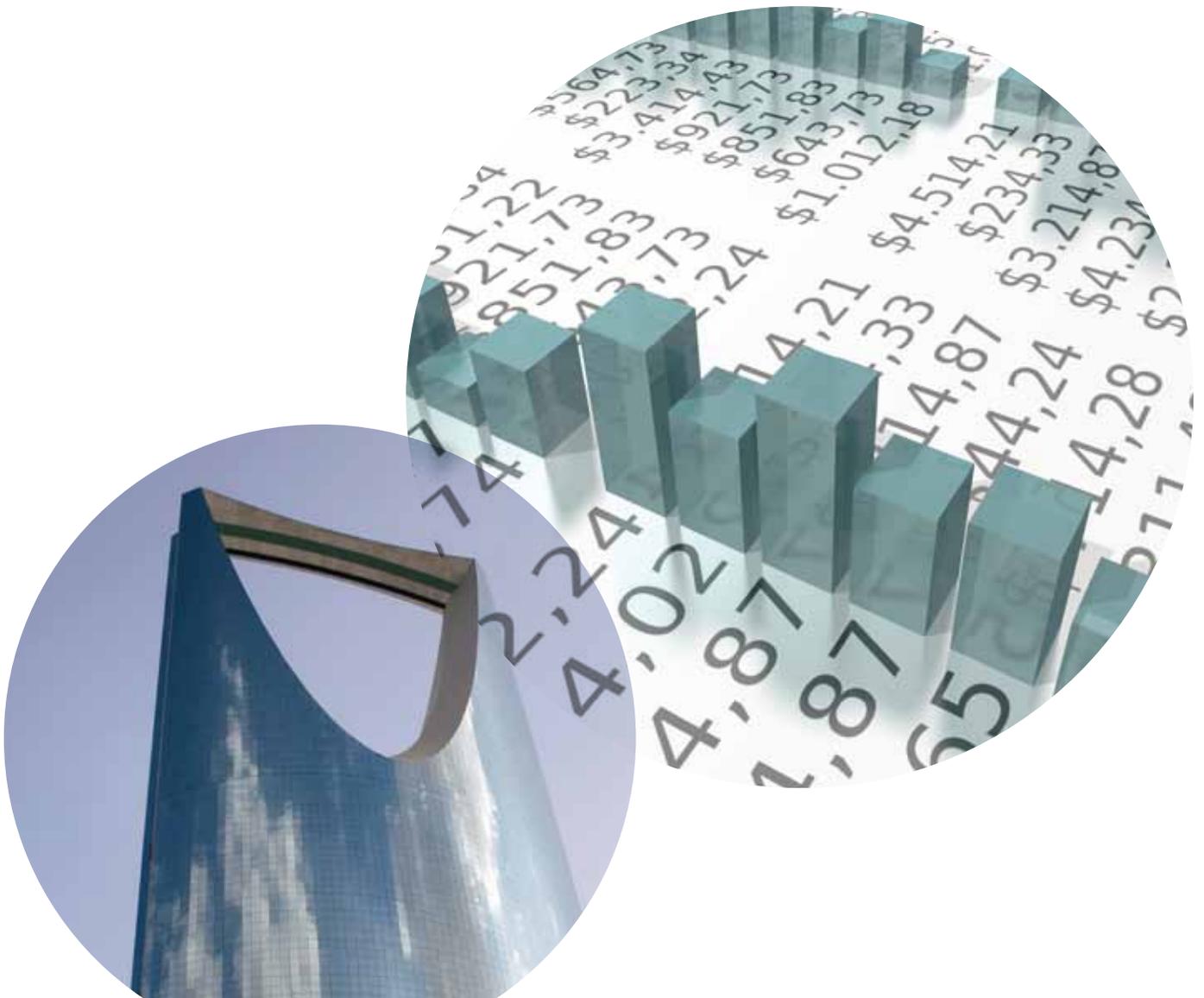
Artex allocates equity “slots” to each of the major regions highlighted above in proportion to the relative strength between them. Using “Buy” signals, Artex enters into orders to fill each of the available slots for investment. Stops are placed, allowing for a replacement country to be added when (and only if) a corresponding “stronger” country gives us a buy signal.

Meanwhile, the US markets lead as a major benchmark to determine whether the overall global stock situation is positive, negative or neutral. Generally, we will invest most heavily—even greater than 100% of portfolio value—when the overall US equity picture is positive. Conversely, we will cut back when the markets are neutral, and may even exit completely when negative. This program augments the “top-down” logic we employ in our portfolios, and comes at a time when global emerging markets are expanding and maturing.

Globalization is adding liquidity and greater opportunities for investors to increase their global stock exposure, and the key is our systematic logic to identify the important emerging regional market. Because each region (and most countries within each region), maintains a unique currency base, generally greater diversification benefits are available through this investment approach than by investing in a single country.

All stock investment decisions are driven by a layer of fundamental and technical filtering, based on our proprietary logic, that increases and decreases exposure in stocks, from a high of 125% to a low of 0%.

Artex modifies its market exposure dynamically, and refreshes portfolios regularly. For both of the stock programs, Artex can also hedge the overall stock position by going “short” the S&P 500 Futures Index against the cash positions. This is an important tool to help investors protect their capital during adverse market conditions.



Bonds

In contrast to many traditional bond programs, the Artex Bond Program can profit in both rising and interest rate environments, a characteristic unusual to most investors. Most bond investments show profits during a declining interest rate environment, but can lose substantially with the onset of inflation. Because Artex can go “Long” or “Short” bonds, we can profit during both inflationary and deflationary markets, an important consideration for any prospective bond investor.

Our program is based on the thesis that the US debt market drives the world’s interest rate movements, and decisions by leading central banks follow closely the directions of the US Federal Reserve. All other major global players follow the US lead in this particular sector, and in this way all major countries are notably interdependent. Artex focuses on 3 global regions—the US, Japan and Europe—and invest in both long and short term interest rate instruments.

A driving force behind this program is the fundamental interest rate situation, as observed in many of the standard indicators released by the US Federal Reserve and the US Treasury. These fundamental factors are important in determining, among other things, whether price or commodity inflation is a lingering threat. We also focus on Federal Reserve’s decisions to raise or lower interest rates.

Using both fundamentals and technicals, the program adjusts the leverage of the portfolio, and the mix between bond sectors dynamically. Artex analyzes historical patterns to identify those investment periods when bonds perform well, and we increase our market exposure during these times. We also monitor the volatility of the underlying investments and may take profits early if market moves are unusual in short time frames. Volatility is a way for Artex to enter and exit trades at advantageous moments.

Major Currencies

The goal of the Currency Program is to capture major moves between the world’s most important and liquid currencies. Currencies represents one of the largest global markets, dwarfing the value of stocks, particularly when considered on the basis of daily volume traded. As such, currencies are one of the most important alternative investment markets, an important opportunity for profits, and a tool for hedging portfolio risk.

Artex profits from long term moves in currencies by making directional investments in those currencies showing strength or weakness. We employ a dynamic approach to its portfolio management, switching between currencies based on optimal market timing, volatility and, on occasion, market fundamentals. We limit ourselves to only the largest currencies markets, and generally avoid shorter term signals.

Artex strongly endorses the theory that every portfolio should include a basket of currencies for purposes of diversification.



Metals and Energies

Inflation can erode the value of investments over time, and investors are well advised to consider the impact of inflation in their long term investment decisions. Artex adds portfolios of metals and energies to help investors both take advantage of inflation sensitive sectors and to offset inflation. But this program can also profit in declining markets, as inflation subsides, making our program profitable in both rising and falling market environments. Adding even a small allocation of metals and energies to a traditional portfolio can increase diversification and help stabilize portfolio returns, sometimes dramatically. Investors may choose to weight their portfolios aggressively toward inflation, if they anticipate increased inflation in the coming years, as some experts have suggested.



Currency Hedge

The Currency Hedge program helps protect investors against losses in “non-local” investment portfolios. Investors choose their underlying currency of choice, and Artex places a hedge on all foreign asset holdings to protect the investor in his desired base currency. Our logic for hedging follows our signals for global currencies; we monitor the condition of all major global currencies to ensure the investor has a measure of protection at all times.

Sharia Compliant Portfolios

Artex offers through AECOS a unique Managed Account Program for Islamic Investors looking to participate in a Sharia-Compliant investment scheme. The structure of these portfolios differs from the normal AECOS programs, with leverage and allowable investments modified to comply with the strictest rules and regulations available to Muslim investors.

Shariyah Review Bureau (SRB), with offices in Jeddah, Saudi Arabia, is the Sharia Solutions Provider for AECOS, ensuring all investment decisions and trading positions are regularly checked to be in compliance to the highest standards of Islamic finance. Jeddah is the hub of Islamic activities for the world of Islam, providing the port of entry for the holiest mosques of Medina and Mecca.

For more information on SRB, please refer to the following site link:

www.shariyah.com

A new paradigm for investing

Islamic investing has been likened to the increasingly popular forms of “ethical investing,” the religious equivalent of “green investing.” This connection is for good reason. One of the first tenets of Sharia compliant investing points to various categories of companies that observant Muslims cannot, and should not embrace. These include investments in corporations involved in the manufacture or distribution of tobacco, alcohol, armaments, gaming, pornography, selected advertising and media, and investments in companies heavily engaged in interest-bearing activities.

Investors may not fully appreciate some of the nuances within Islamic investing that are causing a new generation of investment managers to take a second look at Sharia Compliant Investing. Inherent is a sophisticated and noteworthy set of filters that monitors leverage and, ultimately, helps control the underlying “risk” built into companies. Keeping in mind the guiding principle of investment managers that risk can be viewed as too much of one thing AND/OR not enough of another, these rules and filters are only slowly coming to be appreciated within the broader financial marketplace, and may eventually provide support for a new paradigm for the management of leverage and risk within the broader financial marketplace. Not surprisingly, the rise in Islamic investing comes against the backdrop of the recent meltdown in the global marketplace, most notably within the financial sector.

Investors looking to comply with the principles of Islamic investing, can choose a portfolio structure managed in accordance with Sharia compliant principles. Shariyah Review Bureau (SRB) is a leading independent Sharia Solutions Provider, with a base in the GCC and a key office in Jeddah, within the Kingdom of Saudi Arabia. SRB will be responsible for conducting regular reviews of the AECOS portfolios, and overseeing the annual Sharia audit to ensure that Islamic rules are maintained and enforced.





What is “Sharia Compliant Investing?”

Sharia compliant investing is a method that applies finance consistent with the rules and precepts of Islam. Certain prescribed investments and strategies are allowed under Sharia rules. Artex may trade Sharia-compliant stocks, certain metals, currencies, energies and other commodities-related investments, but may not invest in bonds, gold or silver, or stocks that fail to meet the strict conditions for Islamic investors. Generally, strictly “long-only” investments are allowed, and particular attention is paid to the relationship between the buyer and seller, to ensure that proper “risk” is assigned within any transaction. Stocks of corporations that are deemed Sharia compliant must meet regular standards, including proper debt levels and proper investment focus. By example, companies with high debt-to-equity ratios, or which have interests in financial institutions, casinos, tobacco companies or food interests that engage in the sale of pork or “unclean” products, are not allowed. It is noteworthy that during the market downturn of 2008, Islamic investments were generally able to escape the huge drop in value, due to more prudent investment principles that steered investors away from the volatile banking and financial sectors.

During the last decade, the Islamic financial services industry has expanded to include over 300 institutions in 75 countries, with Sharia-compliant assets worldwide estimated at \$800 billion.

Shariyah Review Bureau

The Shariyah Review Bureau (SRB) specializes in Islamic Finance, providing Islamic compliance and auditing for funds dealing in both traditional and alternative investments. SRB is based in Bahrain, with its main office in Jeddah, Saudi Arabia. SRB will organize the “Sharia Board of Scholars” to approve the structure and trading strategy Artex will utilize, and will conduct the annual “Sharia Audit” for the Fund. SRB will be a close partner with Artex in ensuring that rules and regulations for our portfolios comply with the highest Sharia standards, and will advise Artex as it considers which investments and strategies it may employ.

Jeddah and its importance

Artex maintains an office in the important port city of Jeddah, the historic hub of Saudi Arabian commerce and the main arrival point for Pilgrims in transit to the holy sites of Mecca and Medina. Jeddah is an important location for Artex due to its access to Sharia Scholars and the most current information on Sharia compliant investing.

Artex offers the AECOS Managed Account Program that invests in a diversified, global portfolio of both traditional and alternative asset classes and strategies that can also be consistent with the rules of Islamic Finance, should investors desire a Sharia Compliant program. The goal is long term capital appreciation with comparatively low risk, using the keys to successful long term investing that include: 1) diversification, 2) liquidity, 3) transparency, and 4) security.

Diversification is achieved through investments in a diversified portfolio of major and emerging market stocks, and additional “layering” using several alternative investment sectors that includes currencies, metals, and energies. Artex adjusts its market exposure dynamically using a proprietary mix of fundamental and technical factors, modifying leverage in all assets depending on the health of the global economy. For Sharia compliant portfolios, no short-selling or excessive leverage is allowed, so all investments are “buy-only,” and must comply with a strict set of rules that are monitored and measured regularly.

Liquidity is provided through Artex’ association with some of the strongest banks in the world, which also function as prime brokers for the fund shares. Investments are made through these banks and affiliated brokers, and on regulated stock exchanges throughout the world. Investors purchase Fund Shares through regulated banks, which then purchase fund shares through the European clearing agency known as “Clearstream,” or “Euroclear,” a bank-to-bank clearing agency for mutual funds that Artex has worked with for several years. All shares are redeemable each month-end at the then-current net asset value, and are priced weekly for greater clarity to investors.

Transparency is provided through individually managed accounts, organized in the names of the investors. Statements are on-line, password protected and available daily.

Security is provided through our brokerage and clearing relationships with some of the largest global custodians, including Merrill Lynch and ADM, which have functioned as brokers for Artex portfolios for many years.

Investment Portfolios

The foundation for the AECOS portfolios contains a diversified mix of exchange traded assets, including stocks, bonds, currencies, metals and energies. Depending on the market environment, stock investments may be made in several regional and industrial sectors based on our estimates of growth prospects and relative strength. An “alternative overlay” of complimentary assets is then added to offer 1) diversification into several important non-correlated assets, 2) the potential for added returns using additional leverage AND a reduction in portfolio volatility through diversification, 3) a currency hedge and overlay—to protect the investor’s base investment. The combined portfolio offers investors greater opportunities to profit in other alternative asset classes than stocks and bonds.

Our Philosophy

Background

The AECOS program utilizes the investment management expertise of The Aegis Group, Ltd., a registered Commodity Trading Advisor (CTA) with the US National Futures Association since 1993. Artex oversees the European and Middle Eastern Management of Aegis and the AECOS Program. Aegis is a hedge fund manager specializing in a strategy categorized in the industry as “Global Macro” investing. This management style combines a fundamental market overview with technical timing to determine the best time to buy and sell various assets, and the best sectors to combine for optimal risk and reward. As with most Global Macro managers, the key to success is a combination of identifying investment opportunities, correct timing for these purchases and sales, and proper leverage and risk control. We expand this philosophy through strict attention to portfolio dynamics, focusing on risk reduction as a way to achieve long term capital appreciation.





General Risks

Volatility of Returns

The value of investments and the amount of income derived from them may go down as well as up. All investments can be affected by a variety of factors, including macro-economic market conditions such as the interest or exchange rate environment, or other general political factors in addition to more company or investment specific factors.

Investment Leverage or Gearing

Use of borrowing to invest, increases both the volatility and the risk of an investment. This applies if a company has significant borrowings, or if an investment vehicle otherwise allows an investor to gain much greater economic exposure to an asset than is paid for at the point of sale. It also applies if an investor borrows money for the specific purpose of investing. The impact of leverage can be as follows:

Movements in the price of an investment leads to much greater volatility in the value of the leveraged position, and this could lead to sudden and large falls in value;

The impact of interest costs could lead to an increase in any rate of return required to break even; or

A client may receive back nothing at all if there are significantly large falls in the value of the investment.

Foreign Exchange

Investments denominated in foreign currencies create additional risks related to the relevant exchange rate. Movements in exchange rates may cause the value of an investment to fluctuate either in a favorable or unfavorable manner.

Taxation

The tax treatment of an investment for individual clients is relevant to the specific circumstances of each client. There can be no guarantee that the nature, basis or incidence of taxation may not change during the lifetime of an investment. This may cause potential, current or future tax liabilities, and you should be aware of the tax treatment of any investment product before you decide to invest.

If your circumstances are changing, or if you are uncertain about any aspect of how an investment might relate to your own tax position, please seek professional tax advice.

Part 2

Investment Specific Risks

Equity Securities

Ownership of an equity security represents a direct stake in the company concerned. Such an investment will participate fully in the economic risk of the company and its value can therefore fall as well as rise. The price volatility of equity markets can change quickly, and cannot be assumed to follow historic trends. In adverse market conditions irrecoverable capital losses could be incurred. In the worst case, a company could fail and if this happens

its equity can become worthless. These securities are commonly used by investors seeking longer term capital growth. Examples of typical company characteristics which could increase equity investment risks are:

- a low market capitalization;
- product set that is undiversified or reliance on single markets as a major source of income;
- a significant reliance on borrowing as a source of finance;
- a significant level of fixed costs to pay, irrespective of output, production or turnover levels;
- major income sources which are seasonal or 'cyclical' in nature; and
- companies trading primarily in emerging markets particularly during poor market conditions, or in countries where legal property rights may be difficult to enforce.

The risks involved in equity investment can often be managed through investment via diversified investment vehicles, or by investing directly in a wide range of different companies, industries, countries and currencies.

Derivatives Contracts

Futures and Forwards

Transactions in futures or forwards give rise to a legal obligation to either buy ('long') or to sell ('short') a specified amount of an asset at expiry at a price determined today. These transactions usually carry a high degree of risk, which arises because an investor is exposed to the movement of a proportionately large amount of the underlying in return for a small upfront payment. This can either work in favor or against an investor.

For bought futures or forwards an investor will profit from rising market prices, and vice versa for sold futures or forwards. Please also note that the current price at which an asset can be traded in the futures market may differ from the price at which it can be bought or sold immediately at the time of dealing. This can work either in favor or against the returns experienced by an investor.

Futures or forwards are contingent liability investments, meaning that you may be called upon to pay additional sums during the life of the contract and on maturity. It is very important that you understand the potential amounts you could be liable for and are comfortable that you will be able to afford to pay such amounts if they fall due.

Commodities Linked Products

Commodity based investments may be impacted by a variety of political, economic, environmental and seasonal factors relating to issues that impact either upon demand or on the available supply of the commodity in question. As with all investments, the value of commodities can fall as well as rise.

Investment in commodities is often achieved either via a structured product over a commodities index or basket of different commodities, or by using a commodity derivative. Such products will be accompanied by specific risk disclosures to which you should refer for further information.

European Headquarters	<p>Artex Value Limited 22 Northumberland Road, Ballsbridge Dublin 4 Ireland Tel: +353-1-664-1111 Email: info@artexvalue.com</p>	<p>Corporation responsible for European and Managed Account and Fund activities.</p>
GCC Office—Artex Value Limited	<p>Al Bashawri Building Madina Road – Office No. 8, 2nd Floor PO Box 127342 Jeddah, Kingdom of Saudi Arabia Tel: 966 (2) 256-1068</p>	<p>Saudi Arabian branch office of Artex Value Limited, responsible for advisory services to the financial services industry, and IT and support services for banks, training and asset management companies.</p>
Trading Manager	<p>The Aegis Group, Ltd. Akropoleos 28—Ano Poli 546 34 Thessaloniki GREECE Tel: +30-2310-247-083 Email: wg@artexvalue.com</p>	<p>Registered with the USA based National Futures Association (NFA), Aegis is the asset manager for the AECOS Managed Account Program.</p>
Distribution Services	<p>Artex Value Limited 22 Northumberland Road, Ballsbridge Dublin 4 / Ireland Tel: +353-1-664-1111 Email: info@artexvalue.com</p>	<p>Artex Value is the European based administrator for activities related to the AECOS program. Responsibilities include customer relations and corporate communications between banks, brokers and regulators.</p>
US Office	<p>200 West Madison Street Suite 2670 Chicago, Illinois 60603 USA Email: info@artexvalue.com</p>	<p>US office for legal and corporate correspondence for Artex.</p>
Clearing and Executing Broker(s)	<p>ADM Investor Services International Limited 4th Floor, Millennium Bridge House 2 Lambeth Hill London EC4V 3TT United Kingdom</p> <p>Bank of American Merrill Lynch 2 King Edward Street London, EC1A 1HQ United Kingdom</p>	<p>ADMISI is the International headquarters for ADM clearing and brokerage activities. ADM maintains important ties to the global commodities and metals industry, both of which are important for Sharia (Islamic) based investments.</p> <p>Bank of America is the US parent company for Merrill Lynch International. Merrill Lynch is a global investment bank with global clearing and execution capabilities.</p>
Sharia Compliance	<p>Shariyah Review Bureau (SRB) PO Box 132685 Jeddah, Kingdom of Saudi Arabia Attn: Yasser Dahlawi Email: y.dahlawi@shariyah.com</p>	<p>SRB is a leading Sharia Solutions Provider for the Islamic investment community. SRB will oversee the formation of the Sharia Board and conduct regular Sharia Audits for the AECOS Program.</p>
Custodial Bank	S e v e r a l A v a i l a b l e	