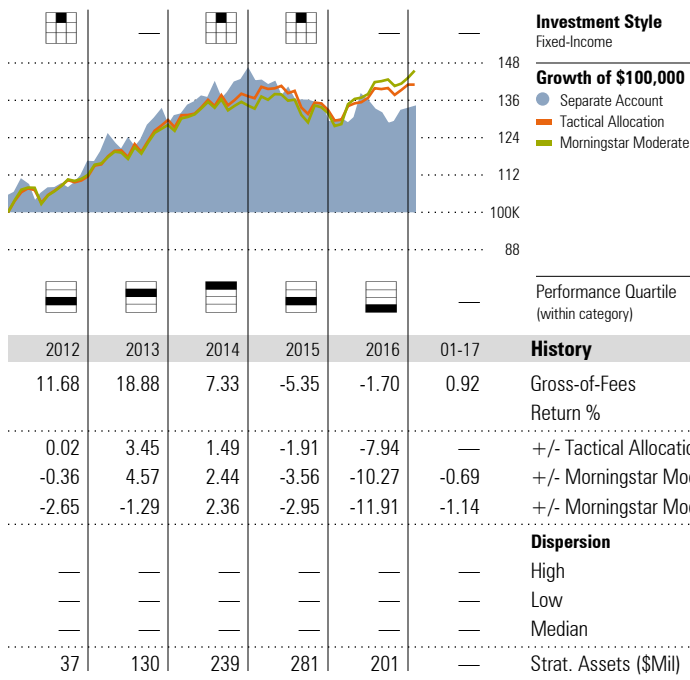


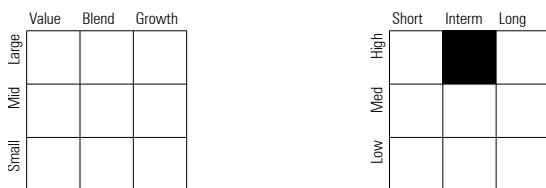
# Sterling Tactical Rotation Strategy

## Performance 01-31-17

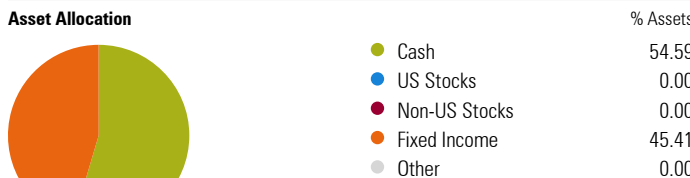


Trailing Gross-of-Fees Returns	Trailing Ret %	+/- Bmark	+/- Cat	% Rnk Cat
YTD	0.92	-0.70	—	—
12 Mo	3.90	-10.03	—	—
3 Yr Annualized	1.60	-3.28	—	—
5 Yr Annualized	4.93	-2.05	—	—
10 Yr Annualized	—	—	—	—

## Strategic Holdings Analysis 03-31-16



Equity Investment Style	Fixed-Income Investment Style
Overall Style Score	Avg Effective Duration(Yrs) 5.13
Overall Size Score	Avg Effective Maturity(Yrs) —
	Avg Credit Quality AA



Morningstar Category™	Strategy Assets(\$Mil)	Strategy Focus
Tactical Allocation	\$201	All

## Ratings, Flexibility and Risk 12-31-16

	Overall	3Yr	5Yr	10Yr
Morningstar Rating™	★★★	★★	★★★	—
Number Rated	219	219	166	79
Morningstar Risk	Above Avg	Average	Above Avg	—
Morningstar Return	Average	Below Avg	Average	—
Flexibility Measure	—	—	—	—

Risk Measures (01-31-17)			
Standard Deviation	7.45	8.11	—
Sharpe	0.23	0.62	—
R-Squared	17.97	37.40	—
Alpha	-0.61	-0.14	—
Beta	0.48	0.75	—

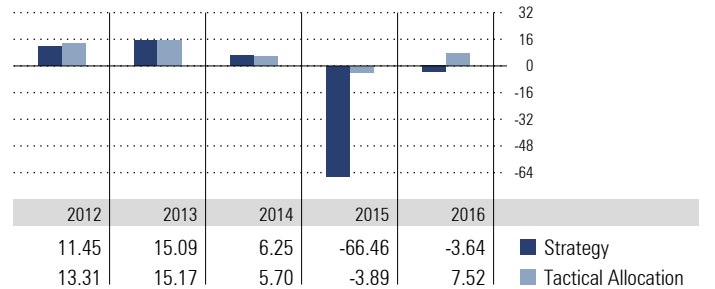
Annual Turnover%	290
Use Derivatives	—

**Performance Disclosure**  
The overall Morningstar Rating is based on risk-adjusted gross returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's separate account may be worth more or less than its original value.

Current performance may be lower or higher than return data quoted herein. To obtain a full GIPS® compliant presentation, contact the money management firm directly, at 760-603-8881 or visit [www.sterling-gs.com](http://www.sterling-gs.com).

## Treynor Ratio



## Money Manager Fee Information

Account Value	Total Fees%
Less than \$5 Million	0.65
\$5 Million-20 Million	0.55
\$20 Million-	0.45

## Management

Managers by Tenure	
Mark Eicker	02-01-10

# Sterling Tactical Rotation Strategy

Morningstar Category™	Strategy Assets(\$Mil)	Strategy Focus
Tactical Allocation	\$201	All

## Contact Information

1808 Aston Ave. 760-603-8881  
Carlsbad CA 92008 www.sterling-gs.com

## Strategy Contact

John Nance	760-603-8881	John@sterling-gs.com
Michael S. Haig	760-603-8881	mike@sterling-gs.com

## Firm Background

Year founded	10-01-08
Total employees	7
Percent owned by employees	100.00%
Firm type	Independent Investment Advisor
Firm legal structure	Limited Liability Company (LLC)

## Firm Legal and Compliance Summary

### Legal Information

Registered investment advisor	Yes
Exempt with SEC	No
Errors and omissions insurance	Yes
Fiduciary liability insurance	No
Bonded	Yes

Disciplinary action in the last 10 years	—
Previous judgments against firm	—
Pending litigation	No
Litigation in last 5 years	—
Pending SEC investigations	No
SEC investigations in last 5 years	No

### GIPS/AIMR Compliance

GIPS Compliant	06-26-13
Date of last verification	03-31-14

## Firm Narratives provided by

### Objective and Investment Approach

The business objective of SGS is to provide absolute returns for our clients on an annual basis. We set out on January 1st of each year to provide a positive return for all of our client accounts regardless of equity market conditions. Due to our strategies unique ability to rotate between 6 different asset classes which all include cash, our strategies have the ability to invest 100% of assets in cash during broad market declines, significantly reducing our downside risk. All of our strategies re-allocate on a monthly basis. During bull markets we rotate between asset classes based on the strength of their sector. We over-weight the two sectors that are experiencing the most strength.

## Performance Disclosure

### History

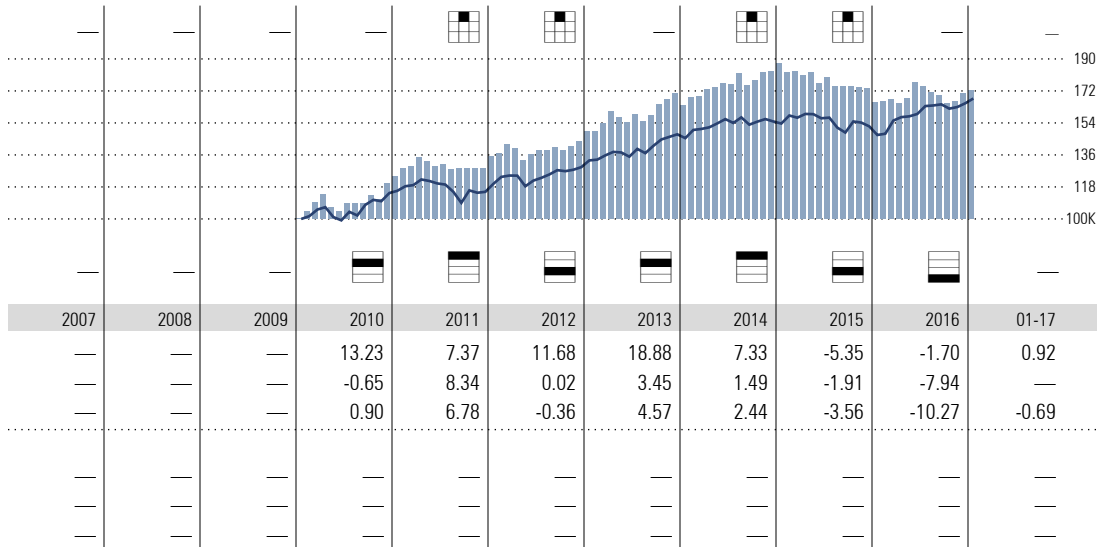
Sterling Global Strategies was founded in October, 2008 in Carlsbad California.

# Sterling Tactical Rotation Strategy

**Morningstar Category™**  
Tactical Allocation

**Strategy Assets(\$Mil)**  
\$201

**Strategy Focus**  
All



**Investment Style**

**Growth of \$100,000**

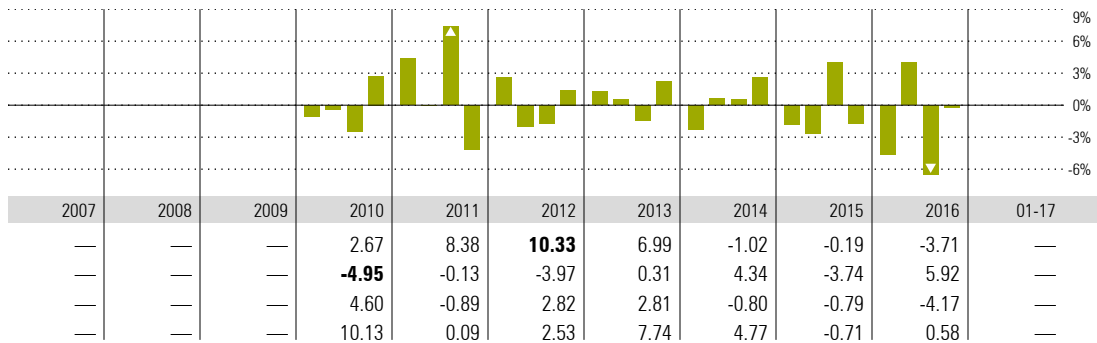
- Monthly Separate Acct Value
- Morningstar Moderate Target Risk

**Performance Quartile**  
(within category)

**History**

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	01-17
Gross-of-Fees Return %	—	—	—	13.23	7.37	11.68	18.88	7.33	-5.35	-1.70	0.92
+/- Tactical Allocation	—	—	—	-0.65	8.34	0.02	3.45	1.49	-1.91	-7.94	—
+/- Morningstar Moderate Tar	—	—	—	0.90	6.78	-0.36	4.57	2.44	-3.56	-10.27	-0.69

**Dispersion**  
High  
Low  
Median

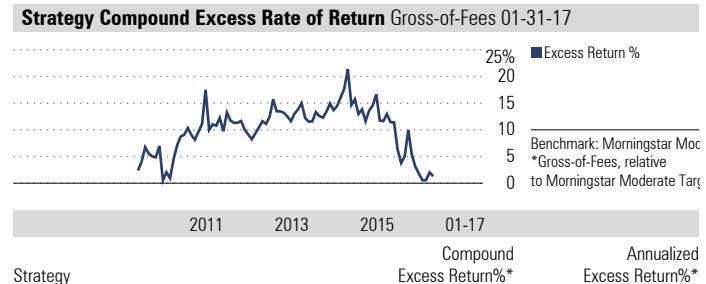
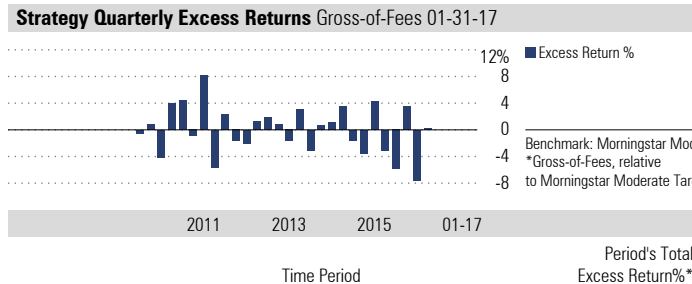


**Relative SA Quarterly vs. SA Category**

- Quarterly SA Relative Return
- Tactical Allocation
- ▲ Best Qtr Performance
- ▼ Worst Qtr Performance

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	01-17
1st Quarter	—	—	—	2.67	8.38	<b>10.33</b>	6.99	-1.02	-0.19	-3.71	—
2nd Quarter	—	—	—	-4.95	-0.13	-3.97	0.31	4.34	-3.74	5.92	—
3rd Quarter	—	—	—	4.60	-0.89	2.82	2.81	-0.80	-0.79	-4.17	—
4th Quarter	—	—	—	10.13	0.09	2.53	7.74	4.77	-0.71	0.58	—

**Qtrly Gross-of-Fees Return**



Time Period	Period's Total Excess Return%*
Highest Historical Excess Return*	Jul 2011 - Sep 2011 8.23
Lowest Historical Excess Return*	Jul 2016 - Sep 2016 -7.58

Strategy	Compound Excess Return%*	Annualized Excess Return%*
Sterling Tactical Rotation Strategy	1.31	0.19

**Performance Disclosure**

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's separate account may be worth more or less than its original value.

Current performance may be lower or higher than return data quoted herein. To obtain a full GIPS® compliant presentation, contact the money management firm directly, at 760-603-8881 or visit www.sterling-gs.com.

**Trailing Gross-of-Fees Return 01-31-17**

	Trailing Ret%	+/- Mornin...	+/- Cat	% Rnk Cat
YTD	0.92	-0.70	—	—
1 Mo	0.92	-0.70	—	—
3 Mo	4.29	0.77	—	—
3 Yr Annualized	1.60	-3.28	—	—
5 Yr Annualized	4.93	-2.05	—	—
10 Yr Annualized	—	—	—	—
Inception	8.06	—	—	—

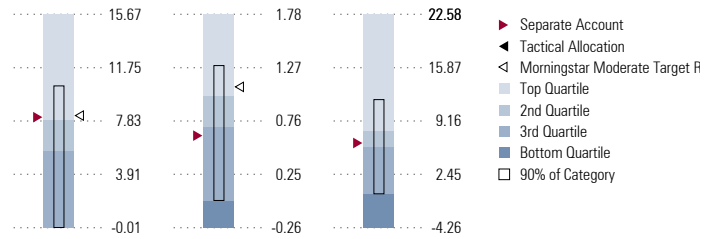
# Sterling Tactical Rotation Strategy

**Morningstar Category™** Tactical Allocation  
**Strategy Assets(\$Mil)** \$201  
**Strategy Focus** All

## Risk Measures 01-31-17

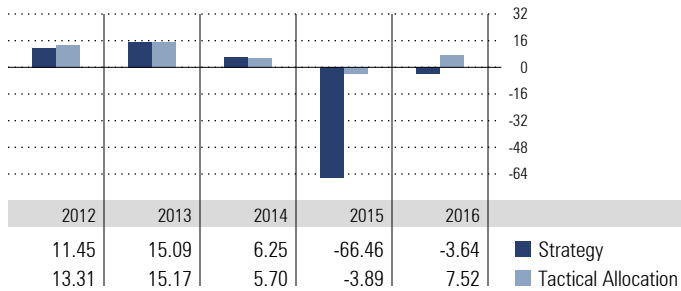
Modern Portfolio Theory Statistics	Strategy vs. Morningstar Moderate Target Risk			
	3 Yr	5 Yr	10 Yr	
R-Squared	17.97	37.40	—	
Alpha	-0.61	-0.14	—	
Beta	0.48	0.75	—	
Volatility Measurements				
	1 Yr	3 Yr	5 Yr	10 Yr
Standard Deviation	7.79	7.45	8.11	—
Tracking Error	8.81	7.57	6.62	—
Risk-Adjusted Returns				
	1 Yr	3 Yr	5 Yr	10 Yr
Sharpe Ratio	0.48	0.23	0.62	—
Treynor Ratio	16.24	3.01	6.39	—
Information Ratio	-1.14	-0.43	-0.31	—
Sortino Ratio	0.96	0.34	0.96	—
Batting Average	25.00	47.22	46.67	—

## Strategy Risk vs. Category Quartile/Percentile (5Yr) 01-31-17



	Std Dev	Sharpe Ratio	Treynor Ratio	Category Range
	10.41	0.00	0.00	5th Percentile
	7.89	0.00	0.00	25th
	5.59	0.70	5.81	Median
	0.00	1.00	7.85	75th
	0.00	1.29	11.85	95th

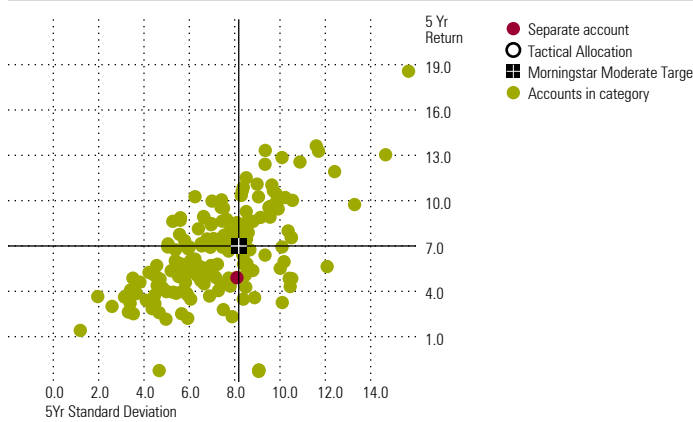
## Treynor Ratio



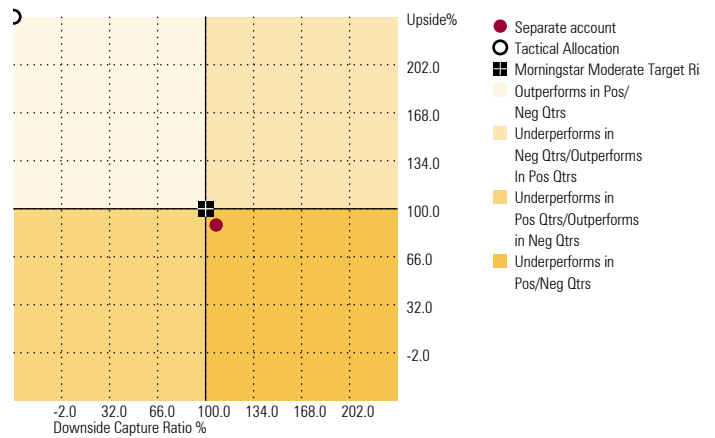
## Distribution of 60 Monthly Returns 01-31-17



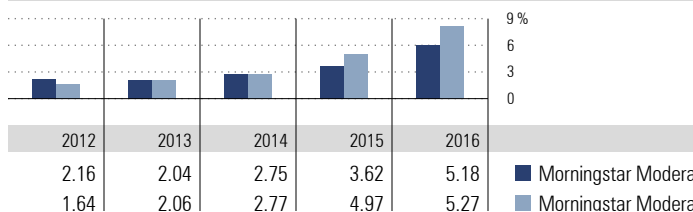
## Category Risk/Return Analysis 01-31-17



## Capture Analysis(5Yr) 01-31-17



## Tracking Error



	Upside Capture Rate of Ret	Upside Capture Ratio	Downside Capture Rate of Ret	Downside Capture Ratio
Separate Account	1.43	88.47	-1.63	107.45
Tactical Allocation	—	—	—	—

# Sterling Tactical Rotation Strategy

Based on representative portfolio

<b>Morningstar Category™</b>	<b>Strategy Assets(\$Mil)</b>	<b>Strategy Focus</b>
Tactical Allocation	\$201	All

## Equity Style 03-31-16

### Ownership Zone™

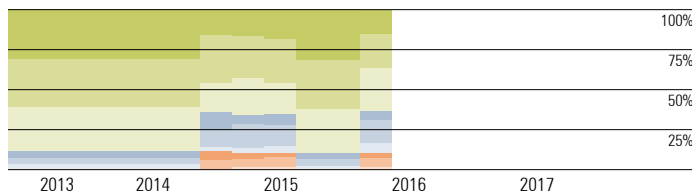
	Value	Blend	Growth
Large			
Mid			
Small			

### Style Breakdown

	Value	Blend	Growth	Weight %
Large	15	21	27	● >50
Mid	5	15	6	● 25-50
Small	4	5	2	● 10-25
				○ 0-10

Style is calculated only using the long position holdings of the portfolio.

## Equity Style Allocation History 03-31-16



	Most Recent			Average		
	Strategy	Category	B1	Strategy	Category	B1
Large Value	15.48	22.47	22.87	20.16	20.85	25.03
Large Core	21.20	23.09	21.32	26.83	22.72	21.44
Large Growth	27.08	27.26	17.89	24.91	23.01	20.07
Mid Value	5.34	7.28	9.43	5.93	8.20	9.10
Mid Core	14.68	6.44	8.40	10.91	7.42	7.74
Mid Growth	5.70	4.94	7.58	4.02	6.10	6.65
Small Value	3.69	3.37	4.91	2.73	4.33	3.98
Small Core	5.25	2.65	4.27	3.62	4.21	3.36
Small Growth	1.58	2.49	3.33	0.89	3.17	2.63

### Equity Style Consistency

	Strategy	Category	B1
Overall Style Score	—	167.99	—
Overall Value-Growth Score	—	185.99	—
Overall Size Score	—	267.33	—

## Equity Sectors 03-31-16

	% Equity	Rel Cat		% Equity	Rel Cat		% Equity	Rel Cat
Cyclical	—	—	Sensitive	—	—	Defensive	—	—
Basic Materials	—	—	Commun Svcs	—	—	Consumer Def	—	—
Consumer Cycl	—	—	Energy	—	—	Healthcare	—	—
Financial Svcs	—	—	Industrials	—	—	Utilities	—	—
Real Estate	—	—	Technology	—	—			

Equity Sector and Market Cap Breakdown data are calculated only using the long position holdings of the portfolio.

## Market Cap Breakdown 03-31-16

	% Equity
Giant	—
Large	—
Medium	—
Small	—
Micro	—

## World Regions % Equity 03-31-16



Greater Asia	Greater Europe	America	Market Maturity
Japan	United Kingdom	North America	% Developed Markets
Australasia	Europe-Developing	Central/Latin	% Emerging Markets
Asia-Developing	Europe-Emerging		% Not Classified
Asia-Emerging	Africa		

N/C 0-10 10-20 20-50 50-90 >90%

Region breakdown data is calculated only using the long position holdings of the portfolio.

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# Sterling Tactical Rotation Strategy

Based on representative portfolio

<b>Morningstar Category™</b>	<b>Strategy Assets(\$Mil)</b>	<b>Strategy Focus</b>
Tactical Allocation	\$201	All

## Fixed-Income Style and Credit Quality 03-31-16

		Short	Interm	Long	Type	% Fixed Income
High Med Low					AAA	72.95
					AA	3.27
					A	10.70
					BBB	13.01
					BB	0.03
					B	0.04
					Below B	0.00

## Top 20 Fixed-Income Holdings 03-31-16

Position Change Since 02-29-16	Date of Maturity	Market Value \$000	Par Value \$000	% Net Assets
⊕ Increase ⊖ Decrease ★ New since last portfolio				
% Assets in Top 20 Fixed-Income Holdings				0.00
Total Number of Fixed-Income Holdings				0

Average Effective Duration(Yrs)*	5.13	Average Weighted Coupon	3.27
Average Effective Maturity(Yrs)	—	Average Weighted Price	106.64
Average Credit Quality	AA		

\*Figure provided by money manager

## Maturity 03-31-16

Type	% Fixed Income
Short (1-5 Yr) US Govt/Corp	—
Intermediate (6-10 Yr) US Govt/Corp	—
Long (10+ Yr) US Govt/Corp	—
MBS	—
ABS & CMBS	—

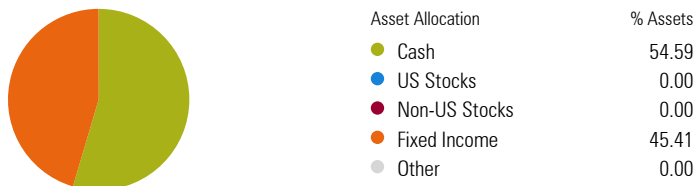
## Fixed-Income Sectors 03-31-16

	% Bonds	Rel Cat		% Bonds	Rel Cat
Government	19.79	0.73	0% PIK	0.01	-6.46
Municipal	0.27	1.29	0% to 6%	92.40	12.05
Corporate	11.16	0.84	6% to 8%	6.52	0.09
Securitized	14.19	2.33	8% to 10%	1.04	-0.90
Cash & Equivalents	54.58	1.23	More than 10%	0.03	-4.79
Derivative	0.00	0.00			

## Coupon Range 03-31-16

The fixed income statistics above are calculated only using the long position holdings of the portfolio.

## Asset Allocation 03-31-16



# Sterling Tactical Rotation Strategy

<b>Morningstar Category™</b>	<b>Strategy Assets(\$Mil)</b>	<b>Strategy Focus</b>
Tactical Allocation	\$201	All

## Key Statistics

Number of accounts	
Inception date	02-01-10
Vehicle Type	Separate Account
Vehicle focus	All
Inv minimum	250,000
Customization minimum	—
Percent of portfolios customized	—
Percent of portfolios tax-managed	—

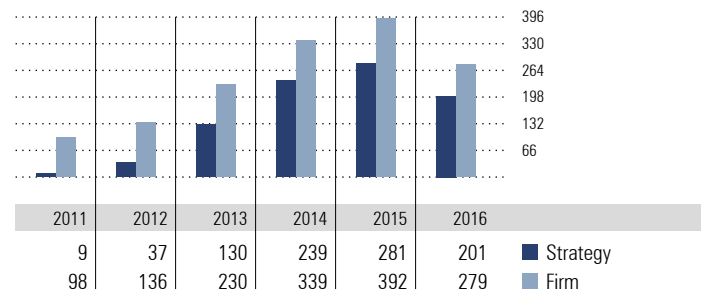
## Account Size Breakdown

	Total Account Value	Number of Accounts
Less than \$250,000	—	—
\$250,000-1 Million	—	—
\$1 Million-10 Million	—	—
\$10 Million-25 Million	—	—
\$25 Million-50 Million	—	—
\$50 Million-100 Million	—	—
More than \$100 Million	—	—

## Money Manager Annual Fee Breakpoints

Account Value	Fees%
Less than \$5 Million	0.65
\$5 Million-20 Million	0.55
\$20 Million-	0.45

## Total Firm & Strategy Assets Under Management(\$Mil)



## Management

### Managers by Tenure

#### Mark Eicker Since 02-01-10

Mark Eicker began his financial career at Smith Barney in 1993, and has since continued to dedicate his professional career to helping investors achieve their investment goals while also attempting to reduce their risk. As Chief Investment Officer, Mark has developed a set of proprietary algorithms that seek to significantly reduce portfolio volatility and downside market exposure, while also striving for positive returns in any market environment. In this role, he continues to develop new investment strategies that can take advantage of the inconsistencies of the capital markets.

# Sterling Tactical Rotation Strategy

Morningstar Category™	Strategy Assets(\$Mil)	Strategy Focus
Tactical Allocation	\$201	All

### Account Customization Options

- Exclude Securities
- Modify Sector Weighting
- Consult with portfolio manager
- Consult with portfolio administrator
- Tax lot harvest report to advisor
- Standard
- Negotiable
- Not offered
- Access daily portfolio holding
- Access daily performance
- Access daily risk/MPT stats
- Miscellaneous customizations

### Tax Efficiency Options

- Use tax-optimization software
- Use tax-lot trading strategies
- Harvest Tax Losses
- Analyze trades by holding period
- Use lng-trm cap gains when trading
- Analyze taxable income streams
- Sell high cost positions first
- Flag short-term gain before trade
- Analyze potential loss candidates
- Receive annual tax document

## Wrap/TAMP Availability

### Wrap/TAMP Availability

Distributor	Platform Name
-------------	---------------