

Strategy Objective: Generate a fixed return of 8% per year with limited risk.

Strategy Highlights

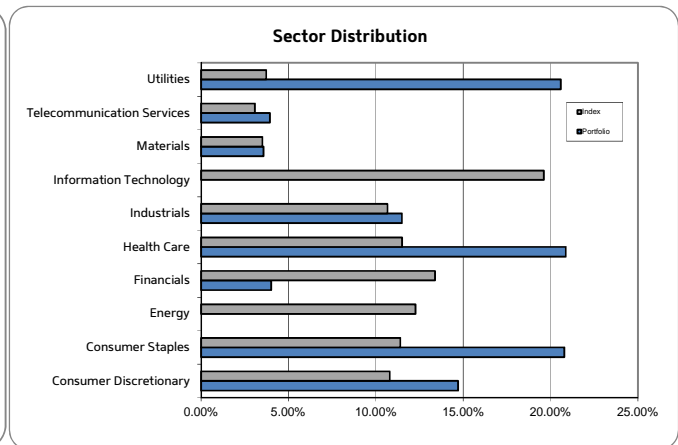
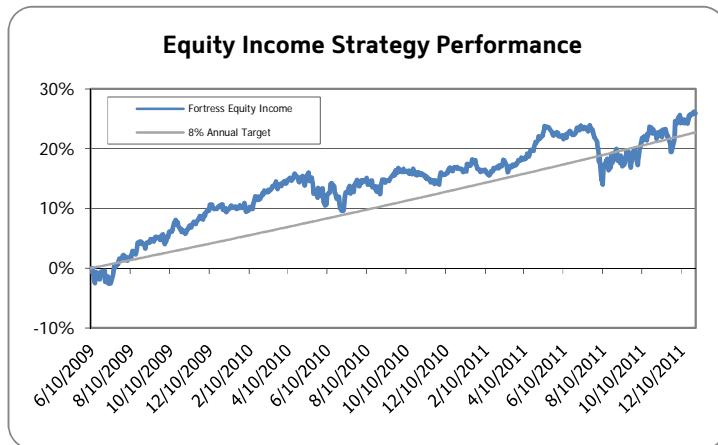
- > An alternative to low-yielding fixed income investments.
- > Disciplined investment process consistently positions in a portfolio of 30 high quality stocks at attractive valuations.
- > Put and call options structured around core portfolio significantly reduce downside risk, and generate income.
- > Portfolio has operational characteristics comparable to or better than the market, usually at a valuation discount.
- > Strategy systematically adjusts portfolio composition in response to changing fundamentals and market prices.
- > Strategy employs no leverage and no short-selling.

Returns

Strategy return since inception (6/11/09):	9.41%	compound annual
Target return since inception:	8.00%	compound annual

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Target YTD
2011	-0.14%	0.40%	0.50%	2.93%	1.43%	0.20%	-1.01%	-1.45%	-1.04%	3.30%	1.61%	1.03%	7.90%	8.00%
2010	0.33%	1.28%	1.99%	0.81%	-1.68%	-2.39%	3.35%	-1.17%	3.41%	-0.17%	-1.75%	2.33%	6.30%	8.00%
2009						-1.00%	2.68%	2.30%	1.38%	0.58%	2.02%	1.47%	9.76%	4.40%

* Returns are shown gross of fees but net of withholding tax



Top Holdings

Wisconsin Energy	3.99%	Wal-Mart Stores	3.64%
Medtronic Inc	3.67%	SCANA Corp	3.64%
Kimberly-Clark	3.65%	Baxter International	3.59%

Characteristics

	Portfolio	S&P 500
Price / Earnings Ratio	12.3	14.0
Price / Book Ratio	2.1	3.0
Return on Equity	20.2%	23.3%

Manager Commentary

The strategy gained 1.03% during the month and finished up 7.90% for 2011, a strong result given the low returns and extremely volatile equity markets during the year. Since inception, the strategy has returned over 9% per year compounded, with only bond-like volatility. High quality, steady earning companies continued to rally in December, with sectors like utilities and consumer staples outpacing most other parts of the market. We are once again concerned that a short-term pullback in markets is possible, and have increased portfolio hedges and raised some cash. In December, we took profits on positions in Kraft Foods, Lowes Companies and Procter & Gamble. We believe the medium term return prospects for the strategy are still good.

How to invest

The Fortress Global Strategies are offered on a segregated basis for a minimum investment of US\$2 million. This provides investors full transparency to see portfolio positioning and activity. Management fees are 0.7% - 1.1% of assets, depending on account size. This, and the other 2 Fortress Global Strategies, make up a significant portion of the **Fortress Global Value Fund**, which has a minimum investment of only US\$5,000. *Please contact us directly for more information.*

Other Fortress Global Strategies: *International Equity and US Equity*

Fortress Fund Managers | 1st Floor, Carlisle House | Hincks Street | Bridgetown | Barbados

Tel: 246 431 2198 www.fortressfund.com

Strategy Objective: Generate consistent returns with limited risk in US large cap equities.

Strategy Highlights

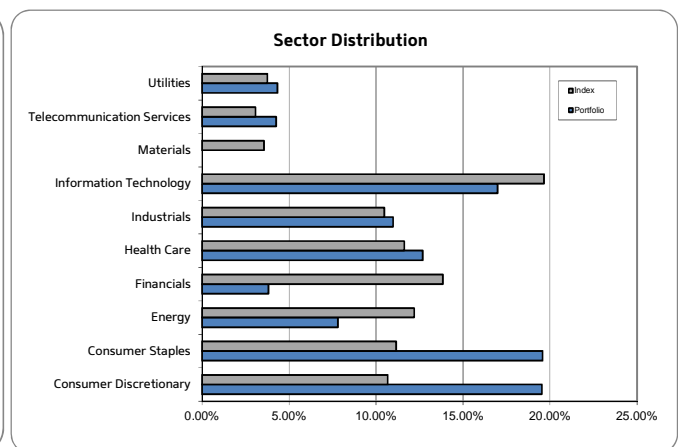
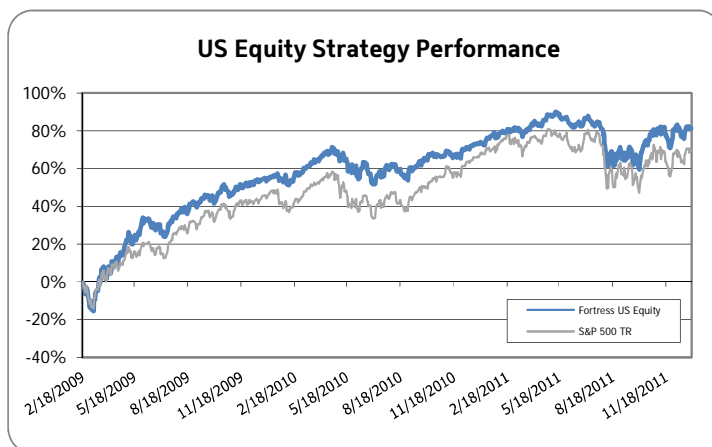
- > Earn equity returns with limited risk.
- > Disciplined investment process consistently positions in a portfolio of 30 stocks that offer the best value in the market.
- > Portfolio has operational characteristics comparable to or better than the market, usually at a large valuation discount.
- > Strategy systematically adjusts portfolio composition in response to changing fundamentals and market prices.
- > Tactical risk management around core portfolio aims to reduce volatility and protect downside.
- > Strategy employs no leverage and no short-selling.

Returns

Strategy return since inception (2/18/09):	23.04%	compound annual
Index return since inception:	20.20%	compound annual

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Index YTD
2011	1.95%	2.64%	0.86%	3.11%	-0.60%	-0.89%	-2.23%	-5.60%	-4.85%	9.81%	0.92%	0.42%	4.77%	2.11%
2010	-0.39%	2.54%	4.70%	2.19%	-4.33%	-4.86%	4.49%	-3.48%	7.46%	0.70%	-0.63%	4.58%	12.82%	15.11%
2009		-6.00%	8.23%	14.31%	10.79%	0.37%	4.80%	4.38%	2.49%	0.52%	3.39%	1.78%	53.35%	44.18%

* Returns are shown gross of fees but net of withholding tax



Top Holdings

Abbott Labs	4.13%	Chevron Corp	3.88%
Intel Corp	4.05%	Microsoft Corp	3.86%
Hewlett-Packard	3.96%	Entergy Corp	3.71%

Characteristics

	Portfolio	S&P 500
Price / Earnings Ratio	10.2	14.0
Price / Book Ratio	1.9	3.0
Return on Equity	22.0%	23.3%

Manager Commentary

The strategy gained 0.42% during the month and finished 2011 up 4.77% compared to a gain of 2.11% for the S&P 500 index. Since inception, the strategy has now outperformed its benchmark by approximately 3% per year, with less volatility. US equities have rallied approximately 15% from their lows in early October, and economic reports continue to be relatively positive. There is a good chance this trend won't last. We are beginning to see the first signs of earnings deceleration, and the significant rally has raised short term risk levels. During the month, we took profits on positions in GameStop, Lowes Companies and Exxon Mobil. 2012 does not promise to be an easy year, but there are still good companies to own at fair valuations and this makes us relatively constructive in the medium term.

How to invest

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Other Fortress Global Strategies: *International Equity and Equity Income*

Fortress Fund Managers | 1st Floor, Carlisle House | Hincks Street | Bridgetown | Barbados

Tel: 246 431 2198 www.fortressfund.com

Strategy Objective: Generate consistent returns with limited risk in non-US large cap equities.

Strategy Highlights

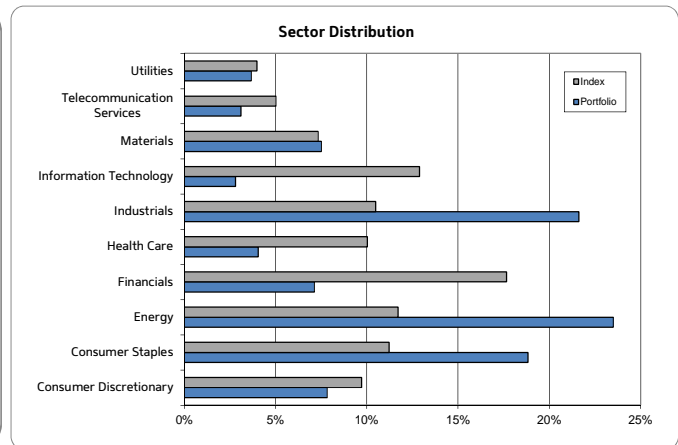
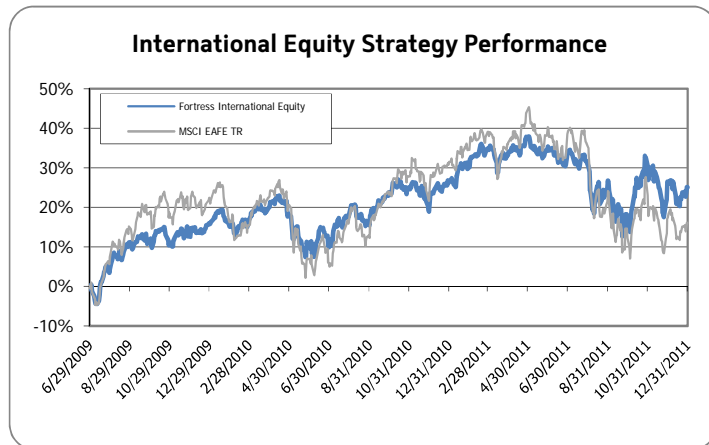
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- > Disciplined investment process consistently positions in a portfolio of 30 stocks that offer the best value in the market.
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- > Strategy systematically adjusts portfolio composition in response to changing fundamentals and market prices.
- > Tactical risk management around core portfolio aims to reduce volatility and protect downside.
- > Strategy employs no leverage and no short-selling.

Returns

Strategy return since inception (6/30/09):	9.32%	compound annual
Index return since inception:	6.12%	compound annual

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Index YTD
2011	3.02%	3.53%	-1.19%	3.38%	-1.74%	-1.01%	-1.71%	-3.74%	-7.86%	11.55%	-2.94%	-1.11%	-1.09%	-11.73%
2010	-0.91%	1.03%	3.26%	-1.79%	-5.94%	-0.90%	6.97%	-1.83%	6.55%	1.53%	-4.79%	6.27%	8.76%	8.21%
2009						-0.39%	5.93%	5.36%	0.76%	-1.15%	1.69%	3.20%	16.21%	21.62%

* Returns are shown gross of fees but net of withholding tax



Top Holdings

Royal Dutch Shell	3.82%	Metro Inc	3.63%
ENI SpA	3.77%	AstraZeneca PLC	3.62%
Koninklijke Ahold	3.63%	Yara International	3.60%

Characteristics

	Portfolio	Index
Price / Earnings Ratio	8.0	12.0
Price / Book Ratio	1.7	2.5
Return on Equity	19.4%	19.4%

Manager Commentary

The strategy declined 1.11% during the month and finished 2011 with a loss of 1.09%, significantly better than the 11.73% loss for the MSCI EAFE index. Since inception, the strategy has now outperformed its benchmark by approximately 3% per year, with less volatility. The earnings trend continues to be flat to down in most of Europe, which is not good news. During the month, we sold holdings in Nestle, Hochtief, Nippon Tel & Tel, and Statoil, and established a position in Yara International. Economic fundamentals are uncertain and in some cases downright poor, but valuations in many stocks in Europe and Japan are excellent. Current pessimism may bode well for future returns, even if 2012 is far from smooth sailing.

How to invest

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Other Fortress Global Strategies: *US Equity and Equity Income*

Fund Objective: Generate consistent returns with limited risk in global markets.

Fund Highlights

- > Unique mix of strategies and managers from around the world.
- > Fund is approximately 50% invested in 3 Fortress Global Strategies - US Equity, International Equity, Equity Income.
- > Specialist value managers in areas such as Asian equities and commodities complement internally-run strategies.
- > Tactical risk management around core portfolio aims to reduce volatility and protect downside.
- > Monthly valuation and liquidity. Fund is offshore - domiciled in British Virgin Islands.

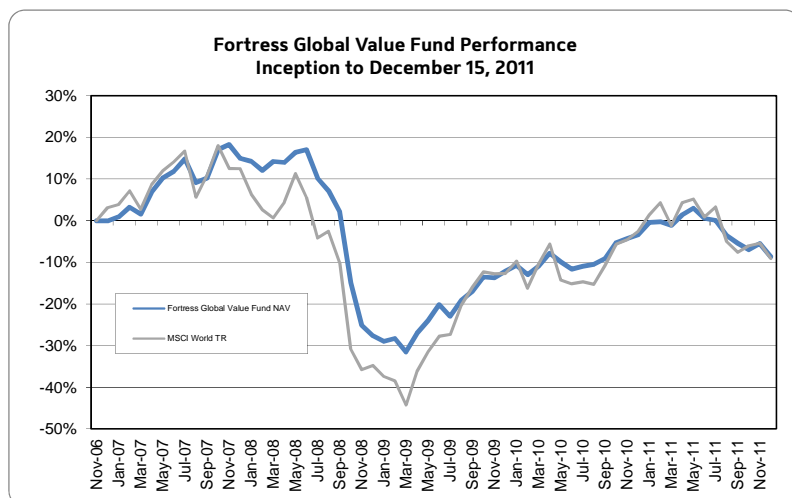
Returns

(to 15th of each month)

Fund return since inception (11/30/06):	-1.77%	compound annual
Index return since inception:	-1.86%	compound annual

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Index YTD
2011	3.12%	0.16%	-0.88%	2.59%	1.55%	-2.38%	-0.47%	-3.64%	-1.93%	-1.66%	1.62%	-3.39%	-5.45%	-6.74%
2010	1.57%	-2.52%	2.40%	3.47%	-2.28%	-1.91%	0.75%	0.52%	1.60%	4.18%	1.03%	0.91%	9.89%	11.57%
2009	-1.95%	0.99%	-4.50%	6.53%	4.26%	4.98%	-3.49%	5.01%	2.58%	4.18%	-0.19%	1.82%	21.36%	33.86%
2008	-0.63%	-1.90%	-1.92%	-0.21%	2.12%	0.56%	-5.88%	-2.75%	-4.64%	-16.71%	-12.02%	-3.27%	-37.01%	-41.99%
2007	0.96%	2.32%	-1.58%	5.19%	3.20%	1.45%	2.64%	-4.96%	0.99%	6.19%	1.07%	-2.81%	15.06%	9.09%

* Returns are shown net of fees and withholding tax



Largest Strategy / Manager Allocations

Fortress International Equity Strategy	22.8%
Fortress Equity Income Strategy	19.8%
OAM European Value Fund	10.9%
Fortress US Equity Strategy	8.3%
Third Avenue Value Fund	7.8%
Sprott Offshore Fund	6.0%
OAM Asia Recovery Fund	5.5%
Templeton Latin America Fund	3.8%
Templeton Emerging Markets Fund	3.2%
Cash	8.6%

Manager Commentary

The Fund declined 3.39% during the month ended December 15 and finished 2011 with a loss of 5.45% compared to a drop of 6.74% in the MSCI World index. Most strategies and funds showed declines during the month and have since recovered in late December. These increases will be seen in the Fund's January 15 valuation. European markets continue to struggle with the effects of the banking and sovereign debt crisis that first surfaced in 2010. Since then, many companies' shares have fallen even as their revenues and earnings were stable or even improved. This is the silver lining of the crisis - it is creating excellent value. Weakness in some emerging markets on fears of an economic slowdown in China have been doing the same, to a lesser degree. EM is better value now than it has been in at least two years. 2012 will likely be another volatile year in markets, but the good value in some key areas means returns could eventually be quite good.

How to invest

The Fortress Global Value Fund may be purchased directly from the Fund's administrator, ATU Fund Administrators (BVI). Please see our website for more information, or contact us directly. The minimum purchase is US\$5,000. The Fund's NAV is reported monthly, as of the 15th of each month. Quarterly commentaries and the prospectus are also available on our website.

The Fund's management fee is 0.90% of net assets per year, inclusive of all strategies managed by Fortress companies. The Fund may incur additional management fees charged by third party managers.