FORWARD MANAGEMENT

Forward Tactical Growth Portfolio

Separately Managed Account – Absolute Return

FOR USE BY INVESTMENT PROFESSIONALS IN CONSULTATION WITH CLIENTS AND PROSPECTS

Modern Portfolio Theory (MPT) has been Questioned

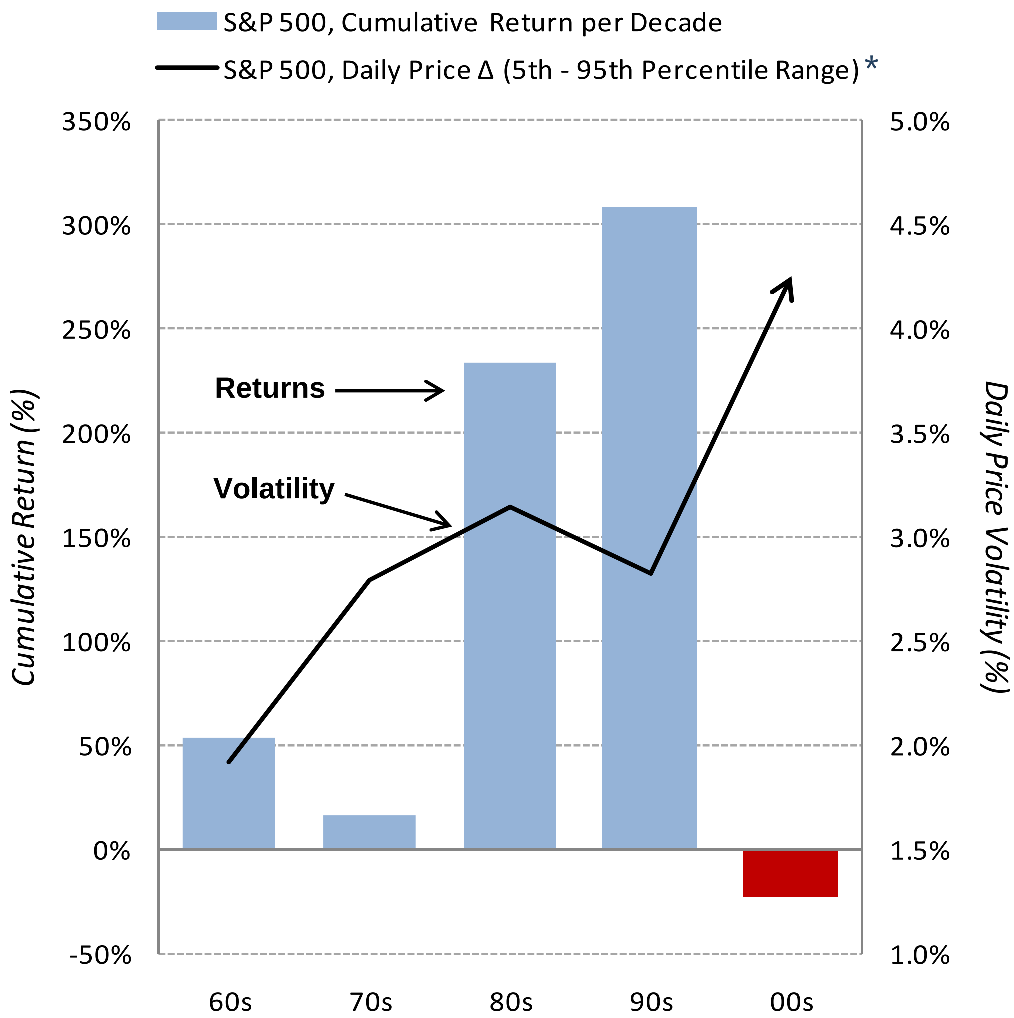
Lower Returns

+

Higher Volatility

=

Rethinking Risk



Source: Standard & Poor's (as of 12/31/2010)

*The "5th to 95th Percentile Range" refers to the range of daily price changes among the 90% of data points lying between the 5th and 95th percentiles for each decade. Outliers (i.e., those above the 5th and below the 95th percentiles) are excluded because they distort the results dramatically.

Is it Time to Re-Think Portfolio Construction ?

Conventional wisdom is not always advisable

Set it and forget it?

Static models cannot account for all market scenarios.

Periodic adjustments to asset allocation may not be sufficient to protect investors, especially in times of high volatility and high asset class correlation.

Cash is trash?

Staying fully invested is an idea made for ever-rising markets… not downturns.

Managing exposure is critical.

Core = safe?

Recent experience has undercut the belief that traditional core equity and fixed-income investments comprise a prudent approach.

The Best Way to Make Money is to Lose Less

To participate in equity market growth while sidestepping most impacts of market downturns, investors may want to consider active allocation…

…**the continuous and active management of market exposure.**

S&P 500 Index Daily Price

Source: Standard & Poor's (as of 12/31/2010)

Forward Tactical Growth Strategy

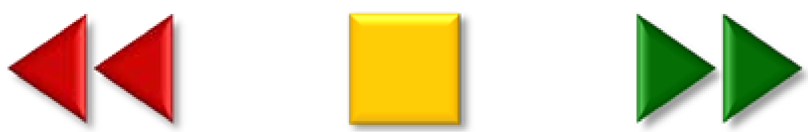
What is it?	An equity-oriented approach providing continuous management of market exposure via active asset allocation, based on Fundamental and Momentum model driven analysis.
What does it do?	It seeks to outperform traditional equity strategies by capitalizing on both positive and negative market movements.
How does it add value?	It seeks to add value to investor portfolios by incrementally adjusting market exposure as market conditions change.

Active and Flexible at the Core

How does it work?

Forward Tactical Growth Strategy waits for a trend to be established, looks for clear signals and then seeks to capitalize on the market's direction.

The strategy is highly flexible in managing long and short exposures with no constraint on cash holdings. Stock-specific risk is eliminated through the use of ETFs.



High risk of downturn?	*Opportunities unclear?*	*Low risk environment?*
Inverse equity exposure	**Neutral cash position**	**Increased equity exposure**

Where does it fit?

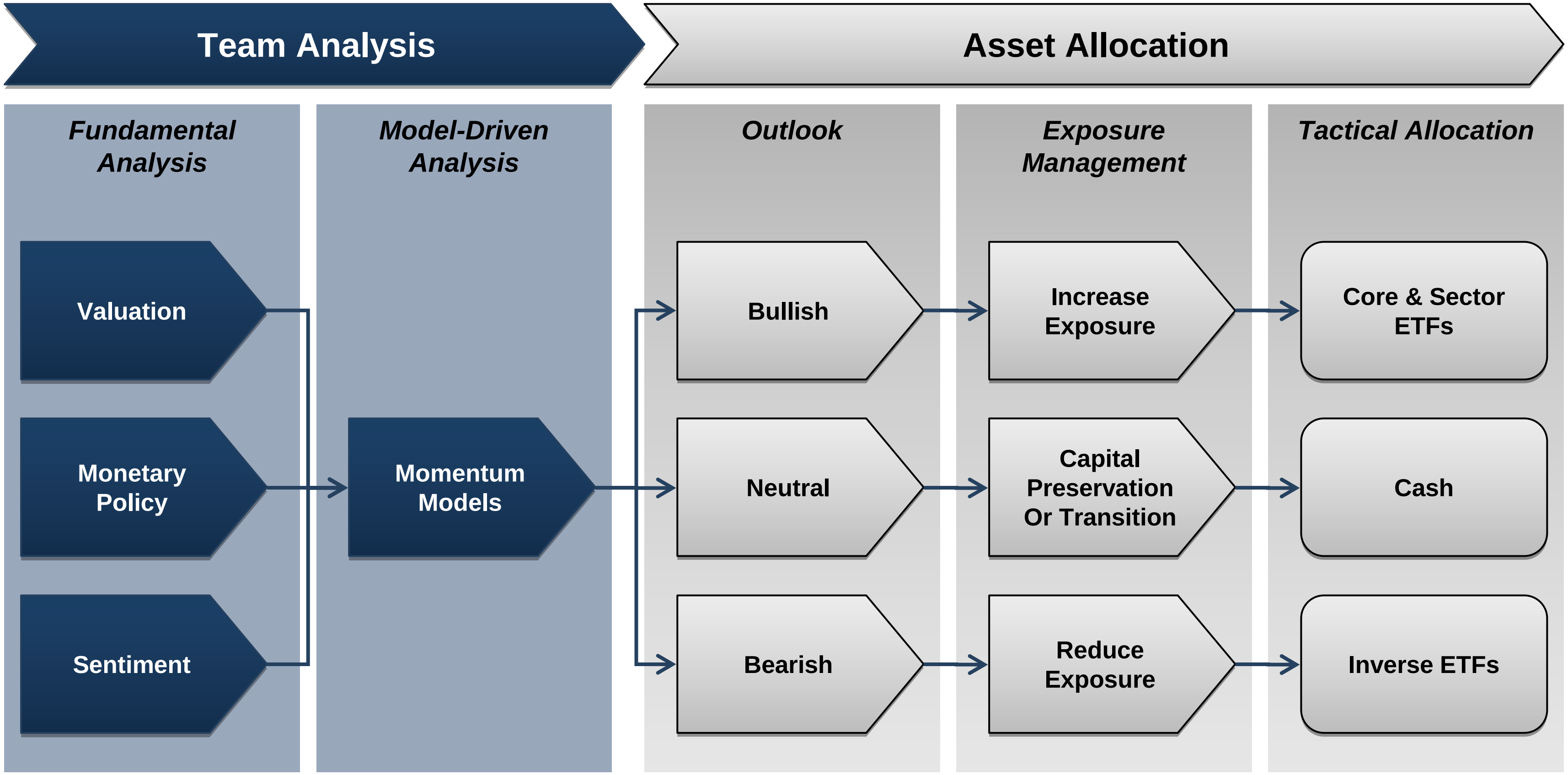
1. A new kind of core strategy bringing flexibility and an absolute return slant to core holdings
2. A risk cushion that applies market-risk management to a share of portfolio assets
3. An alpha-seeking strategy that resides alongside satellite and alternative asset classes.

How Active Allocation Differs from Traditional Core Investing

	Traditional Core	Active Allocation
Objective	Relative return - meet or beat market benchmark	Positive absolute returns
Value added	Security and sector allocation	Management of market exposure, including sector weightings
Portfolio construction	Bottom up	Top down based on macroeconomic perspective
Risk management	Broad diversification with full investment Minimize deviation from benchmark	Sector diversification with flexible investment Capitalize on upside volatility, side-step downside movements
Use of cash	Bias or mandate to be fully invested	No constraints
Shorting	None	As conditions warrant
Financial Leverage	None	None

Investment Process: Disciplined Exposure Management

1. Qualitative assessment of market trends considering a variety of macroeconomic factors.
2. Quantitative validation utilizing a proprietary Volume/Breadth Momentum Model.
3. Systematic and active asset allocation using long ETFs, inverse ETFs, and cash.



No assurance can be given to the accuracy of these models in the future

Valuation and Monetary Policy

Valuation

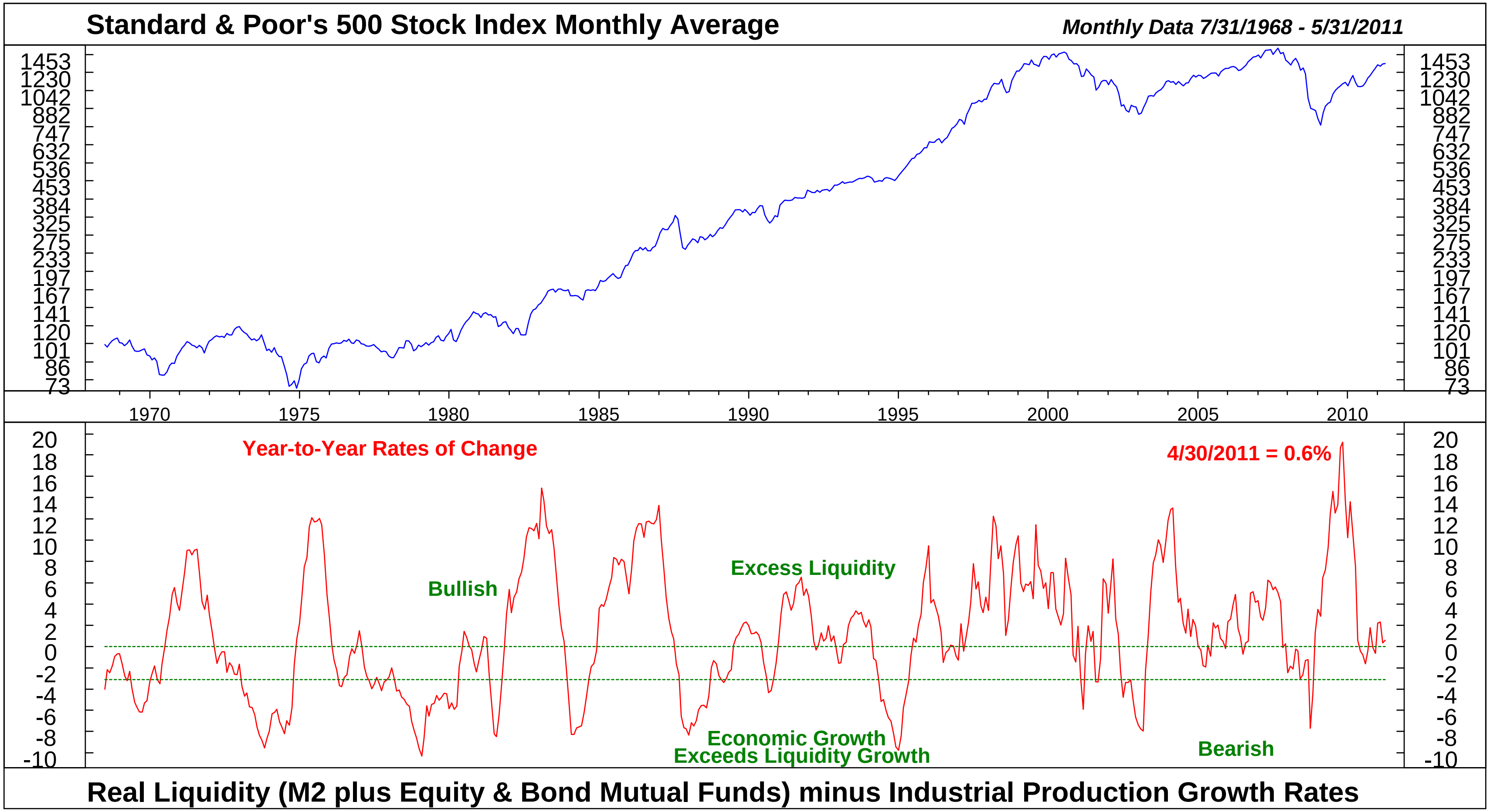
Monetary Policy

Among the valuation measures used:

- P/E Ratios are compared to interest rates and price to establish if markets are under, over or fairly valued
- Treasury Yields and Corporate Bond Yields are compared to the earnings yield of the S&P 500
- Credit Spreads and Monetary Aggregate Growth indicate favorable or negative liquidity conditions and Federal Reserve bias

Monetary Policy – Real Liquidity

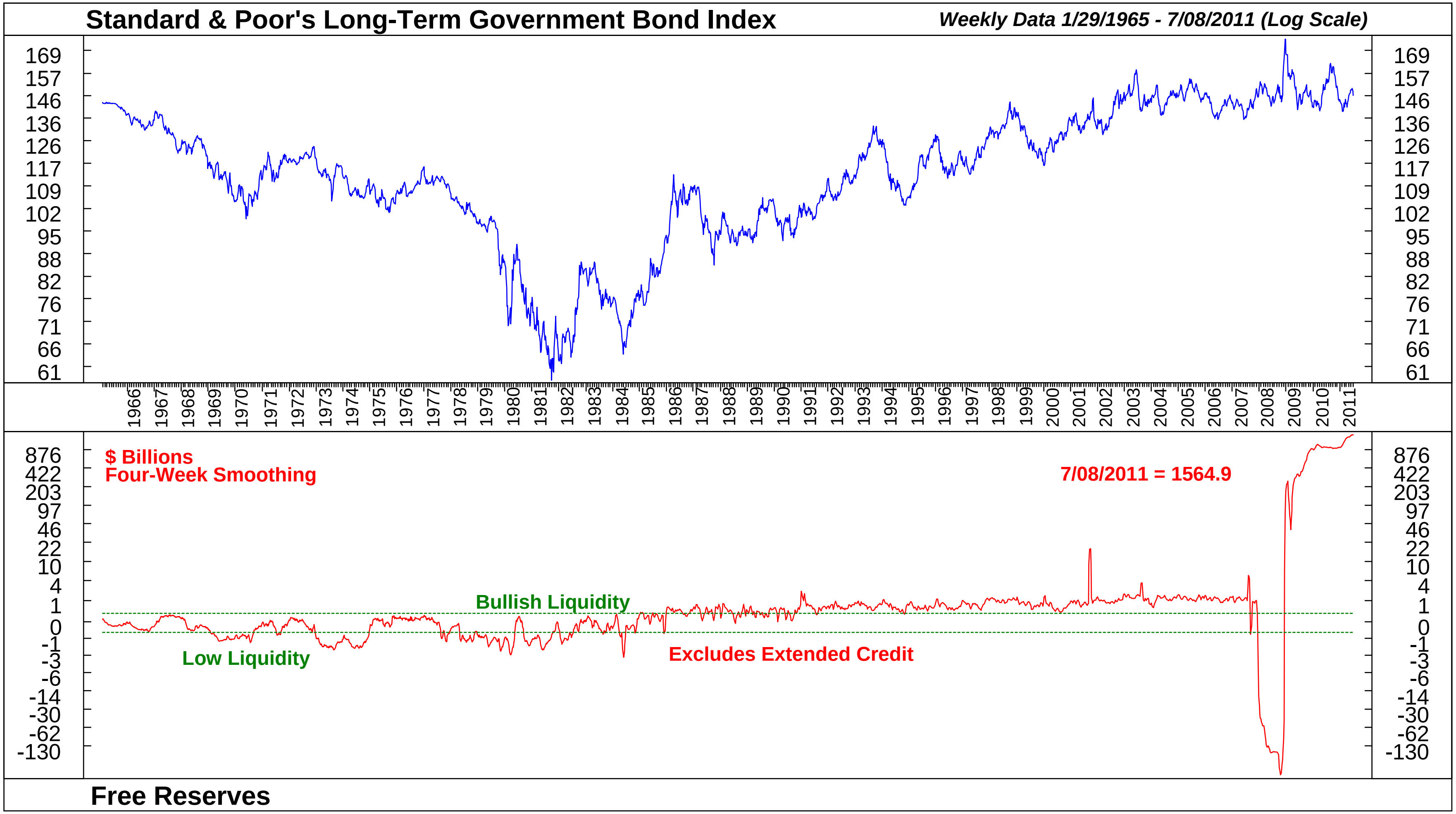
- Relationship between monetary and economic environments with industrial production representing the economy and M2, Equity and Bond mutual funds being a measure of money available for spending.
- Economic growth exceeding monetary growth is negative for asset appreciation. Monetary growth greater than economic growth produces excess liquidity and that has been positive for asset appreciation.



Source: Ned Davis Research

Monetary Policy – Free Reserves

- Free Reserves are defined to be excess reserves above the banks' required Federal Reserve deposit requirement.
- A high and rising trend of Free Reserves indicates excess liquidity and has been bullish for stock and bond investments.



Source: Ned Davis Research

Analyzing Market Sentiment from a Contrarian Perspective

Sentiment

Sentiment levels can be excessively positive or negative

- Consumer Sentiment
- Individual Investor Behavior
- Wall Street Strategists
- Corporate Insiders
- Newsletter Writers
- Options Speculators
- Put Writers
- NYSE Members

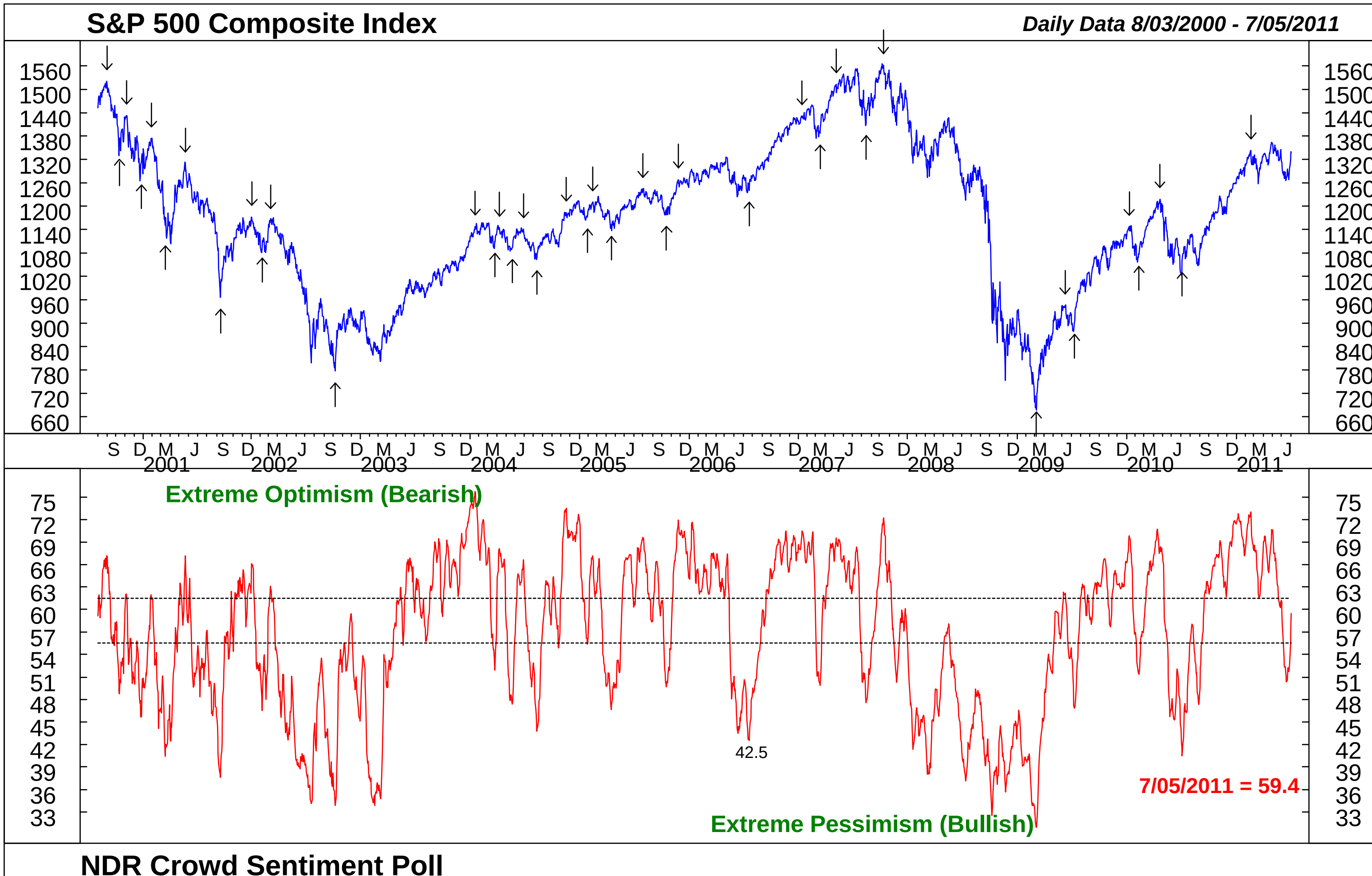
Some are usually wrong and some are usually right

Investor Sentiment from a Contrarian Perspective

- Most classes of investors are wrong at market extremes.
- Broadmark views extreme investor sentiment levels as a signal that a market reversal may occur.

Arrows represent extremes in optimism and pessimism.

They do not represent buy and sell signals and can only be known for certain (and added to the chart) in hindsight.



Optimistic

Neutral

Pessimistic

Source: Ned Davis Research

Momentum Models Are Used to Position Portfolios

Momentum

Final determinants for optimal market exposure

Momentum models determine:

1. Market entry and exit points
2. Amount of exposure
3. Types of exposure

The models have been historically accurate in identifying conditions that precede sustained trends, both up and down, in the U.S. equity markets.

Since markets tend to over-shoot and under-shoot, momentum itself is strongly relied upon.

No assurance can be given to the accuracy of these models in the future

Volume/Breadth-Based Momentum Model

The model is the trigger mechanism used to position the portfolio and seeks to identify minimum market moves of at least 7% to 10% lasting from 3 to 9 months.

The lag time between the intermediate and long-term view is often used to ease into positions

Intermediate Model

Long Term Model

Buy Signal **Sell Signal**

The graphic above is a hypothetical example used for illustrative purposes only, and does not represent the current or future indicators of Broadmark's proprietary Volume/Breadth-based Momentum Model.

Source: Broadmark Asset Management

Sample Portfolio Composition

- Relative strength models help identify indices and sectors with the greatest potential.
- Portfolio exposure is incrementally increased / decreased in relation to model outputs.

NEGATIVE VIEW

Tactical Hedge
Inverse Exposure ETFs

SYMBOL	HOLDING
SDS	S&P 500
QID	NASDAQ 100

Defensive Hedge

SYMBOL	HOLDING
UUP	U.S. Dollar
TLT	U.S. Treasury Bonds

NEUTRAL VIEW

Capital Preservation or Transition

SYMBOL	HOLDING
BIL	1-3 Month T-Bill
	CASH

POSITIVE VIEW

Core ETFs

SYMBOL	HOLDING
SPY	S&P 500
DIA	Dow Industrial 30
IWM	Russell 2000
QQQ	NASDAQ 100
MDY	Mid Cap 400
EEM	Emerging Markets

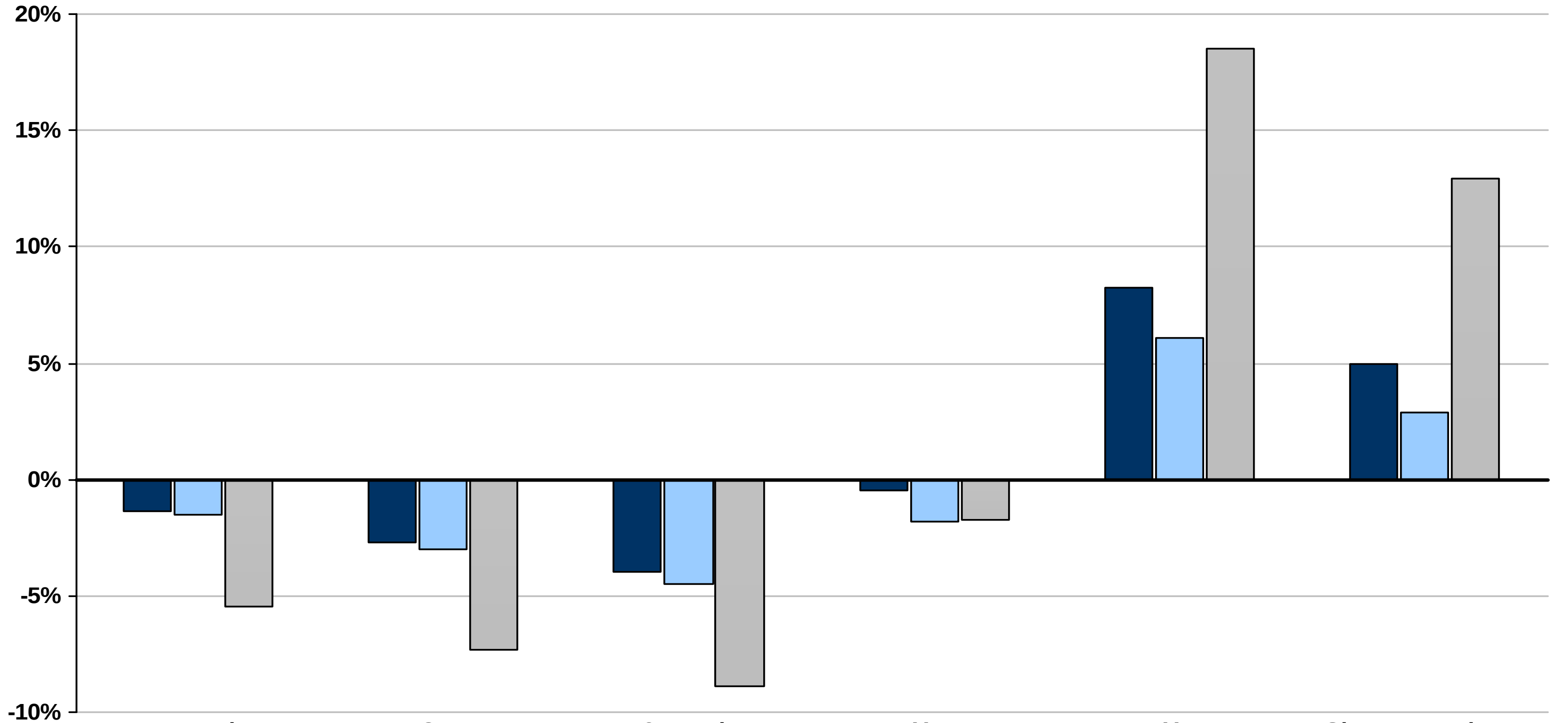
Tactical Enhancement
Incremental Alpha

SYMBOL	HOLDING
XLK	Technology
XLE	Energy
XLB	Materials
XLP	Consumer
PPH	Pharmaceuticals
IBB	Biotechnology
GLD	Gold ETF
GDX	Gold Miners
USO	Crude Oil
OIH	Oil Services
TBT	Short U.S. T-Bond

This sample portfolio does not reflect an actual portfolio. Portfolio holdings are subject to change at any time. No assurance can be given to the accuracy of these models in the future. Supplemental information. Please refer to the full disclosure presentation at the end of this material.

Total Returns: Forward Tactical Growth Portfolio

Performance updated as of August 31, 2011



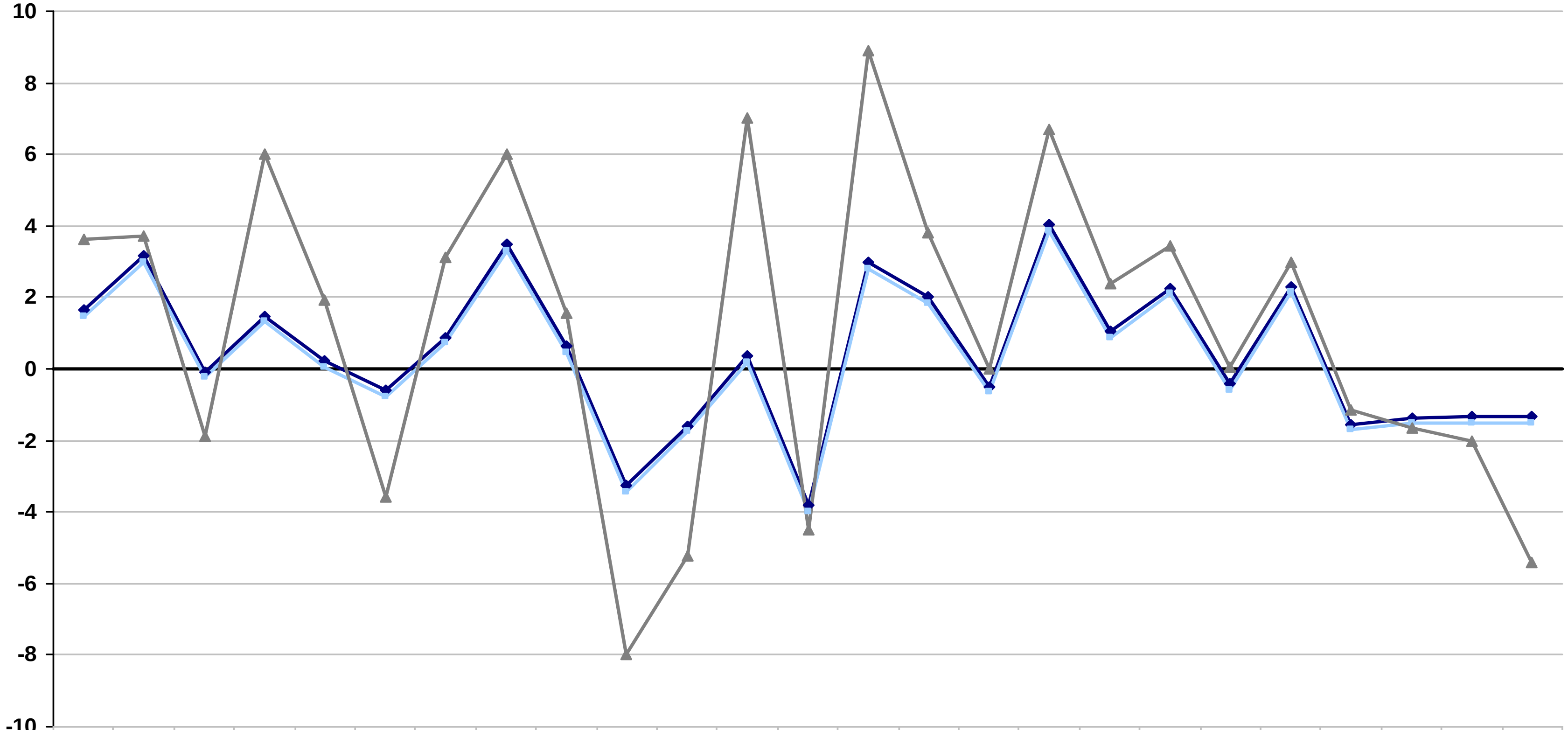
	1 Month	QTD	3 Month	YTD	1 Year	Since Inception ^
GROSS *	-1.35%	-2.67%	-4.00%	-0.50%	8.21%	4.97%
NET **	-1.52%	-3.00%	-4.48%	-1.83%	6.06%	2.89%
S&P 500 TR	-5.43%	-7.35%	-8.90%	-1.77%	18.50%	12.92%

* Gross performance is supplemental information. Please see disclosures at the end of this presentation.
** Net returns are calculated using a 2% wrap fee applied monthly
^ Inception date = 8/2009. Performance provided is the portfolio's average annual return.

Investing involves risk, including possible loss of principal. Past performance does not guarantee future results. Index returns are for illustrative purposes only and do not represent actual performance of any securities. Index performance returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index.

Monthly Returns: Forward Tactical Growth Portfolio

Performance updated as of August 31, 2011



	8/09	9/09	10/09	11/09	12/09	1/10	2/10	3/10	4/10	5/10	6/10	7/10	8/10	9/10	10/10	11/10	12/10	1/11	2/11	3/11	4/11	5/11	6/11	7/11	8/11
GROSS *	1.63	3.15	-0.07	1.49	0.22	-0.61	0.89	3.47	0.65	-3.27	-1.59	0.35	-3.81	2.98	2.00	-0.49	4.04	1.06	2.26	-0.43	2.31	-1.55	-1.36	-1.34	-1.35
NET **	1.46	2.99	-0.24	1.33	0.05	-0.78	0.73	3.30	0.48	-3.43	-1.75	0.17	-3.98	2.81	1.83	-0.66	3.87	0.89	2.09	-0.60	2.14	-1.72	-1.53	-1.51	-1.52
S&P 500 TR	3.61	3.73	-1.86	6.00	1.93	-3.60	3.10	6.03	1.58	-7.99	-5.23	7.01	-4.51	8.90	3.80	0.01	6.68	2.37	3.43	0.04	2.96	-1.13	-1.67	-2.03	-5.43

* Gross performance is supplemental information. Please see disclosures at the end of this presentation.
** Net returns are calculated using a 2% wrap fee applied monthly

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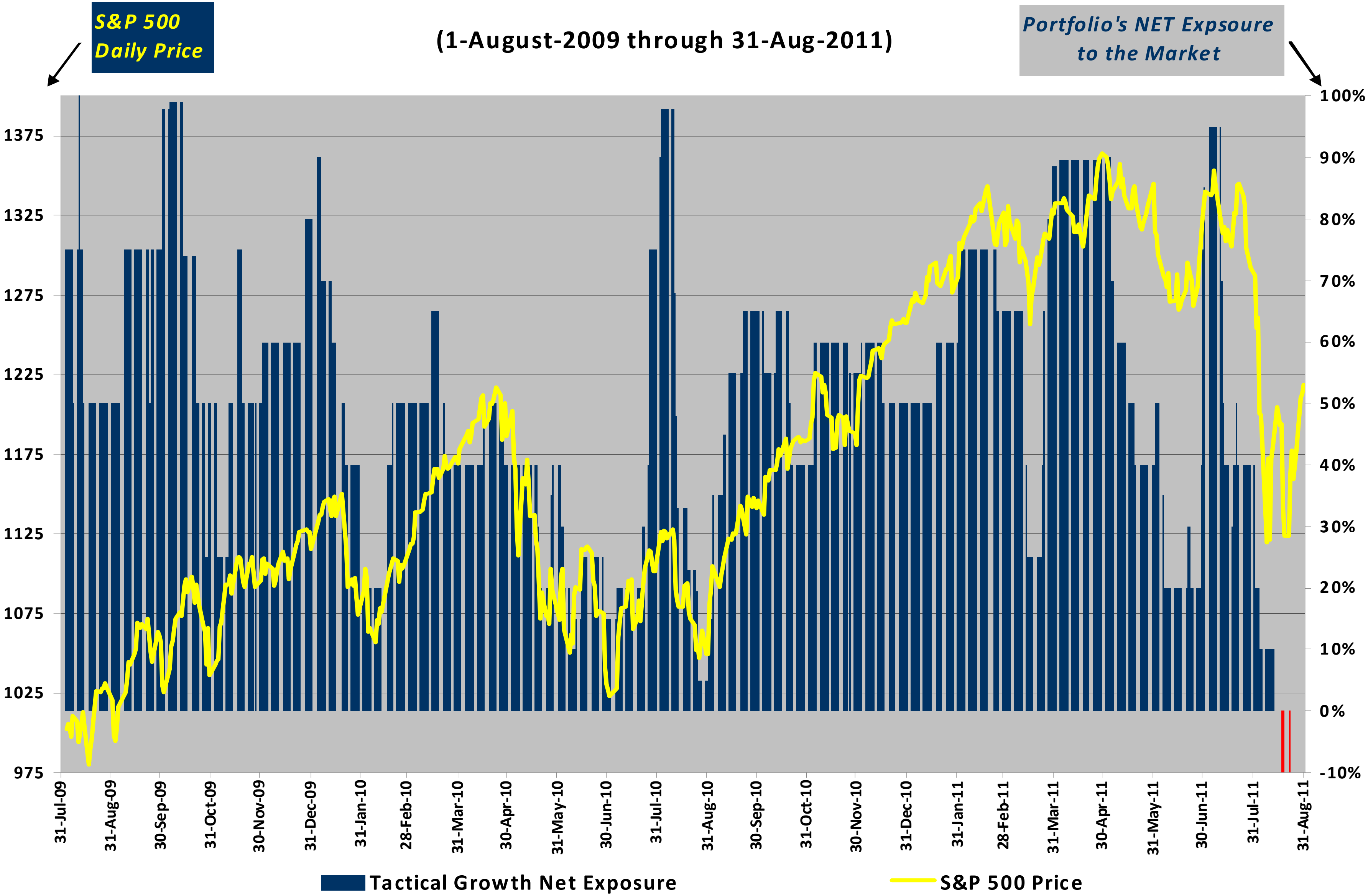
NET Market Exposure vs. S&P 500 Daily Price



Source: Forward Management

Quarterly Total Returns: Broadmark Long/Short Full Exposure L.P.

	BLS Strategy Gross	BLS Strategy Net	S&P 500
Jan 2009-Sept 2009	24.58	23.67	19.26
Q3	11.38	11.12	15.61
Q2	18.38	18.10	15.93
Q1	-5.52	-5.76	-11.01
2008	4.21	3.17	-37.00
Q4	3.57	3.31	-21.95
Q3	-3.84	-4.09	-8.37
Q2	3.96	3.70	-2.73
Q1	0.65	0.40	-9.44
2007	9.20	8.12	5.49
Q4	3.73	3.48	-3.33
Q3	2.66	2.41	2.03
Q2	5.32	5.07	6.28
Q1	-2.64	-2.89	0.64

	BLS Strategy Gross	BLS Strategy Net	S&P 500
2006	12.57	11.46	15.79
Q4	8.26	7.99	6.70
Q3	3.66	3.40	5.67
Q2	-0.10	-0.35	-1.44
Q1	0.41	0.16	4.21
2005	3.01	1.99	4.91
Q4	3.60	3.35	2.09
Q3	-3.04	-3.28	3.61
Q2	4.51	4.25	1.37
Q1	-1.88	-2.13	-2.15
2004	16.08	14.94	10.88
Q4	3.54	3.29	9.23
Q3	4.07	3.81	-1.87
Q2	0.43	0.18	1.72
Q1	7.26	7.00	1.69

	BLS Strategy Gross	BLS Strategy Net	S&P 500
2003	41.98	40.61	28.68
Q4	10.63	10.37	12.18
Q3	9.45	9.19	2.65
Q2	14.64	14.36	15.39
Q1	2.28	2.02	-3.15
2002	16.15	15.00	-22.10
Q4	9.69	9.42	8.44
Q3	1.42	1.17	-17.28
Q2	3.24	2.99	-13.40
Q1	1.13	0.88	0.28

Supplemental information. Please see disclosures at the end of this presentation.

The BLS Strategy was discontinued on 9/30/2009

Returns reflect reinvestment of distributions and other earnings. Gross returns do not reflect fees and expenses, which reduce returns. Net returns are calculated using a 1% fee.

Performance presented for the period November 1, 2001 through August 31, 2004 is pro-forma performance derived from actual performance achieved in the Broadmark Long/Short Low Exposure, L.P., which was the predecessor fund to the Broadmark Long/Short Full Exposure, L.P.

Investing involves risk, including possible loss of principal. Past performance does not guarantee future results. Index returns are for illustrative purposes only and do not represent actual performance of any securities. Index performance returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index.

Investment Team Biographies

Christopher J. Guptill **CEO and Chief Investment Officer**

Mr. Guptill, a founding member of Broadmark Asset Management, LLC, is based in its California office and is responsible for the development of Broadmark's investment management programs and products. He is also responsible for the implementation of all portfolio management and execution. Mr. Guptill began his career in 1979 at Paine Webber, Jackson and Curtis. In 1994 Mr. Guptill joined McKinley Capital Management, Inc., as a Senior Portfolio Manager. He later became the firm's Chief Equity Strategist. Additionally, Mr. Guptill developed, launched and co-managed the firm's highly successful alternative investment portfolios. Mr. Guptill is a 1979 graduate of California State University, Chico, with a B.A. in Economics.

Richard P. Damico **Senior Portfolio Manager**

Mr. Damico joined Broadmark in March 2005 and is based in the California office. As a Portfolio Manager, he participates in the implementation of portfolio management and trading functions. Most recently he was a Managing Director at ThinkEquity Partners, LLC, where he established and was responsible for the development of the institutional trading desk at their San Francisco headquarters. Prior to ThinkEquity Partners, from 1997 to 2002, he was a Vice President and Senior Institutional Sales Trader at Morgan Stanley's San Francisco office, covering West Coast institutional accounts. Additionally, Mr. Damico was an Associate Director and Senior Sales Trader at Bear Stearns in San Francisco from 1990 to 1997.

Investment Team Biographies

Francis T. Mullen **Senior Portfolio Management Specialist**

Mr. Mullen joined Broadmark in 2002 and is based in the California office. He has over 25 years of experience in the financial services industry, most recently as Managing Director and Co-Head of Equity Capital Markets at Putnam Lovell LLC. While at Putnam Lovell, Mr. Mullen established and developed their Institutional Equity Sales, Equity Syndicate and Trading Departments in San Francisco and New York. Prior to Putnam Lovell, he was the Managing Director of Western U.S. Institutional Equity Operations and a partner of the investment-banking firm Furman Selz. He graduated from the University of Pittsburgh with a B.S. in Psychology and Anthropology in 1977.

Ricardo Cortez, CIMA **Senior Portfolio Management Specialist / President, Global Distribution**

Mr. Cortez joined Broadmark in September 2009 as President of Global Distribution and is based in the New York office. He has over 25 years of investment experience in the investment management industry. Most recently, Mr. Cortez spent eight years as President of the Private Client Group for Torrey Associates, LLC, based in New York City. Prior to that, he was Vice President at Goldman Sachs and Product Manager for Goldman's external money manager program, Global Multi-Manager Strategies. Before joining Goldman, Mr. Cortez spent 11 years at Prudential Investments as a Senior Vice President overseeing product development, communications, and sales for the Investment Management Services Division. Mr. Cortez graduated cum laude from Queens College of the City University of New York with a B.A. and has been a guest lecturer on Investment Policy and Hedge Funds at the Wharton School, University of Pennsylvania, and Harvard University. Rick was awarded the Certified Investment Management Analyst (CIMA) designation in 1993 and is the author of numerous published articles on hedge funds.

Disclosures Notes: Tactical Growth Composite

There are certain risks involved with investing, including various risks depending on the type of investment vehicle being used. These risks should be discussed in detail with your clients.

The Tactical Growth Composite seeks to produce above-average, risk-adjusted returns, in any market environment, while exhibiting less downside volatility than the market itself. The strategy is designed to evaluate potential long and short investments in an attempt to isolate those securities believed to be undervalued or overvalued relative to their intrinsic value and offer the greatest risk-adjusted potential for returns. The portfolio primarily invests in ETFs of securities and security indexes which can represent long, short, levered long or levered short positions in general asset classes of both U.S. and overseas equity markets. For comparison purposes, the composite's primary benchmark is the S&P 500 Index. The S&P 500 Index consists of 500 stocks chosen for market size, liquidity and industry group representation. It is a market value-weighted index and one of the most widely used benchmarks of U.S. stock performance. The portfolio is sub-advised by Broadmark Asset Management, LLC, an independent registered investment advisor. The Tactical Growth Composite was created on August 1, 2009.

Forward Management, LLC ("Forward") is an independent registered investment adviser. Forward claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Forward has been independently verified for the periods June 30, 2002 through March 31, 2009. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis, and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. The firm maintains a complete list of description of composites, which is available upon request.

Results are based on fully discretionary accounts under management in this style. Taxable and non-taxable accounts are included. The investment management fee schedule for the composite is 1% on the first $250,000, 0.75% on the next $250,000, 0.65% on the next $500,000 and 0.50% in excess over $1,000,000. Actual investment advisory fees incurred by clients may vary. Past performance is not indicative of future results.

The U.S. dollar is the currency used to express performance. Wrap/bundled fee accounts have represented the entire composite since inception. Wrap/bundled fee accounts pay a fee based on a percentage of assets under management. Other than brokerage commissions this fee includes investment management, portfolio monitoring, consulting services and, in some cases, custodial services. Gross returns are shown as supplemental information and are stated gross of all fees and

Disclosures Notes: Tactical Growth Composite *(continued)*

transaction costs. Since inception, Net returns have been calculated using a 2% annual fee, applied monthly. Returns include the reinvestment of all income. Other than levered and inverse ETFs, leverage or derivatives are not used. The use of levered and inverse ETFs is anticipated to be infrequent and may not materially impact returns. The risks associated with ETFs are detailed in the individual ETF's prospectus which will be provided upon request. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request

Supplemental performance data is provided for the Broadmark Long/Short Full Exposure Strategy for the time period from November 1, 2001, through September 30, 2009. Performance related to the Broadmark Long/Short Full Exposure Strategy pertains to a private fund managed with a similar, although not identical, management style and process as the Forward Tactical Growth Composite. The Broadmark Long/Short Full Exposure Strategy uses a more aggressive trading approach responding to short, intermediate, and long-term signals. The strategy uses short positions as well as options and has a higher turnover. The Forward Tactical Growth Composite will not use short positions or options and will focus on intermediate and long-term signals, and therefore, it is expected to have lower turnover than the Broadmark Long/Short Full Exposure Strategy. The performance was generated entirely by Broadmark Asset Management, LLC, an independent registered investment advisor which has been retained as a sub-advisor by Forward Management, LLC, to assist in the portfolio management of this product. For the period November 1, 2001, through August 31, 2004, the strategy consisted of the Broadmark Long/Short Low Exposure, L.P. of which pro-forma performance was derived from the actual performance achieved in the Broadmark Long/Short Low Exposure, L.P., which is the predecessor fund to the Broadmark Long/Short Full Exposure, L.P.. Returns are presented net of a 1 % annual management fee deducted on a monthly basis and include the reinvestment of all income. This supplemental information is provided for illustrative purposes only and should not be interpreted as part of the Forward Tactical Growth Composite and, thus, should not be linked to Forward Tactical Growth Composite returns. Broadmark Asset Management does not claim compliance with the Global Investment Performance Standards (GIPS®). The Broadmark Long/Short Full Exposure Strategy performance was examined by Ashland Partners & Company, LLP, for the period November 1, 2001, through December 31, 2008. Ashland's Independent Accountant's Report is available upon request.

Disclosures Notes: Tactical Growth Composite *(continued)*

Forward Tactical Growth Composite Returns

Year End	Composite Return (Gross)*	Composite Return (Net)**	Benchmark: S&P 500	% of Total Firm Assets	Composite Assets (millions)	Number of Accounts	% of Non Fee-Paying Accounts	Annual Composite Dispersion ***
2009 (1)	6.55%	5.68%	13.96%	< 1%	$27.10	148	0%	NM
2010	4.35%	2.29%	15.06%	~ 2.3%	$135.7	639	0%	0.38 %

(1) Represents performance from 8/1/09 to 12/31/09
**Shown as supplemental information*
***Net returns are calculated using a 2 % wrap fee applied monthly*
**** The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the composite the entire year*

Broadmark Long/Short Full Exposure Strategy Net Returns (Monthly)

Supplemental Information

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Net Annual Return
2009	-6.22%	-0.58%	1.09%	13.18%	4.85%	-0.47%	5.80%	1.59%	3.39%				23.71%
2008	1.61%	-0.86%	-0.32%	-1.29%	4.71%	0.34%	-0.92%	-1.80%	-1.41%	1.79%	-0.65%	2.17%	3.17%
2007	1.14%	-0.80%	-3.20%	1.29%	4.48%	-0.71%	3.45%	-2.89%	1.95%	4.92%	-0.74%	-0.63%	8.12%
2006	2.48%	-3.84%	1.65%	1.12%	0.87%	-2.29%	0.63%	2.06%	0.69%	5.94%	1.20%	0.74%	11.46%
2005	-0.90%	-0.73%	-0.50%	-0.22%	0.02%	4.47%	1.11%	-4.40%	0.07%	1.07%	1.34%	0.91%	1.99%
2004	4.24%	0.47%	2.18%	-2.23%	1.59%	0.87%	1.62%	-0.19%	2.36%	-0.65%	4.95%	-0.93%	14.94%
2003	-0.89%	-1.01%	4.00%	5.14%	5.45%	3.16%	4.55%	1.89%	2.51%	3.98%	4.45%	1.63%	40.61%
2002	-0.48%	1.02%	0.35%	-0.04%	2.25%	0.77%	4.36%	-2.13%	-0.94%	7.07%	6.42%	-3.96%	15.00%
2001											4.38%	5.33%	9.94%

Net returns are calculated using a 1% fee. Please see the disclosure notes on previous slides.