



Alupka Asset Management, LLC

Nicholas C. Besobrasov
1207 Bridgeway - Suite G
Sausalito, CA 94965
415.331.1917-t
415.331.3717-f
415.729.0012-c
nick@alupkapartners.com

Christopher J. Nelson, CFA
44 Montgomery Street-Suite 1280
San Francisco, CA 94104
415.352.2676-t
415.352.2678-f
chris@alupkapartners.com



Index

Section I.....Alupka Asset Management, LLC: Overview

Section II.....Private Accounts
MLPs: Foundation for Income and Growth

Section III.....Alupka Absolute Return Fund, LP

Section IV.....Biographies/Contacts

Section V.....Summary of Risk Factors



History

The Palace of Alupka was built in the late 19th century on the south coast of the Crimean peninsula, a district known as the Russian Riviera because of the beauties of the Black Sea and the warmth of the climate. Prior to the Russian Revolution, the palace was commissioned by Prince Mikhail Vorontsov, a direct relative of Nicholas C. Besobrasov, a managing member and co-founder of Alupka Asset Management, LLC.

Throughout the centuries the palace has played host to crowned heads and dignitaries of Europe. Czar Nicholas I visited the palace in 1837, and the Prince and Princess of Wales resided there during their Russian tour of 1869.

In our own century, Alupka housed Winston Churchill and the English delegation at the Yalta conference of February 1945 when the allied leaders, including Joseph Stalin and Franklin D. Roosevelt met in the Crimea.

Alupka Palace was designed by the English architect Edward Blore (1787-1879) who was court architect to William IV and Queen Victoria and had worked at Windsor Castle, Hampton Court and Buckingham Palace.

Alupka has also been referred to as a castle due to the striking protective turrets facing all sides. The name, Alupka Asset Management, was selected in order to underscore the founders' conservative and risk-averse bias regarding wealth management. As General Partners and investors, the principals employ a fortress mentality when managing capital.

Alupka Asset Management, LLC

Alupka Asset Management is an SEC registered investment advisory limited liability corporation. Charles Schwab Institutional is the custodian for all privately managed individual accounts. The company was founded in 2000, at the height of the internet bubble in order to protect the assets of the firm's partners.

The firm specializes in the custom design and management of investment accounts. Presently, the principals supervise portfolios for successful individuals, trusts, pension plans, profit sharing plans custodian accounts, international accounts and a full range of retirement accounts.

For individually managed, fee-based accounts, we seek positive long term total returns with above average, tax-advantaged dividend income. Preservation of capital and low volatility drive all investment decisions.

Alupka Asset Management, LLC also manages the Alupka Absolute Return Fund, LP. Founded in 2001, this fund is a long/short equity hedge fund whose aim is to maximize superior absolute returns through a disciplined, risk adverse multi-strategy investment process. The fund has returned a cumulative 71.73% since inception vs. a 6.45% return for the S&P 500 through the end of 2009. The fund's annualized return on investment since inception through year end 2009 has generated returns of 6.32% vs. 0.44% for the S&P 500. The fund has significantly outperformed the return of the S&P 500 with less than 50% of the volatility of the S&P 500 during this period.



Private Accounts

Custodied at Charles Schwab Institutional

Above average, tax deferred income with growth

Tax efficiency

Non-transactional, long-term investing

The Alupka Absolute Return Fund, LP

Custodied at Goldman Sachs Group

Long/Short alternative equity investment fund

Above average returns with low volatility

Low standard deviation

Strong capital preservation philosophy



Private Accounts

Master Limited Partnerships MLPs

The Foundation for Growth and Income

Master Limited Partnerships are limited by US Code to only apply to enterprises that engage in certain businesses, mostly pertaining to the use of natural resources, such as petroleum and natural gas extraction and transportation.

An investment in the MLP sector is an investment in the continuing expansion of the energy infrastructure of the United States.

It is estimated that the US requires \$100 Billion of new natural gas infrastructure over the next decade. The domestic need for additional liquefied natural gas (LNG) terminals, gas to liquids technology; coal gasification and the additional billions more in crude and refined petroleum products processing, storage and transportation requirements all represent organic growth for this industry.

MLPs trade on the major U.S. exchanges and provide full liquidity.

MLP investors are looking for an above average, tax-advantaged income stream with capital preservation and growth.

MLPs typically distribute between 5-10% tax deferred income.

All of the MLPs in our universe provide significant tax advantages through partially tax-deferred cash distributions. Specific MLP distributions are often 80% tax-deferred.

A sound estate planning strategy, **particularly for aging parents** can maximize the benefit of tax-deferred distributions by virtually eliminating the tax consequences altogether.

MLP Historical Performance

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
C* MLP Composite	28.8%	0.9%	-9.8%	46.9%	37.7%	2.8%	40.6%
S&P 500 Index	33.4%	28.6%	21%	-9.1%	-11.9%	-22.1%	26.3%
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	
C* MLP Composite	16.5%	4.7%	26.6%	9.2%	-43.5%	72.2%	
S&P 500 Index	10.9%	4.9%	15.8%	5.5%	-37.0%	26.4%	

*Citigroup-Former Salomon Smith Barney Index

Since 1990, the market-capitalization weighted index of MLPs has generated compound annual returns exceeding 15% versus the compounded annual return for the S&P 500 of 8.10%.

2010 Forecast

We believe our portfolio approach should provide investors with total returns of approximately 15% over the next 12 months. With the average tax-deferral rate being approximately 80%, we believe that MLPs are even more likely to outperform the S&P 500 when returns are measured on an after-tax basis.

Attractive valuations and constructive long-term fundamentals drive our positive long-term outlook on the MLP space. We believe distribution growth rates will increase versus 2009 levels; however, the days of annual double-digit distribution growth (partially fueled by cheap credit) are likely behind us, and newer (higher) costs of capital will moderate future growth into the single digits. Looking forward into late 2010, we forecast distribution growth of 5-7%, yields of 5-9%. Further yield compression will translate into mid-teen total returns on average for the MLPs space.

Past performance is no guarantee of future results.

MLPs Have Been Defensive During Economic Slowdowns. Over the last 15 years, MLPs have outperformed the market (S&P 500) in three out of four periods of economic slowdown (defined as periods when GDP growth was 2% or less). During these time frames, MLP yield spreads to the ten year treasury averaged 217basis points (bps) and ranged from a low of 70 to a high of 512 bps. The current spread of about 350 basis points suggests MLP yields (plus distribution growth) provides an attractive valuation to this sector.

MLP Value Proposition Remains. As an immature but growing sector, MLPs will continue to be impacted during periods when equity supply overwhelms demand, and liquidity risk comes to the forefront. We tend to view these occasional periods of dislocation as good opportunities to build positions in high quality names. MLPs continue to provide an attractive value proposition with high current income, robust distribution growth, and potential price appreciation. Growth is supported by solid industry fundamentals; namely, the continued build out of U.S. energy infrastructure and favorable commodity prices.

Increasing Institutional Participation

MLPs are primarily owned by retail investors who own approximately 67% of total MLP units outstanding. Hedge funds and closed end funds own much of the balance of 33% of the float up from 5% in 2003. We believe that as this institutional participation increases over the next 12-18 months, valuations will increase.

MLP Sector Matures

The MLP asset class has up until the past two years remained in relative obscurity. In part, this is due to the change in the tax law that President Bush signed into effect in 2004 allowing institutional investors, in particular mutual funds to be able to capture up to 25% of their dividend income in the form of MLP distributions. Prior to this change, the funds were only allowed to hold up to 5% in the form of MLP distributions.

As more institutions participate, more high quality research coverage is issued from firms like Goldman Sachs, Lehman Brothers, Wachovia Capital Markets and Citigroup to name a few. As investors become more comfortable with this asset class, it is considered less “exotic” and less risk premium is attached to it resulting in higher valuations and lower yields.

Distribution Growth

The growth of distributions has far exceeded that of the analysts' projections and that of the dividend growth rate of the S&P 500. Distributions for the MLP asset class grew at an average of 8-10% between 2005 and 2008. We believe that this growth rate will moderate over the long-term. However, the large \$50 billion portfolio of organic projects will drive this growth over the next 5 to 10 years.

M&A activity continues to ramp up

In the past six months, 6 M&A transactions were announced, including EPD, KGS, and HEP acquiring various pipeline/gathering assets. We believe this bodes well as we head into the new year, and anticipate further M&A activity in 2010 as the capital markets are increasingly available and larger Diversified MLPs take further advantage of distressed assets

Demographics

The first of the vast US baby boom generation goes into retirement in January 2008, setting off a demographic tidal wave with wide-ranging economic, political and social implications. *Retiring baby boomers continue to seek above average tax efficient income.*

The cost for government-funded social security and medical care for the boomers leaves a funding gap of between 40 and 76 trillion dollars for next 75 years, according to various estimates. An unprecedented number will soon be entering the retirement stage of life. One-third of the population will be over 50 by 2010. One in five will be over 65 by 2010. MLPs are an excellent source of such income for both themselves and their aging parents. This should contribute to drive valuations higher in the MLP space as yields are compressed top to potentially soaring demand from the boomers.

Alupka Absolute Return Fund, LP

- Long / Short U.S. Equity fund

- SEC Registered Investment Advisor, founded 2000

- Objective:
 - maximize superior absolute returns through a disciplined risk adverse investment process

- The fund invests across all sectors and market capitalization with a focus on:
 - Growth
 - Master Limited Partnerships (MLPs)
 - Short

- The fund invests only in U.S. listed securities including ADRs.

- A combination of core positions (holding periods range from months to years), and opportunistic/event driven trading (holding periods range from hours to months) characterize the investment strategy.

- The two principals have over 40 years of direct investing experience.

- Significant personal capital is invested in the fund by the founding Managing Members.

Alupka Absolute Return Fund, LP

Alupka Asset Management, LLC

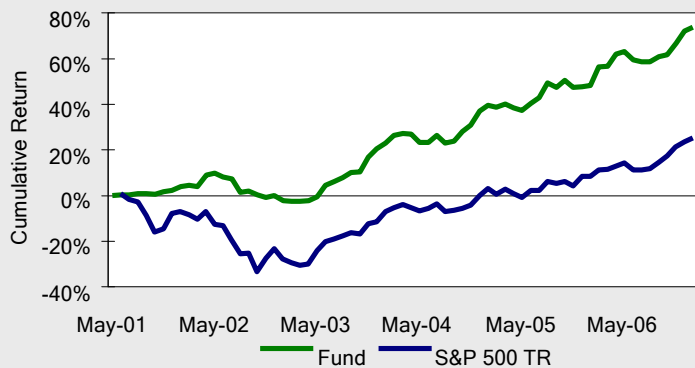
Fund Profile

Investment Strategy:	Long Short US equity hedge fund	Subscriptions:	Quarterly
Annual Management Fee:	1%	Lock-up:	1 year
Incentive Fee:	20%	Redemptions:	Quarterly
Highwater Mark:	Yes	Fund Assets:	USD
Minimum Investment:	\$500,000		

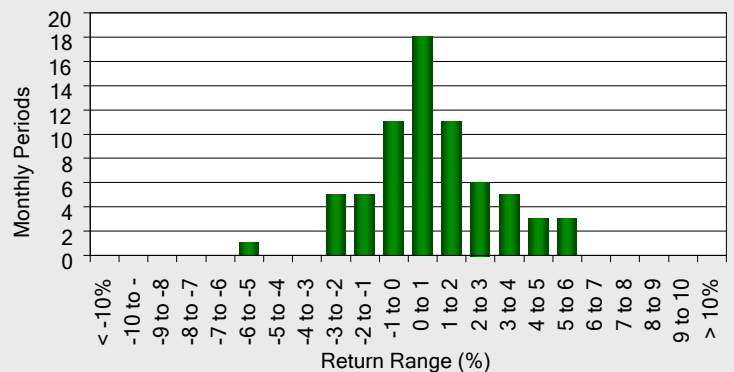
Monthly Performance (%) Net of Fees

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2006	5.35%	0.26%	3.29%	0.72%	-2.21%	-0.45%	-0.02%	1.30%	0.60%	3.05%	3.26%	1.04%	17.18%
2005	-0.65%	1.07%	-1.12%	-0.91%	2.26%	1.90%	4.50%	-1.44%	2.25%	-2.12%	0.24%	0.40%	6.35%
2004	2.76%	0.72%	-0.20%	-2.88%	-0.02%	2.52%	-2.64%	0.57%	3.42%	2.08%	4.77%	1.86%	13.43%
2003	-0.24%	0.12%	0.26%	1.61%	5.26%	1.45%	1.71%	1.98%	0.19%	5.83%	3.24%	2.10%	25.96%
2002	0.55%	-0.50%	4.79%	0.63%	-1.39%	-0.84%	-5.47%	0.44%	-1.62%	-1.16%	0.93%	-2.32%	-6.10%
2001					0.10%	0.18%	0.39%	-0.01%	-0.32%	1.38%	0.32%	1.83%	3.92%

Cumulative Return



Monthly Returns Distribution

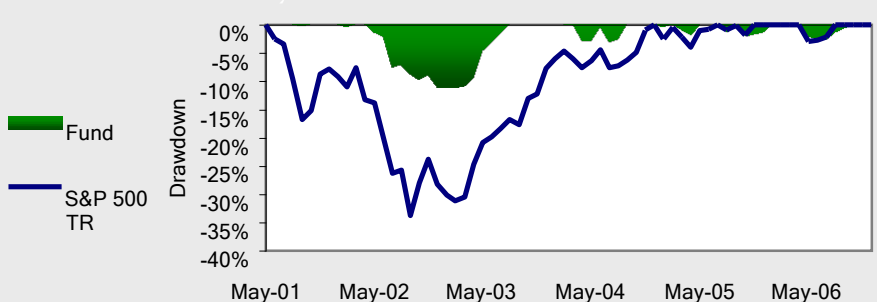


Performance Analysis

Since Inception		Varying Time Windows	1 mo.	3 mo.	6 mo.	12 mo.	18 mo.
Annualized Return	10.24%	Number of Periods	68	66	63	57	51
Annualized Standard Deviation	7.31%	Percent Profitable Periods	67.65%	71.21%	80.95%	82.46%	86.27%
Annualized Downside Dev. (2%)	4.18%	Average Period Return	0.84%	2.55%	5.07%	10.64%	16.69%
Annualized Sharpe Ratio (2%)	0.71	Average Gain	1.86%	4.59%	7.36%	13.93%	19.70%
Annualized Sortino Ratio (2%)	1.17	Average Loss	-1.30%	-2.51%	-4.63%	-4.84%	-2.21%
Cumulative Return	73.76%	Best Period	5.83%	11.55%	17.44%	30.53%	31.58%
Cumulative VAMI	\$1,738	Worst Period	-5.47%	-7.57%	-9.72%	-10.31%	-3.31%
		Standard Deviation	2.11%	4.35%	6.45%	9.59%	10.94%

Drawdown Analysis

Depth	Length	Recovery	Peak	Valley
-11.21%	9	7	Apr-02	Jan-03
-3.27%	5	2	Feb-04	Jul-04
-2.67%	3	3	Apr-06	Jul-06
-2.12%	1	3	Sep-05	Oct-05
-2.02%	2	1	Feb-05	Apr-05
-1.44%	1	1	Jul-05	Aug-05
-0.65%	1	1	Dec-04	Jan-05
-0.50%	1	1	Jan-02	Feb-02
-0.33%	2	1	Jul-01	Sep-01



Portfolio Construction

The Alupka Absolute Return Fund has a very distinct and unique investment style. The portfolio is comprised of three sectors with each having a different impact on capital growth and risk management.

Core Growth: 40% to 60% portfolio exposure

Long selections are initially screened based on proprietary analytics. Filtered investment ideas must meet rigorous fundamental criteria including above average annual and quarterly sales and earnings acceleration, earnings stability, high profit margins and high returns on equity. Quality of management and insider ownership are always considered. Although the Fund invests in all sectors and all market capitalization companies, the core growth sector generally, but not exclusively fits into the small to mid-cap range.

Master Limited Partnerships (MLPs): 20%-40% portfolio exposure

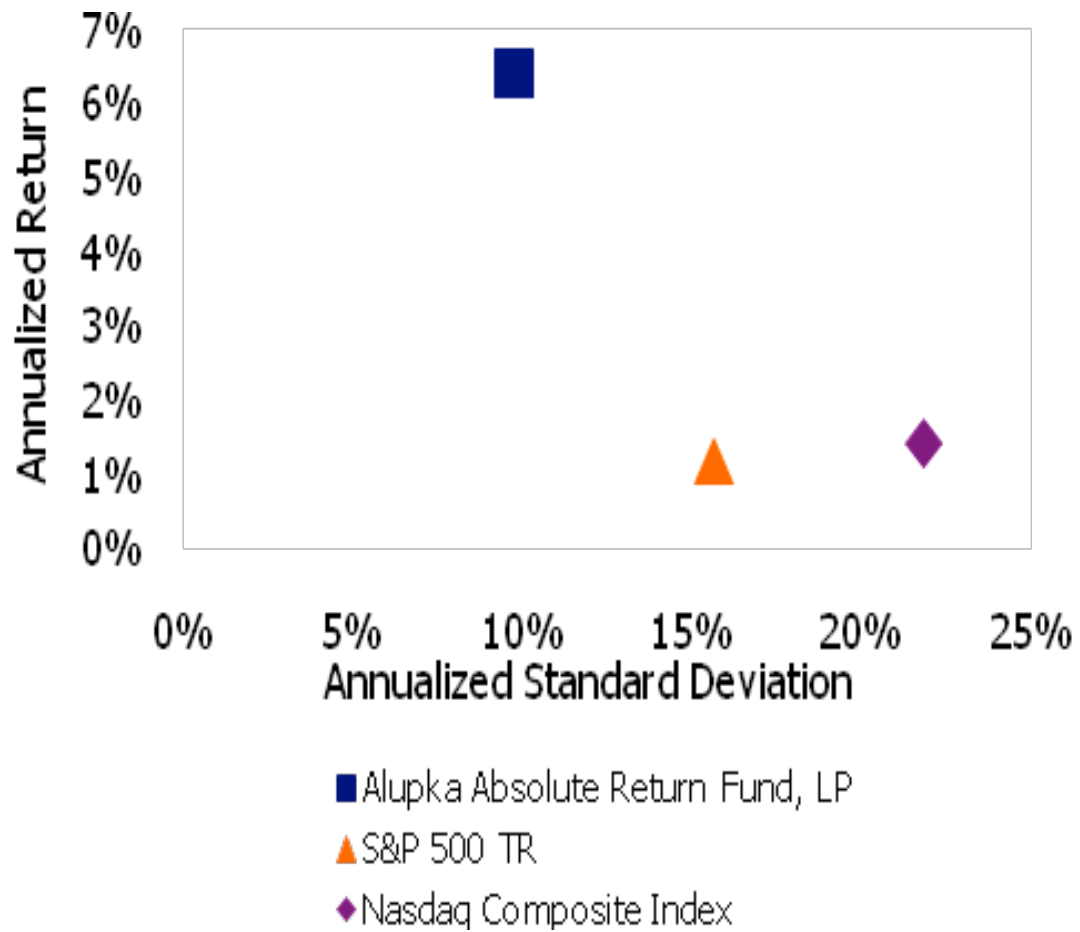
The second sector of the portfolio is comprised of investments in publicly traded energy and natural resource Master Limited Partnerships. The two principals of the Fund have over thirty years of combined experience in investing directly in MLPs. These MLPs have demonstrated excellent capital growth in addition to spinning off significant quarterly cash flows. The MLP sector of the portfolio is relatively stable. Due to the low correlation of this asset class to the S&P 500, the MLP sector acts as a dampener to reduce the volatility of the core growth sector. The principals of the Fund have direct investment experience with MLPs dating back to 1984.

Short Sector: 5%-35% portfolio exposure

The third sector is comprised of the Fund's short positions. The fund shorts individual stocks and utilizes options and exchange traded funds to generate alpha and to hedge existing positions and asset classes.

Percentage allocations amongst the three sectors are continuously subject to change.

Risk/Return vs. Benchmarks (Since Inception)



Summary of Terms

General Partner:	Alupka Asset Management, LLC 44 Montgomery Street-Suite 1280 San Francisco, CA 94104
Subscription:	Monthly
Minimum Investment:	\$500,000
Investor Suitability:	Accredited (3c-1)
Withdrawals:	Quarterly
Notice:	60 days
Lock-up:	1 year (subject to change)
Payout:	90% with remainder after year-end audit
Management Fee:	1%
Performance Fee:	20%
High-Water Mark:	Yes
Legal Domicile:	California



Portfolio Managers

Christopher J. Nelson, CFA is a co-founder of Alupka Asset Management, LLC. He is the senior portfolio manager of the Alupka Absolute Return Fund, LP. This management team has over 40 years experience in investing for high net worth clients.

Mr. Nelson, a Chartered Financial Analyst, was formerly a Vice President in the Private Client Division of Bear Stearns, where he managed equity accounts on behalf of both domestic and international clients.

Before joining Bear Stearns he spent two years at Merrill Lynch (1994-1996) where he worked as an institutional fixed income trader, responsible for middle market corporate accounts.

Between the years of 1989-1994 as Vice President of Lehman Brothers Inc., he was responsible for private portfolios containing both fixed income and equity asset classes.

Mr. Nelson is a student of multiple investment disciplines, including event-driven investing and technical analysis. However, his core strength lies in the fundamental analysis of company balance sheets, income statements and their general financial condition.

Mr. Nelson gained his Chartered Financial Analyst designation in September, 2000. He is also a member of the Association for Investment Management and Research (AIMR); the San Francisco Society of Analysts and the Bond Club of San Francisco.

Mr. Nelson graduated from Southern Methodist University in Dallas, Texas in 1987 with a Bachelor of Science Degree in Economics.

Nicholas C. Besobrasov is co-founder of Alupka Asset Management, LLC. He is the senior portfolio manager for all private accounts. He is also responsible for client service and the general management of Alupka Asset Management, LLC.

Nick was formerly an Executive Director of Investments in the Private Client Division of CIBC Oppenheimer. He focused on managing individual portfolios with a bias towards investing in MLPs. Before joining CIBC, Mr. Besobrasov spent two years with ING Baring Furman Selz (1997-1999) as a Limited Partner. Between the years of 1994-1997, he served in the capacity of Director in the Corporate Services Division at Cowen & Co.

He spent nine years at Lehman Brothers of which five (1985-1990) were in the position of Vice President/Equity Capital Markets. He advised corporate clients on structure, feasibility, timing and size of initial public and add-on offerings. His specialized in MLP offerings. As a Senior Vice President within the Private Client Division of Lehman Brothers (1990-1994), he managed private accounts on behalf of high net worth individuals with an emphasis on MLP investing.

Prior to Lehman Brothers, Mr. Besobrasov worked for two years (1983-1985) at the New York Stock Exchange in New York City. His responsibilities included marketing the New York Futures Exchange's stock index and index option contracts to member firms with a focus on portfolio hedging techniques.

He graduated from Hobart and William Smith Colleges where he majored in Economic Development and History. He graduated Magna Cum Laude and was elected to Phi Beta Kappa in 1981.

Nick is a long time skier at Alta, Utah. He serves on the board of the Friends of Alta, a conservation and environmental foundation. In addition, Nick is an avid windsurfer and is involved in numerous organizations to help protect the marine environment of the San Francisco Bay area.



Alupka Asset Management, LLC

Custodian:

Private Accounts: Charles Schwab Institutional
Alupka Absolute Return Fund, LP: Goldman Sachs Group

Registered Investment Advisor with the State of California:

Alupka Asset Management, LLC
44 Montgomery Street - Suite 1280
San Francisco, CA 94104

Principals:

Nicholas C. Besobrasov
Managing Member
nick@alupkapartners.com
415-331-1917-Tel
415-729-0012-Cell
415-331-3717-Fax

Christopher J. Nelson, CFA
Managing Member
chris@alupkapartners.com
415-956-9175Tel
415-352-2678-Fax

Accountants:

Todd Goldman
Rothstein, Kass & Company, LLP
500 Ygnacio Valley Road
Walnut Creek, CA 94596
925-946-1300-tel

Summary of Risk Factors

The Alupka Absolute Return Fund L.P. (the “Fund”) is a speculative investment that involves significant risks, and there can be no assurances that the Fund will achieve its objective or that the Fund will not incur losses. The summary below of certain special considerations does not purport to be a complete explanation of the risks involved in investing in the Fund. Prospective investors should read the Fund’s Confidential Offering Memorandum, including the “Risk Factors” section, as well as the Limited Partnership Agreement and Subscription Agreement, before determining to invest in the Fund.

All securities investments have a risk of the loss of capital. An investment in the Fund is subject to loss, including possible material loss.

The Fund is not registered under the U.S. Investment Company Act of 1940 or any other U.S. Federal or state securities laws. These laws provide certain protections to investors in, and impose certain restrictions on, investment vehicles which are required to be registered or which are otherwise subject to these laws. These protections and restrictions will not apply to the Fund.

The use of hedging strategies should not be taken to imply that the use of such hedging strategies is not without risk. Substantial losses may be recognized on hedged positions.

The Fund engages in selling securities short, which involves the sale of borrowed securities. In the case of uncovered short sales, since the borrowed securities sold short must later be replaced by market purchases, any appreciation in the market price of these securities results in a loss. Purchasing securities to close out the short position can itself cause their market price to rise, further increasing losses.

Investors are subject to tax in each year in respect to their allocable share of any profits of the Fund, notwithstanding that the Fund does not expect to make any distributions.

Performance Notes and Disclosures

This material is being furnished to sophisticated persons solely for informational purposes. The materials contained herein do not constitute an offer to sell or a solicitation of an offer to purchase limited partnership interests in the Fund. Such an offer, if made, will be made solely by way of the definitive Confidential Offering Memorandum relating to the Fund approved for use by Alupka Asset Management, LLC (AAM). The Confidential Offering Memorandum contains, among other things, an explanation of the risks involved in investing in the Fund. By its receipt of this brochure, the recipient agrees that: (1) it will not make any use of any of the information contained herein except in connection with exploring a possible investment in the Fund and (2) in the absence of prior express written permission of AAM, it will not reproduce, copy or transmit this brochure or the information contained herein, in whole or in part, or permit such action by others, for any purpose.

Performance numbers from May 21, 2001 to present are of the Alupka Absolute Return Fund, LP and are net of management fees, incentive allocations, and operating expenses.

Past performance is not necessarily indicative of future results.

There can be no guarantee that AAM will accurately and adequately gauge the impact of future market factors and developments in the course of refining the approach from time to time and thus no guaranteeing that refinements of the approach will lead to equal or greater success in the future.

