

# CAPITAL PRESERVATION INCOME PLUS

*Multi Manager /Multi Asset Class Portfolio Fund of Funds*

CASTLESTONE  
MANAGEMENT



## Capital Preservation Income Plus – Introduction

1. Diversification: Multi Manager & Multi Asset Class Fund of Fund. Historically Superior Returns, Less Risk & Better Liquidity than Investing in a Single Asset Class Fund.
2. Consistent Returns Irrespective of Market Conditions (Rising, falling, and Unstable).
3. Safe Distribution Yield of 7.00% (Class of Share Available).
4. Aggregate Funds Under Management: €12+ billion.
5. Underlying Managers denominated in €EURO (No Currency Risk) – No Leverage!
6. Monthly Liquidity & Low Minimum Investment.



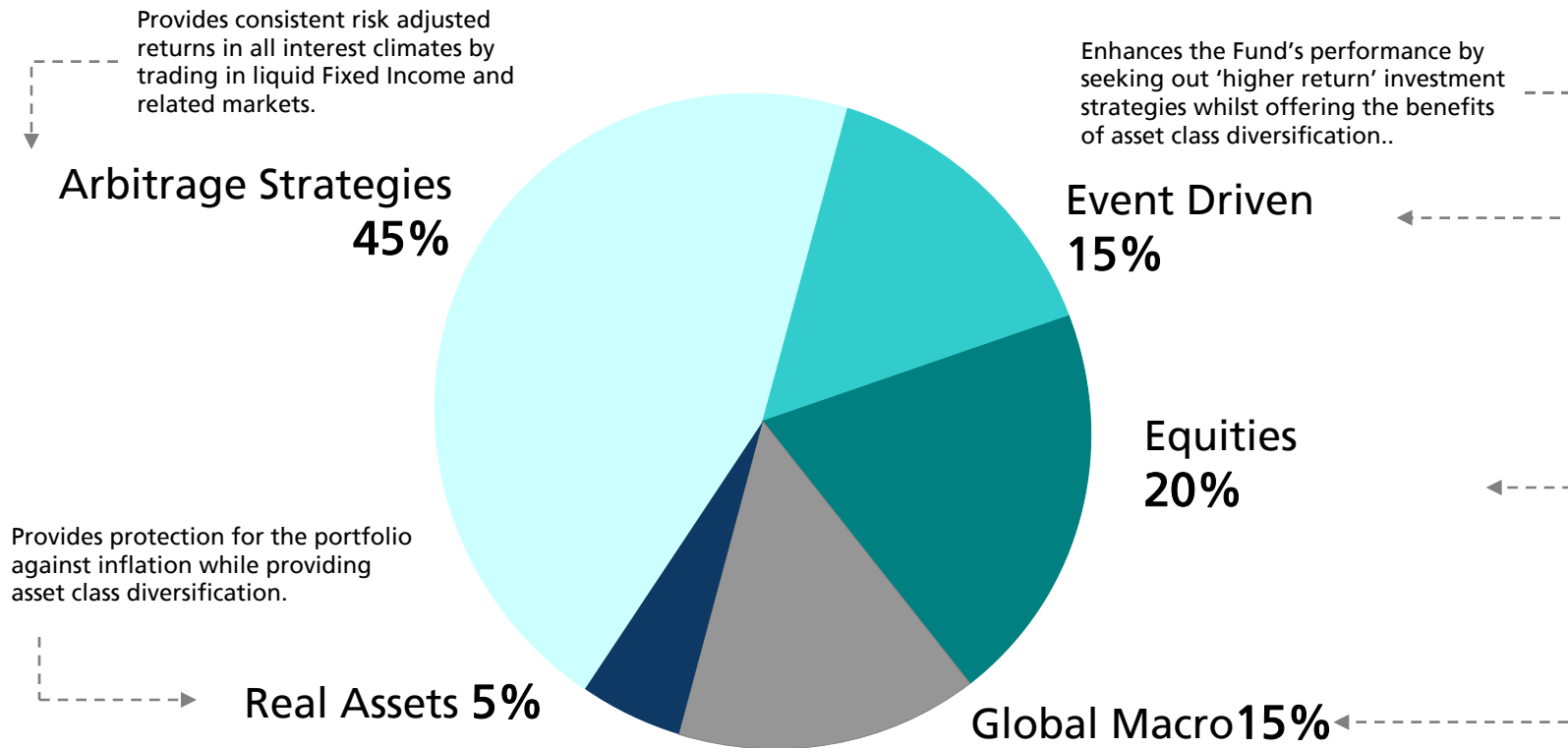
## Capital Preservation Income Plus Performance & Statistics

Performance & Risk Statistics	Percentage
Cumulative Returns	77.37%
Annualized Returns	13.58%
Monthly Average Returns	1.08%
Percentage of Positive Returns	79.63%
Annualized Standard Deviation	4.81%
Annualized Downside Deviation	1.78%
Sharpe Ratio	1.82
Sortino Ratio	3.89
Best Month	4.31%
Worst Month	-2.31%

Note: Denotes performance on Euro Class



## Strategy Exposure



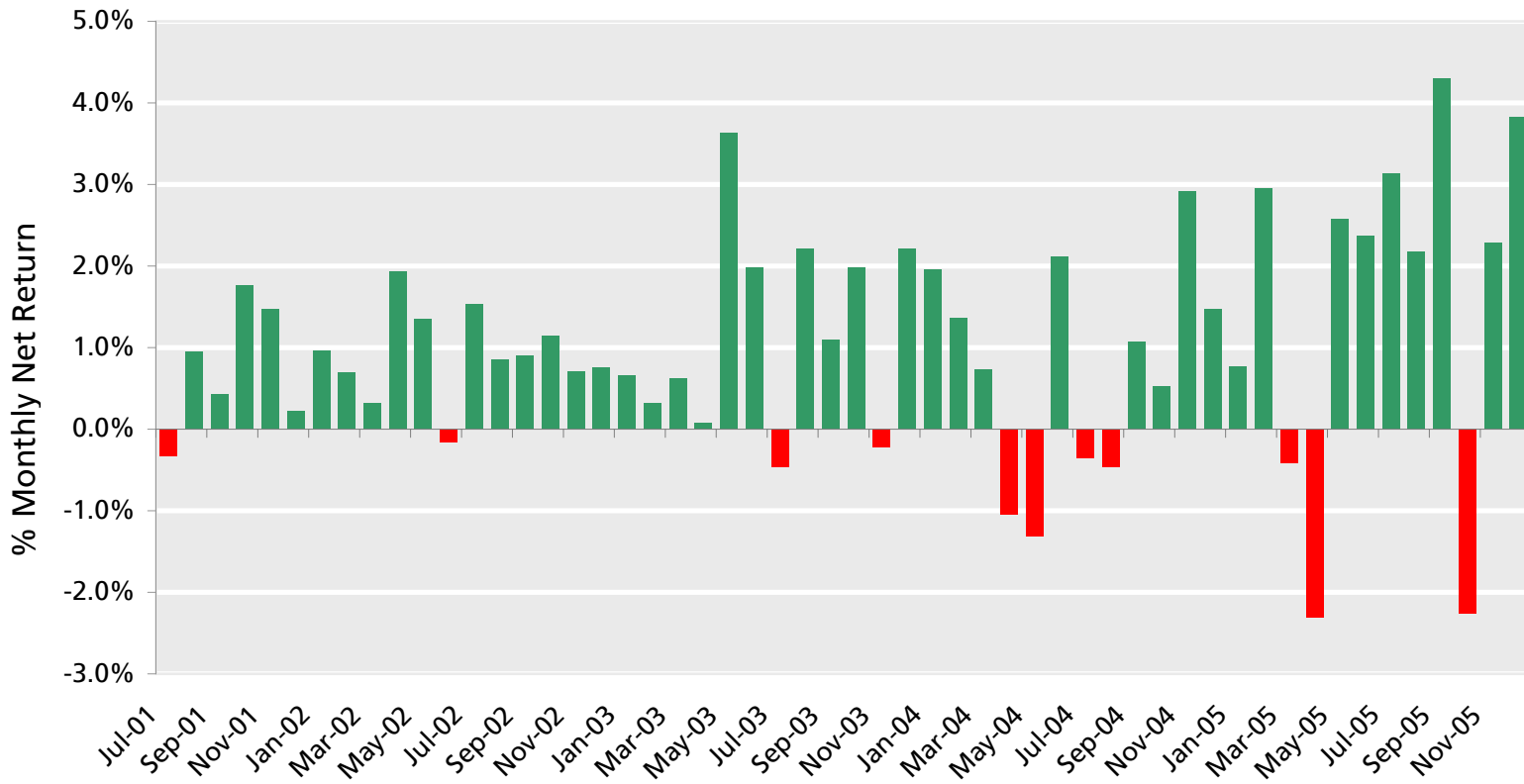


## Investing Styles Move In and Out of Favor

2001	2002	2003	2004	2005
10 - Year Treasury 14.86%	Gold 24.77%	S&P 500 26.38%	Commercial Property 11.37%	Gold 13.35%
Hedge Fund Arbitrage 13.64%	Hedge Fund Macro 16.92%	Gold 19.37%	Hedge Fund Event Driven 9.81%	Commercial Property 11.96%
Hedge Fund Event Driven 9.81%	10 - Year Treasury 14.62%	Hedge Fund Index 17.30%	S&P 500 8.99%	Hedge Fund Macro 9.81%
Hedge Fund Macro 13.11%	Hedge Fund Arbitrage 13.30%	Hedge Fund Arbitrage 11.94%	Hedge Fund Index 7.20%	Hedge Fund Event Driven 9.11%
Hedge Fund Index 7.20%	Hedge Fund Event Driven 9.81%	Hedge Fund Event Driven 9.81%	Hedge Fund Arbitrage 6.18%	Hedge Fund Arbitrage 5.97%
Commercial Property 5.43%	Commercial Property 2.89%	Hedge Fund Macro 6.04%	Gold 5.54%	S&P 500 4.27%
Gold 2.46%	Hedge Fund Index 0.50%	Commercial Property 5.52%	10 - Year Treasury 4.83%	Hedge Fund Index 3.4%
S&P 500 -13.04%	S&P 500 -23.37%	10 - Year Treasury 1.32%	Hedge Fund Macro 3.42%	10 - Year Treasury - 1.87%



## Consistent Returns – 77% of Monthly Returns are Positive





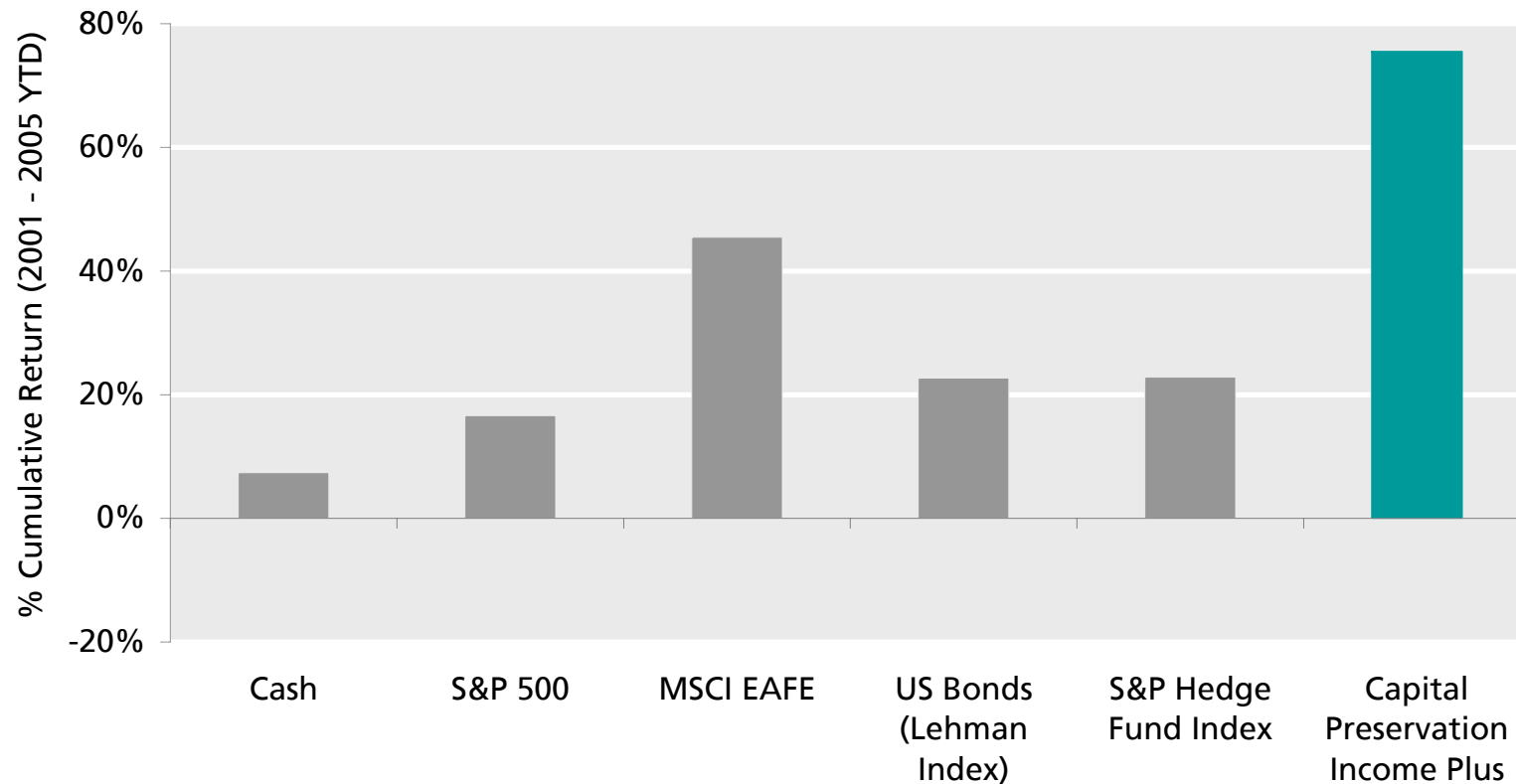
## Monthly Returns – Net of Fees

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2005	0.78%	2.96%	-0.41%	-2.31%	2.58%	2.38%	3.14%	2.18%	4.31%	-2.26%	2.29%	3.83%*	20.99%
2004	1.96%	1.36%	0.74%	-1.05%	-1.32%	2.12%	-0.35%	-0.46%	1.08%	0.53%	2.92%	1.48%	9.28%
2003	0.66%	0.32%	0.63%	0.08%	3.63%	1.98%	-0.47%	2.22%	1.10%	1.99%	-0.23%	2.22%	14.99%
2002	0.97%	0.70%	0.32%	1.93%	1.35%	-0.17%	1.54%	0.85%	0.90%	1.15%	0.71%	0.75%	11.55%
2001							-0.33%	0.95%	0.43%	1.76%	1.48%	0.22%	4.58%

Note: \* Estimate for December 2005

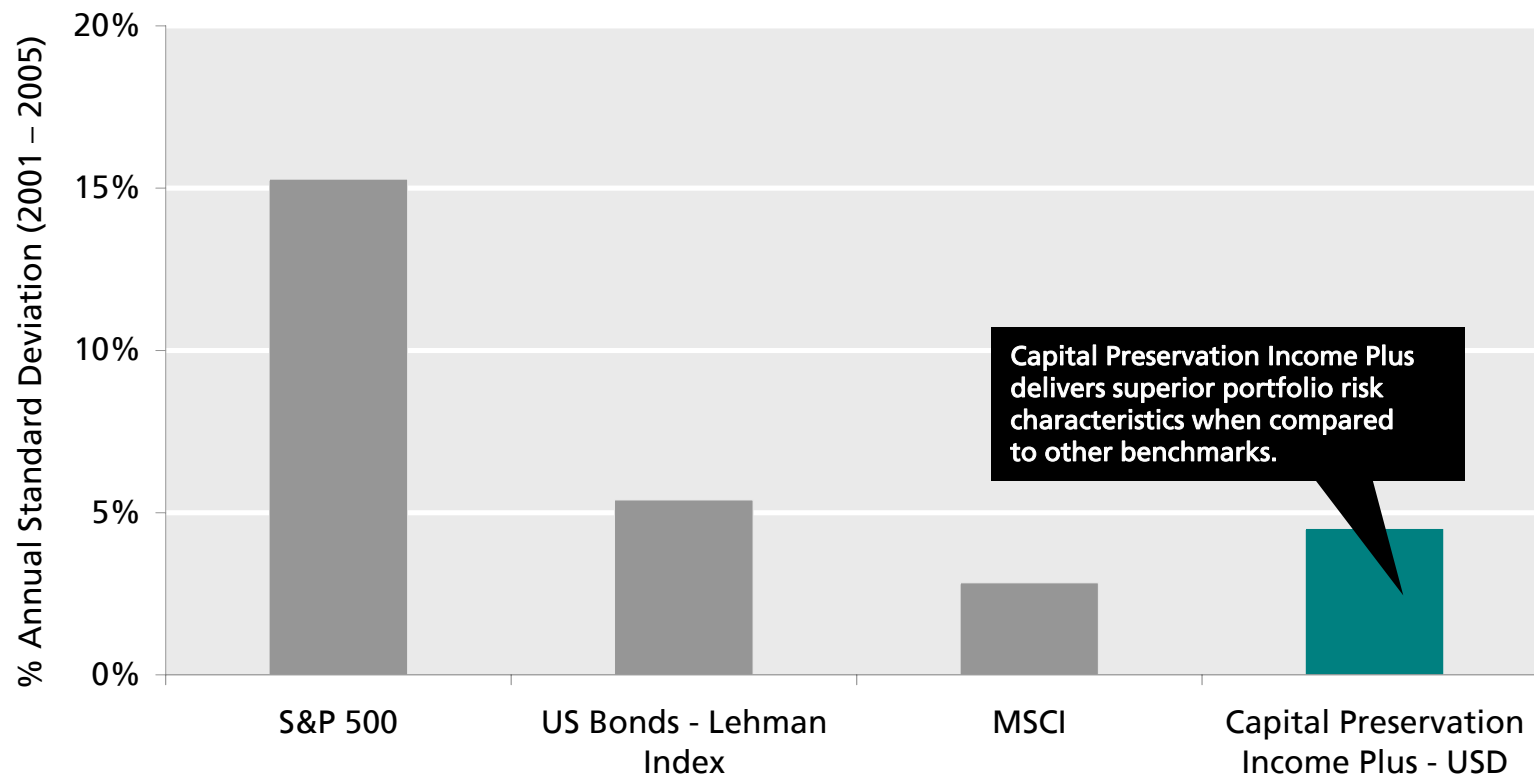


## Capital Preservation Income Plus vs. Other Assets (January 2002 – December 2005)



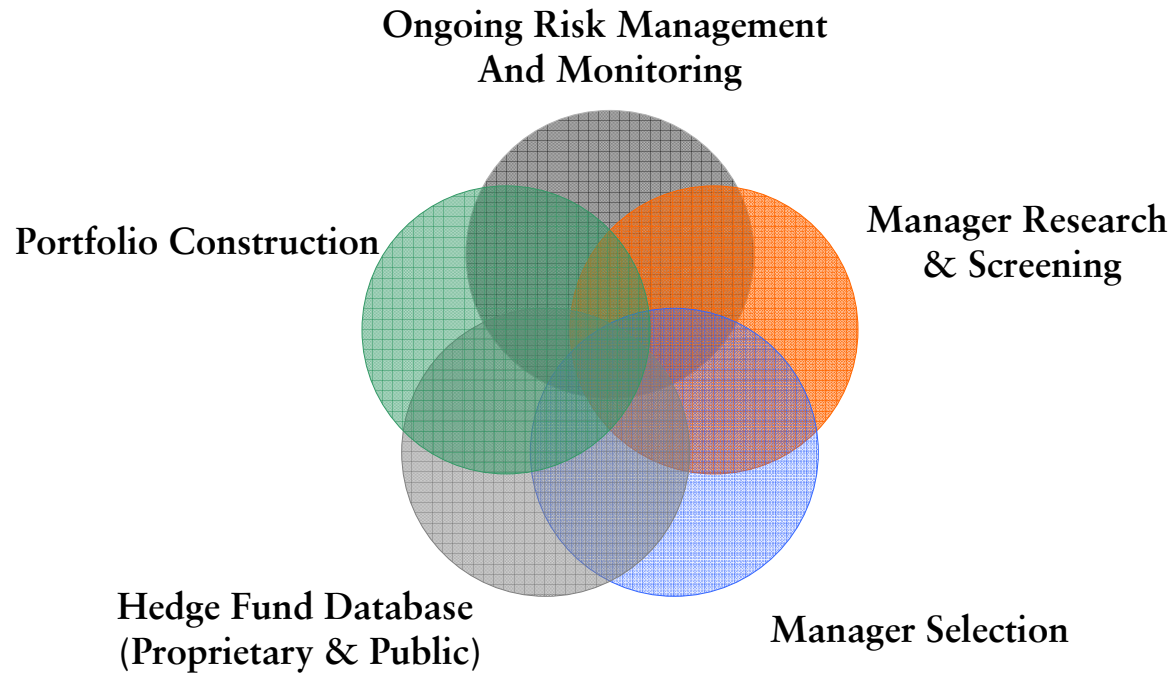


## Volatility Comparison (Lower Risk)





# Investment Process





## Ongoing Manager Selection and Review

Sourcing	<ul style="list-style-type: none"><li>▪ Extensive Contracts / Referrals</li><li>▪ Capital introductions</li></ul>
Screening	<ul style="list-style-type: none"><li>▪ Track record – risk adjustment performance</li><li>▪ Well defined, repeatable return generation process</li><li>▪ Dedicated risk control system in place</li><li>▪ Stable back office and administration operations</li><li>▪ Historical factor exposure</li></ul>
Due Diligence	<ul style="list-style-type: none"><li>▪ Onsite visit</li><li>▪ Proprietary questionnaire</li><li>▪ References / background checks</li><li>▪ Review of legal documents</li><li>▪ Review of back office operations</li></ul>



## Counterparties

<b>Investment Manager</b>	_____	Castlestone Management Inc.
<b>Investment Advisor</b>	_____	Castlestone Management LLC
<b>Administrator</b>	_____	Circle Investments Services B.V.
<b>Custodian</b>	_____	Fortis Bank N.V.
<b>Auditor</b>	_____	Deloitte Touche Tohmatsu
<b>Escrow Bank</b>	_____	Fortis Bank N.V.
<b>US Counsel</b>	_____	Seward & Kissel LLP
<b>BVI Counsel</b>	_____	Maples & Calder



## Disclaimer

This document does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. No registration statement has been filed with the United States Securities and Exchange Commission or any state securities authority with respect to the Capital Preservation Income Plus Inc. Fund. The common stock has not been and will not be registered under the United States Securities Act of 1933 and may not be offered, sold, or otherwise transferred directly or indirectly to any United States citizen or resident or any corporation, partnership, trust or other entity chartered or organized under the laws of any jurisdiction in the United States of America, its territories or possessions absent an exemption from registration.

This document and any related material must be read in conjunction with the confidential explanatory memorandum. This document has been prepared as a guide to some of the relevant information concerning an investment in Capital Preservation Income Plus Inc. The confidential explanatory memorandum alone contains full details on Capital Preservation Income Plus Inc. Any investment in the Fund should be made solely on the basis of that document.