

# FRONTIER DIVERSIFIED SERIES - 1

A BROADLY DIVERSIFIED MANAGED FUTURES FUND  
DISTINGUISHED BY ITS EXPOSURE TO DIFFERENT TRADING ADVISORS,  
SECTORS, STRATEGIES, AND TIME FRAMES

## THE FRONTIER FUND

SPONSORED BY EQUINOX FUND MANAGEMENT, LLC

[thefrontierfund.com](http://thefrontierfund.com)

### THE FRONTIER FUND'S GOAL:

To provide attractive returns and reduce volatility in order to improve  
the overall performance of an investment portfolio.

**EQUINOX**  
Fund Management, LLC

*Securities offered through Bornhoft Group Securities Corporation, Member FINRA.  
1775 Sherman Street, Suite 2500, Denver, CO 80203  
1-866-276-6010*

THIS INSERT MUST BE ACCOMPANIED OR PRECEDED BY THE CURRENT PROSPECTUS OF THE FRONTIER FUND.  
AN INVESTMENT IN THE FRONTIER FUND IS SPECULATIVE, AND INVOLVES A HIGH DEGREE OF RISK, AND IS NOT SUITABLE FOR ALL INVESTORS.  
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

**INVESTMENT OBJECTIVES  
& STRATEGIES**  
**FRONTIER DIVERSIFIED  
SERIES:**

- A broadly diversified managed futures fund distinguished by its exposure to different trading advisors, sectors, strategies, and time frames.\*
- Anticipates that allocations to the portfolio will range from 10% to 15% to each of 7 premier trading advisors/reference program. Allocations are also made to a select group of non-major trading advisors.
- Employs multiple trading strategies:
  - Systematic (technical) and discretionary (fundamental).
  - Short-term, intermediate-term and long-term trading horizons.
  - Trend-following and countertrend.

\* No level of diversification can guarantee profits or avoid losses.

**PAST PERFORMANCE**

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. (June 9, 2009 – October 31, 2011)

YEAR	2011 YTD	2010	2009
<b>RATE OF RETURN</b>	-5.66%	7.00%	-3.20%

	Program	Annualized Rate of Return <sup>1</sup>	Worst Historical Loss <sup>+</sup>	Annualized Standard Deviation <sup>+</sup>
<b>Frontier Diversified Series-1:</b> (June 9, 2009 – October 31, 2011)	N/A	-0.95%	-9.82%	8.54%
<b>Benchmark Comparisons</b> (January 1, 2006 – October 31, 2011)		<b>Annualized Rate of Return</b>	<b>Worst Historical Loss<sup>+</sup></b>	<b>Annualized Standard Deviation<sup>+</sup></b>
Managed Futures*		3.52%	-8.35%	7.96%
U.S. Stocks*		2.19%	-50.95%	17.66%
U.S. Bonds <sup>^</sup>		6.14%	-3.82%	3.49%
Hedge Funds <sup>^</sup>		1.55%	-28.41%	8.21%
Commodities*		-4.98%	-67.65%	26.90%
<b>Frontier Diversified Series-1 Trading Advisors and Other Program:</b> (January 1, 2006 – October 31, 2011)	<b>Program</b>	<b>Pro Forma Annualized Rate of Return<sup>2</sup></b>	<b>Worst Historical Loss<sup>+</sup></b>	<b>Annualized Standard Deviation<sup>+</sup></b>
<b>Major Commodity Trading Advisors</b>				
Cantab Capital Partners LLP <sup>3</sup>	Aristarchus	10.99%	-18.11%	14.41%
Graham Capital Management, L.P.	K4D-15	5.26%	-19.96%	14.74%
Quantitative Investment Management	Global	7.45%	-17.85%	10.01%
QuantMetrics Capital Management	QM Futures	6.14%	-12.24%	6.56%
Tiverton Trading, Inc. <sup>4</sup>	Discretionary Trading	11.41%	-7.08%	8.43%
Transtrend B.V.	Diversified Trend Program – Enhanced Risk/USD	6.89%	-19.56%	12.67%
Winton Capital Management Ltd.	Diversified	7.91%	-10.49%	10.55%
<b>Non-Major Commodity Trading Advisors and Other Non-Major Reference Programs<sup>5</sup></b>	N/A	12.69%	-6.41%	8.68%

<sup>1</sup> The annualized rate of return is calculated using the actual trading results for the Frontier Diversified Series-1 units from June 9, 2009 (when the Frontier Diversified Series began trading) through October 31, 2011.

<sup>2</sup> The actual trading composite results of the Frontier Diversified Series major commodity trading advisors net of fees, pro forma for expenses of the Trust applicable to the Frontier Diversified Series-1 units as set forth in the Break-Even Analysis table on the last page of this insert. The pro forma annualized rate of return of the Frontier Diversified Series-2 units will be commensurately higher than that of the Frontier Diversified Series-1 units to the extent that the Frontier Diversified Series-2 expenses are lower than the Frontier Diversified Series-1 expenses as set forth in the Break-Even Analysis table.

<sup>3</sup> Cantab's track record begins in March 2007.

<sup>4</sup> Tiverton's track record begins in April 2006.

<sup>5</sup> The actual performance of the Frontier Diversified Series non-major commodity trading advisors and other non-major reference programs (swaps) adjusted for Frontier Diversified Series-1 fees and expenses. The composite was calculated using the relative weights of the advisors as they existed on October 31, 2011. Not all of the Frontier Diversified Series non-major commodity trading advisors have track records that go back the full five calendar years; therefore, within the calculation of the pro forma results, such non-major commodity trading advisors' program allocations were prorated to the other non-major commodity trading advisors during the months preceding the commencement of their track records.

- ♦ **Worst Historical Loss:** Measure of risk (also known as Maximum Drawdown) that illustrates the largest peak-to-valley decline, based on monthly rates of return, during a given time period. The time period of analysis from January 2006 through October 2011, unless otherwise noted.
- ♦ **Annualized Standard Deviation:** Measures the degree of variation of monthly returns around the mean (average) return. The higher the volatility of the investment returns, the higher the standard deviation will be.
- ♦ **Managed Futures:** CASAM CISDM CTA Asset Weighted Index through October 2010, Barclay BTOP50 Index<sup>®</sup> thereafter, in each case, minus 4.5% (annually), reflecting typical commission-based public managed futures fund fee structures that are not deducted in the CTA index. The CASAM CISDM CTA Asset Weighted Index reflects the dollar-weighted performance of Commodity Trading Advisors (CTAs) reporting to the CASAM CISDM Database. The index goes back historically to January 1980 and was discontinued in October 2010. Source: casamhedge.com. The Barclay BTOP50 Index<sup>®</sup> seeks to replicate the overall composition of the managed futures industry with regard to trading style and overall market exposure. The largest investable trading advisor programs, as measured by assets under management, are selected for inclusion in the BTOP50. In each calendar year the selected trading advisors represent, in aggregate, no less than 50% of the investable assets of the Barclay CTA Universe. Source: barclayhedge.com. Data Source: PerTrac Financial Solutions. It is not possible to invest directly in an index.
- ♦ **U.S. Stocks:** The S&P 500<sup>®</sup> Total Return Index includes 500 leading U.S. companies in leading industries. Total return provides investors with a price-plus-gross cash dividend return. Source: standardandpoors.com. Data Source: PerTrac Financial Solutions. It is not possible to invest directly in an index.
- ♦ **U.S. Bonds:** The Barclays Capital U.S. Aggregate Bond Index<sup>®</sup> covers the USD-denominated, investment grade, fixed-rate, taxable bond market of SEC-registered securities. Source: barclayhedge.com. Data Source: PerTrac Financial Solutions. It is not possible to invest directly in an index.
- ♦ **Hedge Funds:** Dow Jones Credit Suisse AllHedge Index<sup>SM</sup>, formerly known as Credit Suisse/Tremont Allhedge Index, is an investable, asset-weighted hedge fund index consisting only of funds with a minimum of US\$50 AUM, a 12-month track record, and audited financial statements. Source: hedgeindex.com. Data Source: PerTrac Financial Solutions. It is not possible to invest directly in an index.
- ♦ **Commodities:** S&P GSCI<sup>®</sup> Total Return Index is widely recognized as a leading measure of general price movements and inflation in the world economy. It provides investors with a reliable and publicly available benchmark for investment performance in the commodity markets, and is designed to be a "tradable" index. The index is calculated primarily on a world production-weighted basis and is comprised of the principal physical commodities that are the subject of active, liquid futures markets. Source: standardandpoors.com. Data Source: PerTrac Financial Solutions.

Additional information concerning this Series and the Trading Advisors for this Series is contained in the Frontier Diversified Series Appendix in the Supplement to the Prospectus.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. INDIVIDUAL INVESTOR EXPERIENCE WILL VARY.

## CORRELATION COEFFICIENT<sup>6</sup>

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(January 2006 – October 2011)

Frontier Diversified Series Major Trading Advisors							
	Cantab <sup>3</sup>	Graham	QIM	QuantMetrics	Tiverton <sup>4</sup>	Transtrend	Winton
Cantab <sup>3</sup>	1.00						
Graham	0.53	1.00					
QIM	0.05	-0.01	1.00				
QuantMetrics	0.15	0.03	-0.04	1.00			
Tiverton <sup>4</sup>	0.47	0.44	0.14	0.21	1.00		
Transtrend	0.56	0.75	0.09	0.04	0.32	1.00	
Winton	0.62	0.70	-0.06	0.13	0.43	0.67	1.00

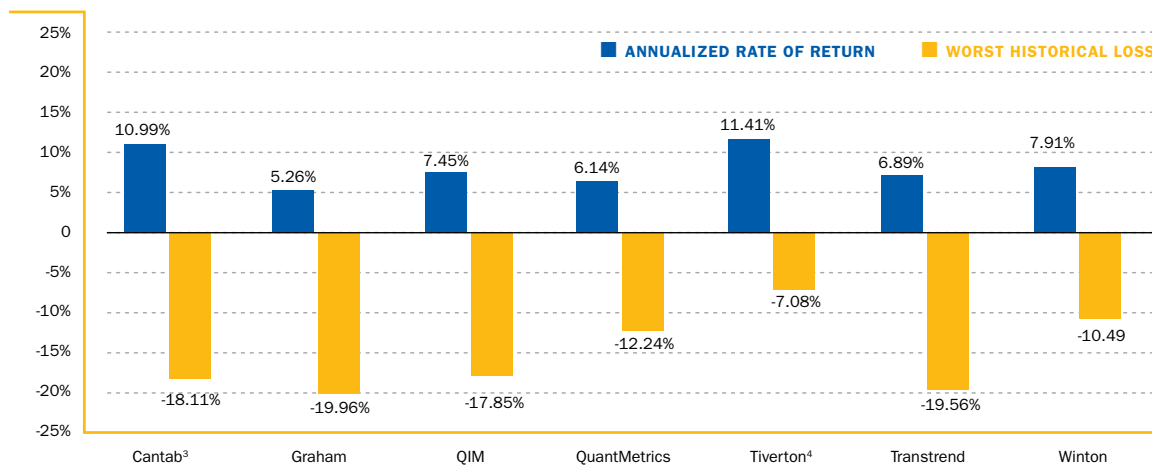
<sup>6</sup> The correlation table displayed to the left was prepared using the pro forma performance of each trading advisor for the Frontier Diversified Series that is currently designated as a "major commodity trading advisor" taking into account the fees associated with an investment in Frontier Diversified Series-1 units as set forth in the Break-Even Analysis table on the last page of this insert.

**Correlation Coefficient:** The correlation coefficient,  $r$ , indicates both the strength and direction of the relationship between the independent and dependent variables. Values of  $r$  range from -1.0, a strong negative relationship, to +1.0, a strong positive relationship. When  $r = 0$ , there is no relationship between variables  $x$  and  $y$ . The time period of analysis is January 2006 – October 2011, unless otherwise noted.

## FRONTIER DIVERSIFIED SERIES-1 TRADING ADVISOR PRO FORMA ANNUALIZED RATE OF RETURN AND WORST HISTORICAL LOSS<sup>7</sup>

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

(January 2006 – October 2011)



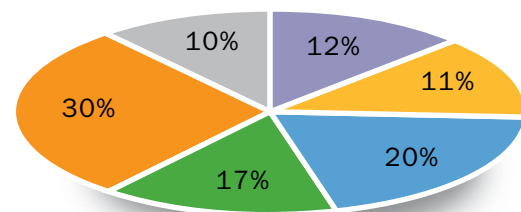
<sup>7</sup> The chart displayed to the left was prepared using the pro forma annualized performance of each trading advisor for the Frontier Diversified Series that is currently designated as a "major commodity trading advisor," in each case adjusted for the fees and expenses associated with an investment in Frontier Diversified Series-1 units as set forth in the Break-Even Analysis table on the last page of this insert. There can be no assurance that the fund will be profitable or will not incur losses. The performance presented reflects the performance of individual CTAs, not the Fund. Please see the Supplement to the Prospectus for further details.

## FRONTIER DIVERSIFIED SERIES: MARKET SECTOR DIVERSIFICATION

as of October 2011

The Frontier Diversified Series has exposure to six market sectors, providing a diverse opportunity for profit (or loss).

- ENERGY ■
- AGRICULTURALS ■
- INTEREST RATES ■
- CURRENCIES ■
- STOCK INDICES ■
- METALS ■



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# THE FRONTIER ADVANTAGE

- **Daily liquidity**
- **Low minimums**
- **Diversification within the managed futures asset class**
- **Low correlation historically to equities and bonds**
- **The Frontier Diversified Series began trading on June 9, 2009. The Frontier Fund (the Trust) began trading on September 24, 2004.**

Please consult your financial advisor to discuss whether this investment is suitable for your overall financial objectives. Read the Prospectus carefully for a detailed description of the Fund and inherent risk factors. All investors must submit a fully executed subscription agreement.

For further information, contact:

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## PROJECTED 12-MONTH BREAK-EVEN ANALYSIS

FRONTIER DIVERSIFIED SERIES-1	\$ AMOUNT	% AMOUNT
Initial selling price	\$ 1,000	100%
Syndication and selling expenses	0	0%
Trust operating expenses	0	0%
Management fee	7.50	0.75%
Service fee	20.00	2.00%
Brokerage commissions and investment and trading fees and expenses	34.50	3.45%
Incentive fee <sup>†</sup>	6.80	0.68%
Less Interest income	(17.00)	(1.70%)
Due diligence and custodial fees and expenses	1.20	0.12%
Redemption Fee	0.00	0.00%
<b>Trading Profit the Series Must Earn for You to Recoup Your Investment After One Year</b>	<b>\$ 53.10</b>	<b>5.31%</b>

<sup>†</sup> The Frontier Diversified Series will pay the Managing Owner an incentive fee of 25% of "New High Net Trading Profits" generated by each Trading Advisor.

## PRINCIPAL RISK FACTORS

Set forth below is a summary of the principal risk factors associated with an investment in The Frontier Fund. The Units of this Series are highly speculative and rely on the ability of The Bornhoft Group to allocate assets to multiple trading advisors for success. Their purchase involves a high degree of risk due to substantial price volatility in domestic and foreign markets for financial instruments, currencies, energy, metals, and commodities and the uncertainty as to the ability of the multiple trading advisors to profit in those markets. You should consider all risk factors before investing in any Series of The Frontier Fund. Please refer to the "Risk Factors" section of the Prospectus.

- Futures, forward, and options trading are volatile and are highly leveraged; select markets and instruments may be subject to liquidity restrictions from time to time.
- Past performance is not necessarily indicative of future results.
- You could lose a substantial portion, or even all, of your investment.
- If you redeem all or a portion of your Units in Class 1 or 1a of any Series on or before the end of twelve (12) full months following the effective date of the purchase of the Units being redeemed, you will be charged a pro-rated redemption fee of up to 2.0% of the Net Asset Value at which your Units are redeemed.
- Your annual tax liability is anticipated to exceed cash distributions to you.
- Transfers are restricted; no formal market exists, or is expected to exist, for the Units of the Series.
- The Frontier Fund is not a mutual fund and is not subject to regulation under the *Investment Company Act* of 1940, as amended.
- The Series also face the risk of non-performance by the counterparties to the OTC contracts.

## FUND SUMMARY

**MINIMUM SUBSCRIPTION** \$1,000 (except for IRA Investors and other Benefit Plan Investors, who have no minimum) in most states.

**ELIGIBLE SUBSCRIBERS** At a minimum, you must have either (1) a net worth (exclusive of your home, home furnishings, and automobiles) of at least \$250,000 or (2) a net worth, similarly calculated, of at least \$70,000 and an annual gross income of at least \$70,000. A significant number of states impose substantially higher suitability standards on their residents than these minimums. See the Prospectus for additional information.

**FORM OF ORGANIZATION** Delaware Trust; Wilmington Trust Company, Trustee

**MANAGING OWNER AND FUND SPONSOR** Equinox Fund Management, LLC

**FUND ADMINISTRATOR** The Bornhoft Group Corporation