



Investor's Guide
<http://www.tjcapital.com>

REGISTERED INVESTMENT ADVISOR

TJ CAPITAL MANAGEMENT, L.P.

TJ Capital Management, L.P., a registered independent investment advisor, was founded in 2000. We believe determining the top investment themes and emerging global trends is the most important part of successful investment vehicle selection, asset allocation and risk management.

We provide wealthy individuals, corporation, and institutional clients with experienced asset management and investment advice to benefit our clients with superior absolute risk-adjusted rate of return over long term under any market conditions. We offer TJ-Directed Separately Managed Account, Client-Directed Advisor Account and Long-Short Equity Hedge Fund to clients.

As a portfolio manager of TJ-Directed Separately Managed Account, we take the responsibility of making day-to-day investment decisions. This relieves clients of the stress of having to make those decisions themselves. Our disciplined and analytical investment style ensures a sound investment philosophy through all market cycles. We measure the success of our investment strategies by our ability to achieve consistent growth.

"No Profit, No Fee" is a unique policy for TJ-Directed SMA. Clients benefit from better management performance, so will we. We offer more advantages in fee terms, as we want our clients to be assured that our customized professional services are always made in their best interest.

To better understand the clients' long and short-term financial goals, we keep open line to communicate with them. Investment program will be adjusted in accordance with changes in the goals and financial status of the client.

We enjoy prosperous relationships with our clients and look forward to providing you our unique professional investment management service in the near future.

◆ Summary of TJ Capital Investment Management Services

TJ-Directed Separately Managed Account			Contact : 212-226-1898, 201-281-6605
Performance-based (High Water Mark, Qualified Investor Only)	Features : <ul style="list-style-type: none"> • No profit, No Fee • No Management or Performance Fee on Non-Managed Assets (<i>details on page 3</i>) • No charge for consulting on Non-Managed Assets Professional Management, client can check their account online anytime	Suitable for : High-net investors and families, companies and institutions. Request of investors : Qualified Investor and Foreigner Investor who meet SEC requirements	Fee Structure : 1% management fee per year + 20% performance fee (If NAV less than original investment, No Management Fee; High-water mark used in performance fee) Minimum open Request : \$100,000 in Cash, Stocks, Mutual Funds, and Bonds. Client may transfer securities from other brokerage account
Asset-based	Features : <ul style="list-style-type: none"> • No profit, No Fee • No Management Fee on Non-Managed Assets (<i>details on page 3</i>) • No charge for consulting on Non-Managed Assets Professional Management, client can check their account online anytime	Suitable for : Investors, families who is busy in their business, or companies and institutions. Request of investors : Any investor	Fee Structure : 1.98% management fee per year (If NAV less than original investment, No Management Fee) Minimum open Request : \$100,000 in Cash, Stocks, Mutual Funds, and Bonds. Client may transfer securities from other brokerage account
Promising Fund			Contact : 212-226-3658
Features : Achieve superior absolute risk-adjusted rate of return over long term under any market conditions, by using short sell, option, convertible bonds and hedging to make portfolio market neutral.	Suitable for : High-net investors and families, companies and institutions. Request of investors : Accredited Investors who meet SEC requirements	Fee Structure : 1% management fee per year + 20% performance fee; High-water mark Minimum open Request : \$250,000 in cash	
Self-Directed Advisor Account			Contact : 212-226-3658
Features : For investor who enjoys making their own investment decision with guidance of professional advisor when investing	Suitable for : Investor who wants to be an expert with professional help Request of investors : High-net investors and families, companies and institutions	Fee Structure : 0.1% of total assets per month , Minimum open Request : \$500,000	

INVESTMENT PHILOSOPHY

Determining the top investment themes and emerging global trends is the most important part of successful investment vehicle selection, asset allocation and risk management.

The strategy that identifies global mega trends and the beneficiaries of those changes before becoming widely recognized and tilts the portfolio to overweight the future winners and to avoid the losers, will generate superior returns without any material increase in risk. The essential idea is to start positioning portfolios to benefit from tomorrow's trends today.

Investment Process

We apply top-down and bottom up method combined with clearly defined top investment themes and global mega trends.

- Use “Top-down” thematic investment approach to identify changes of macro factors that will fundamentally alter the structure of economics. This involves an analysis of economic, technological, political, social and environmental factors.
- Analyze and understand the implication of these changes, develop investment themes most positively affected by the changes.
- Use “Bottom-up” approach to identify top risk/reward asset classes and related investment vehicles that also are best positioned to benefit from these themes.
- Build a portfolio of selected investment vehicles with the price that must not fully reflect their potential.
- This process may lead to fairly concentrated portfolios, we employ a variety of risk management strategies to ensure downside risk of any theme is limited while not restricting upside performance in any way.

Investment Strategy

➤ **Global Thematic Equity**

Successfully investing in global industry leading stocks that also are best positioned to benefit from certain social, economic, industrial, and demographic trends give us consistently higher returns than just finding top stocks, because the theme will stimulate corporate earnings growth, and drive long term stock price out-performance over a multi-year period.

Thematic equity portfolio isn't highly correlated with style or index-sensitive holdings, it can help diversify an overall portfolio, enhance return potential and reduce overall risk.

Leverage, option and short sell will be used.

Suitability: for investor who is willing to accept some risk to the initial principal and tolerate medium volatility to seek higher returns.

Investment Strategy

(Continued)

➤ **Global Thematic Multi-Asset**

Successfully allocating capital in top risk/reward asset classes that also are best positioned to benefit from tomorrow's global mega trends give us consistently higher returns than traditional asset allocation approach, because the theme may ultimately drive the positive performance of multi-asset portfolio benefiting from these trends.

Thematic multi-assets portfolio which is not closely correlated to equities significantly adds to the diversification of the portfolio, helps to stabilize returns and reduce overall risk.

Leverage, option and short sell will be used.

Suitability: for investor who is willing to accept high risk to the initial principal to aggressively seek maximum returns.

➤ **Customized Planning**

Develop an investment strategy designed to meet the client's objectives

Construct a customized portfolio based upon investment strategy.

TJ-DIRECTED SEPARATELY MANAGED ACCOUNT

I. What is TJ-Directed Separately Managed Account

A Separately Managed Account (SMA) is an individual account managed by an independent investment management firm.

TJ-Directed Separately Managed Account is private account that client owns the invested assets directly in his/her name. As an investment advisor, we are only limitedly authorized to place orders to buy or sell securities on a discretionary basis in client's account.

TJ-Directed Separately Managed Account is customized to achieve clients' financial goals. Each account follows a specific investment strategy which will be adjusted in accordance with changes in the goals and financial status of the client. To achieve the best return while limiting the risk exposure, the manager reviews and analyzes all portfolios on daily basis.

Each separately managed account is held at an independent custodian (such as Merrill Lynch, Charles Schwab, TD Ameritrade, etc.), which provides transactions confirmations, monthly statements, and year-end 1099 tax information directly to client.

II. TJ-Directed Separately Managed Account Features

- **Professional**

Experienced investment professionals provide institutional-level portfolio management for individuals.

- **No Interest Conflict**

Unlike brokerage account that clients are charged by commission per trade and sales of investment products, advice fee of separately managed account is charged based on total assets or performance. So the portfolio manager has same interests and goals as the clients, to achieve good returns and consistent assets growth.

- **Unique Fee structure**

Our mission is to bring clients the best professional services with the most fair, reasonable and attractive fee terms. Our fee structure has the following advantages.

(1). "No Profit, No Management or Performance Fee"

We will not charge any Management or Performance fees, if client's account does not earn a profit. Unless our clients make money, we don't make money.

(2). "No Charge for consulting on portfolio being transferred from other brokerage firm"

If clients transfer their portfolio from another brokerage, we will give free investment advice, such as fundamental, technical and risk analysis, etc.

(3). "No Management or Performance Fee on Non-Managed Assets"

If clients transfer their portfolio from another brokerage and prefer not to immediately liquidate the stocks, mutual funds or bonds in the portfolio, we treat these as "non-managed assets" and will not charge the management or performance fee until they are liquidated and re-invested by us.

- **Independent**

Offer clients individual, actively managed accounts (no pooled assets), the assets are never commingled with the assets of the portfolio manager or other investors.

- **Convenient and Flexible**

TJ-Directed Separately Managed Account may be opened with cash, securities, or a transfer of assets from another financial institution. You may add to or withdraw from your account at any time.

- **Transparent** - Monthly statements and confirmation fully disclose all transaction costs, expenses, and management fees. Your rate of return is reported to you net of all costs.

- **Close Relationship** - One-on-one relationship with portfolio management team.

III. TJ Directed SMA Account Type

Minimum open request is \$100,000 in Cash, Stocks, Mutual Funds and Bonds. Client may transfer securities in other brokerage account to Separately Managed Account. We carry following account types:

Individual A/C

Joint A/C

IRA , Roth IRA, (401)K Rollover

Simplified Employee Pension SEP IRA

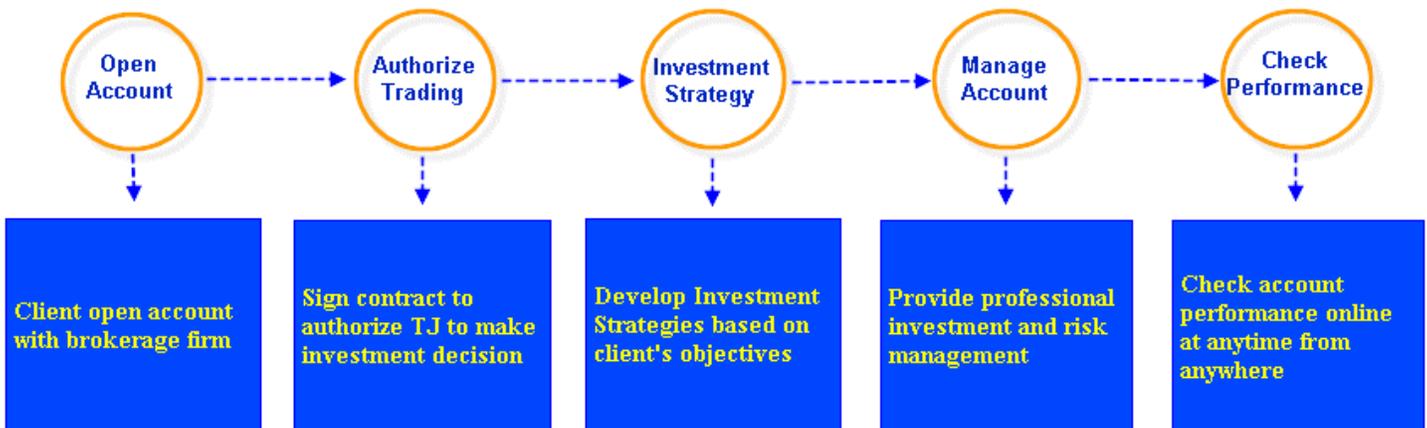
Uniform Transfer to Minors ACT

Savings Incentive Match Plan for Employees

Partnership A/C

Corp. / Non-Profit Corp. A/C

IV. TJ Directed SMA Process



V. TJ Performance-Based Fee

1. Performance-based Fee Features

(1). "No Profit, No Fee"

- a. No Management Fee will be charged, if end-quarter net asset value under management is less than the original investment. Original investment is defined as the cash deposit when opening account plus the cash from the liquidation of the securities being transferred in.
- b. No Performance Fees will be charged if end-quarter, net asset value under management is less than the last "High Water Mark". "High Water Mark" is the last highest NAV after previous performance fee being paid. If at the end of quarter, the client's account does not generate NEW net profits, i.e. the NAV is not more than last High Water Mark, no performance fee will be charged until the account experiences new net profits in a subsequent quarter.

(2). "No Charge for consulting on portfolio being transferred from other brokerage firm"

If clients transfer their portfolio from another brokerage, we will give free investment advice, such as fundamental, technical and risk analysis, etc.

(3). "No Performance-based Fee on Non-Managed Assets"

If clients transfer their portfolio from another brokerage and prefer not to immediately liquidate the stocks, mutual funds or bonds in the portfolio, we treat these as "non-managed assets" and will not charge the performance fee until they are liquidated and re-invested by us.

(4). Easy to calculate, no hidden fees

At the end of quarter, client will receive an advisory fee notice which describes the amount of total fee and the calculation in details, therefore client will know exactly what they are paying for the service we provide, and there are no any hidden fees.

(5). Paid in arrears

Fees are paid quarterly, in arrears. That means before receiving compensation for our services we must first do the job for which client has hired us.

2. Fee Schedule:

As per SEC rules, the Performance-base Fee can only be offered to the Qualified Investors *

Minimum Request	Management Fee	Performance Fee
\$100,000	1% per year, calculated and paid quarterly, if NAV less then original investment, No management fee.	20% of Increase of Portfolio, High water mark, calculated and paid quarterly

*Qualified Investor is an investor who meets one of the following terms:

- 1). A natural person who immediately, after entering into the contract, has at least \$1,000,000 under the management of the investment adviser;
- 2). A natural person who has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than \$ 2,000,000 at the time the contract is entered into ("net worth" means the excess of total assets at fair market value, including home, home furnishings and automobiles, over total liabilities);
- 3). A natural person who is not a resident of United State.

3. Minimum Open Request

\$100,000 in Cash, Stocks, Mutual Funds and Bonds. Client may transfer securities in other brokerage account to Separately Managed Account.

4. Performance-based Fee Comparison

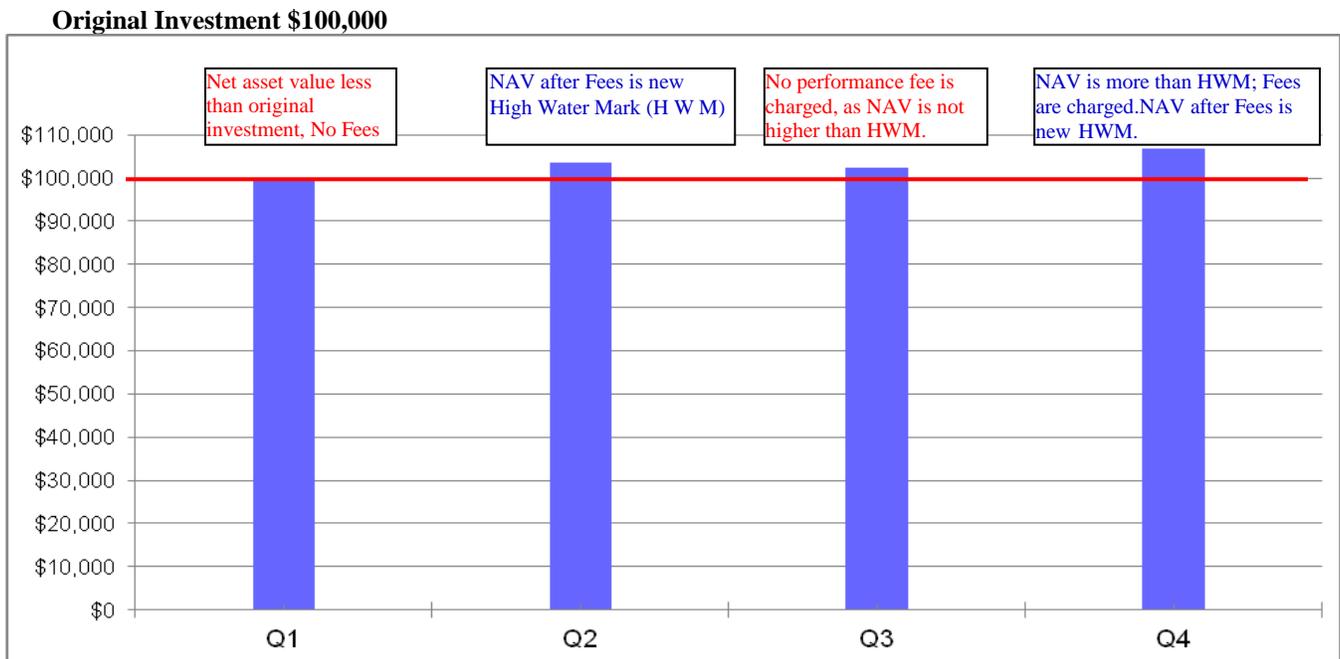
Comparing to the industry, TJ's performance-based fee is much more competitive. The industry standard is the management fee plus performance fee. Even though some company use "High water mark" to calculate performance fee, the management fee is always charged regardless of investment results.

TJ Performance-based Fee vs. Industry Standard

	Management Fee	Performance Fee	High Water Maker for Performance Fee	Waive of Management Fee
TJ Performance-based Fee	1%	20%	Yes	Yes, if NAV less than original investment
Industry Standard Fee	1 - 2%	20 - 30%	Some of them	No

5. Performance-based Fee Chart

Performance-based Fee, High Water Mark Chart



6. Performance-based Fee Example

Original Investment \$100,000	
<p>Q1: Investment Return: -0.25%</p> <p>Asset value at the end of Q1: $\\$100,000 \times (1 - 0.25\%) = \\$99,750$ \$99,750 is less than original investment, No Fee charged.</p>	<p>Q2: Investment Return: 5%</p> <p>Asset value at the end of Q2: $\\$99,750 \times (1 + 5\%) = \\$104,738$ Management Fee for Q2: $\\$104,738 \times 0.25\% = \\262 Performance Fee is 20% of increase of NAV after management fee: $(\\$104,738 - \\$100,000 - \\$262) \times 20\% = \\895 Total Fees: $\\$262 + \\$895 = \\$1,157$ NAV after Fees: $\\$104,738 - \\$1,157 = \\$103,580$ \$103,580 is the new High Water Mark.</p>
<p>Q3: Investment Return -1%</p> <p>Asset value at the end of Q3: $\\$103,580 \times (1 - 1\%) = \\$102,545$ \$102,545 is less than High Water Mark (\$103,580), only Management Fee will be charged: $\\$102,545 \times 0.25\% = \\256 NAV after fee: $\\$102,545 - \\$256 = \\$102,289$ High Water Mark is still \$103,580.</p>	<p>Q4: Investment Return: 5.5%</p> <p>Asset value at the end of Q4: $\\$102,289 \times (1 + 5.5\%) = \\$107,914$ Management Fee for Q3: $\\$107,914 \times 0.25\% = \\270 \$107,914 is more than the last High Water Mark \$103,580, new performance fee will be charged, the amount is 20% of the difference between asset value and the last high water mark after management fee $(\\$107,914 - \\$103,580 - \\$270) \times 20\% = \\813 Total Fee: $\\$270 + \\$813 = \\$1,083$ NAV after Fees: $\\$107,914 - \\$1,083 = \\$106,832$ \$106,832 is the new High Water Mark.</p>

VI. TJ Asset-Based Management Fee

1. Asset-based Management Fee Features

(1). “Not Profit, No Management Fee”

No fees will be charged, if the quarter-end asset value under management is less than the original investment. Original investment is defined as the cash deposit when opening account plus the cash from the liquidation of the securities being transferred in.

(2). “No Charge for consulting on portfolio being transferred from other brokerage firm”

If clients transfer their portfolio from another brokerage, we will give free investment advice, such as fundamental, technical and risk analysis, etc.

(3). “No Performance-based Fee on Non-Managed Assets”

If clients transfer their portfolio from another brokerage and prefer not to immediately liquidate the stocks, mutual funds or bonds in the portfolio, we treat these as “non-managed assets” and will not charge the performance fee until they are liquidated and re-invested by us.

(4). Easy to calculate, no hidden fees

At the end of quarter, client will receive an advisory fee notice which describes the amount of total fee and the calculation in details, therefore client will know exactly what they are paying for the service we provide, and there are no any hidden fees.

(5). Paid in arrears

Fees are paid quarterly, in arrears. That means before receiving compensation for our services we must first do the job for which client has hired us.

2. Asset-based Management Fee Schedule:

Assets under Management*	Asset-based Advisor Fee per year*
\$100,000 – 1,000,000	1.98%
\$1,000,001 – 10,000,000	1.78%
+\$10,000,000	1.48%
*No advisor fee to be charged, if NAV less than original investment. Fee is calculated and paid per quarterly in arrears.	

3. Minimum Open Request

\$100,000 in Cash, Stocks, Mutual Funds and Bonds. Client may transfer securities in other brokerage account to the Separately Managed Account.

4. Asset-based Management Fee Comparison

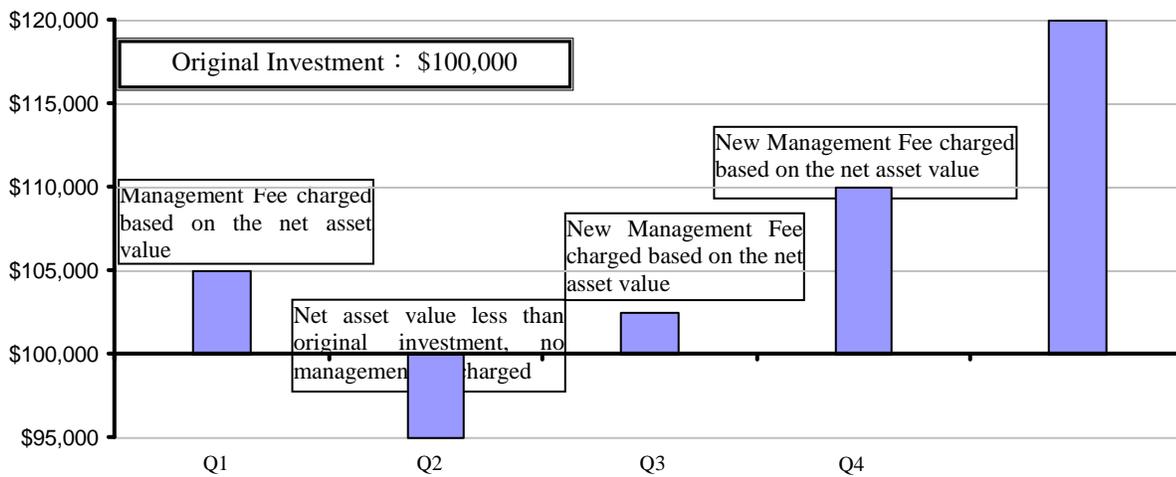
Comparing to the industry, TJ's Asset-based management fee is much more competitive. TJ will not charge any management fee if quarter-end asset value under management is less than original investment, while the industry standard always charges management fees regardless of investment results.

TJ Asset-based Management Fee vs. Industry Standard

	TJ Management Fee	Industry Management Fee
Management Fee	1.48 - 1.98% (Various on investment amount)	1 - 3% (Various on investment amount)
Management Fee charged if quarter-end NAV less than original investment	NO FEE	1 - 3%

5. Chart of Asset-based Management Fee

No Management Fee if Net Asset Value below Original Investment



6. Asset-based Management Fee Example

Original Investment \$100,000	
<p>Q1 :</p> <p>Investment Return: 5%</p> <p>Asset value before fee at the end of Q1: $\\$100,000 \times (1+5\%) = \\$105,000$</p> <p>The management fee of Q1 will be charged based on \$105,000, fee rate 0.495% $\\$105,000 \times 0.495\% = \\520</p>	<p>Q2 :</p> <p>Investment Return: -9.524%</p> <p>Asset value before fee at the end of Q2: $\\$105,000 \times (1-9.524\%) = \\$95,000$</p> <p>\$95,000 is less than the original investment, there is no management fee in Q2.</p>
<p>Q3:</p> <p>Investment Return: 7.895%</p> <p>Asset value before fee at the end of Q3: $\\$95,000 \times (1+7.895\%) = \\$102,500,$</p> <p>\$102,500 is more than the original investment \$100,000. The management fee of Q3 will be charged based on \$102,500, rate 0.495% $\\$102,500 \times 0.495\% = \\507</p>	<p>Q4:</p> <p>Investment Return: 7.317%</p> <p>Asset value before fee at the end of Q4: $\\$102,500 \times (1+7.317\%) = \\$110,000$</p> <p>The management fee of Q4 will be charge based on \$110,000, rate 0.495% $\\$110,000 \times 0.495\% = \\545</p>
<p>Special Situation :</p> <p>If net asset value after management fee is less than the original investment, the management fee charged is limited to keep NAV not less than original investment; the limitation is the difference between asset value before fee and the original investment.</p> <p>Example : Original Investment \$100,000 Investment Return in Q1: 0.04% Asset value before fee at the end of Q1: $\\$100,000 \times (1+0.04\%) = \\$100,040$ The management fee should be charged based on rate 0.495%: $\\$100,040 \times 0.495\% = \\495.19 The net asset value after management fee: $\\$100,040 - \\$495.19 = \\$99,544.18$</p> <p>The NAV is less than the original investment, so the management fee is limited to \$40, the difference between asset value before fee and the original investment.</p>	

VII. TJ-Directed Separately Managed Account vs. Stockbrokers, Mutual Fund and Individual Investor

1. TJ-Directed Separately Managed Account vs. Stockbrokers

- (1). The manager of TJ-Directed SMA provides high professional investment management service, not investment products sales. They are compensated based on assets under management and the profit generated. However, stockbrokers are compensated by commissions based on number of transactions and sales of investment products. Therefore, the goal of investment manager is to achieve good investment return, keep clients' assets growth. There is no conflict of interest between the client and manager.
- (2). The investment manager spends most time in investment research and asset management for achieving good return. While most stockbrokers spend 90% time in looking for new client and selling investment products.

2. TJ-Directed Separately Managed Account vs. Mutual Funds

(1). Knowing client's investment request

TJ-Directed SMA is tailored to client's special investment request. The investment manager knows your request very well, but manager of mutual funds never think about individual investors' need while making investment decision.

(2). Expenses of mutual funds not cheap

According to the statistic of "Morning Star", except for sales chare (normally around 4%), investor of mutual fund has to pay about 1.5% management fee, as well as administration fee and other cost no matter whether gain or loss. Further more, many so-called managed mutual funds are not really actively managed and value-added mutual fund, in fact, they are just like index fund.

(3). Investment in the TJ-Directed SMA is clearly

TJ-Directed SMA clients can clearly know and track the investment of their assets. But it's too hard for mutual fund investors to fully and clearly know how their assets are invested.

(4). Efficient usage of Money

If the investor holds multi mutual funds, their assets might be repeatedly invested the same stock which is held in different mutual funds at the same time, this makes money working less efficiently, which will never happened to TJ-Directed SMA.

3. TJ-Directed Separately Managed Account vs. Individual Investors

(1). Investment is professional job

Many individual investors have lack of experiences of professional investment strategies, risk management, and effective strategies adjustment based on the change of market.

(2). Investment research requires a substantial commitment of time and energy

Market is changeable; it is a full time job to keeping up with the information of market, industry and individual companies to adjust investment portfolio. Now, more and more investors (including professional in Wall Street) prefer to have a professional manager to manage their assets, and they save the time for their own career, their family, and enjoy their life.

(3). Investment research tools are expensive

Although the internet has brought many low cost or free market data service to individual investor, however, the costs of many complete suites of investment tools will still be too high for individual investor, which obviously reduce the investment returns.

PROMISING FUND

Promising Fund, a domestic long-short equity hedge fund, was launched in January 2000. Our goal is to provide investors absolute risk-adjusted rate of return over long term under any market conditions. Promising Fund has been growing steadily with low volatility against tough market conditions. In the bear market of 2000-2002, Promising Fund outperformed market with return of 18.81%, 6.18%, 1.28% respectively; while same period, return of S&P 500 was -10.14%、-13.04%、-23.37% respectively. In 2008, Promising Fund was down 4.6% while S&P 500 dropped 38.49%. (Past performances are no guarantee of future returns.)

If you are accredit investor within any of the following categories and would like to get more information about Promising Fund, please feel free to contact us.

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000;
2. Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

SELF-DIRECTED ADVISOR ACCOUNT

What is it?

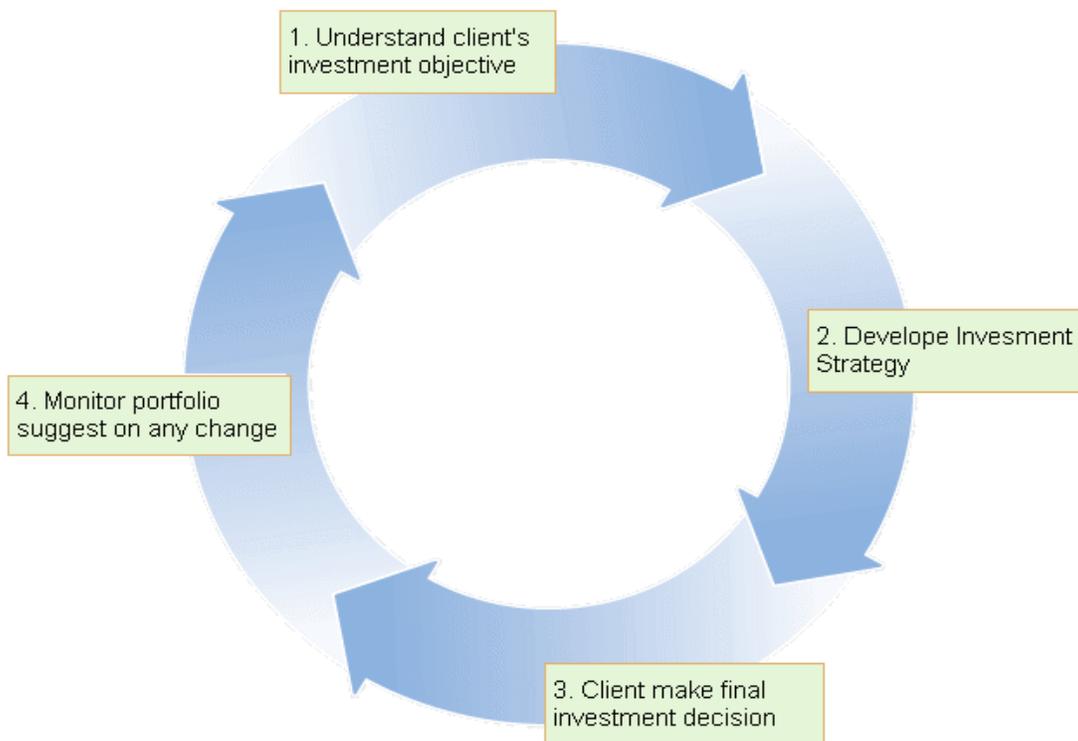
Self-Directed Advisor Account is a client's self-directed, nondiscretionary investment advisory program, which client makes the decisions of what to buy, sell or hold in their account under the guidance of financial advisor. It is designed for investors who:

- Value the investment knowledge, experiences and guidance of professional advisor when investing
- Enjoy making their own investment decision of what wants to buy, sell or hold in their account.

The Features

- One-on-one consultations to establish an investment plan and customized to your objectives
- Investment advice based on our in house research as well as other buy side or sell side research that we consider the best in the business.
- No interest conflict fee structure makes us have a common goal with client: to grow and protect client's wealth.

How it works



1. Create client's profile with a comprehensive fact-finding session to develop an understanding of client's reasons for investing, the length of time to reach the goals and risk tolerance.
2. Establish an investment strategy based on asset allocation under guidance of client's investment objectives and risk tolerance.
3. Based on agreed-upon investment strategy and objectives, financial advisor makes recommendations of what to buy, when to buy and why to buy. Client makes final decisions of what to buy and when to buy.
4. Monitor portfolio and make suggestion of changes as necessary because market and economic conditions are ever-changing. Client makes final decisions of what to sell, when to sell and what to hold.

How it Costs?

Self-directed Advisor Account offers an annual percentage of asset-based fee structure, is charged on a quarterly basis in arrear, and is typically subject to a minimum dollar amount.

Self-Directed Advisor Account Fee Structure

Fee Structure	Fee Payment	Bonus
0.1% of total assets monthly Minimum open request: \$500,000	Pay by monthly in advance	Free membership http://www.tjinvestor.com (value of \$99/month)

Fee charged based on assets value is to ensure that the service we provide is not influenced by anything but our client's best interests, we have the same goal as you have: to grow and protect your wealth.

ABOUT PORTFOLIO MANAGER

Mr. Yafu Guo, president of TJ Capital Management, L.P. and manager of Promising Fund, holds MBA in finance and M.S. in Physics. He provides capital management to high-net individuals, corporations and institutions, as well as special investment research and consulting services to domestic and international clients for more than 15 years. He has abundant financial and investment experience and specializes in sector investing and risk management. The annual return of assets under his management in bear market of 2000 – 2002 is up around 10%, at the same period, annual return of S&P500 is down around 13.37%. In 2008, when S&P 500 was down 38.49%, his annual return was only down 4.6%.

Mr. Guo is often invited to give lecture of investment in USA and China. He is a columnist of Hong Kong based Phoenix TV, and also frequent guest of other TV stations of Chinese community in USA, such as Sino-Vision, CCTN Channel in Hong Kong, Beijing TV in China, Taiwan Television in Taiwan, and many other TV stations. Mr. Guo has written many financial articles for various newspapers, magazines and websites. His book 《Guide to US Stock Market》 is very popular in China.