

**NEUTRAL ALLOCATION PORTFOLIO  
WEALTH PRESERVATION**
**OBJECTIVE**

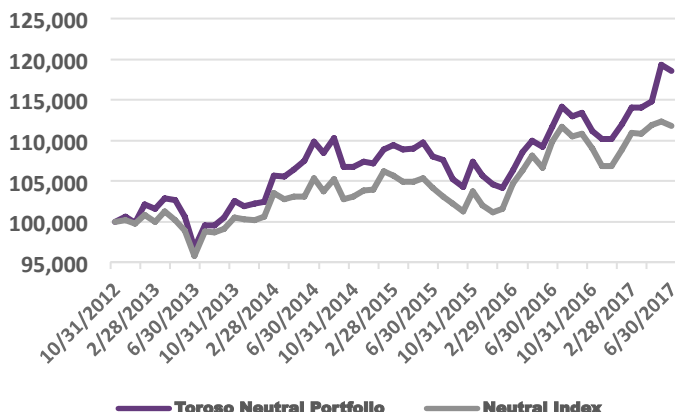
To provide returns that outpace inflation with one third the volatility of US Equities.

**DESIGNED FOR INVESTORS SEEKING**

- A highly diversified core portfolio
- A long term strategy with low volatility
- Protection of their purchasing power
- A liquid, transparent alternative allocation

**ETF FOCUSED DIVERSIFICATION**

The strategy is built with ETFs, and provides a diversified allocation among four asset classes that are equally weighted and seeks to produce risk adjusted returns appropriate for most conservative investors.

**GROWTH OF \$100,000**

**NEUTRAL**
**GOAL = EXCEED INFLATION  
RISK = 5.54**


RETURNS & DATA AS OF 6/30/2017	TRAILING ANNUALIZED RETURNS					CALENDAR YEAR RETURNS				
	1 MONTH	YTD	1 YEAR	3 YEARS	INCEPTION TO DATE	2016	2015	2014	2013	
<b>NEUTRAL ALLOCATION PORTFOLIO</b>	<b>GROSS</b>	-0.66%	7.61%	6.11%	2.56%	3.71%	5.30%	-2.46%	4.89%	2.37%
	<b>NET</b>	-0.66%	7.06%	5.06%	1.62%	2.86%	4.28%	-3.31%	4.06%	1.69%
<b>BENCHMARK – NEUTRAL INDEX</b>	-0.40%	4.66%	1.79%	2.01%	2.42%	5.61%	-2.72%	3.82%	0.46%	
<b>COMPARISON – S&amp;P 500 INDEX</b>	0.62%	9.34%	17.90%	9.61%	14.69%	11.96%	1.38%	13.69%	32.39%	
<b>COMPARISON – US AGGREGATE BOND INDEX</b>	-0.10%	2.27%	-0.31%	2.48%	1.99%	2.65%	0.55%	5.97%	-2.02%	
<b>COMPARISON – GOLD SPOT INDEX</b>	-2.60%	7.87%	-5.93%	-2.05%	-6.72%	8.63%	-10.46%	-1.51%	-28.26%	

Weighted Fees and Expenses of Acquired Funds: 0.28%

Inception Date: November 1, 2012

**PERFORMANCE METRICS**

	NEUTRAL ALLOCATION (GROSS)	NEUTRAL INDEX
ALPHA	1.31	0.00
BETA	0.99	1.00
STANDARD DEVIATION	5.54	5.00
SHARPE RATIO	0.65	0.47
UP PERIOD PERCENT	55.36	55.36
DOWN PERIOD PERCENT	44.64	44.64
UP CAPTURE RATIO	113.46	100.00
DOWN CAPTURE RATIO	96.95	100.00
BEST QUARTER	4.07	5.13
WORST QUARTER	-5.99	-5.39

**PORTFOLIO HOLDINGS**
**PROSPERITY**
**KRMA** Global X Conscious Companies ETF

**RWK** Oppenheimer Mid Cap Revenue ETF

**VTI** Vanguard Total Stock Market ETF

**VUSE** Vident Core US Equity ETF

**RECESSION**
**GSY** Guggenheim Enhanced Short Dur ETF

**SHY** iShares 1-3 Year Treasury Bond ETF

**INFLATION**
**GEUR** AdvisorShares Gartman Gold/Euro ETF

**GLD** SPDR® Gold Shares ETF

**GLDI** Credit Suisse X-Links Gold Cov Call ETN

**GBTC** Bitcoin Investment Trust

**DEFLATION**
**AGG** iShares Core US Aggregate Bond ETF

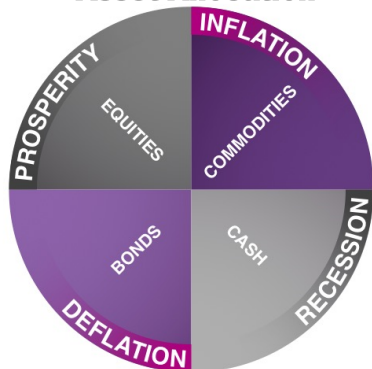
**BAB** PowerShares Build America Bond ETF

**IEF** iShares 7-10 Year Treasury Bond ETF

## METHODOLOGY

The **Toroso Neutral Strategy** is predicated on equal weighting of four asset classes (25% per asset class): Equities, Commodities and other alternatives, Cash equivalents and Bonds that independently thrive in one of four possible economic environments: prosperity, inflation, recession and deflation. The ETFs selected for each asset class are chosen through a rigorous qualitative and quantitative process.

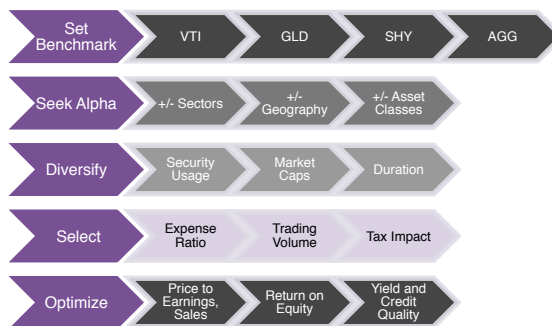
### Asset Allocation



The **Neutral Allocation Portfolio** equal weights of four asset classes:

- 25% US Equities
- 25% Aggregate Bonds
- 25% Short-term Treasuries
- 25% Gold

### Security Selection



MONTHLY RETURNS - GROSS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YEAR
<b>2017</b>	1.69%	1.88%	-0.04%	0.61%	3.97%	-0.66%							7.61%
<b>2016</b>	-0.45%	2.08%	2.16%	1.23%	-0.68%	2.31%	2.19%	-1.00%	0.39%	-1.98%	-0.94%	-0.01%	5.30%
<b>2015</b>	1.60%	0.46%	-0.52%	0.15%	0.63%	-1.53%	-0.44%	-2.16%	-0.88%	2.91%	-1.57%	-1.02%	-2.46%
<b>2014</b>	0.19%	3.18%	-0.10%	0.76%	1.06%	2.20%	-1.31%	1.75%	-3.24%	0.02%	0.62%	-0.19%	4.89%
<b>2013</b>	2.25%	-0.47%	1.26%	-0.23%	-2.01%	-3.84%	2.90%	0.05%	0.97%	2.01%	-0.61%	0.26%	2.37%
<b>2012</b>											0.57%	-0.72%	-0.15%

## ABOUT TOROSO ASSET MANAGEMENT

Toroso is an asset manager and registered investment advisory firm specializing in ETF-focused investment strategies and services. Its strategies are designed to deliver specific outcomes (growth, income, protection, etc.) and driven by in-depth ETF and economic research. The team of finance veterans in asset management, investment strategy, and fund management dedicate themselves to finding the right solution for each client. With offices in New York and Chicago, the team has provided research to over a thousand financial advisors.

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This document does not constitute an offer to sell or the solicitation of an offer to buy any security or investment product and should not be construed as such. The investment strategy presented may not be suitable for all types of clients. All investing involves risk including the possible loss of all amounts invested. Prospective clients should not rely solely on this document in making a decision as to whether to retain Toroso and should make an independent review of all available facts and information regarding Toroso, including the economic benefits and risks of pursuing the strategy mentioned. This material has been prepared by Toroso for informational purposes only. Although much of the data underlying the information presented has been obtained from sources (e.g., Morningstar) believed to be reliable; the accuracy and completeness of such information cannot be guaranteed.

### DISCLOSURES

The Toroso Strategy is subject to underlying expenses such as the annual expense ratios of the Exchange-Traded Products (ETPs) used to construct the portfolio, which generally include an embedded investment management fee paid to the investment adviser of the ETP. In addition, trading and transaction fees and other expenses such as custody and clearing are incurred in the management of the Sector Opportunities Portfolio. The market price for a share of an ETP may fluctuate from the value of its underlying securities. Consequently, ETPs can trade at a discount or premium to their net asset value. Certain equity and commodity ETPs are often more volatile and less liquid and present greater risks of loss of capital. Furthermore, certain ETPs employ strategies such as leverage or have the investment goal of performing opposite to a particular benchmark and may not be suitable for investment periods longer than one day due to the high volatility in their market price. Investments in fixed income ETPs are subject to the risks associated with debt securities including credit risk and interest rate risk. **PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS, WHICH MAY VARY.** The Gross and Net Returns presented reflects the composite performance of all actual Toroso accounts managed in accordance with such strategy for the entire calendar month and is calculated using a time-weighted total return methodology. The Gross and Net Returns for the strategy reflect expenses such as commissions and other brokerage fees and transaction costs, as well as the reinvestment of dividends and other earnings. The Net Returns for the strategy is stated after (net) the deduction of Toroso management fees, which may be found in ADV Form 2A. The investment process described above reflects Toroso's ongoing efforts to monitor and manage various risks in the clients' portfolios, but does not imply, and no representation is made, that client portfolios are low risk. The investment strategy presented and/or discussed may not be suitable for all types of prospective investors or clients and Toroso Investments LLC's investment advisory services may not be available in all states or countries. All investing involves risk, including the possible loss of all principal invested. The information and statements presented above should not be construed as investment advice and should not be relied upon solely as the basis for evaluating the investment strategies presented or Toroso Investments, LLC's advisory services. Prospective clients should perform an independent review of all facts and information prior to making a determination as to whether Toroso Investments, LLC's advisory services are appropriate for them based on their individual circumstances. Registration with the SEC does not imply a certain level of skill or training.

### DEFINITIONS

Alpha is an indication of how much an investment outperforms or underperforms on a risk-adjusted basis relative to its benchmark. Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. A beta of 1 indicates that the security's price will move with the market. A beta of less than 1 means that the security will be less volatile than the market. A beta of greater than 1 indicates that the security's price will be more volatile than the market. The Sharpe Ratio is a measure for calculating risk-adjusted return. Generally, the greater the value of the Sharpe ratio, the more attractive the risk-adjusted return. Risk is measure of the standard deviation which is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard Deviation is calculated as the square root of variance. In the security selection process, Toroso uses the Vanguard Total Stock Market ETF (VTI) as the benchmark for the equity security selection, the SPDR Gold Trust (GLD) as the benchmark for the commodity security selection, the iShares 1-3 Year Treasury Bond ETF (SHY) as the benchmark for the cash equivalents security selection, and the iShares Core U.S. Aggregate Bond ETF (AGG) as the benchmark for the bond security selection.

### BENCHMARKS

The benchmarks shown were selected due to their composite makeup and represent, based on Toroso's experience, the best indication for relative performance comparison. The indices are widely recognized and accepted industry indices which consists of a managed or unmanaged pool of securities. The indices are typically rebalanced on a monthly or quarterly basis, may or may not include the re-investment of dividends and typically are gross of any assumed trading costs or management fees or other assumed occurred expenses. When figures are included returns may be less than stated. It is not possible to invest directly in an index and an index does not incur the transaction costs that the investment strategy does. Please note that there may be material differences between the benchmark (index) and the investment strategies in terms of their composition, including, but not limited to level of diversification and exposure and amount of exposure to certain types of investments such as commodities or foreign equities; and their level of risk, as measured by volatility and/or other methods. The Solactive Neutral Index is an equal weight of the Vanguard Total Stock Market ETF (VTI), the SPDR Gold Trust (GLD), the iShares 1-3 Year Treasury Bond ETF (SHY), and the iShares Core U.S. Aggregate Bond ETF (AGG). The S&P 500 Index measures the performance of 500 widely held stocks in US equity market. It is a market-cap weighted index. Bloomberg Barclays Aggregate Bond Index is a market value-weighted index that tracks the daily price, coupon, pay-downs, and total return performance of fixed-rate, publicly placed, dollar-denominated, and nonconvertible investment grade debt issues with at least \$250 million par amount outstanding and with at least one year to final maturity. The S&P GSCI Gold Index is provides a reliable and publicly available benchmark for investment performance in gold. The index comprises the principal physical commodities that are traded in active, liquid futures markets.