PERE TRADING GROUP

PERE TRADING GROUP, LLC

DISCLOSURE DOCUMENT

4731 SW Branch Terrace
Palm City, FL 34990

Voice: (772) 485-9792
Fax: (772) 283-5021
david@peretrading.com

REGISTERED WITH THE
COMMODITY FUTURES TRADING COMMISSION

AS A

COMMODITY TRADING ADVISOR

AND A

MEMBER OF THE NATIONAL FUTURES ASSOCIATION

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

No person is authorized by Pere Trading Group, LLC to give any information or to make any representations that is not contained herein.

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 of this Disclosure Document.

The date of this disclosure document is:

April 3, 2012

RISK DISCLOSURE STATEMENT

THE RISK OF LOSS IN TRADING COMMODITY INTERESTS 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 FUTURES CONTRACT OR SELL A COMMODITY OPTION OR ENGAGE IN OFFEXCHANGE FOREIGN CURRENCY TRADING YOU MAY SUSTAIN A TOTAL LOSS OF THE INITIAL MARGIN FUNDS OR SECURITY DEPOSIT 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 “STOPLIMIT” 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 INTEREST 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 PAGE 9, 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 INTEREST MARKETS. YOU SHOULD THEREFORE CAREFULLY STUDY THIS DISCLOSURE DOCUMENT AND COMMODITY INTEREST TRADING BEFORE YOU TRADE, INCLUDING THE DESCRIPTION OF THE PRINCIPAL RISK FACTORS OF THIS INVESTMENT, AT PAGE 12.

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 OR RETAIL FOREIGN EXCHANGE DEALER, AS APPLICABLE.

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PERE TRADING GROUP, LLC

INTRODUCTION

Pere Trading Group, LLC ("Pere Trading" or "Advisor") was organized as a Florida Limited Liability Company in August of 2006. Pere Trading registered with the Commodity Futures Trading Commission ("CFTC") as a Commodity Trading Advisor ("CTA") on August 17, 2006, and it has been a Member of the National Futures Association ("NFA") since that date. Pere Trading's address, telephone and fax numbers, and email address are: 4731 SW Branch Terrace, Palm City, Florida 34990, 772-485-9792 (o), (772) 283-5021 (f), and david@peretrading.com.

BUSINESS BACKGROUND

Pere Trading's sole Principal, David Pere, used his vast trading, research and systems design experience to create a trading model to provide capital appreciation for his clients via short term trading of E-mini S&P 500 futures contracts. Pere Trading has rendered advisory services as a CTA to clients since September 2006.

BACKGROUND OF PRINCIPAL

David Pere was born in 1963. He is the President of Pere Trading. David registered with the Commodity Futures Trading Commission ("CFTC") as an Associated Person ("AP") of the Pere Trading Group on August 17, 2006 and was listed as a Principal of Pere Trading with the NFA on August 16, 2006. David is responsible for all aspects of the firm's operations, which include system development, research, trading, operations and management.

David received a B.S. from Creighton University in 1985. He has over 23 years of experience trading futures contracts and developing trading systems.

From July 1988 to January 2005 David worked for Dunn Capital Management, Inc. ("DUNN"). He also worked for Martin Money Management, Inc. (MMM), a CTA formed by DUNN between September 1997 and January 2001. In September 1988 he registered as an AP of DUNN and as an NFA Associate. In September 1997 he was listed as a Principal of DUNN with the NFA. DUNN is now and was at all times while David was associated with the firm registered as a CTA and as a Commodity Pool Operator. DUNN has managed client funds since 1974 and is regarded highly as a pioneer in the field.

David joined DUNN as Assistant Office Manager in July 1988 and was promoted to Office Manager in October 1990, to Research Associate in April 1994, to Vice President, Research and Operations in August 1997 and to Senior Vice President in 1998. David used his skills as a computer programmer to write numerous operational and research programs for DUNN. His research related to DUNN's existing trading systems and to the development of new trading systems. David was also in charge of all trading and back office operations. He also provided back office operational programming support for MMM.

After leaving DUNN, David developed a proprietary E-mini S&P 500 futures trading program. In June 2005, David began using his Program to trade E-mini S&P 500 futures contracts for clients as an exempt CTA. David formed Pere Trading in August 2006 to manage clients' trading accounts as a fully registered CTA. David is registered as an AP of Pere Trading with the CFTC and as an Associate with the NFA. He is also listed a Principal of the firm with the NFA. The Pere Trading program's (the "Program") composite performance record is presented on page 17 of this Disclosure Document.

TRADING PROGRAM

Objective

Pere Trading's primary objective is the capital appreciation of its client's assets from trading E-mini S&P 500 futures contracts with its proprietary methods. No assurance can be given that this objective will be met, and an investment in Pere Trading's Program should be made only by investors who can assume the risk of significant losses, including losses that could exceed the funds they deposit in their accounts.

Methodology

Futures traders typically rely on either "technical" or "fundamental" analysis, or a combination of both, to make trading decisions. Technical analysis is based upon the theory that a study of the markets themselves will provide a means of anticipating future prices. Technical analysis includes a study of, among other things, actual daily, weekly and monthly price fluctuations, volume variations and changes in open interest. Technical traders frequently utilize charts and computers for analysis of these items, including a series of mechanical measurements and calculations designed to monitor market activity.

Fundamental analysis relies on the evaluation of factors external to the futures market to predict future prices. Such factors might include weather, government policies, domestic and foreign political and economic events and changing trade prospects. Fundamental analysis is premised on the concept that at times the price of a commodity in the marketplace may not coincide with the price for the same commodity traded on a futures exchange, although market prices and the futures prices should coincide eventually. By analyzing underlying economic factors, a fundamental trader tries to predict future prices. Pere Trading's basic trading style is technical and systematic.

Pere Trading's trading model analyzes changes in intra-day E-mini S&P 500 futures prices in conjunction with daily price changes over a recent span of days to determine when to establish a desired position or close one. Pere Trading's system is fully automated. At multiple times during the day, the system determines the prices at which to enter orders and the number of contracts to purchase or sell for its clients. The model is short term in nature. The average trade's duration lasts approximately four days. The system is designed to be in the market (either long or short) at all times where each trade results in a reversal of either a long position to a short position or *vice versa*. Pere Trading, however, may modify or suspend use of its system if it determines in its sole discretion that unusual market conditions warrant a deviation from its automated system. This could include closing all or some of its clients' positions, suspend trading for their accounts, or adopt different strategies.

There can be no assurance that Pere Trading's trading Program will be profitable or that its clients will not incur losses in excess of the funds they deposit in their accounts. Nor is there any guarantee that the Program will achieve results that are the same or similar to the results that were achieved at any time in the past.

Pere Trading believes that prospective clients should be prepared to make a long-term commitment to its Program to take advantage of the opportunities it could provide for them. Although a client may close his account at any time, Pere Trading suggests that prospective clients refrain from participating in its Program unless they can commit to Pere Trading's Program for at least three years.

ACCOUNT SIZE AND FUNDING

New clients must deposit at least $50,000 in their accounts to participate in Pere Trading's Program. Pere Trading may, however, accept smaller accounts based on David Pere's sole discretion. In addition, clients must maintain a minimum net liquidation value of $25,000 in their accounts at all times unless David Pere allows them to maintain a lower amount.

MONEY MANAGEMENT

Currently, the initial margin rates for an E-mini S&P 500 contract is approximately $4,400. The ratio of initial margin to equity for each contract is approximately 18%. Pere Trading expects to maintain a margin to equity ratio that is between 15% and 25% at all times, but various factors could cause the actual percentage of assets committed to margin to be higher or lower than the expected level at any time. A significant change in the net liquidation value of a client's account could result in larger or smaller positions in his account.

NOTIONAL FUNDS

Pere Trading makes decisions about the size of the trades it will make for its clients and the size of the positions that it should hold in their accounts based on the size of the account's net liquidating value, but Pere Trading will allow its clients to authorize the use of "Notional Funds" for the trading it will do in their accounts. Notional Funds are not actually held in a client's account. The combination of the value of the cash and securities in a client's account ("Actual Funds") and the Notional Funds used to trade futures contracts constitutes an account's "Nominal Account" size, which Pere Trading will use to determine the size of the trades to make and the size of the positions to hold in a client's account.

Notional Funds create additional leverage in an account relative to the Actual Funds in a client's account. This additional leverage results in greater risk of loss (and opportunity for gain). For example, if an account is funded with 70% cash and 30% with Notional Funds loses 10% of its value that loss would equal 14% of Actual Funds in the account. An account traded with Notional Funds may receive more frequent and larger margin calls.

Prospective clients must understand that whenever the Actual Funds in an account are less than its Nominal Account size:

1. Although the gains and losses, fees and commissions measured in dollars will be the same, they will be greater when expressed as a percentage of an account's net liquidation value.

2. They may receive more frequent and larger margin calls.

3. They will pay higher brokerage commissions and other transactional fees, as measured by the percentage of such fees and commissions in relation to the Actual Funds in their account due the larger size of the trades that would be made for them.

4. Each client must notify Pere Trading that it wants Pere Trading to use a given level of Notional Funds for the trading Pere Trading should do for him. Pere Trading has sole discretion to accept or deny the client's request.

5. Once the initial Nominal Account size has been established, it will continue to be increased or decreased by additional deposits or withdrawals of Actual Funds. Net performance will also affect the Nominal Account size. Clients must give Pere Trading written notice of any changes in the amount of Notional Funds they want Pere Trading to use in determining the size of their trades and the size of their positions. Clients must specify in writing when they do not want a given deposit or withdrawal of Actual funds to have an impact the Nominal Account size of their accounts. Again, Pere Trading has sole discretion to accept or deny a client's request to increase the relative amount of Notional Funds for his account.

A prospective client who may want Pere Trading to use Notional Funds to trade his account should first interpolate the rate of return information in the following table with respect to partial funding and to the impact of the additional leverage on account volatility. The Fully Funded Rate of Return is the actual net trading performance divided by an account's Nominal Account size.

Notional Funding Percentage Rate of Return Table

Fully Funded Rates Of Return	**Rates of Return Based on Various Funding Levels**				
40%	40%	50%	67%	100%	200%
30%	30%	38%	50%	75%	150%
20%	20%	25%	33%	50%	100%
10%	10%	13%	17%	25%	50%
0%	0%	0%	0%	0%	0%
-10%	-10%	-13%	-17%	-25%	-50%
-20%	-20%	-25%	-33%	-50%	-100%
-30%	-30%	-38%	-50%	-75%	-150%
-40%	-40%	-50%	-67%	-100%	-200%
Level of Funding	**100%**	**80%**	**60%**	**40%**	**20%**

BROKERS / INTRODUCING BROKER

Clients are free to choose any Broker registered with the CFTC as a Futures Commission Merchant (“FCM”) to carry their accounts. Clients are not required to use an Introducing Broker, but are free to use one if they so desire.

INCENTIVE FEES

Pere Trading does not charge management fees, but it does charge a monthly incentive fee based on 20% of “New Net Trading Profits”. New Net Trading Profits are computed by taking the gross profits and losses realized during the month, plus the change in the net unrealized profits and losses from open positions at the end of the month, minus all brokerage commissions and other transactional fees paid during the month, and the cumulative net loss, if any, carried over from previous months (“Net Loss Carry-Forward”).

A Net Loss Carry-Forward from previous months, if any, is carried forward from month to month until it has been covered by New Net Trading Profits. This means that incentive fees will be paid to Pere Trading only on the cumulative increase in net profits, if any, in a client’s account. If a client withdraws a portion of the Actual Funds in his account during a given month, the entire Net Loss Carry-Forward from previous months will not be carried over to the subsequent month or later months; instead, the portion of the Net Loss Carry-Forward that will be carried forward will be determined by dividing the net liquidation value of the account immediately after the withdrawal by the net liquidation value of the account immediately before the withdrawal and multiplying that fraction by the amount of the Net Loss Carry-Forward before the withdrawal was made. If Net Loss Carry-Forward arises in more than one month without an intervening payment of an incentive fee, and the net liquidation value of an account is reduced in more than one month because of withdrawals, then the Net Loss Carry-Forward in each such month shall be reduced in accordance with the above formula, and only the reduced amount of Net Loss Carry-Forward will be carried forward to calculate New Net Trading Profits.

If a client's account is closed before the end of a month, incentive fees will be determined on the date as if that date were the last day of the month.

The following formula illustrates how incentive fees are computed:

X	= The last day of the current month
Y	= The first day of the current month
GR	= Gross Realized Gains/Losses for period between time X and time Y
UR	= Unrealized Gains/Losses for period between time X and time Y
BC	= Brokerage Commissions and Fees paid during period between time X and time Y
OTH	= Other expenses related to trading
NLCF	= Net Loss Carry-Forward at the last day of the previous month (if any)

Formula: Incentive Fee = (GR + UR – BC – OTH + NLCF) x .20

If any payment for incentive fee is made to Pere Trading with respect to Net Trading Profits for a given month and the account incurs a net loss during a subsequent month, Pere Trading will retain the incentive fee previously that it received even if a client experiences Net Trading Losses during subsequent months.

Interest rates are currently at very low levels. For this reason Pere Trading is not acquiring Treasury Bills for clients who have cash in their accounts that is not needed to meet the margin requirements for their trades and open positions, but if Pere Trading should decide in its sole discretion later to purchase Treasury Bills for any of its clients the interest earned from the Treasury Bills will accrue for the benefit of the client and the interest earned from the Treasury Bills shall not be used in the calculation of Pere Trading's incentive fees.

Pere Trading calculates the incentive fees that each client owes and submits statements to the Broker carrying his account for payment from the client's account. All incentive fees are due and payable on the first business day of each month for the preceding month.

Every client must execute a FEE PAYMENT AUTHORIZATION, which directs the Broker carrying his account to pay all monthly incentive fees from their accounts to Pere Trading based on the statements Pere Trading submits to his FCM without the need for any further authorization from the client.

The Pere Trading reserves the right to share a portion of its incentive fees with NFA Members.

CONFLICTS OF INTEREST

Since Pere Trading's incentive fees are based only on a percentage of New Net Trading Profits, Pere Trading has an incentive to pursue strategies that would maximize returns for its clients. Pere Trading must earn sufficient net profits to overcome any Net Loss Carry-Forward Loss from previous months to earn incentive fees, but Pere Trading is not required to return any incentive fees it received for previous months. Pere Trading, therefore, has an actual or potential conflict of interest relating to the extent of the risk it might take trading futures contracts for its clients. In essence, if Pere Trading took excessive risks to achieve large short term profits in an effort to earn large incentive fees without regard to its clients' best interests it would violate the duties it owes its clients. Pere Trading, however, represents that it has never and that it has no intention to put its own interests ahead of its clients at any time.

Pere Trading enters "block" or "bunched" orders for execution with any executing broker or broker it chooses to execute them. If any executing broker who has executed one of Pere Trading's orders is not carrying the account for one of Pere Trading's clients, the executing broker has to "give up" the trade to the Broker who is carrying the client's account (or the Broker's clearing firm) to clear the trade. Give up fees range from $0.25 to $0.50 per contract per side.

In any event, the executing broker reports all filled orders and the prices at which they were filled to Pere Trading. Both Pere Trading and the executing broker compute the average price for each contract bought or sold for each order. If an order is only partially filled, Pere Trading allocates the number of contracts bought or sold on a *pro rata* basis to each account based on its Nominal Account size when the order was placed. Pere Trading then reports the average prices and allocations to the Brokers carrying its clients' accounts. The clients' Brokers then enter the number of contracts bought or sold with their average prices in each client's individual account. This method avoids the treatment of any one account in a manner that is preferable to the way other accounts are treated.

Pere Trading has several proprietary accounts. Pere Trading always enters the same orders to purchase or sell E-mini S&P 500 futures contracts at the same time for its proprietary accounts that it enters for its clients' accounts. In fact, the orders entered for Pere Trading's proprietary accounts are always included in the same block or bunched orders that Pere Trading uses for its clients.

Pere Trading's system uses the same criteria for its clients' accounts and its proprietary accounts for determining: (a) the size of the trades it will make for each account; (b) the size of the positions it will hold in each account; (c) the average price of each trade; and (d) the portion of each partially filled order each account receives. Pere Trading starts with the Nominal Account size for all accounts (client and proprietary) before trading commences every day. Pere Trading's system calculates the changing Nominal Account size for each account (client and proprietary) as prices fluctuate during the day. The portion of each trade made for each account (client and proprietary) is based on each account's *pro rata* share of the Nominal Account sizes of all of the accounts (client and proprietary) when each order is entered. Each account (client and proprietary) receives the average price of each filled order and the portion of each partially filled order based on the same *pro rata* calculation. In essence, Pere Trading treats its proprietary accounts and all of its clients' accounts the same way for all purposes.

Pere Trading does not make the trading records for its proprietary accounts available for inspection by its clients.

PRINCIPAL RISK FACTORS

IN ADDITION TO THE GENERAL RISKS INHERENT IN TRADING FUTURES CONTRACTS THERE ARE OTHER RISK FACTORS, INCLUDING THOSE DESCRIBED BELOW, WHICH RELATE TO PERE TRADING'S PROGRAM. PROSPECTIVE CLIENTS SHOULD CONSIDER ALL OF THE RISK FACTORS DESCRIBED BELOW AND ELSEWHERE IN THIS DISCLOSURE DOCUMENT BEFORE DECIDING TO PARTICIPATE IN PERE TRADING'S PROGRAM.

Futures Trading is Speculative and Volatile

Futures prices are highly volatile. Price movements of futures contracts are influenced by among other things, changing supply and demand relationships, weather, agriculture, fiscal, monetary, trade, and exchange control programs and policies of governments, national and international political and economic events and changes in national and international interest and inflation rates, currency devaluations and revaluations and the emotions of market participants. In addition, governmental agencies and exchanges also intervene directly from time to time and by adopting regulations, which can influence prices in the futures markets.

None of these factors can be controlled by Pere Trading and no assurance can be given that the speculative trading Pere Trading does for its clients will be profitable or that they will not result in substantial losses that could exceed the Actual Funds deposited in its clients' accounts.

Futures Trading is Highly Leveraged

The low margin deposits normally required for commodity futures contracts (typically between 2% and 15% of the value of the contract) provide an extremely high degree of leverage. Accordingly, a modest movement in the price of a futures contract can result in immediate and substantial profits or losses to an investor. For example, if ten percent of the value of the futures contract is deposited as margin in a trader's account is followed by a ten percent decline in the value of the futures contract and the contract were liquidated, a trader would lose his entire the margin deposit before any deduction for commissions and other transactional fees.

Price Limits an Illiquid Markets

As stated in the Risk Disclosure Statement found at the beginning of this Disclosure Document, there may be times when it is difficult or impossible to liquidate a position. Most U.S. futures exchanges limit the maximum amount above or below the previous day's settlement price may fluctuate during a single day. During a single trading day, no trades may be executed at a price beyond the daily limit. Once the price of a particular futures contract has increased or decreased to the limit point, it may be difficult, costly, or impossible to liquidate a position unless traders are willing to make trades at or within the limit, which they may be unwilling to do. Futures prices have moved the daily limit for several consecutive days with little or no trading.

Currently, the Chicago Mercantile has set a downward price limit equal to 10%, 20%, and 30% of the settlement price of the E-mini S&P 500 futures contracts, respectively, on successive days during regular trading hours and 5% up or down for electronic trading in the overnight market.

If the price limit were reached at any time, Pere Trading might not be able to liquidate unfavorable positions, which could subject its clients to substantial losses. Those losses could significantly exceed the margin deposits its clients committed for his trades.

In addition, even if prices have not moved the daily limit, Pere Trading may not be able to execute trades at favorable prices if there were little or no trading taking place in the E-mini S&P 500 futures contract at any given time. It is also possible that the Chicago Mercantile Exchange or the CFTC could suspend trading in the E-mini S&P 500 futures contract, order immediate settlement of the contract, or enter an order that trading may be conducted for liquidation of open positions only. In any of these circumstances, clients could incur substantial losses.

Concentration of Risk

Pere Trading's Program involves trading the E-mini S&P 500 contract only. This lack of diversification involves risks that may not exist in a program where a CTA trades multiple futures contracts or makes other investments for its clients. Therefore, potential clients should consider the place that Pere Trading Program's should have in their overall portfolio.

Notionally Funded Accounts

Pages 6-8 of this Disclosure Document contain a discussion of the risks associated with the use of Notional Funds to trade futures contracts. Prospective clients should consider these risks before asking Pere Trading to make trades with Notional Funds. Prospective clients should also consider the possibility that they might pay Pere Trading larger incentive fees for a given month based on the larger size of the trades Pere Trading would be making for them with Notional Funds, which Pere Trading would not be required to return to them after suffering large trading losses in a subsequent month or months.

Speculative Position Limits

The Chicago Mercantile Exchange has adopted speculative position limits for trading in the E-mini S&P 500 futures contracts. Currently, no person may hold more than 20,000 S&P 500 futures equivalent contracts net on same side of the market in all contract months combined. All accounts owned, held, managed, or controlled by a person must be aggregated for position limit purposes. This includes all of the positions that Pere Trading establishes for its clients and its proprietary accounts.

Pere Trading may manage more and more assets in the future. Pere Trading believes, however, that the current position limits would not adversely affect the size of the positions it would own, hold, manage, or control at any time in the foreseeable future.

If, however, the Chicago Mercantile Exchange were to reduce the size of the position limits for its E-mini S&P 500 futures contracts and/or the size of the assets Pere Trading is managing increases to a level much greater than its current level, Pere Trading might have to lower the size of the trades it could make for its clients and reduce the size of their positions to the detriment of its clients. Pere Trading believes that they likelihood that this would happen at any time in the foreseeable future is extremely small.

Possible Adverse Effects of Increasing the Assets Managed

It can be more difficult for a CTA, like Pere Trading, to manage an increasing amount of assets due to the difficulty of executing larger orders for all of its clients and a potential lack of market liquidity. The rates of return from trading a limited amount of assets may be greater than what Pere Trading could achieve making trades with a much larger amount of assets. Pere Trading does not expect the assets it currently has under management to grow to a level that would affect its ability to manage them at any time in the foreseeable future.

Failure of a Client's Broker

Commodity brokers are required to maintain customer assets for trading futures contracts on domestic exchanges (including the E-mini S&P 500 futures contract traded on the Chicago Mercantile Exchange) in segregated accounts. U.S. Bankruptcy laws state that, in the event of a commodity broker's bankruptcy, all property traceable to a customer should be returned, transferred or distributed to him. If, however, a client's Broker (or its clearing firm) should fail to segregate sufficient assets to satisfy its obligations to all of its futures customers, such customers could suffer losses in their accounts.

If any of Pere Trading's clients is using a Broker who goes bankrupt and who has failed to segregate all of its customer funds, such Pere Trading clients might not be able to recover all or any of their assets in their Broker's bankruptcy proceedings. In addition, if one or more of the customers of the Broker incurred a substantial deficit in their accounts and the Broker failed or were not able to make the clients whole, they could lose the assets they had on deposit with their Broker.

Counter-Party Defaults

Commodity exchanges provide centralized market facilities for trading futures contracts. The E-mini S&P 500 futures contract is traded on the Chicago Mercantile Exchange, which clears the trades made on its markets. Once a trade made between clearing members of the Chicago Mercantile Exchange is confirmed, the Chicago Mercantile Exchange's clearinghouse is substituted for the clearing members acting on behalf of each buyer and each seller, and it, in effect, becomes the opposite party to the trade.

Each clearing member that is a party to the trade looks only to the clearinghouse for performance. The Chicago Mercantile Exchange's clearinghouse does not deal with the customers of its clearing members, but only with its clearing members, and its performance "guarantee" does not run to the underlying customers. If a customer's clearing firm becomes bankrupt or insolvent, or otherwise defaults on its obligations to the customer, the customer may not receive all amounts owed to him even when the clearinghouse has discharged all of its obligations.

Execution of Orders

There can be no guarantee that the executing brokers Pere Trading uses to fill an order will fill it at favorable prices or that they will fill the entire order for many reasons, including, for example, lack of market liquidity, price or position limits set by the Chicago Mercantile Exchange or the CFTC or a suspension of trading ordered by the Chicago Mercantile Exchange or the CFTC, or a disruption in the electronic trade routing systems for processing trades, or other technological or communication failures, or unpredictable acts of terrorism. Pere Trading is not responsible for any losses that result for such occurrences.

Commissions and other Fees

A client would have to earn sufficient trading profits to cover the commissions and fees applicable to his account before he would be able to realize any profits. Prospective clients should make sure they understand all of the commissions, exchange fees, floor brokerage fees, give-up fees, NFA fees, and any other fees they may be charged by their Brokers before deciding to participate in Pere Trading's Program. In addition, Pere Trading's incentive fees are based, in part, on the unrealized appreciation in the open positions in each client's account. Such unrealized appreciation may never be realized and the incentive fees previously paid from the unrealized appreciation of his open positions would not be refunded.

Electronic System

Pere Trading's Program relies on electronic systems to make trading decisions, determine the size of the trades that should be made and the size of the positions that should be maintained in its clients' accounts, monitor the positions in their accounts and follow developments in the marketplace. Pere Trading's orders are processed through an electronic order routing system, which exposes its clients to the risks associated with a failure of the system.

In the event of a system failure, Pere Trading may not be able to enter new orders, have existing orders executed, modify or cancel orders previously enteredor determine the status of its existing orders. Such a failure could result in duplicate orders, orders being executed that Pere Trading did not enter, orders being lost in the system and similar events.

Changes in the Law and Regulations

Congress, the CFTC, NFA, the Chicago Mercantile Exchange, or other governmental agencies, exchanges, or self-regulatory organizations could enact or amend the laws, regulations or rules that could have an adverse effect on Pere Trading's Program or make it more expensive for Pere Trading to operate, which could make it more difficult for Pere Trading to meet its objective for earning profits for its clients.

Key Personnel

David Pere is responsible for all aspects of the firm's operations, which include system development, research, trading, operations and management. If David were unable to provide these services, Pere Trading would not have anyone to step in and assume these responsibilities and Pere Trading's clients could suffer significant losses.

Other Risks

This Disclosure Document describes the principal risk factors that relate to Pere Trading's Program, but it cannot guarantee that all of the risks are described herein. Each prospective client is encouraged to exercise due diligence by studying the futures markets, the E-mini S&P 500 contract, and consult with other professional advisors about Pere Trading's Program before making an investment in it.

ACCOUNT INFORMATION

Opening an Account

Prospective clients should read and make sure they fully understand this Disclosure Document, and the other documents they would have to sign including Pere Trading's Advisory Agreement, Limited Trading Authorization and Power of Attorney, Fee Payment Authorization, all documents the Brokers carrying their accounts provide to them.

Adding and Withdrawing Funds

Clients may deposit additional funds in their accounts at any time. They may withdraw funds from their accounts as well at any time subject to the margin requirements for their open positions and any amounts they may owe Pere Trading and any obligations they owe to their Brokers.

Termination

A client may terminate Pere Trading's services at any time by notifying David Pere. Pere Trading will close the client's positions as soon as practicable unless the client advises Pere Trading to cease all trading for him. Each client would be subject to all of the rights his Broker has to liquidate the positions in his account under the client's agreement with his Broker.

Pere Trading may discontinue management of its client's accounts in its sole discretion at any time. Pere Trading will, however, notify a client promptly of its decision to stop managing his account in writing. Pere Trading will close the client's positions as soon as practicable unless the client advises Pere Trading to cease all trading for his account. If a client directs Pere Trading to take no action whatsoever, Pere Trading will do nothing unless its failure to take any action would expose it to losses of its own.

PERFORMANCE

DAVID PERE, PRINCIPAL AND PRESIDENT OF PERE TRADING, BEGAN DIRECTING ACCOUNTS AS POWER OF ATTORNEY AS AN EXEMPT CTA IN JUNE 2005. PERE TRADING HAS BEEN MANAGING ITS CLIENTS' ACCOUNTS AS A REGISTERED CTA SINCE SEPTEMBER 2006 UNDER PERE TRADING'S PROGRAM.

This performance takes into account all commissions. A *pro-forma* 20% incentive fee based upon New Net Profits was charged against performance prior to September 2006. The *pro forma* adjustment was made to demonstrate the rates of return that would have been achieved had Pere Trading's current fee structure been in effect. Performance since September 2006 is net of the current actual fee structure of 0% management fee and 20% incentive fee.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

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Month (1)	2012	2011	2010	2009	2008	2007
January	-7.65%	1.48%	-5.91%	-6.06%	-29.78%	0.87%
February	5.88%	4.54%	4.59%	-18.08%	32.63%	-8.85%
March	2.01%	-1.14%	-12.42%	-3.36%	18.03%	-0.37%
April		-4.48%	6.07%	43.15%	-14.01%	-3.01%
May		0.51%	-0.37%	1.87%	20.98%	-0.18%
June		-5.66%	2.73%	-8.56%	18.27%	-1.22%
July		10.33%	7.05%	-12.01%	29.05%	-13.62%
August		-5.29%	0.60%	6.84%	25.18%	18.15%
September		38.46%	-3.96%	1.01%	99.87%	12.91%
October		9.00%	4.65%	-13.63%	-55.36%	7.70%
November		5.80%	-4.24%	6.60%	-1.68%	33.54%
December		4.68%	0.05%	11.02%	20.28%	6.63%
Annual Rate of Return	-0.25%	65.91%	-2.97%	-3.74%	130.53%	54.81%

Name of Advisor:	Pere Trading Group, LLC (2)
Trading Program:	Pere Trading Program
Advisor Began Directing Customer Accounts as Power of Attorney as an exempt CTA:	June 2005
Advisor Began Directing Customer Accounts as CTA Pere Trading Group, LLC:	September 2006
Total Number of Accounts:	87
Total Assets Traded Pursuant to Offered Program - Actual: (3)	$13,137,650.52
Total Assets Traded Pursuant to Offered Program Nominal: (4)	$13,741,929.54
All Funds Managed by Advisor - Actual: (5)	$13,137,650.52
All Funds Managed by Advisor - Nominal: (6)	$13,741,929.54
Worst Monthly Drawdown: (7)	-55.36% in October 2008
Worst Peak to Valley Drawdown: (8)	-60.74% Sep 2008 – Mar 2009
Number of Profitable Accounts that have Open & Closed: (9)	51
Range of Returns Experienced by Profitable Accounts: (10)	0.3% - 375.9%
Number of Un-Profitable Accounts that have Open & Closed: (11)	53
Range of Returns Experienced by Un-Profitable Accounts: (12)	-0.2% - -62%

1. Monthly Rate of Return is the Net Performance of all accounts divided by the sum of the beginning equity of all accounts.
2. Prior to the August 2006 formation of Pere Trading Group, LLC, David Pere traded client's accounts as power of attorney as an exempt CTA.
3. Total Assets Traded Pursuant to Offered Program – Actual is the amount of actual client assets (including committed funds but excluding notional funds) under management with the Advisor pursuant to the Trading Program as of the date shown.
4. Total Assets Traded Pursuant to Offered Program – Nominal is the amount of client assets (including committed funds and notional funds) under management with the Advisor pursuant to the Trading Program as of the date shown.
5. All Funds Managed by Advisor – Actual is the aggregate amount of actual client assets (including

committed funds but excluding notional funds) under management of the Advisor as of the date shown.

6. All Funds Managed by Advisor – Nominal is the aggregate amount of client's assets (including committed funds and notional funds) under management with the Advisor as of the date shown.
7. Worst Monthly Drawdown is the worst loss experienced by a pool or program over a specified period.
8. Worst Peak to Valley Drawdown is the greatest cumulative percentage decline in month-end net asset value due to losses sustained by a trading program during any period in which the initial month-end net asset value is not equaled or exceeded by a subsequent month-end net asset value.
9. Number of Profitable Accounts that have Open & Closed – Shows the accounts that were traded by Pere Trading during the dates indicated which have been closed with a profit.
10. Range of Returns Experienced by Profitable Accounts – Represents the highest and lowest positive net lifetime rate of return for those accounts that both opened and closed during the dates indicated.
11. Number of Un-Profitable Accounts that have Open & Closed – Shows the accounts that were traded by Pere Trading which have been closed with a loss.
12. Range of Returns Experienced by Un-Profitable Accounts – Represents the highest and lowest negative net lifetime rate of return for those accounts that both opened and closed during the dates indicated.

PRIVACY POLICIES

FACTS	WHAT DOES PERE TRADING GROUP, LLC DO WITH YOUR PERSONAL INFORMATION?
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: 1. Information you provide to us on applications and other forms, such as your name, address, telephone numbers, date of birth, social security number, occupation, net worth, and income; 2. Information about your prior trading history; 3. Information you provide to verify your identity, such as a passport; and 4. Information we receive from other entities not affiliated with Pere Trading. When you are no longer our customer, we will continue to treat your information as described in this notice.
How?	All financial companies need to share customers' personal information to run their everyday business. In this section below, we list the reasons financial companies can share their customer's personal information; the reasons Pere Trading Group chooses to share such information; and whether you can limit this sharing.

Reasons we can share your personal information	Does share?	Can you limit the sharing?
For our everyday business purposes – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes – to offer our products and services to you	No	N/A
For joint marketing with other financial companies	No	N/A
For our affiliates' everyday business purposes – information about your transactions and experiences	No	N/A
For our affiliates' everyday business purposes – information about your creditworthiness	No	N/A

For our affiliates to market to you	No	N/A
For non-affiliates to market to you	No	N/A

Questions?	Call David Pere at 772-485-9792

DISPUTES

No administrative, civil or criminal actions have been brought against Pere Trading or its Principal, David Pere except for one arbitration claim that a claimant filed against both of them at the NFA. The proceeding was treated as a small claim where no evidentiary hearing was held. The parties, instead, submitted their positions on paper only. The arbitrator issued an award of $22,500.00 against Pere Trading and David Pere, which they paid.

TAX ASPECTS

THE LAWS RELATING TO THE TAXATION OF COMMODITIES ARE TOO COMPLEX TO BE DEALT WITH IN DETAIL IN THIS DOCUMENT. EACH PROSPECTIVE CLIENT SHOULD CONSIDER CONSULTING HIS OWN TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL, AND FOREIGN TAX CONSEQUENCES RELATING TO PARTICIPATING IN THE ADVISOR'S TRADING PROGRAM.