



LAKE PARTNERS, INC.®

LASSO®

Long and Short Strategic Opportunities®

*The Democratization
of Alternative Investments*™

***Over Seventeen Years of Liquid Alternatives...
Enhancing the Asset Allocation Process***

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October 2016 Highlights

LASSO HIGHLIGHTS: October 2016

Performance

- LASSO was off -0.5% in October, while its peer group, the Morningstar Multialternative Category, fell -0.9%, and its benchmark, the HFRX Equity Hedge Index, declined -0.8%. As background, the S&P 500 Index lost -1.8%, while the Barclays US Aggregate Bond Index fell -0.8%.
- Since LASSO's inception on 12/31/98, it has had a cumulative gain of 116.1% versus 142.3% for the S&P 500 Index. However, LASSO has had less than one-third of the daily volatility of the S&P 500, while capturing more than 80% of the Index's upside. We believe that the program's diversified and well-hedged posture has been effective over time in generating solid growth while dampening volatility.

LASSO[®] Composite Net Performance Highlights*									
	October 2016	QTD 2016	YTD 2016	3-Year	Annualized Returns			Since Inception: 12/31/98	
					5-Year	10-Year	Inception	Cumulative	Volatility**
LASSO [®] Composite (net)*	-0.5%	-0.5%	0.1%	-0.1%	2.9%	2.6%	4.4%	116.1%	6.2%
HFRX Equity Hedge Index*	-0.8%	-0.8%	-1.5%	-0.1%	2.1%	-1.0%	N/A	N/A	N/A
Morningstar Multialternative Category*	-0.9%	-0.9%	0.0%	0.1%	1.0%	0.6%	N/A	N/A	N/A
S&P 500 Stock Index*	-1.8%	-1.8%	5.9%	8.8%	13.6%	6.7%	5.1%	142.3%	19.7%
Barclays US Agg Index*	-0.8%	-0.8%	5.0%	3.5%	2.9%	4.6%	5.0%	140.5%	3.8%

Market Overview

- US equities were under pressure during almost all of October, as investors were unsettled by 1) the presidential election, 2) an increasing likelihood of an interest rate increase by the Federal Reserve in December, and 3) a decline in oil prices due to growing supplies and the inability of OPEC to finalize an agreement on production quotas (West Texas Intermediate Crude Oil finished October at \$46.86/barrel versus \$48.24/barrel at the end of September). As a result, the S&P 500 lost -1.8% for the month. That was bad enough, but there was an even greater correction among small-cap equities, especially growth stocks, as the Russell 2000 Value Index dropped -3.3% and the Russell 2000 Growth Index fell -6.2%.

***Past performance is no guarantee of future results.**

See Explanatory Notes and Disclosures on pages 15 and 16.

Actual results of individual accounts will vary due to client cash flows, timing of implementation, different custodians, the availability of underlying funds, applicable regulation, and other factors. Small accounts may perform below the composite due to the greater impact of transaction costs.

****Annualized standard deviation of daily returns**

LAASSO PORTFOLIO REVIEW: October 2016

Market Overview (continued)

- Among sectors within the S&P 500 Index, financials and utilities were the only gainers, with returns of 2.3% and 0.9%, respectively. At the other end of the spectrum, there were three significant underperformers: healthcare lost -6.5%, telecoms fell -6.5%, and real estate dropped -5.5%.
- Among international equity markets, the MSCI Europe Index eked out a gain of 0.3% in local currency terms on improved economic data. However, the Index was down -3.3% in US dollar terms, as the euro weakened from 1.124 to 1.098 during the month on expectations that the spread between US and European rates would widen. In contrast, the MSCI Japan Index made much greater progress, rising 5.1% in yen terms on renewed optimism for the economy. However, the Index was up only 1.3% in US dollar terms as the yen dropped from 101.33 to 104.82 during the month. Emerging markets were mixed. Most notably, MSCI Brazil stood out with a gain of 14.0%, while MSCI China slipped -1.9% (both figures in US dollar terms).
- As investors' outlook for a possible move by the Fed shifted, the US Treasury yield curve also shifted, rising across all maturities. In particular, the yield on US 10-year Treasuries rose from 1.60% at the end of September to 1.83% by the end of October. This move helped undermine the Barclays US Aggregate Bond Index, which fell -0.8%. Investment grade corporate credit and high yield also faced downward pressure during the month. Notably, bond yields in Europe also rose, with the German 10-year bund moving from -0.12% to +0.16%.

LAASSO PORTFOLIO REVIEW: October 2016

Strategy Leaders & Laggards

- *Leaders:* highly-hedged equity
- *Positive:* strategic fixed income; discretionary macro
- *Muted:* convertible arbitrage; merger arbitrage; hedged equity
- *Mixed:* long-biased equity
- *Negative:* global hedged equity; option strategies; systematic managed futures

Portfolio Highlights

- Among the equity-related strategies, the largest positive contribution to performance in October came from our highly-hedged manager, who was up strongly for the month. Our other hedged equity managers were off modestly, while our long-biased managers had mixed results. Global hedged equity managers were down for the month, but they outperformed the S&P 500 (as did all of the other equity-related managers).
- The strategic fixed income allocations were positive contributors during the month, as they posted small gains, outperforming the Barclays Index.
- In the arbitrage-related area, our convertible arbitrage/covered call manager was flat, while our merger arbitrage managers were down modestly. However, our option strategy manager lagged more significantly, although he did outperform the S&P 500.
- In the discretionary macro area, our manager who focuses on currency and fixed income was up modestly. In contrast, our systematic managed futures managers continued to struggle due to a lack of strong trends. However, our counter-trend equity futures trader was flat.

LASSO PORTFOLIO REVIEW: October 2016

Macro Perspective

- Looking forward, we continue to expect the investment landscape to be characterized by:
 - a significant degree of dispersion *among* major equity and fixed income markets around the world (magnified by currency moves);
 - a significant degree of dispersion within equity and credit markets; and
 - heightened volatility across markets, which is being magnified by the political uncertainties especially from “Brexit” and the US presidential election.
- Our view is that the global investment environment reflects a broad theme of “Dissonance:”
 - In the US, there is an incongruity: the economy is on a path towards sustainable though modest growth, but the Fed’s effort to normalize interest rates has been extremely cautious.
 - In Europe, there is a disconnect: the ECB’s promise to “do whatever it takes” to nurse along a fragile recovery cannot fully gain traction without structural changes that are impeded by the continent’s political patchwork (which now has been exacerbated by Brexit).
 - In Japan, there is a conundrum: growth continues to be anemic despite ever greater quantitative and qualitative easing.
 - In China, there is a dual contradiction: 1) policy makers are struggling to (slowly) devalue the currency in order to support exports, while trying to dampen volatility in financial markets and contain capital outflows, and 2) the economic slowdown and excessive leverage throughout the financial system will make the shift from an emphasis on investment to consumption difficult.
- These various dissonances around the globe cannot be maintained indefinitely. This does not necessarily mean that they have to lead to calamitous dislocations, but they will engender further turbulence across markets.

Outlook

- Given this backdrop, we are continuing to allocate the LASSO program across a diversified mix of strategies, and composite net equity exposure remains just under the middle of our target range.
- We believe that the LASSO strategy is well positioned to live up to its history of producing attractive risk-adjusted returns over time.

LASSO CUMULATIVE DAILY RETURNS

LASSO Composite (net) vs. S&P 500

Inception of LASSO from December 31, 1998 through October 31, 2016

See Explanatory Notes and Disclosures • Past performance is no guarantee of future results

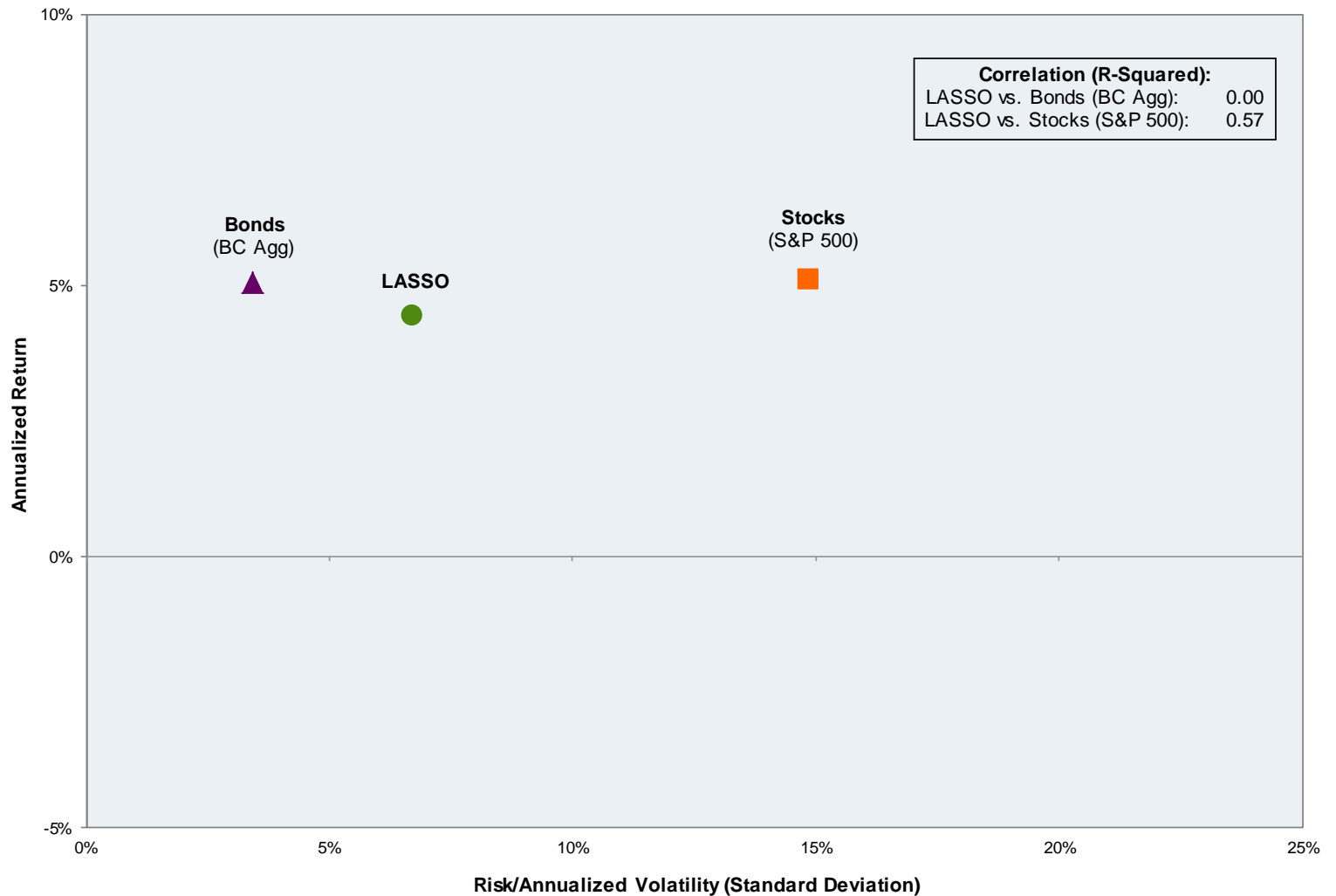


LASSO RISK/RETURN PROFILE

Annualized Risk/Return Profile: LASSO Composite (net) vs. Stock and Bond Indices

Inception of LASSO from December 31, 1998 through October 31, 2016 (based on monthly data)

See Explanatory Notes and Disclosures • Past performance is no guarantee of future results

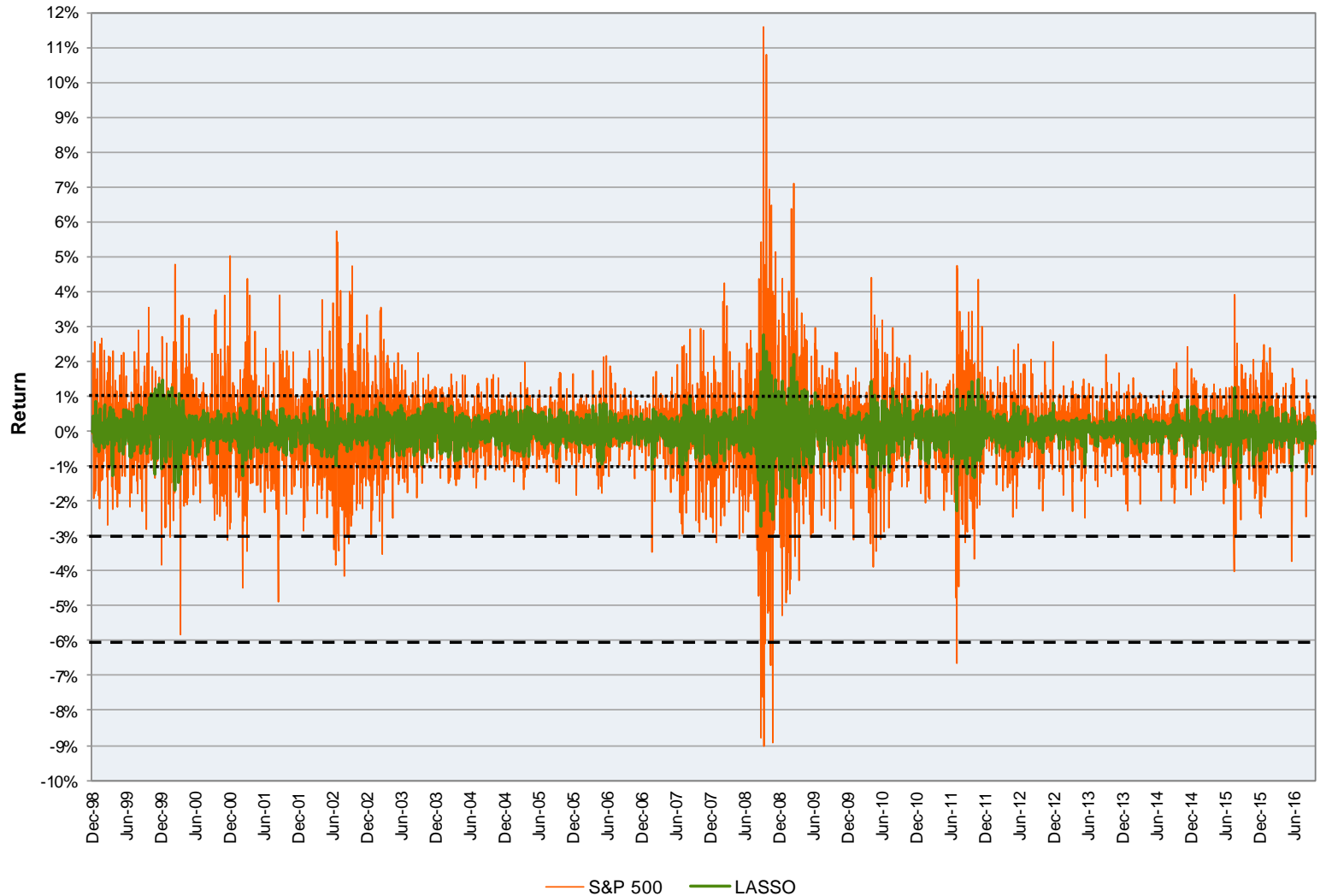


LAGO RISK PARAMETERS: DAILY VOLATILITY

Daily Returns: LASSO Composite (net) vs. S&P 500

Inception of LASSO from December 31, 1998 through October 31, 2016

See Explanatory Notes and Disclosures • Past performance is no guarantee of future results

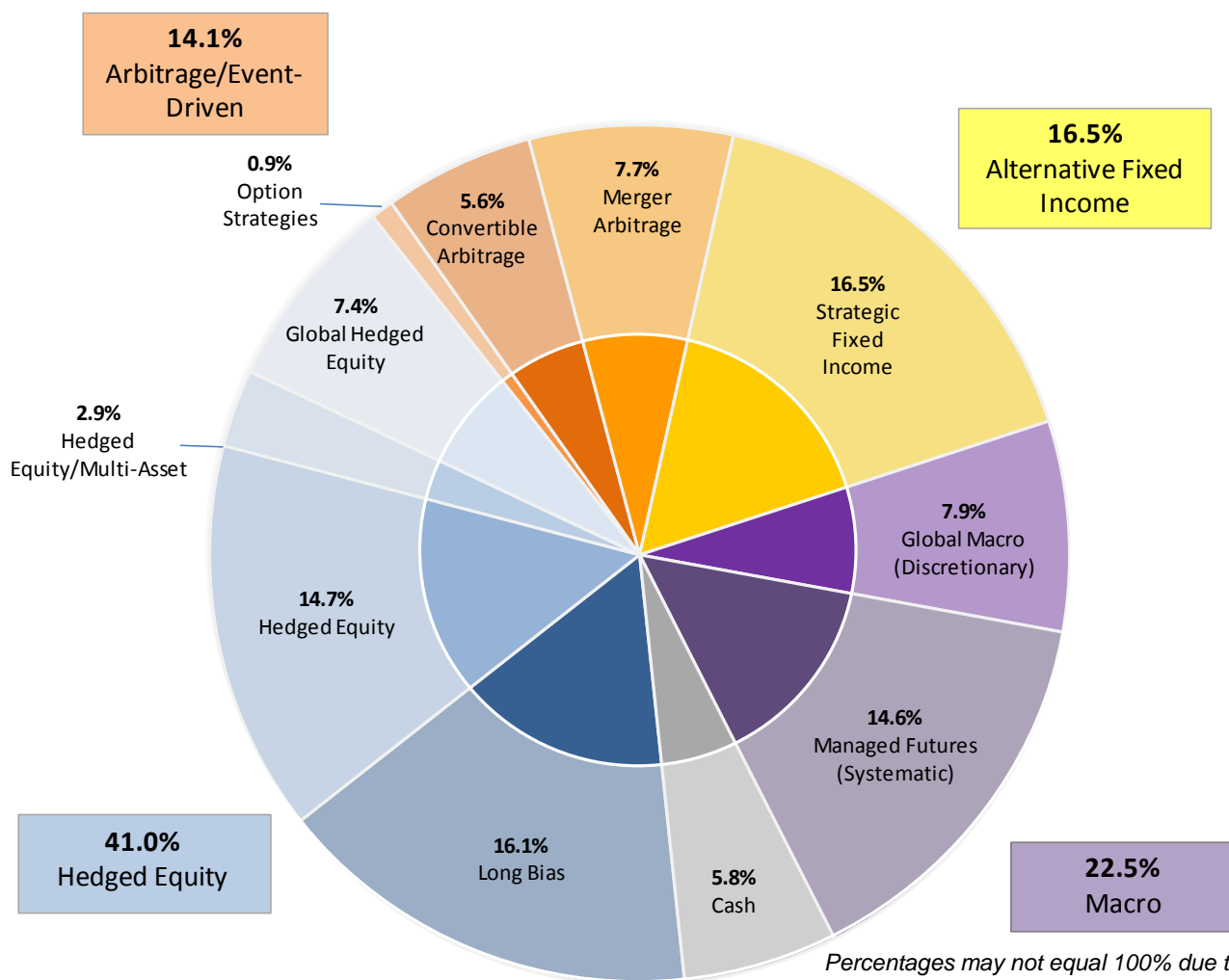


LAASSO CURRENT STRATEGY ALLOCATION

Selecting the right mix is as important as selecting the right strategies

LASSO Composite Strategy Allocation as of October 31, 2016

See Explanatory Notes and Disclosures • Past performance is no guarantee of future results



Percentages may not equal 100% due to rounding.
Based on settlement date accounting
Allocations subject to change.

LASSO HISTORY

A long record of...

**enhanced returns, lower risk, and reduced correlation...
via a liquid, “user friendly,” alternative investment.**

Performance

- Over seventeen year track record: 12/31/98 to 10/31/16
- Cumulative return since inception: 116.1% (net) versus 142.3% (S&P 500)
- Reduced volatility: gains achieved with less than 1/3 of the daily volatility of the S&P 500

Benefits: Structure

- Daily liquidity
- “User friendly” access to alternative strategies
- Diversification through an array of alternative strategies and instruments
- “One stop” package of alternatives to enhance the asset allocation process

Benefits: Risk/Return Profile

- Relatively stable returns (vs. equities)
- Potential downside protection and reduced volatility
- Reduced correlation to stocks and/or bonds
- Serve as an alternative or complement to conventional equity and fixed income

*See Explanatory Notes and Disclosures.
Past performance is no guarantee of future results.
There can be no assurance that any objectives can be achieved.*

LASSO STRUCTURE

**A multi-manager investment program...
of carefully selected alternative mutual funds...
that invest long and short, or use hedging or alternative strategies.**

Structure

- Multi-manager mutual fund program
- Managed portfolio of carefully selected mutual funds that invest long and short, or use hedging or alternative strategies
- Available through separate accounts or commingled pools

Additional Benefits

- Lower cost structure vs. hedge funds and funds-of-funds
- Regulated instruments
- No K-1s
- Provide access to unique mutual funds, some of which may be closed
- *For additional information, contact:*
Rick Lake, Portfolio Manager, 203-661-5100, rick@lakelasso.com

*See Explanatory Notes and Disclosures.
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There can be no assurance that any objectives can be achieved.*

LASSO RETURNS & STATISTICS

LASSO Composite (net) vs. S&P 500 vs. Barclays US Aggregate Bond Index

Inception of LASSO from December 31, 1998 through October 31, 2016 (based on monthly data)

Monthly Performance (%) Net of Fees													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2016	-1.6%	-0.3%	1.8%	-0.2%	0.3%	-0.1%	1.3%	-0.4%	-0.2%	-0.5%			0.1%
2015	-1.3%	2.3%	-0.4%	-0.2%	0.2%	-2.1%	0.6%	-2.4%	-1.3%	2.2%	0.3%	-1.4%	-3.5%
2014	-1.1%	1.4%	0.6%	0.7%	0.9%	0.3%	-0.8%	0.9%	-1.3%	0.0%	0.6%	-0.8%	1.5%
2013	2.3%	0.5%	1.5%	0.8%	0.9%	-1.7%	1.3%	-1.4%	1.1%	1.7%	1.1%	0.7%	9.2%
2012	2.5%	1.7%	0.3%	0.0%	-2.7%	1.1%	0.5%	1.0%	0.8%	0.0%	0.6%	1.6%	7.6%
2011	1.4%	1.6%	0.0%	1.4%	-0.9%	-1.4%	-0.8%	-3.4%	-3.2%	3.9%	-0.5%	0.8%	-1.5%
2010	-0.6%	1.1%	2.8%	1.0%	-3.7%	-1.9%	2.9%	-2.0%	5.0%	2.1%	-0.3%	3.7%	10.1%
2009	-2.3%	-4.7%	1.9%	4.7%	3.9%	0.4%	3.6%	2.0%	2.5%	-0.5%	1.6%	1.6%	15.2%
2008	-3.1%	0.7%	-0.7%	0.4%	0.7%	-1.2%	-2.7%	-0.7%	-3.6%	-5.1%	-3.0%	1.1%	-16.0%
2007	0.8%	-0.4%	0.7%	1.7%	1.6%	-0.7%	-1.3%	-0.6%	2.3%	1.9%	-2.2%	0.2%	3.9%
2006	1.6%	-0.2%	1.5%	0.7%	-1.3%	-0.7%	0.2%	1.1%	0.1%	1.4%	1.6%	1.2%	7.4%
2005	-1.8%	1.5%	-0.8%	-1.5%	1.9%	2.2%	2.6%	0.8%	0.8%	-1.6%	1.8%	0.4%	6.1%
2004	2.2%	0.8%	-0.5%	-2.9%	0.5%	0.4%	-2.3%	-0.5%	1.6%	0.1%	2.3%	2.4%	4.1%
2003	-1.0%	-0.6%	0.3%	2.9%	2.8%	0.1%	2.0%	1.8%	0.2%	2.9%	1.7%	0.5%	14.4%
2002	-0.2%	-1.4%	1.7%	-0.5%	-1.0%	-3.9%	-3.2%	0.2%	-1.8%	0.6%	1.3%	-0.2%	-8.2%
2001	-0.3%	-1.3%	-1.7%	1.4%	1.0%	0.2%	-0.8%	-0.9%	-2.5%	1.8%	0.4%	0.9%	-1.9%
2000	0.8%	5.6%	-0.3%	-2.3%	0.3%	0.9%	-1.3%	3.4%	-0.3%	-0.2%	0.3%	0.8%	7.9%
1999	2.2%	-1.0%	2.8%	0.8%	-0.3%	2.5%	1.1%	0.1%	0.9%	1.1%	5.1%	12.4%	30.6%
Trailing Returns (periods greater than 1 year are annualized)													
	1 Month	3 Month	6 Month	1 Year	2 Year	3 Year	5 Year	7 Year	10 Year	Inception (1/1999)			
LASSO	-0.5%	-1.0%	0.5%	-1.1%	-1.8%	-0.1%	2.9%	3.7%	2.6%	4.4%			
S&P 500	-1.8%	-1.7%	4.1%	4.5%	4.9%	8.9%	13.6%	13.2%	6.7%	5.1%			
Barclays Capital Aggregate Bond	-0.8%	-0.9%	1.5%	4.4%	3.2%	3.5%	2.9%	3.9%	4.7%	5.0%			
Statistical Analysis													
Return	LASSO	S&P 500	BC Agg	Risk	LASSO	S&P 500	BC Agg						
Annualized Compound ROR	4.4%	5.1%	5.0%	Standard Deviation	6.7%	14.8%	3.4%						
Cumulative Return	116.1%	142.3%	140.5%	Sharpe Ratio (0.1% risk free rate)	0.50	0.33	1.11						
Cumulative VAMI	\$2,161	\$2,423	\$2,405	Sortino Ratio (0.1% min. acceptable return)	0.84	0.47	1.94						
Best Month	12.4%	10.9%	3.7%	Downside Deviation (0.1% min. acceptable return)	4.0%	10.4%	2.0%						
Worst Month	-5.1%	-16.8%	-3.4%	Comparison To Benchmarks			S&P 500	BC Agg					
% Positive Months	60.7%	61.2%	66.8%	Alpha		0.2%	0.4%						
Average Monthly Return	0.4%	0.5%	0.4%	Annualized Alpha		2.8%	5.5%						
Average Gain	1.5%	3.1%	0.9%	Beta		0.34	(0.08)						
Average Loss	-1.4%	-3.7%	-0.6%	Correlation		0.75	(0.04)						
Maximum Draw down	-23.4%	-51.0%	-3.8%	R-Squared		0.57	0.00						
Draw down Analysis													
LASSO							S&P 500						
Depth	Length	Recovery	Peak	Valley	Depth	Length	Recovery	Peak	Valley				
-23.4%	16	20	Oct-07	Feb-09	-51.0%	16	37	Oct-07	Feb-09				
-11.4%	21	13	Dec-00	Sep-02	-44.7%	25	49	Aug-00	Sep-02				
-9.5%	5	15	Apr-11	Sep-11	-8.4%	2	8	Jul-15	Sep-15				
-6.8%	18	0	Aug-14	Feb-16	-6.8%	2	1	Dec-99	Feb-00				
-5.2%	6	4	Feb-04	Aug-04	-6.6%	2	3	Mar-12	May-12				

LASSO RETURNS & STATISTICS

LASSO Composite (net) vs. HFRX Equity Hedge Index

Inception of HFRX Equity Hedge Index from March 31, 2003 through October 31, 2016 (based on monthly data)

Trailing Returns (periods greater than 1 year are annualized)										
	1 Month	3 Month	6 Month	1 Year	2 Year	3 Year	5 Year	7 Year	10 Year	Inception (4/2003)
LASSO	-0.5%	-1.0%	0.5%	-1.1%	-1.8%	-0.1%	2.9%	3.7%	2.6%	4.1%
HFRX Equity Hedge ("HFRXEH")	-0.8%	0.5%	1.4%	-2.6%	-1.8%	-0.1%	2.1%	0.4%	-1.0%	1.0%

Statistical Analysis					
Return	LASSO	HFRXEH	Risk	LASSO	HFRXEH
Annualized Compound ROR	4.1%	1.0%	Standard Deviation	6.1%	7.3%
Cumulative Return	72.6%	13.7%	Sharpe Ratio (0.1% risk free rate)	0.49	0.00
Cumulative VAMl	\$1,726	\$1,137	Sortino Ratio (0.1% min. acceptable return)	0.73	0.00
Best Month	5.0%	5.2%	Downside Deviation (0.1% min. acceptable return)	4.1%	5.8%
Worst Month	-5.1%	-10.0%	Comparison To Benchmarks		
% Positive Months	62.6%	54.6%	HFRXEH		
Average Monthly Return	0.4%	0.1%	Alpha	0.3%	
Average Gain	1.4%	1.5%	Annualized Alpha	3.4%	
Average Loss	-1.4%	-1.6%	Beta	0.68	
Maximum Draw down	-23.4%	-29.5%	Correlation	0.82	
			R-Squared	0.67	

Draw down Analysis									
LASSO					HFRXEH				
Depth	Length	Recovery	Peak	Valley	Depth	Length	Recovery	Peak	Valley
-23.4%	16	20	Oct-07	Feb-09	-29.5%	21	0	May-07	Feb-09
-9.5%	5	15	Apr-11	Sep-11	-4.5%	3	4	Apr-06	Jul-06
-6.8%	18	0	Aug-14	Feb-16	-4.3%	13	3	Mar-04	Apr-05
-5.2%	6	4	Feb-04	Aug-04	-2.6%	1	2	Sep-05	Oct-05
-2.6%	4	2	Dec-04	Apr-05	-0.3%	1	1	Aug-03	Sep-03

LASO RETURNS & STATISTICS

LASSO Composite (net) vs. Morningstar Multialternative Category Average

Inception of Morningstar Multialternative Category Average from December 31, 2000 through October 31, 2016 (based on monthly data)

Trailing Returns (periods greater than 1 year are annualized)										
	1 Month	3 Month	6 Month	1 Year	2 Year	3 Year	5 Year	7 Year	10 Year	Inception (1/2001)
LASSO	-0.5%	-1.0%	0.5%	-1.1%	-1.8%	-0.1%	2.9%	3.7%	2.6%	2.7%
Morningstar Multialternative ("Multialt")	-0.9%	-1.0%	0.6%	-1.5%	-1.1%	0.1%	1.0%	1.6%	0.6%	-0.1%

Statistical Analysis					
Return	LASSO	Multialt	Risk		
Annualized Compound ROR	2.7%	-0.1%	Standard Deviation	6.0%	9.6%
Cumulative Return	53.5%	-1.4%	Sharpe Ratio (0.1% risk free rate)	0.28	-0.08
Cumulative VAMI	\$1,535	\$986	Sortino Ratio (0.1% min. acceptable return)	0.40	-0.11
Best Month	5.0%	10.5%	Downside Deviation (0.1% min. acceptable return)	4.2%	7.6%
Worst Month	-5.1%	-12.2%	Comparison To Benchmarks		
% Positive Months	59.5%	58.9%	Alpha	0.2%	
Average Monthly Return	0.2%	0.0%	Annualized Alpha	2.8%	
Average Gain	1.4%	1.5%	Beta	0.43	
Average Loss	-1.4%	-2.1%	Correlation	0.69	
Maximum Draw down	-23.4%	-40.3%	R-Squared	0.48	

Drawdown Analysis									
LASSO					Multialt				
Depth	Length	Recovery	Peak	Valley	Depth	Length	Recovery	Peak	Valley
-23.4%	16	20	Oct-07	Feb-09	-40.3%	20	149	Jan-01	Sep-02
-11.4%	21	13	Dec-00	Sep-02	-26.9%	16	66	Oct-07	Feb-09
-9.5%	5	15	Apr-11	Sep-11	-6.6%	9	0	May-15	Feb-16
-6.8%	18	0	Aug-14	Feb-16	-0.3%	1	1	Mar-15	Apr-15
-5.2%	6	4	Feb-04	Aug-04					

LASSO EXPLANATORY NOTES AND DISCLOSURES

The preceding performance is a composite of all discretionary, fee-paying accounts managed by Lake Partners, Inc. (“LPI”) utilizing the LASSO Long and Short Strategic Opportunities strategy (“LASSO”). Performance is weighted by account size and time-weighted for each performance period, and reflects the reinvestment of dividends and other earnings. Performance is net of all fees and expenses, including: LPI portfolio management fees, fees and expenses of underlying funds, and brokerage, administrative, and custodial costs. (The composite includes separate accounts as well as all commingled vehicles utilizing the LASSO strategy).

Performance was affected by material market and economic conditions that were independent of and not controlled by LPI or the managers of the underlying funds and may be different in the future. Actual results and holdings of individual accounts will vary due to client cash flows, timing of implementation, different custodians, the availability of underlying funds, applicable regulation, and other factors. Small accounts may perform below the composite due to the greater impact of transaction costs.

**All securities investing involves the risk of loss.
Past performance is no guarantee of future results.**

There can be no assurance that the LASSO Long and Short Strategic Opportunities program can meet its stated objectives.

LASSO differs substantially from the market indices, which are included for comparison purposes only.

The S&P 500 is an unmanaged, capitalization-weighted index of the common stocks of 500 widely held US companies. It does not include fees or expenses. Direct investment in an index is not possible. (S&P 500 is a registered trademark of Standard & Poor’s Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc.) LASSO differs substantially from the S&P 500, which is used for comparison purposes as a widely recognized measure of US stock market performance. While the returns of LASSO have exhibited positive (but varying) correlation to the index over time, the underlying funds in the program may invest in different stocks and in different proportions than in the index.

The Barclays Capital US Aggregate Bond Index is an unmanaged index of fixed rate debt securities rated investment grade or higher by Moody’s, Standard & Poor’s, or Fitch rating services. All issues in the index have at least one year to maturity and meet minimum outstanding par value or minimum deal size requirements. The index does not reflect fees or expenses. Direct investment in an index is not possible. (The index is a registered trademark of Barclays Bank PLC). LASSO differs substantially from this index, which is used for comparison purposes as a widely recognized measure of US bond market performance. Although the mutual fund allocations in the LASSO portfolio emphasize stocks and hedged equities, and bonds to a lesser degree, the historical volatility of LASSO (as measured by standard deviation, a measure of the variation of returns) is more comparable to the Barclays Capital US Aggregate Bond Index rather than the S&P 500 stock market index. LASSO may use underlying funds that invest in non-investment grade bonds, which may entail additional credit risk. LASSO may use underlying funds that invest in non-US and emerging markets bonds, which may entail additional credit, sovereign, and currency risks.

LAGO EXPLANATORY NOTES AND DISCLOSURES

The HFRX Equity Hedge Index ("HFRXEH") is part of the HFRX series of hedge fund indices, published by Hedge Fund Research, Inc., which are designed to reflect the daily performance of a variety of hedge fund strategies. The indices include funds that meet the screening criteria of Hedge Fund Research, Inc., including a 24-month track record and \$50 million under management, and are open to new investments. The HFRXEH is designed to be both investable and to reflect the overall structure and composition of the equity long/short hedge fund universe. • LASSO differs substantially from the HFRXEH, which is used for comparison purposes as a daily-valued measure of hedge fund performance. LASSO is comprised of "alternative mutual funds," a limited universe of mutual funds that use short-selling, hedging, and other hedge-fund-like strategies. In contrast, the HFRXEH uses a sampling from the broad equity long/short hedge fund universe, which contains more funds and strategies than available through alternative mutual funds. In addition, hedge funds in the index may also use a greater degree of leverage and illiquid securities than permitted for mutual funds due to regulatory restrictions. Nevertheless, the performance of LASSO and the HFRXEH have exhibited positive (but varying) correlation over time, reflecting the prevalence of long-short equity strategies in the universe of alternative mutual funds. • The index is net of fees and expenses of the underlying managers, including incentive fees, a type of fee generally not charged by the mutual funds in LASSO due to regulatory restrictions. The index does not reflect a fund-of-funds management fee, which is reflected in LASSO performance. Direct investment in the index is not possible. Commingled vehicles based on the index are available to investors, subject to additional fees and expenses.

The Morningstar Multialternative Category (monthly data series) includes mutual funds (identified by Morningstar, Inc.) that offer investors exposure to several different alternative investment strategies. Funds in this category allocate a majority of their assets to alternative strategies and include both funds with static allocations to alternative strategies and funds tactically allocating among alternative strategies and asset classes. Gross short exposure is generally greater than -20%. • The performance of the Morningstar Multialternative Category is represented by the Morningstar Multialternative Category Average ("MMCA"). The MMCA is among the various averages published by Morningstar, Inc. to measure the performance of a group of funds that utilize a similar investment strategy. The MMCA is based on Morningstar's Enhanced Category Averages methodology, which reflects the average monthly returns for the Morningstar Multialternative Category, based on equally weighting each share class of each fund that existed in the category for the entirety of each historical month, with annual and trailing return calculated by geometrically linking these monthly numbers. The MMCA is net of fees and expenses of the underlying funds. • LASSO differs substantially from the MMCA, which is used for comparison purposes as a measure of alternative mutual fund performance. The LASSO portfolio may include mutual funds included or not included in the Morningstar Multialternative Category. The Morningstar Multialternative Category does not reflect a fund-of-funds management fee, which is reflected in LASSO performance. Direct investment in the MMCA is not possible.

Although the returns of LASSO have exhibited reduced or low correlations to the returns of the above indices, the indices utilized herein are widely recognized indices for the performance and risk characteristics of stocks, bonds, and alternative strategies, as well as for asset allocation and comparison purposes.