Model Capital Management LLC

60 State Street, Suite 700 • Boston, Massachusetts 02109 • team@modelcapital.com • 617-854-7417 • modelcapital.com

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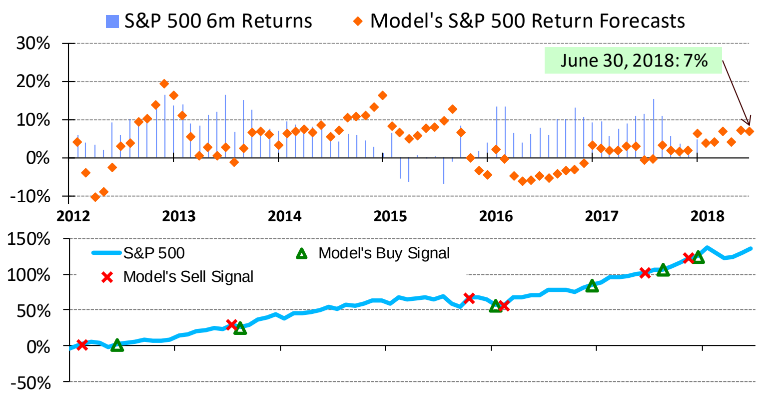
FIRM'S INVESTMENT PHILOSOPHY

Model Capital Management LLC (MCM, we) applies a fundamental, forward-looking approach to asset management. Tactical management is a strategy that invests in asset classes with the best return-risk outlook. As opposed to buy-and-hold, this strategy alters portfolio allocations based on expected returns and risks – attempting to avoid significant market downturns, but to participate in the upside. However, it is as challenging as all of active management, and simplistic methods can hardly work. We think that tactical management can be successful if we incorporate fundamental factors that drive markets as part of a forward-looking (forecasting) approach.



"Model Return Forecast" for 6-month S&P 500 return is MCM's measure of attractiveness of the market, but is not promissory, and does not constitute an investment recommendation. The forecast shown may not be up to date, and may change at any time. Source for the S&P 500 actual returns: S&P Dow Jones.

To decide whether to allocate to risky assets, we utilize our statistical model to forecast 6-month equity index returns. We developed the model since 2003 and applied it to asset management since 2012. It includes over 20 fundamental factors such as valuation and economic variables. It dynamically adjusts to the market environment by detecting the factors that tend to "work" at any point in time. Given the forecast, we then invest the strategies either in risky assets, or in fixed income/cash markets. We offer U.S. tactical strategies ranging in risk profiles from Income, to Stocks-Bonds (average balanced), to 2xGrowth Limit-Loss (growth, up to 2x leverage).

All our strategy portfolios are long-only. Forecasts typically generate 2-6 re-allocation trades per year, and the strategies have low trading volume. We use only broad index ETFs as an efficient way to implement the portfolios, which are well diversified across securities and sectors, are highly liquid and have low expenses. Each strategy intends to deliver added return vs. its respective benchmark, with comparable volatility, and with lower maximum drawdown than benchmark.

STRATEGY PROFILE: 2xGrowth Limit-Loss

Benchmark: S&P 500 Risk Controlled 10% Index

The objective of the Tactical 2xGrowth Limit-Loss strategy is to provide US market exposure and participation in rising markets while heavily emphasizing risk management in down markets through the combination of multiple asset classes including equity, fixed income, commodities, and cash equivalents. The strategy allocates to U.S. equities (risk-on allocation) and/or to fixed-income or cash equivalents (risk-off), primarily based on the 6-month return forecast for the S&P 500 index produced by our fundamentals-based model which analyzes over 20 fundamental factors including valuation and economic factors. If the model's market return forecast is above 5%, 200% equity exposure (2x leverage) is implemented. In addition, short-term equity risk is managed by utilizing our short-term risk model – equity allocation is reduced if the risk model gives a sell signal.

When equity return forecast is...	We typically allocate to:
Forecast <0%	100% fixed income
Forecast 0% - 2%	60% equities, 40% F.I.
Forecast >2%	100% equities
Forecast >5%	200% equities

Profile	2xStocks-Bonds
Style	Tactical Asset Allocation
Risk Profile	Aggressive Growth
Equity % Min/Max/Avg	0%/ 200%/ 104%
Strategy Inception Date	3/1/2013
Back-testing Start Date	12/31/2001
Benchmark	S&P 500

In risk-off mode, fixed-income and/or commodity allocations are determined by quantitative models for each risk factor: Duration, Credit, High-Yield, commodities, and TIPS. Each model produces a buy/sell signal based on several factors, which are then aggregated to produce portfolio allocations.

PERFORMANCE AND RISK (Mar 1, 2013 – Oct 31, 2018)

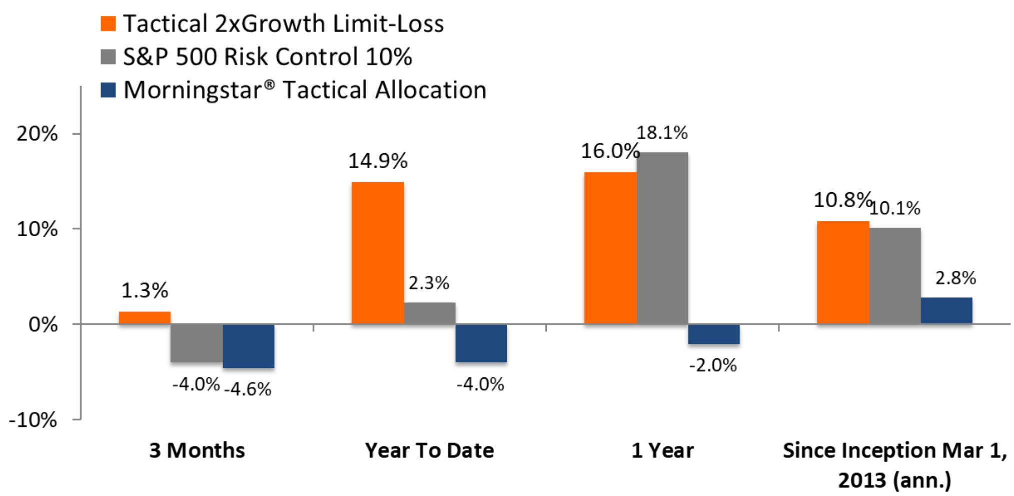
Performance	2xStocks-Bonds	S&P 500 Risk Control 10%	Relative	Risk (3y)	2xStocks-Bonds	S&P 500 Risk Control 10%	Relative
2018 YTD	14.9%	2.3%	12.7%	Standard Deviation	10.7%	9.8%	1.0%
2017	15.7%	29.1%	-13.3%	Beta (vs. S&P 500)	0.78	0.97	-0.19
2016	-1.2%	6.6%	-7.8%				
2015	-13.8%	-3.6%	-10.2%				
2014	14.7%	7.4%	7.3%	Sharpe Ratio	0.95	0.89	0.06
Mar-Dec 2013	37.7%	15.1%	22.6%	Sortino Ratio	1.82	1.62	0.20
Since Inception (ann)	10.8%	10.1%	0.7%	Information Ratio	0.09		0.09

Investment Objective: The objective of the Tactical 2xGrowth Limit-Loss strategy is to provide US market exposure and participation in rising markets while heavily emphasizing risk management in down markets through the combination of multiple asset classes including equity, fixed income, commodities, and cash equivalents. MCM commenced investment management to its Tactical 2xGrowth Limit-Loss strategy on Mar 1, 2013 (the strategy Inception Date). MCM commenced composites of client accounts managed to the strategy on Jan 1, 2014 (Composite Inception Date). Actual account performance may vary due to timing of trades, security pricing, and trading expenses by each particular advisor.

Composite returns reflect the performance of all fee-paying accounts managed to the 2xGrowth Limit-Loss strategy since inception of the composite on Jan 1, 2014. All performance figures presented are net of trading costs and MCM's investment management fee of 0.50%. All realized and unrealized gains and losses, dividends and interest from investments, and cash balances are included in return calculation. **Past performance is not a guarantee of future returns.**

Benchmark: The benchmark for the 2xGrowth Limit-Loss strategy is the total return of **the S&P 500 Risk Controlled 10% Index**. The index is maintained by the S&P Dow Jones, is not directly investable, and does not account for fees or trading costs.

PERFORMANCE Mar 1, 2013 – Oct 31, 2018



REPRESENTATIVE ETFs CONSIDERED FOR THE STRATEGY

Type	Ticker	Security Name	AUM, $mil	Expense Ratio
Equity	IVV	iShares Core S&P 500	$119,860	0.04%
Equity	QQQ	PowerShares QQQ ETF	$50,670	0.20%
Equity	SSO	ProShares® Ultra S&P 500 ETF	$1,890	0.89%
Equity	QLD	ProShares Ultra QQQ	$1,260	0.95%
Fixed Income	LQD	iShares iBoxx $ Investment Grade Corp. Bonc	$36,070	0.15%
Fixed Income	IEF	iShares 7-10 Year Treasury Bond ETF	$7,560	0.15%
Fixed Income	VCSH	Vanguard Short-Term Corporate Bond	$19,190	0.07%
Fixed Income	HYG	iShares iBoxx $ High Yield Corporate Bd	$18,540	0.50%
Fixed Income	BKLN	PowerShares Senior Loan Portfolio	$9,220	0.65%
Fixed Income	FLOT	iShares Floating Rate Bond ETF	$5,770	0.20%
Fixed Income	TIP	iShares TIPS Bond ETF	$23,190	0.20%

Source for AUM and expenses: Morningstar

Fund Expenses: MCM implements the desired portfolio exposures primarily with **low-cost index ETFs**. We select ETFs that meet our criteria of large AUM size, high liquidity, and low fees. We are not limited to any particular ETF sponsor. Most ETFs currently approved have expense ratios at, or below, 0.2%. Our choice of ETFs may change infrequently.

APPENDIX 1
GIPS® - COMPLIANT PERFORMANCE PRESENTATION

Tctical 2xGrowth Composite

February 1, 2014 through October 31, 2018

Year	Composite Gross Return (%)	Composite Net Return (%)	Benchmark Return (%)	Composite 3yr St. Dev. (%)	Benchmark 3yr St. Dev. (%)	Number of Portfolios	Internal Dispersion (%)	Composite Assets ($ M)	Firm Assets ($ M)
2018 YTD	15.47%	14.91%	2.25%	10.69%	9.74%	<6	N/A	4.2	195.1
2017	16.30%	15.73%	29.06%	8.19%	8.47%	<6	N/A	4.5	195.1
2016	-0.70%	-1.20%	6.56%	N/A	N/A	<6	N/A	3.5	29.8
2015	-13.02%	-13.80%	-3.64%	N/A	N/A	<6	N/A	10.2	31.5
Feb-Dec 2014	25.20%	24.35%	17.61%	N/A	N/A	<6	N/A	12.3	49.9

Model Capital Management LLC ("MCM") claims compliance with the Global Investment Performance Standards (GIPS®), and has prepared and presented this report in compliance with the GIPS® standards. MCM has been independently verified to comply with GIPS® standards for the periods from January 1, 2014 to December 31, 2017. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Notes:

1. Model Capital Management LLC is an independent Boston based investment advisor focused on active asset allocation management.

2. The 2xGrowth Limit-Loss Composite was created on Jan 1, 2014, and includes all accounts managed to MCM's Stocks-Bonds strategy on a unified managed account (UMA) platform. Each UMA platform is considered as one portfolio for GIPS® purposes. All accounts allocated to the strategy from the beginning to the end of a month are included in the composite for that month. Monthly composite returns represent total returns. Geometric linking of monthly returns is used to calculate longer-term returns.

3. The 2xGrowth Limit-Loss Composite's objective is to provide US market exposure and participation in rising markets while heavily emphasizing risk in down markets through the combination of multiple asset classes including equity, fixed income, and cash equivalents. The strategy allocates the portfolio to equities (risk-on allocation) or to fixed-income or cash equivalents (risk-off), primarily based on the PAR Model's™ 6-month return forecast for equities, while also taking into account sort-term risk and other factors. When in risk-on mode (in equities), the manager allocates to broad large-cap equity ETFs, and may implement up to 200% equity exposure (2x leverage) if the PAR Model's™ return forecast is above 5%. The benchmark for the composite is the total return of the S&P 500 Risk Controlled 10% Index. Index returns do not incur any fees or expenses.

4. Gross-of-fees returns are presented in the exhibit on this page only, and are before management fees but after all trading expenses. Net-of-fees returns are calculated by deducting the MCM's highest advertised management fee of 0.50% from the monthly gross composite returns.

5. Internal dispersion is calculated using the equal-weighted standard deviation of monthly net returns of those portfolios that were included in the composite for the entire year. The internal dispersion is not presented as the composite did not have six or more accounts for the entire period of composite returns.

6. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding three-year period. The standard deviation is not presented as the composite does not have 3 years of returns.

7. Valuations are computed and performance is presented in US Dollars. A listing of composite descriptions and policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.

Additional Disclosures

DEFINITIONS

Relative Return: The portfolio's return relative to its benchmark. It is calculated as the difference between the portfolio's annualized return and its benchmark annualized return for the same period. Active return can be used to measure the value added or subtracted by a fund manager relative to passive index benchmark.

Standard Deviation: measures the volatility, or the degree of variation of returns around the average return. The higher the volatility of investment returns, the higher the standard deviation will be. For this reason, standard deviation is often used as a measure of investment risk. A more volatile stock or investment would have a higher standard deviation.

Maximum Drawdown: A measure of risk that captures the largest percentage drop of an investment from any peak to trough, in a given historical period. It is generally calculated using month-end data. It shows in percentage terms the largest loss during that particular historical period. For example, if you began with a $100,000 investment and your maximum drawdown was 30%, your maximum loss from peak to trough during that period would have been $30,000.

Sharpe Ratio: A return-to-risk ratio developed by William Sharpe that measures the return generated per unit of risk. The return (numerator) is defined as the incremental average return over the risk-free rate (such as 3-month Libor). Risk (denominator) is defined as the standard deviation of these incremental
returns over the risk-free rate. A higher Sharpe Ratio would indicate an investment manager, method, or strategy achieving higher returns (relative to risk-free rate) per unit of risk.

Information Ratio: An active return-to-risk ratio that measures the active return (over benchmark) generated per unit of active risk. The active return (numerator) is defined as difference between the portfolio's annualized return and its benchmark annualized return for the same period. The active risk (denominator) is defined as the standard deviation of these active returns over the benchmark. A higher Information Ratio would indicate an investment manager, method, or strategy achieving higher active returns per unit of active risk. In active investment management analysis, Information Ratio is often considered to be a measure of skill of a manager or method.

PERFORMANCE CALCULATION

MCM commenced investment management to its tactical strategies on Mar 1, 2013 (the strategies' Inception Date). The 2xGrowth Limit-Loss composite was created on February 1, 2014. Composite returns reflect the performance of all fee-paying accounts managed to the 2xGrowth Limit-Loss strategy since inception of the composite on Jan 1, 2014. Actual account performance may vary due to timing of trades, security pricing, and trading expenses by a particular advisor, among other factors.

Unless noted otherwise, all performance figures presented are net of trading costs and of MCM's investment management fee of 0.50%. Past performance is not a guarantee of future returns.

MCM claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared this report in compliance with GIPS® standards. MCM's performance has been independently verified for compliance with GIPS® standards. The verification reports are available upon request.

Investment results are time-weighted performance calculations representing total return. Monthly geometric linking of performance results is used to calculate annual returns. All realized and unrealized capital gains and losses as well as all dividends and interest from investments and cash balances are included in return calculation.

The investment results shown are not representative of an individually managed account's rate of return, and differences can occur due to factors such as timing of initial investment, client restrictions, cash movement, etc. securities used to implement the strategies can differ based on account size, custodian, and client guidelines.

RISKS

The value of investments and the income derived from them can go down as well as up. Future returns are not guaranteed and a loss of principal may occur.

The investment strategy described herein does not ensure a profit and does not protect against losses in declining markets. Model Capital Management's risk-management process includes an effort to monitor and manage risk, but should not be confused with (and does not imply) low risk.

The 10-year time period shown in Risk/Return Metrics is short, and does not include all potential market scenarios that can occur, and their impact on the portfolio. Maximum drawdown is calculated as the worst cumulative peak-to-trough decline from any month-end data point to any other month-end data point. The potential drawdowns of the 2xGrowth Limit-Loss investment strategy could exceed that shown in Risk/Return Metrics. Maximum drawdown for the benchmark was incurred from Nov 1, 2007 through Feb 28, 2009.

There are risks associated with any investment approach. Investors should carefully consider risks before Investing in this strategy. Only some of the risks are described as follows:

1. **Equities**: Our tactical strategies may, from time to time, allocate 100% of client portfolios to a broad equity market index or a combination of equity market indices. Investing in equity markets involves significant risks: (a) Common stock holders of a company may lose 100% of their investment in case of bankruptcy of the company. (b) Broad equity market indices (such as the S&P 500) are volatile – the index level, or price, fluctuates significantly over time. Investors may incur a loss if the time of redemption of their investment coincides with a downturn in general equity market.

2. **Leverage**: The 2xStocks-Bodns strategy may, from time to time, use up to 2x leveraged exposure (exposure equal to 200% of the market value invested) to a broad equity market index or a combination of equity market indices. Utilizing leveraged exposures to equity markets

significantly increases equity market risks described in paragraph (1) above, including volatility and the risk of loss. Such leveraged positions may cause an investor to lose the entire value of their portfolio or more, and are not typically suitable for long-term buy-and-hold strategies.

3. **Exchange-Traded Funds** (“ETFs”): ETFs are securities the price of which is based on the underlying portfolio or index. ETF’s total assets (size), liquidity, expenses, and premium/discount to their net asset value (NAV) are subject to change due to the ETF sponsor or manager actions, market conditions, or other reasons beyond our control. One or more of the following risks may cause an ETF investment to deviate from the underlying index and to erode the value of a portfolio investment: high expenses, low liquidity, the price being materially different from NAV.

BENCHMARK

The benchmark for the 2xGrowth Limit-Loss strategy is total return of the S&P 500 Risk Controlled 10% Index. The index is maintained by the S&P Dow Jones, is not directly investable, and does not account for fees or trading costs.

The index is chosen as benchmark based on similar risk, over time, between the benchmark and the portfolio’s strategy. The benchmark has not been selected to represent that an investor’s performance would follow it closely, but rather is disclosed to allow for comparison of the investor’s performance to that of a commercially available index by a reputable provider.

Reference to a benchmark does not imply that the 2xGrowth Limit-Loss strategy will achieve returns, experience volatility, or have other results similar to the index. The composition of a benchmark does not reflect the manner in which the 2xGrowth Limit-Loss investment portfolio is constructed in relation to expected or achieved returns, investment holdings, asset allocation guidelines, restrictions, sectors, correlations, concentrations, volatility, or tracking error targets, all of which are subject to change over time.

ABOUT THE MANAGER

Model Capital Management LLC (“MCM”) is an independent SEC-registered investment advisor, and is based in Boston. Utilizing its fundamental, forward-looking approach to asset allocation, MCM provides asset management services that help other advisors implement its dynamic investment strategies designed to reduce significant downside risk. MCM is available to advisors on AssetMark, Envestnet, and other SMA/UMA platforms, but is not affiliated with those firms.

ABOUT THE INVESTMENT

Tactical – 2xGrowth Limit-Loss strategy may be offered to investors as a separately-managed account (SMA) or as an investment portfolio on a custodian platform. Typically, it is managed by the applicable Investment Advisor or Financial Advisor who holds custody of client assets, and sub-advised by Model Capital Management LLC. Terms and restrictions may apply, such as a minimum investment amount.