

**GOLDMAN MANAGEMENT INC.**

**STOCK INDEX FUTURES PROGRAM**

**CAPSULE PERFORMANCE RECORD**

**Pro Forma Proprietary Account**

**From February 1, 2002 to February 29, 2012**

**INDEPENDENT ACCOUNTANT'S REPORT**



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### INDEPENDENT ACCOUNTANT'S REPORT

We have examined the accompanying pro forma proprietary capsule performance record ("performance record") of Steven Goldman's proprietary account traded in accordance with the Stock Index Futures Program of Goldman Management, Inc. for the period February 1, 2002 to February 29, 2012. Steven Goldman is responsible for the performance record. Our responsibility is to express an opinion on the performance record based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the performance record and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the performance record referred to above presents, in all material respects, the pro forma investment performance of Steven Goldman's proprietary account for the period February 1, 2002 to February 29, 2012 based on the measurement and disclosure criteria set forth in the accompanying notes.

*Arthur F. Bell, Jr. & Associates, L.L.C.*

Hunt Valley, Maryland  
May 11, 2017

**GOLDMAN MANAGEMENT, INC.  
PRO FORMA PROPRIETARY CAPSULE PERFORMANCE RECORD**

**FEBRUARY 1, 2002 THROUGH FEBRUARY 29, 2012**

Steven Goldman has employed the Stock Index Futures Program of Goldman Management, Inc. (Goldman Management) to trade his proprietary account. The pro forma capsule performance record of this account is set forth below for the period February 1, 2002 through February 29, 2012, on a monthly and annual or year-to-date basis. No management or incentive fees have historically been assessed on the account. The historical performance has been adjusted on a pro forma basis to reflect the current fee structure charged, which is further described in the notes to the performance record.

Name of Program	Stock Index Futures Program
Name of Trader	Steven Goldman
Date the Trader Began Trading This Program	February 2002
Date of Inception of Trading	February 2002
Nominal Funding Level at February 29, 2012	\$2,465,000
Actual Funding Level at February 29, 2012	\$1,250,000
Largest Monthly draw-down in the past five years and since inception	-9.1% January 2009
Largest Peak to Valley draw-down in the past five years	-14.4% May – June 2010
Largest Peak to Valley draw-down since inception	-14.4% May – June 2010

**Pro Forma Assumptions:**

Management Fee:	1/12 <sup>th</sup> of 1% of Month End Net Assets
Incentive Fee:	20% of Net New Profits

**Monthly and Annual Rate of Returns (%)**

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>January</b>	1.59	0.86	-4.60	-9.13	-0.07	3.81	2.13	0.61	0.75	-0.84	n/a
<b>February</b>	3.11	3.28	3.61	-2.99	-1.58	-6.82	-4.71	0.39	5.67	2.41	-2.84
<b>March</b>		0.71	5.57	4.42	3.13	1.68	-0.03	-3.77	-1.03	2.39	-0.44
<b>April</b>		3.46	1.39	7.21	-1.66	2.60	3.88	3.54	-0.12	0.51	-0.40
<b>May</b>		-0.10	-8.25	3.33	3.16	0.91	-4.96	-1.40	4.06	10.04	-1.10
<b>June</b>		-1.84	-6.72	-0.14	-4.27	0.60	5.00	-0.07	1.39	5.69	4.76
<b>July</b>		-2.73	8.41	6.59	3.18	3.22	2.03	5.03	-4.75	1.50	-5.06
<b>August</b>		-1.71	0.37	3.55	2.43	5.25	0.60	0.72	3.21	1.11	3.85
<b>September</b>		-0.14	2.44	0.97	2.05	-0.58	2.34	1.30	-2.32	-1.70	0.58
<b>October</b>		2.25	3.82	0.54	2.58	-1.31	1.55	-0.15	-0.79	11.38	13.97
<b>November</b>		-0.83	0.00	0.62	-0.42	-4.49	6.20	-0.14	-1.61	2.32	5.72
<b>December</b>		0.05	5.82	1.69	0.41	1.02	3.62	3.29	3.57	0.70	-1.21
<b>ANNUAL / YEAR-TO-DATE RETURNS</b>	<b>4.75</b>	<b>3.09</b>	<b>10.90</b>	<b>16.75</b>	<b>8.98</b>	<b>5.36</b>	<b>18.38</b>	<b>9.43</b>	<b>7.80</b>	<b>40.70</b>	<b>17.84</b>

**PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS SEE NOTES TO PERFORMANCE RECORD  
SEE INDEPENDENT ACCOUNTANT'S REPORT**

**GOLDMAN MANAGEMENT, INC.**  
**NOTES TO THE PRO FORMA PROPRIETARY CAPSULE PERFORMANCE**  
**RECORD(CONTINUED)**

The data presented reflects the pro forma performance of Steven Goldman's proprietary account in the Stock Index Futures Program from February 1, 2012 (inception) through February 29, 2012. No management or incentive fees have historically been assessed on the account. The historical performance has been adjusted on a pro forma basis to reflect the current fee structure charged.

**Beginning Equity Actual Funds** represents the actual capital balance at the beginning of the month.

**Beginning Equity Nominal Account Size** includes additional amounts (notional funds) which are necessary to represent the account's fully-funded trading level.

**Additions** represents all capital additions (including additions of notional funds) made at any time during the month and effective as of the first day of the month.

**Withdrawals** represents all capital withdrawn (including withdrawals of notional funds) from the account at any time during the month and effective as of the first day of the month.

**Gross Realized Gains (Losses)** are trading gains and losses on closed contracts for the month without reduction for Brokerage Commissions.

**Month End Net Assets** represents Beginning Equity Nominal Account Size, plus Additions, less Withdrawals, plus Gross Realized Gains (Losses), plus Change in Unrealized Gains (Losses), less Brokerage Commissions.

**Brokerage Commissions** are commissions and other trading fees paid during the month.

**Change in Unrealized Gains (Losses)** is the change in unrealized gains or losses on the quoted market value of unliquidated positions from the preceding month. A positive number signifies either an increase in unrealized gains or a decrease in unrealized losses; a negative number signifies either an increase in unrealized losses or a decrease in unrealized gains.

**Interest Income** is earned on investments in U.S. Government and New Jersey Municipal obligations, and cash equivalents on deposit with a securities broker. Interest Income is calculated based on the change in the securities broker's monthly portfolio value, plus adjustments for cash flows, which approximates the interest actually earned on such securities during the month. The net change is then multiplied by the ratio of the account's trading level to the securities account's beginning equity.

**GOLDMAN MANAGEMENT, INC.**  
**NOTES TO THE PRO FORMA PROPRIETARY CAPSULE PERFORMANCE**  
**RECORD (CONTINUED)**

**Pro Forma Management Fee** is calculated at a rate of 1/12 of 1% (1% annually) of the account's Month End Net Assets, accrued monthly and payable quarterly.

**Pro Forma Incentive Fee** is calculated at a rate of 20% of annual New Net Profits and accrued monthly.

**New Net Profits** are the amount, if any, by which the Month End Net Assets, reduced by the Pro Forma Management Fee exceeds the highest previous quarter-end Month End Net Assets, reduced by the Pro Forma Management Fee and Pro Forma Incentive Fee, disregarding Additions and Withdrawals, and consideration of loss carry forwards from previous periods.

**Pro Forma Net Performance** equals the sum of Gross Realized Gains (Losses), less Brokerage Commissions, plus Change in Unrealized Gains (Losses), plus Interest Income, less Pro Forma Management Fee, less Pro Forma Incentive Fee.

**Pro Forma Monthly Rate of Return %** is calculated by dividing the Pro Forma Net Performance by Beginning Equity Nominal Account Size.

**Year-to-date Rate of Return %** is calculated by multiplying on a compound basis each of the Pro Forma Monthly Rates of Return for any given year or period.

**Largest monthly draw-down** shown for performance results is defined as the largest percentage loss by the account for any one month at month-end for the period presented in the performance capsule. It is shown for the required last five years and year-to-date as of the date of the capsule, as well as from inception of the account.

**Largest peak-to-valley draw-down** is defined as the greatest cumulative percentage decline in Month End Net Assets (reduced by the pro forma fees) due to losses sustained by the account during a period in which the initial Month End Net Assets (reduced by the pro forma fees) is not equaled or exceeded by a subsequent Month End Net Assets (reduced by the pro forma fees). It is shown for the required last five years and year-to-date as of the date of the capsule, as well as from inception of the account.

Since past performance is not necessarily indicative of future results, the results set forth herein may not be indicative of the results that may be achieved by the Trader in the future. No representation is being made that any account will or is likely to achieve profits or incur losses similar to those shown.

**PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS**