PRESIDIO | capital investments

PRESIDIO MULTI-STRATEGY FUND (PMSFX) PERFORMANCE UPDATE & MARKET OUTLOOK

NOVEMBER 2010

The Presidio Multi-Strategy Fund (PMSFX) is up +3.6% inception-to-date and was down -1.4% for the month of November.[1] As European debt concerns and inflation headlines across China re-surfaced, investors sold off non-US and credit-related assets. Our credit, international (and emerging) and non-dollar themes were the largest detractors to performance in November, while our position in gold, commodities, U.S. Dollar, and short long-duration Treasury positions were positive contributors to overall performance.

MARKET OUTLOOK & POSITIONING:

Equities:

We continue to have a neutral view on the equity markets. On a valuation basis, U.S. equities seem reasonably valued as the implied equity risk premium (using our in-house DCF model) shows decent compensation for taking on equity risk versus other risk assets. In addition, the trailing earnings yield relative to AAA Corporates and Government debt suggest equities may outperform bonds by a relatively wide margin over the longer-term. We expect a slow, choppier growth environment moving forward, which suggests equity prices may go higher, but at a grinding pace. In addition, ample liquidity (a la QE1 and QE2) may provide price support for equities over the short term, as easy (almost free) money can be a powerful enticement for market participants to take on risks.

However, we are aware of the plethora of headwinds ahead of us. European debt fears, continued high unemployment, increasing consumer savings, balance sheet deleveraging, weak housing recovery, deteriorating fiscal health of municipalities, increased global tensions, and potential currency wars (to name a few), can set the stage for a market pullback, especially if unanticipated shock(s) and event(s) bubble up to the surface. It took a few months for the markets to overcome concerns earlier this year when the Eurozone debt crisis first surfaced, so it wouldn't be surprising to see several more months of heightened volatility across the global markets. And now with the VIX below 20 (indicating market complacency), any new shock to the system may take the equity markets several steps back.

We have less than 20% of our portfolio's risk budget dedicated to equity and equity related strategies, with an emphasis on relative value strategies (e.g. long-short).

Credit:

We continue to believe that the credit markets offer the best risk adjusted return opportunities across the five major risk factors. Though the credit markets have performed very well YTD (10% for Investment Grade and 13% for non-Investment Grade), much of the returns have been a result of falling market yields (as opposed to spread compression). We believe corporate bonds (both investment and non-investment grade) will earn positive returns in the near-to-mid term on spread tightening, which is supported by stable and improving (albeit slow) economic and corporate fundamentals and an expected decline in default rates for 2011. Spreads of over 150 basis points (bps) for investment grade bonds, and over 500

[1] Past performance is no guarantee of future results. Performance noted is gross of sales load. Please refer to disclosures at end of the presentation for additional information.

bps for non-investment grade provide what we believe is more than adequate compensation for potential default risk.

Just as the positive returns of the credit markets this year have been a result of falling market yields, a rise in market yields can easily create the opposite effect. Our focus has been on establishing credit exposures that are short interest rate and equity risk (e.g. we are short duration and equity beta).

More than one-third of our risk budget is allocated to credit and credit-related assets and strategies.

Duration:

The recent pick up in the Treasury yield curve has made Treasury valuations more appealing from a month ago (10-year Treasuries backed up to 2.9% from the Oct. low of 2.3%), but current yields are still at levels we deem unappealing from a risk-reward perspective.

Additional quantitative easing (e.g. QE2) may help to provide added price support for Treasuries in the short-term, but it would appear to us that the upside price potential is limited, particularly if growth (and hence, inflation) looms on the horizon. We are net short long-duration Treasuries, and have positioned for an upward shift and steepening of the yield curve.

We have less than 15% of our risk budget dedicated to duration themes and strategies.

Commodities:

Our longer-term bullish thesis in the commodity complex (particularly energy and natural resources) remains in-tact. We believe commodity prices should be well supported over the intermediate and longer term, as growth and increased consumption demand in emerging market economies take fold. More specifically, within the commodity complex, we find equity-linked energy and natural resource names more attractive than their derivative (futures) counterparts.

We also have exposure to gold in the portfolio. This asset has always been a difficult choice for us to include in our asset mix, as it does not provide any cash flows to its investors, and hence, makes estimating its "value" very difficult. However, as the risk of currency debasement across the world increases, we believe gold may continue to serve as an "alternative" monetary asset. In addition, in the low-probability event of a disinflationary (and deflationary) environment, gold may provide a better hedge against those outcomes as nominal Treasury bonds are already at very low levels.

We are also aware that gold may have signs of being a "crowded trade," and as such, we have calendar-spread hedges in place to protect against a potential "run for the exits."

We have less than 15% of our risk budget dedicated to commodity themes and strategies.

Currencies:

We have a secularly bearish view on the U.S. Dollar on the thesis of expected low future growth and continued fiscal and monetary problems in the U.S. (which should keep rates low, and thus, reduce the value of the currency). We have a more favorable view on emerging market currencies; superior growth prospects should translate into stronger currencies.

Our non-dollar asset exposures in the overall portfolio reflect this view, with our relative overweights to emerging markets, gold, energy, and natural resources. However, from a risk management perspective, we do have an allocation dedicated to being long USD, which serves as a potential hedge against another "tail event" that may cause market participants to run towards the dollar as a safe haven.

We have less than 5% of our risk budget dedicated to currency themes and strategies.

Disclosures:

Performance Information

Since Inception (without sales load)	Since Inception (with sales load)	Expense Ratio (Gross)	Expense Ratio (Net)
3.60%	(2.10)%	1.82%	1.75%

Performance shown is for the period ended November 30, 2010. Inception date of the fund is July 7, 2010. The performance data quoted above represents past performance, which is not a guarantee of future results. Investment return and principal value of an investment in the Funds will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Shares of the Fund have a maximum sales load of 5.50%. The sales load may be reduced or eliminated under certain conditions described in the prospectus. To obtain more current performance data regarding the Funds, including performance data current to the Funds' most recent month-end, please visit **www.ncfunds.com.**

Gross expense ratio is from the Funds' prospectus dated June 14, 2010. The Fund has entered into a consolidated fee arrangement with the Fund's administrator that covers the regular operating expenses of the Fund for an inclusive fee based on the Fund's average daily net assets. Beyond the fee paid to the administrator, the Fund does not anticipate that shareholders of the Fund will incur any Other Expenses in the current fiscal year.

An investor should consider the investment objectives, risks, and charges and expenses of the Fund before investing. The prospectus contains this and other information about the Fund. A copy of the prospectus is available by clicking here or calling the fund directly at 800-773-3863. The prospectus should be read carefully before investing.

An investment in the Fund is subject to investment risks, including the possible loss of some or the entire principal amount invested. There can be no assurance that the Fund will be successful in meeting its investment objective. Investment in the Fund is also subject to the following risks: market risk, sector risk, portfolio turnover risk, investment advisor risk, new fund risk, foreign securities and emerging markets risk, currency risk, political/economic risk, derivative risk, currency option transactions risk, currency futures risk, leverage risk, counterparty risk, short sales risk, risks related to investing in other investment companies, etn risk, small cap and mid cap securities risk, interest rate and credit risk, maturity risk, inflation risk, investment grade securities risk, lower rated securities or junk bonds risk, risks of investing in corporate debt securities. More information about these risks and other risks can be found in the Fund's prospectus.

The Presidio Multi-Strategy Fund is distributed by ***Capital Investment Group, Inc., Member FINRA/SIPC, 17 Glenwood Ave., Raleigh, NC 27603****. There is no affiliation between Presidio Capital Investments, LLC, including its principals, and Capital Investment Group, Inc.*