

# Hypothetical Portfolio Statistics

## Lower Risk Portfolios

April 30, 2023



	High Yield Corporate Bond	Strategic Enhanced Bond	Sleep Well	Strategic Hedged Income	Barclays Aggregate Index
2023	0.89%	2.98%	3.58%	0.14%	3.59%
3 Year	-1.89%	-3.94%	0.10%	-1.72%	-3.15%
5 Year	-1.10%	1.53%	-1.51%	2.27%	1.18%
7 Year	0.49%	0.16%	0.71%	0.43%	0.91%
10 Year	0.41%	0.30%	2.27%	0.31%	1.32%
1/1/2000 or Inception	3.71%	8.49%	5.74%	4.87%	4.09%
Standard Deviation	6.34%	9.46%	9.52%	6.44%	3.95%
Positive Months	61.29%	61.65%	60.44%	58.78%	64.52%
Maximum Drawdown	-16.53%	-18.55%	-16.52%	-13.36%	-17.18%
Median Return	0.46%	0.43%	0.38%	0.40%	0.41%

The market indices are used as benchmarks for comparison purposes only and cannot be invested in directly. The performance of an unmanaged index is not indicative of the performance of any particular investment. The indices chosen were determined to be appropriate for the corresponding portfolios indicated, given (i) the market represented by each index, and (ii) the asset composition of each portfolio. While these indices can be useful for comparisons to the portfolio performance data shown above (during a given date range), they should not be used as benchmarks for comparison to client account performance.

Past performance is no guarantee of future results. Investing is risky. Investors can lose money.

All money manager returns are net of 2.00% advisory fees unless otherwise stated. Custodial expenses are charged separately by the custodian. (1) See attached important disclosures regarding backtested, hypothetical performance.

Backtested, hypothetical performance has several important limitations you should be aware of.

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April 30, 2023



	High Yield Corporate Bond	Strategic Enhanced Bond	Sleep Well	Strategic Hedged Income	Barclays Aggregate Index
2023	0.89%	2.98%	3.58%	0.14%	3.59%
2022	-15.77%	-13.77%	-10.21%	-6.09%	-13.01%
2021	2.19%	-3.31%	1.74%	0.77%	-1.54%
2020	1.70%	9.35%	-2.95%	9.05%	7.51%
2019	10.20%	7.07%	5.26%	7.75%	8.72%
2018	-3.72%	5.13%	-4.49%	-2.04%	0.01%
2017	4.31%	1.47%	8.71%	-0.79%	3.54%
2016	9.04%	-1.89%	11.69%	-0.67%	2.65%
2015	-4.03%	-2.60%	-1.22%	-2.14%	0.55%
2014	1.29%	5.82%	7.61%	10.26%	5.97%
2013	4.64%	-4.71%	7.15%	-8.04%	-2.02%
2012	11.85%	3.84%	9.60%	3.70%	4.21%
2011	-0.73%	12.34%	14.84%	11.71%	7.84%
2010	11.86%	9.59%	12.94%	11.67%	6.54%
2009	37.56%	9.58%	24.50%	-1.89%	5.93%
2008	-9.95%	33.92%	3.60%	15.18%	5.24%
2007	0.88%	13.24%		10.91%	6.97%
2006	8.45%	-0.11%		11.08%	4.33%
2005	0.72%	4.04%		6.72%	2.43%
2004	7.44%	9.26%		6.61%	4.34%
2003	20.51%	15.15%		8.43%	4.10%
2002	1.60%	20.48%		10.00%	10.25%
2001	0.81%	20.36%		3.16%	8.44%
2000	-4.07%	60.95%		12.68%	11.63%

The market indices are used as benchmarks for comparison purposes only and cannot be invested in directly. The performance of an unmanaged index is not indicative of the performance of any particular investment. The indices chosen were determined to be appropriate for the corresponding portfolios indicated, given (i) the market represented by each index, and (ii) the asset composition of each portfolio. While these indices can be useful for comparisons to the portfolio performance data shown above (during a given date range), they should not be used as benchmarks for comparison to client account performance. Past performance is no guarantee of future results. Investing is risky. Investors can lose money. All money manager returns are net of 2.00% advisory fees unless otherwise stated. Custodial expenses are charged separately by the custodian. Backtested, hypothetical performance has several important limitations you should be aware of. © 2023 Financial & Tax Architects, Inc. All Rights Reserved.

# Hypothetical Portfolio Statistics

## Moderate Risk Portfolios

April 30, 2023



	Foundation Strategy	Prime Dividend	Prime Dividend Jr	Strategic Mid-Cap	Economic Cycle	Sector Growth	S&P 500	Global Sector	Prime Dividend International	Country Rotation	EAFE
2023	2.17%	0.48%	2.47%	2.27%	3.19%	1.19%	9.17%	0.38%	11.08%	2.64%	11.80%
3 Year	5.71%	7.82%	9.79%	2.65%	9.10%	8.31%	14.52%	1.81%	8.26%	-1.17%	12.22%
5 Year	3.48%	6.62%	5.66%	-0.45%	7.65%	5.06%	11.45%	-0.08%	2.23%	-3.00%	4.14%
7 Year	2.82%	6.35%	5.64%	0.24%	6.84%	5.69%	12.61%	-0.23%	3.37%	-1.34%	6.72%
10 Year	2.41%	7.02%	5.66%	3.35%	8.01%	5.94%	12.20%	2.13%	3.19%	3.47%	5.25%
Since 2000 or Inception	5.74%	8.63%	8.09%	11.65%	7.31%	7.08%	6.57%	9.91%	6.77%	8.45%	3.89%
Standard Deviation	7.32%	11.47%	12.18%	20.18%	12.77%	8.88%	15.45%	11.88%	13.68%	16.37%	16.78%
Postive Months	61.29%	63.44%	64.16%	61.65%	62.72%	65.70%	64.52%	60.91%	59.43%	59.51%	57.71%
Maximum Drawdown	-9.47%	-19.45%	-24.16%	-30.22%	-32.16%	-15.46%	-50.95%	-23.17%	-25.05%	-33.56%	-56.40%
Median Return	0.56%	0.80%	0.89%	0.84%	0.72%	0.87%	1.18%	0.95%	0.67%	0.86%	0.88%

The market indices are used as benchmarks for comparison purposes only and cannot be invested in directly. The performance of an unmanaged index is not indicative of the performance of any particular investment. The indices chosen were determined to be appropriate for the corresponding portfolios indicated, given (i) the market represented by each index, and (ii) the asset composition of each portfolio. While these indices can be useful for comparisons to the portfolio performance data shown above (during a given date range), they should not be used as benchmarks for comparison to client account performance. Past performance is no guarantee of future results. Investing is risky. Investors can lose money. All money manager returns are net of 2.00% advisory fees unless otherwise stated. Custodial expenses are charged separately by the custodian. Backtested, hypothetical performance has several important limitations you should be aware of. © 2023 Financial & Tax Architects, Inc. All Rights Reserved.

# Hypothetical Portfolio Statistics

## Moderate Risk Portfolios

April 30, 2023



	Foundation Strategy	Prime Dividend	Prime Dividend Jr	Strategic Mid-Cap	Economic Cycle	Sector Growth	S&P 500	Prime Dividend International	Global Sector	Country Rotation	EAFE
2023	2.17%	0.48%	2.47%	2.27%	3.19%	1.19%	9.17%	11.08%	0.38%	2.64%	11.80%
2022	-5.73%	-10.51%	-16.62%	-20.86%	-17.85%	-13.48%	-18.11%	-20.51%	-12.63%	-14.36%	-14.01%
2021	15.77%	20.14%	22.89%	7.98%	22.94%	24.68%	28.71%	23.63%	5.23%	3.97%	5.13%
2020	3.57%	4.53%	6.02%	0.49%	10.94%	5.48%	18.40%	-0.48%	5.05%	5.52%	8.28%
2019	4.18%	19.22%	25.07%	14.55%	21.27%	13.50%	31.49%	9.37%	13.82%	4.79%	22.66%
2018	-2.83%	-5.00%	-9.42%	-4.61%	2.12%	-4.64%	-4.38%	-7.34%	-11.89%	-16.23%	-13.36%
2017	7.24%	18.39%	16.46%	8.57%	10.66%	12.34%	21.83%	17.84%	2.58%	4.54%	25.62%
2016	-0.57%	2.25%	0.40%	1.50%	9.79%	7.22%	11.96%	-1.96%	1.69%	17.09%	1.51%
2015	-2.74%	-1.10%	-3.57%	15.10%	-4.51%	-4.53%	1.38%	4.92%	-5.23%	1.90%	-0.39%
2014	9.00%	13.48%	11.35%	5.19%	16.16%	12.63%	13.69%	-6.41%	13.04%	34.56%	-4.48%
2013	1.12%	29.71%	22.53%	22.81%	18.42%	23.73%	32.39%	20.88%	32.47%	18.12%	23.29%
2012	-0.43%	14.67%	16.62%	6.12%	14.02%	7.62%	16.00%	5.01%	5.72%	9.39%	17.90%
2011	3.73%	6.15%	10.26%	33.05%	-0.31%	2.89%	2.11%	-13.55%	33.51%	11.28%	-11.73%
2010	6.27%	17.06%	12.02%	17.97%	13.31%	4.66%	15.06%	6.18%	21.39%	26.34%	8.21%
2009	4.54%	24.26%	27.38%	6.08%	39.79%	21.05%	26.46%	33.62%	19.14%	-15.73%	32.46%
2008	13.68%	5.08%	-12.42%	22.25%	3.57%	-7.20%	-37.00%	-11.96%	26.93%	17.85%	-43.06%
2007	9.01%	-4.03%	0.63%	28.95%	11.68%	9.03%	5.49%	9.45%	9.63%	12.39%	11.63%
2006	10.49%	15.00%	13.55%	6.12%	1.89%	15.40%	15.79%	24.38%	11.27%	17.00%	26.86%
2005	7.48%	1.62%	4.77%	0.63%	5.73%		4.91%	11.79%	7.76%	12.04%	14.02%
2004	14.46%	13.19%	14.29%	12.48%	4.67%		10.88%	18.36%	9.43%	20.12%	20.70%
2003	19.83%	9.23%	11.48%	31.52%	24.74%		28.68%	23.65%	26.43%	29.29%	39.17%
2002	3.15%	11.82%	14.06%	17.14%	-23.30%		-22.10%				-15.66%
2001	-0.39%	-1.81%	14.39%	11.94%	-6.26%		-11.89%				-21.21%
2000	15.68%	8.00%	-1.09%	44.17%	7.87%		-9.10%				-13.96%

The market indices are used as benchmarks for comparison purposes only and cannot be invested in directly. The performance of an unmanaged index is not indicative of the performance of any particular investment. The indices chosen were determined to be appropriate for the corresponding portfolios indicated, given (i) the market represented by each index, and (ii) the asset composition of each portfolio. While these indices can be useful for comparisons to the portfolio performance data shown above (during a given date range), they should not be used as benchmarks for comparison to client account performance. Past performance is no guarantee of future results. Investing is risky. Investors can lose money. All money manager returns are net of 2.00% advisory fees unless otherwise stated. Custodial expenses are charged separately by the custodian. Backtested, hypothetical performance has several important limitations you should be aware of. © 2023 Financial & Tax Architects, Inc. All Rights Reserved.

# Hypothetical Portfolio Statistics

Growth Portfolios

April 30, 2023



	Value Discount	Reflation	Broad Value	NSDQ	S&P 500
2023	0.24%	3.94%	0.63%	32.11%	9.17%
3 Year	10.29%	18.19%	10.16%	13.31%	14.52%
5 Year	2.62%	5.90%	2.94%	13.26%	11.45%
7 Year	5.39%	6.55%	6.43%	15.39%	12.61%
10 Year	6.48%	n/a	n/a	16.01%	12.20%
Since 2000 or Inception	6.91%	0.52%	6.40%	16.51%	6.57%
Standard Deviation	15.21%	21.73%	17.07%	19.17%	15.45%
Postive Months	63.75%	49.62%	61.02%	62.57%	64.52%
Maximum Drawdown	-33.98%	-51.91%	-29.43%	-42.03%	-50.95%
Median Return	0.90%	-0.06%	0.98%	1.86%	1.18%

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# Hypothetical Portfolio Statistics

## Growth Risk Portfolios

April 30, 2023



	Value Discount	NSDQ	Reflation	Broad Value	S&P 500
2023	0.24%	32.11%	3.94%	0.63%	9.17%
2022	-20.95%	-38.53%	5.68%	-14.83%	-18.11%
2021	12.88%	34.69%	15.45%	25.18%	28.71%
2020	18.91%	39.33%	5.62%	-2.32%	18.40%
2019	23.27%	33.07%	20.67%	24.78%	31.49%
2018	-13.77%	-2.79%	-18.35%	-12.94%	-4.38%
2017	17.84%	26.48%	16.08%	19.56%	21.83%
2016	9.78%	5.53%	39.09%	13.11%	11.96%
2015	-0.67%	17.70%	-28.91%	-5.44%	1.38%
2014	11.44%	14.70%	-13.21%	10.55%	13.69%
2013	29.81%	34.33%	-16.01%	14.43%	32.39%
2012	13.76%	14.85%	-4.07%		16.00%
2011	-0.15%	4.65%			2.11%
2010	24.95%	9.72%			15.06%
2009	-0.74%	42.03%			26.46%
2008	-8.03%				-37.00%
2007	3.41%				5.49%
2006	13.53%				15.79%
2005	2.82%				4.91%
2004	4.69%				10.88%
2003	11.27%				28.68%
2002					-22.10%
2001					-11.89%
2000					-9.10%

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## Broad Value Strategy (BV) Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The Broad Value Strategy (BV) strives to capture the performance of large- and mid-cap value stocks. FTA uses the iShares MSCI USA Value Factor ETF (VLUE) as a proxy for the sector. This Strategy allows for exposure to stocks with value characteristics typified by lower valuations based on their fundamental characteristics as compared to its industry peers and the market as a whole. Based on their undervalued nature and strong financial attributes, characterized by such factors as high dividend yields, low price to book and low price to earnings ratios, value stocks can be useful for their long-term growth potential.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until February 2021. Beginning March 2021, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect the impact that material economic and market factors

might have had on the advisor's decision-making if actual client funds had been invested in the strategy. All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to March 2021.

### Calculation Methodologies

From July 2013 through February 2021 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;
- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;

- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning March 2021, the presented returns represent the strategy-specific BV performance of FTA's multi-strategy accounts under management with an allocation to BV. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the extracted portfolios which were used to calculate the presented extracted performance.

### **Differences between Hypothetical Performance and Extracted Performance**

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Broad Value Strategy from July 2013 through February 2021. As such, these results have limitations, including, but not limited to, the following:

- (i) Broad Value Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above;
- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Broad Value Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Broad Value Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Broad Value Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the Broad Value Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results. Therefore, no client should assume that future performance will be profitable, equal the hypothetical performance reflected for Broad Value Strategy, or equal the corresponding historical benchmark index.

### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Broad Value Strategy.

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## Country Rotation Strategy (CRS)

### Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The Country Rotation Strategy (CRS) is a Logical-Invest model investment strategy. The Strategy seeks to add geographic diversity through the rotation of a wide variety of individual country ETFs by blending the mix of risk adjusted forecasted growth in each country. This strategy offers significant non-US global exposure and allows for the harvesting of returns from those outperforming countries even in a sideways market. The strategy uses momentum and relative strength indicators to choose between countries. When risk is high, it invests in fixed income ETFs. The strategy pursues a rule-based investment process that allocates between Long Duration Bonds and the four top ranked countries or regions to try to achieve an optimal risk/return profile.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until February 2017. Beginning March 2017, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different

from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect the impact that material economic and market factors might have had on the advisor's decision-making if actual client funds had been invested in the strategy. All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to March 2017.

### Calculation Methodologies

From October 2002 through February 2017 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;

- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;
- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning March 2017, the presented returns represent the strategy-specific CRS performance of FTA's multi-strategy accounts under management with an allocation to CRS. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the extracted portfolios which were

used to calculate the presented extracted performance.

### **Differences between Hypothetical Performance and Extracted Performance**

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Country Rotation Strategy from October 2002 through February 2017.

As such, these results have limitations, including, but not limited to, the following:

- (i) Country Rotation Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above;
- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Country Rotation Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Country Rotation Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Country Rotation Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the Country Rotation Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results.

Therefore, no client should assume that future performance will be profitable, equal the hypothetical performance reflected for Country Rotation Strategy, or equal the corresponding historical benchmark index.

### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Country Rotation Strategy.

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## Economic Cycle Strategy (EC)

### Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The Economic Cycle (EC) Strategy utilizes employment and housing economic indicators to determine the composition of the strategy. The goal of the Strategy is to mitigate the downside risk associated with investing in the equity market. Therefore, when employment and housing indicators are bullish, the Strategy holds investment vehicles designed to approximate the U.S. equity market. When employment and housing indicators are bearish, the Strategy holds investments designed to track the Barclays Aggregate Bond Index.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until February 2017. Beginning March 2017, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect the impact that material economic and market factors might have had on the advisor's decision-making if

actual client funds had been invested in the strategy. All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to March 2017.

### Calculation Methodologies

From January 2000 through February 2017 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;
- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;

- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning March 2017, the presented returns represent the strategy-specific EC performance of FTA's multi-strategy accounts under management with an allocation to EC. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the extracted portfolios which were used to calculate the presented extracted performance.

### **Differences between Hypothetical Performance and Extracted Performance**

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Economic Cycle Strategy from January 2000 through February 2017. As such, these results have limitations, including, but not limited to, the following:

- (i) Economic Cycle Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above;
- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Economic Cycle Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Economic Cycle Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Economic Cycle Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the Economic Cycle Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results. Therefore, no client should assume that future performance will be profitable, equal the hypothetical performance reflected for Economic Cycle Strategy,

or equal the corresponding historical benchmark index.

### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Economic Cycle Strategy.

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## Foundation Strategy (FDN) Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The Foundation Strategy (FDN) is designed to emulate, to the extent reasonably possible, the diversified investment style practiced by leading endowments, specifically that of Yale University. The strategy invests in ETFs designed to track the performance of the following asset classes; large-cap domestic equities, large-cap foreign equities, 10-Year Treasury Notes, the Goldman Sachs Commodity Index, and the NAREIT Real Estate Investment Trust Index. A technical scoring system is used to grade each asset class. The strategy is designed to identify any asset class in a prolonged downturn and to move the corresponding allocation directed to that asset class into investments which track the Barclays Aggregate Bond Index.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until June 2017. Beginning July 2017, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that

they do not reflect actual trading and may not reflect the impact that material economic and market factors might have had on the advisor's decision-making if actual client funds had been invested in the strategy. All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to July 2017.

### Calculation Methodologies

From January 2000 through June 2017 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;

- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;
- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning July 2017, the presented returns represent the strategy-specific FDN performance of FTA's multi-strategy accounts under management with an allocation to FDN. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the

extracted portfolios which were used to calculate the presented extracted performance.

#### **Differences between Hypothetical Performance and Extracted Performance**

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

#### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Foundation Strategy from January 2000 through June 2017.

As such, these results have limitations, including, but not limited to, the following:

- (i) Foundation Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above;
- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Foundation Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Foundation Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Foundation Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the Foundation Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results. Therefore, no client should assume that future

performance will be profitable, equal the hypothetical performance reflected for Foundation Strategy, or equal the corresponding historical benchmark index.

#### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Foundation Strategy.

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## Global Sector Strategy (GSS)

### Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The Global Sector Strategy (GSS) is a Logical-Invest model investment strategy. The Strategy seeks the optimal allocation between a variety of global equity sectors and the long duration U.S. Treasury market. Global equity sectors have historically presented a well-defined, stable, and long-lasting period along the broad cyclical economic development of global markets, which allows the Strategy to see investment returns that outperform various market sectors even as the US equity market is under pressure. Simultaneously, the Strategy benefits from the long-term inverse correlation between equity markets and long duration bonds while capturing value from the money flows into safe havens such as US. Treasuries during crisis times.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until December 2016. Beginning January 2017, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model

results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect the impact that material economic and market factors might have had on the advisor's decision-making if actual client funds had been invested in the strategy. All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to January 2017.

### Calculation Methodologies

From February 2003 through December 2016 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;

- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;
- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning January 2017, the presented returns represent the strategy-specific GSS performance of FTA's multi-strategy accounts under management with an allocation to GSS. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the extracted portfolios which were

used to calculate the presented extracted performance.

### **Differences between Hypothetical Performance and Extracted Performance**

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Global Sector Strategy from February 2003 through December 2016.

As such, these results have limitations, including, but not limited to, the following:

- (i) Global Sector Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above;
- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Global Sector Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Global Sector Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Global Sector Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the Global Sector Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results. Therefore, no client should assume that future

performance will be profitable, equal the hypothetical performance reflected for Global Sector Strategy, or equal the corresponding historical benchmark index.

### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Global Sector Strategy.

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## High Yield Corporate Bond Strategy (HYCB) Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The High Yield Corporate Bond Strategy (HYCB) uses a blend of high-yield corporate bond mutual funds and/or ETFs with specific sell triggers designed to reduce portfolio risk. The strategy is designed to identify and take advantage of the return premiums available in the high-yield corporate bond asset class while attempting to minimize volatility through the use of security-specific risk tolerance limits. Each security employs risk mitigation designed to prevent prolonged downturns.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until February 2017. Beginning March 2017, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect the impact that material economic and market factors might have had on the advisor's decision-making if actual client funds had been invested in the strategy.

All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to March 2017.

### Calculation Methodologies

From January 2000 through February 2017 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;
- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;

- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning March 2017, the presented returns represent the strategy-specific HYCB performance of FTA's multi-strategy accounts under management with an allocation to HYCB. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the extracted portfolios which were used to calculate the presented extracted performance.

### **Differences between Hypothetical Performance and Extracted Performance**

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for High Yield Corporate Bond Strategy from January 2000 through February 2017. As such, these results have limitations, including, but not limited to, the following:

- (i) High Yield Corporate Bond Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above;
- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of High Yield Corporate Bond Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the High Yield Corporate Bond Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using High Yield Corporate Bond Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the High Yield Corporate Bond Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results. Therefore, no client should assume that future

performance will be profitable, equal the hypothetical performance reflected for High Yield Corporate Bond Strategy, or equal the corresponding historical benchmark index.

### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than High Yield Corporate Bond Strategy.

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## Nasdaq Leaders Strategy (NSDQ) Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The Nasdaq Leaders Strategy (NSDQ) invests in an equally-weighted basket of equities comprised of the ten largest market value Nasdaq equities. The Strategy is managed passively and rebalances monthly. Actual holdings will vary as the Nasdaq Composite Index is subject to fluctuation. The Strategy is designed to capture the top end growth of the Index. The Strategy is intended to provide a growth component to a broader total allocation.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until April 2020. Beginning May 2020, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect the impact that material economic and market factors might have had on the advisor's decision-making if actual client funds had been invested in the strategy.

All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to May 2020.

### Calculation Methodologies

From January 2009 through April 2020 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;
- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;

- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning May 2020, the presented returns represent the strategy-specific NSDQ performance of FTA's multi-strategy accounts under management with an allocation to NSDQ. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the extracted portfolios which were used to calculate the presented extracted performance.

### Differences between Hypothetical Performance and Extracted Performance

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

#### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Nasdaq Leaders Strategy from January 2009 through April 2020.

As such, these results have limitations, including, but not limited to, the following:

- (i) Nasdaq Leaders Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved

by means of the calculation methodologies described above;

- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Nasdaq Leaders Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Nasdaq Leaders Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Nasdaq Leaders Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the Nasdaq Leaders Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results. Therefore, no client should assume that future performance will be profitable, equal the hypothetical performance reflected for Nasdaq Leaders Strategy, or equal the corresponding historical benchmark index.

#### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Nasdaq Leaders Strategy.

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## Prime Dividend International (PDI) Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The International Prime Dividend (PDI) Strategy strives to identify the leading foreign dividend paying stocks ors ETFs that show companies with continually increasing, sustainable, dividend payouts. The strategy utilizes an intermediate term tactical overlay to identify whether to be in a bullish posture or defensive posture. When the overlay indicates a bullish posture, the strategy is fully invested in an array of foreign dividend paying stocks and/or ETFs. When the overlay indicates a bearish posture, the strategy invests in an ETF designed to track the Barclays Pan-European Aggregate Bond Index.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until November 2017. Beginning December 2017, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect the impact that material economic

and market factors might have had on the advisor's decision-making if actual client funds had been invested in the strategy. All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to December 2017.

### Calculation Methodologies

From January 2003 through November 2017 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;
- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;

- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning December 2017, the presented returns represent the strategy-specific PDI performance of FTA's multi-strategy accounts under management with an allocation to PDI. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the extracted portfolios which were used to calculate the presented extracted performance.

### **Differences between Hypothetical Performance and Extracted Performance**

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Prime Dividend International from January 2003 through November 2017. As such, these results have limitations, including, but not limited to, the following:

- (i) Prime Dividend International results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above;
- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Prime Dividend International by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Prime Dividend International model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Prime Dividend International, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the Prime Dividend International model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results. Therefore, no client should assume that future performance will be profitable, equal the hypothetical

performance reflected for Prime Dividend International, or equal the corresponding historical benchmark index.

### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Prime Dividend International.

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## Prime Dividend Jr. Strategy (PDJR) Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The Prime Dividend Jr. (PDJR) Strategy is similar to the U.S. Prime Dividend Strategy which seeks to invest in the leading U.S. dividend-paying stocks or ETFs. The Prime Dividend Strategy utilizes an intermediate-term tactical overlay to identify whether to be in a bullish posture or defensive posture. When the overlay indicates a bullish posture, the Strategy is fully invested in the Dividend Aristocrats (NOBL) ETF. When the overlay indicates a defensive posture, the Strategy is fully invested in an ETF designed to track the Barclays Capital US Intermediate Aggregate Bond index.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until October 2018. Beginning November 2018, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect the impact that material economic

and market factors might have had on the advisor's decision-making if actual client funds had been invested in the strategy. All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to November 2018.

### Calculation Methodologies

From January 2000 through October 2018 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;
- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;

- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning November 2018, the presented returns represent the strategy-specific PDJR performance of FTA's multi-strategy accounts under management with an allocation to PDJR. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the extracted portfolios which were used to calculate the presented extracted performance.

### **Differences between Hypothetical Performance and Extracted Performance**

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Prime Dividend Jr. Strategy from January 2000 through October 2018. As such, these results have limitations, including, but not limited to, the following:

- (i) Prime Dividend Jr. Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above;
- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Prime Dividend Jr. Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Prime Dividend Jr. Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Prime Dividend Jr. Strategy, client account contributions or withdrawals and general market conditions, would have caused the performance of a specific client's portfolio to vary substantially from the Prime Dividend Jr. Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results. Therefore, no client should assume that future performance will be profitable, equal the hypothetical performance reflected for Prime Dividend Jr.

Strategy, or equal the corresponding historical benchmark index.

### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Prime Dividend Jr. Strategy.

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## Reflation Strategy (RF) Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The Reflation Strategy (RF) strives to capture the growth of certain sectors that often perform well during the early stages of an economic recovery. When the global economy emerges from a recessionary or uncertain period, for example the current COVID pandemic, specific sectors tend to outperform the broader market. These sectors may include precious metals, energy, mining, and companies associated with these industries. Emerging markets also have shown a propensity for growth during a period of reflation. ETFs are used to provide exposure to a specific sector

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until August 2021. Beginning September 2021, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect the impact that material economic and market factors might have had on the advisor's

decision-making if actual client funds had been invested in the strategy. All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to September 2021.

### Calculation Methodologies

From April 2012 through August 2021 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;
- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;

- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning September 2021, the presented returns represent the strategy-specific RF performance of FTA's multi-strategy accounts under management with an allocation to RF. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the extracted portfolios which were used to calculate the presented extracted performance.

### **Differences between Hypothetical Performance and Extracted Performance**

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Reflation Strategy from April 2012 through August 2021.

As such, these results have limitations, including, but not limited to, the following:

- (i) Reflation Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above;
- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Reflation Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Reflation Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Reflation Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the Reflation Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results. Therefore, no client should assume that future performance will be profitable, equal the hypothetical performance reflected for Reflation Strategy, or equal the corresponding historical benchmark index.

### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Reflation Strategy.

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## Strategic Enhanced Bond Strategy (SEB) Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The Strategic Enhanced Bond Strategy (SEB) invests in conservative intermediate-term bond ETFs, combined with a fourth-quarter “prime period” equity exposure. The strategy uses a proprietary model to determine the optimal time periods to hold a mix of U.S. corporate bond funds, inflation-indexed U.S. Treasury securities (“TIPS”), and a S&P 500 Index fund which may be leveraged. The actual component holdings are as follows: January 1 to late October: 70% intermediate-term corp. bond ETFs, 30% TIPS. Late-October to December 31: 40% intermediate-term corp. bond ETFs, 60% S&P 500 Index 2X leveraged ETF. Investors should be aware that the use of leverage in this Strategy potentially increases its risk and volatility and therefore may not be suitable for all investors.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until December 2016. Beginning January 2017, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different

from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect the impact that material economic and market factors might have had on the advisor’s decision-making if actual client funds had been invested in the strategy. All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager’s decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to January 2017.

### Calculation Methodologies

From January 2000 through December 2016 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month’s end and the invested amount grows or is diminished by the monthly return of its’ assigned index;

- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;
- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning January 2017, the presented returns represent the strategy-specific SEB performance of FTA’s multi-strategy accounts under management with an allocation to SEB. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the extracted portfolios which were

used to calculate the presented extracted performance.

### **Differences between Hypothetical Performance and Extracted Performance**

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Strategic Enhanced Bond Strategy from January 2000 through December 2016.

As such, these results have limitations, including, but not limited to, the following:

- (i) Strategic Enhanced Bond Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above;
- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Strategic Enhanced Bond Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Strategic Enhanced Bond Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Strategic Enhanced Bond Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the Strategic Enhanced Bond Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and

performance would be lower. Hypothetical past performance is not indicative of future results. Therefore, no client should assume that future performance will be profitable, equal the hypothetical performance reflected for Strategic Enhanced Bond Strategy, or equal the corresponding historical benchmark index.

### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Strategic Enhanced Bond Strategy.

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## Sector Growth Strategy (SGS)

### Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The Sector Growth Strategy (SGS) invests in strong U.S. equity sectors, in particular, 11 sector ETFs and an ETF that tracks Barclays US Aggregate bond ETF. Momentum indicators are utilized for each sector to determine the composition of the strategy. When a given sector momentum indicator is bullish, the sector ETF is held. When a given sector momentum indicator is bearish, the sector ETF is dropped and replaced with a Barclays Aggregate Bond ETF.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until June 2021. Beginning July 2021, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect the impact that material economic and market factors might have had on the advisor's decision-making if actual client funds had been invested in the strategy.

All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to July 2021.

### Calculation Methodologies

From January 2006 through June 2021 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;
- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;

- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning July 2021, the presented returns represent the strategy-specific SGS performance of FTA's multi-strategy accounts under management with an allocation to SGS. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the extracted portfolios which were used to calculate the presented extracted performance.

### Differences between Hypothetical Performance and Extracted Performance

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Sector Growth Strategy from January 2006 through June 2021.

As such, these results have limitations, including, but not limited to, the following:

- (i) Sector Growth Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved

by means of the calculation methodologies described above;

- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Sector Growth Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Sector Growth Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Sector Growth Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the Sector Growth Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results. Therefore, no client should assume that future performance will be profitable, equal the hypothetical performance reflected for Sector Growth Strategy, or equal the corresponding historical benchmark index.

### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Sector Growth Strategy.

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## Strategic Hedged Income Strategy (SHI) Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The Strategic Hedged Income Strategy (SHI) invests in a diversified asset allocation, striving to preserve principal while seeking steady long-term growth. The Strategy utilizes a mix of ETFs identified by the investment model to track the performance of Spot Gold, U.S. Treasury Bills, 10-Year U.S. Treasury Notes, 30-year U.S. Treasury Bonds, and the NAREIT Real Estate Investment Trust Index.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until December 2016. Beginning January 2017, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect the impact that material economic and market factors might have had on the advisor's decision-making if actual client funds had been invested in the strategy. All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to January 2017.

### Calculation Methodologies

From January 2000 through December 2016 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;
- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;
- (v) on a monthly basis, performance is calculated using the associated index monthly return;

- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning January 2017, the presented returns represent the strategy-specific SHI performance of FTA's multi-strategy accounts under management with an allocation to SHI. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the extracted portfolios which were used to calculate the presented extracted performance.

### Differences between Hypothetical Performance and Extracted Performance

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

#### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Strategic Hedged Income Strategy from January 2000 through December 2016.

As such, these results have limitations, including, but not limited to, the following:

- (i) Strategic Hedged Income Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were

achieved by means of the calculation methodologies described above;

- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Strategic Hedged Income Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Strategic Hedged Income Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Strategic Hedged Income Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the Strategic Hedged Income Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results. Therefore, no client should assume that future performance will be profitable, equal the hypothetical performance reflected for Strategic Hedged Income

Strategy, or equal the corresponding historical benchmark index.

#### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Strategic Hedged Income Strategy.



## Strategic Mid-Cap Strategy (SMC)

### Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The Strategic Mid-Cap Strategy (SMC) strives to exploit two seasonal influences on the stock market which have, historically, “skewed” returns in certain months of the year and specific sub-periods in the final three months of the year. Each year, the SMC strategy holds an S&P MidCap 400 Index ETF from late-October to the end of May and then invests in intermediate-term bond ETFs from June to late-October. During the third and fourth quarters of each year, the strategy raises the leverage of the midcap exposure by 100% during certain sub-periods totaling less than 25 days. These sub-periods are influenced by end-of-month and holiday seasonal forces.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until November 2016. Beginning December 2016, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading

and may not reflect the impact that material economic and market factors might have had on the advisor’s decision-making if actual client funds had been invested in the strategy. All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager’s decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to December 2016.

### Calculation Methodologies

From January 2000 through November 2016 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month’s end and the invested amount grows or is diminished by the monthly return of its’ assigned index;

- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;
- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning December 2016, the presented returns represent the strategy-specific SMC performance of FTA’s multi-strategy accounts under management with an allocation to SMC. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the extracted portfolios which were

used to calculate the presented extracted performance.

### **Differences between Hypothetical Performance and Extracted Performance**

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Strategic Mid-Cap Strategy from January 2000 through November 2016.

As such, these results have limitations, including, but not limited to, the following:

- (i) Strategic Mid-Cap Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above;
- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Strategic Mid-Cap Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Strategic Mid-Cap Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Strategic Mid-Cap Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the Strategic Mid-Cap Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results.

Therefore, no client should assume that future performance will be profitable, equal the hypothetical performance reflected for Strategic Mid-Cap Strategy, or equal the corresponding historical benchmark index.

### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Strategic Mid-Cap Strategy.

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## Sleep Well Bonds Strategy (SWB)

### Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The Sleep Well Bond (SWB) Strategy is a Logical-Invest bond rotation investment strategy. The Strategy employs an algorithmic allocation which seeks to offer a risk profile comparable to the broad-based U.S. bond market while also achieving superior returns to its risk profile. The Strategy's rule-based investment strategy is designed to identify the optimal allocation among long-term US Treasuries, U.S. High-Yield Corporate Bonds, Emerging Market Bonds and U.S. Convertible Bonds. Cross-correlation and volatility principals of the asset classes is used to reduce the overall volatility of the Strategy. The Strategy is an all-weather strategy designed to limit risk during inevitable market downturns.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until March 2017. Beginning April 2017, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that

they do not reflect actual trading and may not reflect the impact that material economic and market factors might have had on the advisor's decision-making if actual client funds had been invested in the strategy. All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to April 2017.

### Calculation Methodologies

From February 2008 through March 2017 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;

- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;
- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning April 2017, the presented returns represent the strategy-specific SWB performance of FTA's multi-strategy accounts under management with an allocation to SWB. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the

extracted portfolios which were used to calculate the presented extracted performance.

#### **Differences between Hypothetical Performance and Extracted Performance**

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

#### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Sleep Well Bonds Strategy from February 2008 through March 2017.

As such, these results have limitations, including, but not limited to, the following:

- (i) Sleep Well Bonds Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above;
- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Sleep Well Bonds Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Sleep Well Bonds Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Sleep Well Bonds Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the Sleep Well Bonds Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results.

Therefore, no client should assume that future performance will be profitable, equal the hypothetical performance reflected for Sleep Well Bonds Strategy, or equal the corresponding historical benchmark index.

#### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Sleep Well Bonds Strategy.

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**U.S. Prime Dividend Strategy (USPD)**  
**Disclosures**

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

**Description**

The U.S. Prime Dividend Strategy (USPD) strives to identify the leading U.S. dividend paying stocks or ETFs to invest in companies with a history of consistent and continually increasing dividend payouts. The strategy utilizes an intermediate-term tactical overlay to identify whether to be in a bullish posture or defensive posture. When the overlay indicates a bullish posture, the strategy is fully invested in an array of U.S. dividend paying stocks or ETFs. When the overlay indicates a defensive posture, the strategy is fully invested in an ETF designed to track the Barclays Capital US Intermediate Aggregate Bond index.

**Disclosure**

Performance presented is hypothetical (back-tested) from inception of the strategy until April 2017. Beginning May 2017, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect

the impact that material economic and market factors might have had on the advisor's decision-making if actual client funds had been invested in the strategy. All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to May 2017.

**Calculation Methodologies**

From January 2000 through April 2017 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;

- (iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;
- (v) on a monthly basis, performance is calculated using the associated index monthly return;
- (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;
- (vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;
- (viii) all performance results are net of management fees;
- (ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;
- (x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and
- (xi) the U.S. Dollar is the currency used to express performance.

Beginning May 2017, the presented returns represent the strategy-specific USPD performance of FTA's multi-strategy accounts under management with an allocation to USPD. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the

extracted portfolios which were used to calculate the presented extracted performance.

#### **Differences between Hypothetical Performance and Extracted Performance**

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

#### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for U.S. Prime Dividend Strategy from January 2000 through April 2017.

As such, these results have limitations, including, but not limited to, the following:

- (i) U.S. Prime Dividend Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above;
- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of U.S. Prime Dividend Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the U.S. Prime Dividend Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using U.S. Prime Dividend Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the U.S. Prime Dividend Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past

performance is not indicative of future results. Therefore, no client should assume that future performance will be profitable, equal the hypothetical performance reflected for U.S. Prime Dividend Strategy, or equal the corresponding historical benchmark index.

#### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than U.S. Prime Dividend Strategy.

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## Value Discount Strategy (VD)

### Disclosures

*Performance prior to 9/30/16 has been independently verified by Alpha Performance Verification Services. Please ask your financial advisors for a copy of the performance verification report.*

### Description

The Value Discount Strategy (VD) strives to identify undervalued asset classes. The strategy uses ETFs as representations of a specific asset class. Broadly, the represented asset classes include the equity market, U.S. Treasury bonds, corporate bonds, and cash or cash equivalents. The strategy uses a proprietary model to examine and select which asset class is the most undervalued as compared to the equity risk premium for stocks, the credit risk premium for corporate bonds, and the term risk premium for U.S. Treasury bonds. If, after analysis, no asset class is considered undervalued the strategy holds cash or cash equivalents.

### Disclosure

Performance presented is hypothetical (back-tested) from inception of the strategy until December 2016. Beginning January 2017, the presented returns reflect the performance of an extraction of real portfolios invested in the strategy. Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns or the returns of the extracted performance, as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in equities or index, equity and bond ETFs which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect

the impact that material economic and market factors might have had on the advisor's decision-making if actual client funds had been invested in the strategy. All investments carry with them the possibility of loss.

Up until the point that performance was first audited in 2016, the investment strategy that the results were based upon could theoretically have been changed with the benefit of hindsight in order to create the best possible results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods prior to January 2017.

### Calculation Methodologies

From January 2000 through December 2016 the performance is prepared using the following methodologies:

- (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis;
- (ii) at the start of the performance track-record, the model begins with \$100,000 which is tied to the performance of a market index or indexes;
- (iii) all index performance is calculated at month's end and the invested amount grows or is diminished by the monthly return of its' assigned index;

(iv) the cost basis and proceeds for the index is based on the day and time the decision was made to allocate the investment to the index;

(v) on a monthly basis, performance is calculated using the associated index monthly return;

(vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months;

(vii) the hypothetical performance includes both realized and unrealized gains and losses, but does not take into consideration any interest on cash;

(viii) all performance results are net of management fees;

(ix) net-of-fee performance has been reduced by the management fee but is gross of all other fees and transaction costs;

(x) net-of-fee performance is calculated using an annual management fee of 2% applied monthly, in arrears; and

(xi) the U.S. Dollar is the currency used to express performance.

Beginning January 2017, the presented returns represent the strategy-specific VD performance of FTA's multi-strategy accounts under management with an allocation to VD. Variances in holdings may have occurred across portfolios invested in this strategy, due to timing of cash flow additions and liquidations or other client-specific constraints, which may have resulted in performance for individual portfolios that is different than that of the returns presented. New accounts invested in this strategy may be invested similarly but not identically to the investments of the extracted portfolios which were

used to calculate the presented extracted performance.

### **Differences between Hypothetical Performance and Extracted Performance**

Differences in hypothetical performance and extracted performance may be attributed but not limited to the following:

- (i) hypothetical returns reflect the reinvestment of dividends, whereas extracted returns do not;
- (ii) timing of investments of the hypothetical returns were generated retroactively, whereas investment decisions used for the extracted portfolios may suffer from slower implementation due to their real-time nature;
- (iii) the hypothetical performance presented was prepared using a rules-based formula which does not deviate from the structured parameters, whereas FTA's discretionary status of its managed accounts enables the firm to deviate from the aforementioned rules, if desired;
- (iv) hypothetical returns do not utilize dollar-cost averaging, whereas the extracted returns may. Because of the differences between hypothetical performance calculations and extracted performance from actual portfolios, the extracted performance may be materially higher or lower than the hypothetical performance when compared during the same time periods.

### **Limitations of Hypothetical Model Performance**

The performance represents hypothetical model results for Value Discount Strategy from January 2000 through December 2016.

As such, these results have limitations, including, but not limited to, the following:

- (i) Value Discount Strategy results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above;
- (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of Value Discount Strategy by an individual client;
- (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the Value Discount Strategy model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using Value Discount Strategy, client account contributions or withdrawals and general market conditions, would have

caused the performance of a specific client's portfolio to vary substantially from the Value Discount Strategy model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results.

Therefore, no client should assume that future performance will be profitable, equal the hypothetical performance reflected for Value Discount Strategy, or equal the corresponding historical benchmark index.

### **Benchmark Description**

The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than Value Discount Strategy.