



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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November 2016 Highlights

LASSO HIGHLIGHTS: November 2016

Performance

- LASSO gained 1.0% in November. In comparison, LASSO outperformed its peer group, the Morningstar Multialternative Category, which was flat, but lagged its benchmark, the HFRX Equity Hedge Index, which was up 1.5%. As background, the S&P 500 rose 3.7%, while the Barclays US Aggregate Bond Index fell -2.4%.
- Since LASSO's inception on 12/31/98, it has had a cumulative gain of 118.2% versus 151.2% for the S&P 500 Index. However, LASSO has had only 31% of the daily volatility of the S&P 500, while capturing 78% 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*									
	November 2016	QTD 2016	YTD 2016	3-Year	Annualized Returns			Since Inception: 12/31/98	
					5-Year	10-Year	Inception	Cumulative	Volatility**
LASSO [®] Composite (net)*	1.0%	0.5%	1.1%	-0.1%	3.2%	2.5%	4.5%	118.2%	6.2%
HFRX Equity Hedge Index*	1.5%	0.6%	-0.1%	0.1%	2.7%	-1.1%	N/A	N/A	N/A
Morningstar Multialternative Category*	0.0%	-0.8%	0.0%	-0.1%	1.1%	0.4%	N/A	N/A	N/A
S&P 500 Stock Index*	3.7%	1.8%	9.8%	9.1%	14.5%	6.9%	5.3%	151.2%	19.7%
Barclays US Agg Index*	-2.4%	-3.1%	2.5%	2.8%	2.4%	4.3%	4.9%	134.8%	3.8%

Market Overview

- US equities mounted a strong rally following the election of Donald Trump, spurred by investors' expectations that policy under the President-elect would be business-friendly by shifting towards greater fiscal stimulus, tax reform, and deregulation. Furthermore, continued signs of improvement in the labor market led to a stronger consensus that growth in the economy would be sustained, adding greater support for the rally in equities.
- Despite the general rally in stocks, there were wide divergences within the market. In particular, small caps outperformed large caps, and value outperformed growth. For example, the Russell 2000 Value Index climbed 13.3%, while the Russell 1000 Growth Index was up only 2.2%. Among industry groups, the leaders were financials, industrials, and energy, with gains of 13.9%, 8.9%, and 8.4%, respectively. At the other end of the spectrum, defensive and yield-oriented sectors not only lagged but actually declined significantly: real estate was off -3.1%, consumer staples were down -4.3%, and utilities fell -5.4%.

***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**

LASSO PORTFOLIO REVIEW: November 2016

Market Overview (continued)

- In sharp contrast to the rally in equities, the US bond market came under considerable pressure on heightened expectations that such policy shifts and economic trends would be reflationary, leading to higher interest rates and bond yields. Indeed, the yield on 10-year Treasuries jumped to 2.38% by the end of November, from 1.83% at the end of October. Yields also rose in the investment grade corporate bond sector, but the high yield sector was relatively more stable. Rates and yields also trended higher in international fixed income and credit markets. Notably, the yield on the 10-year German bund rose from 0.16% to 0.27%, after having dropped into negative territory from June through September.
- Among international equity markets, the MSCI Europe Index struggled sideways, ending the month with a small loss of -0.6% in local currency terms on concerns about rising rates and a weakening euro. In contrast, the MSCI Japan Index chalked up a strong gain of 5.8% in yen terms on renewed optimism for the economy. In emerging markets, many country-specific returns were undermined by concerns about their currencies in the face of rising US interest rates: MSCI China slipped -1.2%, MSCI India fell -5.2%, and MSCI Brazil was off -5.1% (all figures in local currencies). The significant exception was MSCI Russia, which rose 6.5% in ruble terms on stronger oil prices.
- The other significant effect of the prospect of reflationary policy and higher rates in the US was to push the dollar significantly higher. In particular, the yen dropped sharply from 104.82 to 114.46 (representing a 9.2% gain for the dollar) during the month, while the euro fell from 1.098 to 1.059 (a 3.5% move). Most emerging market currencies (and fixed income markets) also were negatively impacted by the rise of the dollar.
- In commodity markets, oil prices dominated the headlines. Given the outlook for firmer economic growth as well as speculation that OPEC would come to an agreement on limiting production, West Texas Intermediate Crude Oil finished the month at \$49.44/barrel versus \$46.86/barrel at the end of October.

LAASSO PORTFOLIO REVIEW: November 2016

Strategy Leaders & Laggards

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

Portfolio Highlights

- Our long-biased managers were the performance leaders not only within the equity-related strategy area but also for the program overall. In fact, our core managers outperformed the S&P 500 significantly. Our hedged equity managers also performed well: one was up more than double the S&P 500, partly due to an emphasis on financials, while the other was slightly ahead of the Index. In contrast, our highly-hedged manager was down due to a combination of stock selection and short exposure. Global hedged equity managers had muted returns: our core manager was up slightly while the other was down but only modestly.
- In the arbitrage-related area, our merger arbitrage managers had solid gains for the month, and our convertible arbitrage/covered call manager was up modestly. However, our option strategy manager had a negative return.
- The strategic fixed income allocations were slight detractors during the month, but they significantly outperformed the Barclays Aggregate Index due to their relatively defensive strategies.
- In the systematic managed futures area, our core allocation to a diversified, multi-manager fund produced a modest gain for the month, while our much smaller allocation to a more aggressive single-manager fund was down slightly. Our counter-trend equity futures trader was up slightly, though. In contrast, our discretionary macro manager was down meaningfully due to emerging market exposures.

LAASSO PORTFOLIO REVIEW: November 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 and policy uncertainties associated with the incoming Trump administration in the US as well as “Brexit.”
- 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. The election of Donald Trump raises an additional set of uncertainties. On the one hand, equity markets have been excited by the prospect of fiscal stimulus, tax reform, and deregulation. On the other hand, there are risks associated with reflation, rising interest rates, and potential trade wars.
 - 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 manage the currency while trying to 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 LAASSO 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 LAASSO 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 November 30, 2016

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

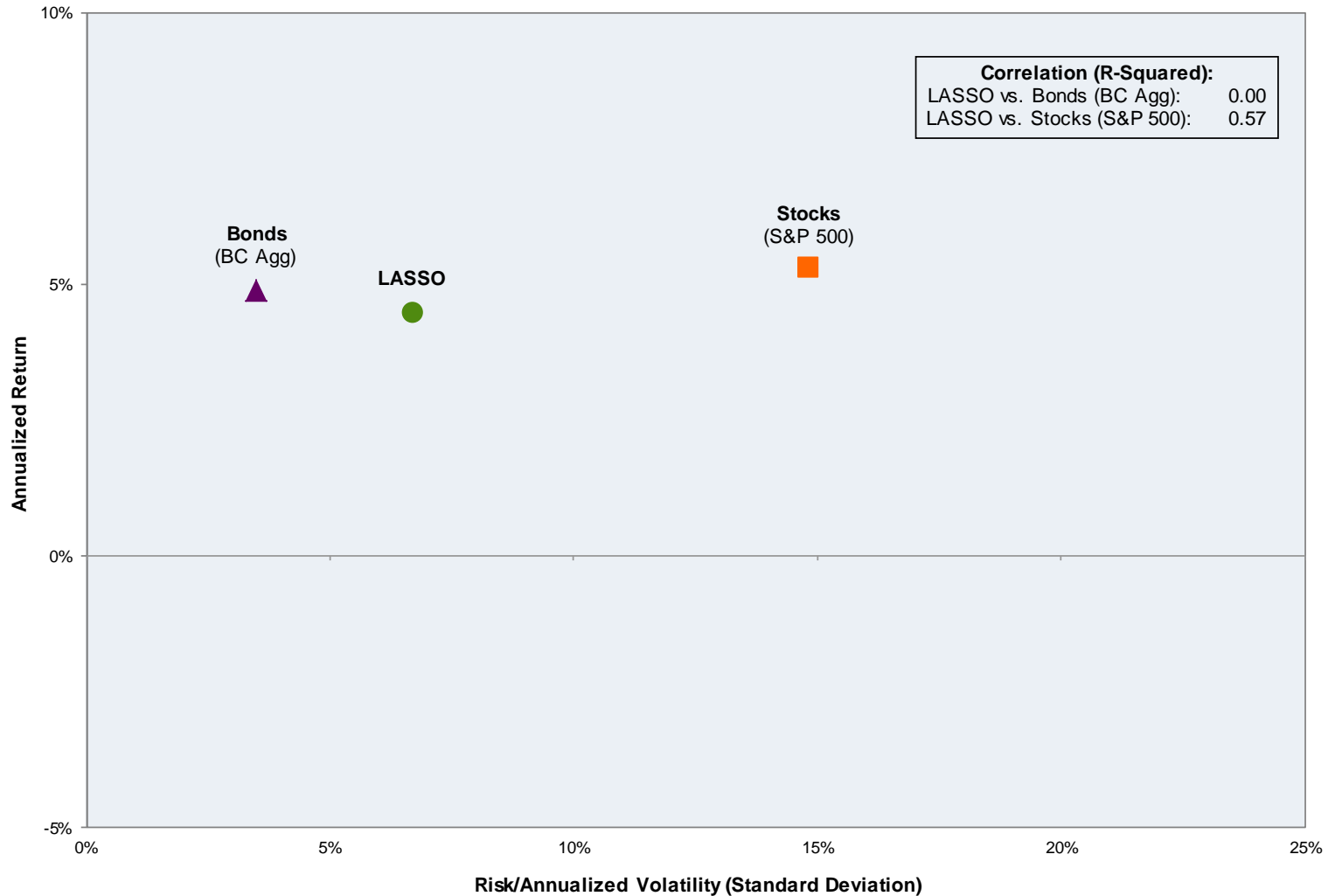


LASSO RISK/RETURN PROFILE

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

Inception of LASSO from December 31, 1998 through November 30, 2016 (based on monthly data)

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

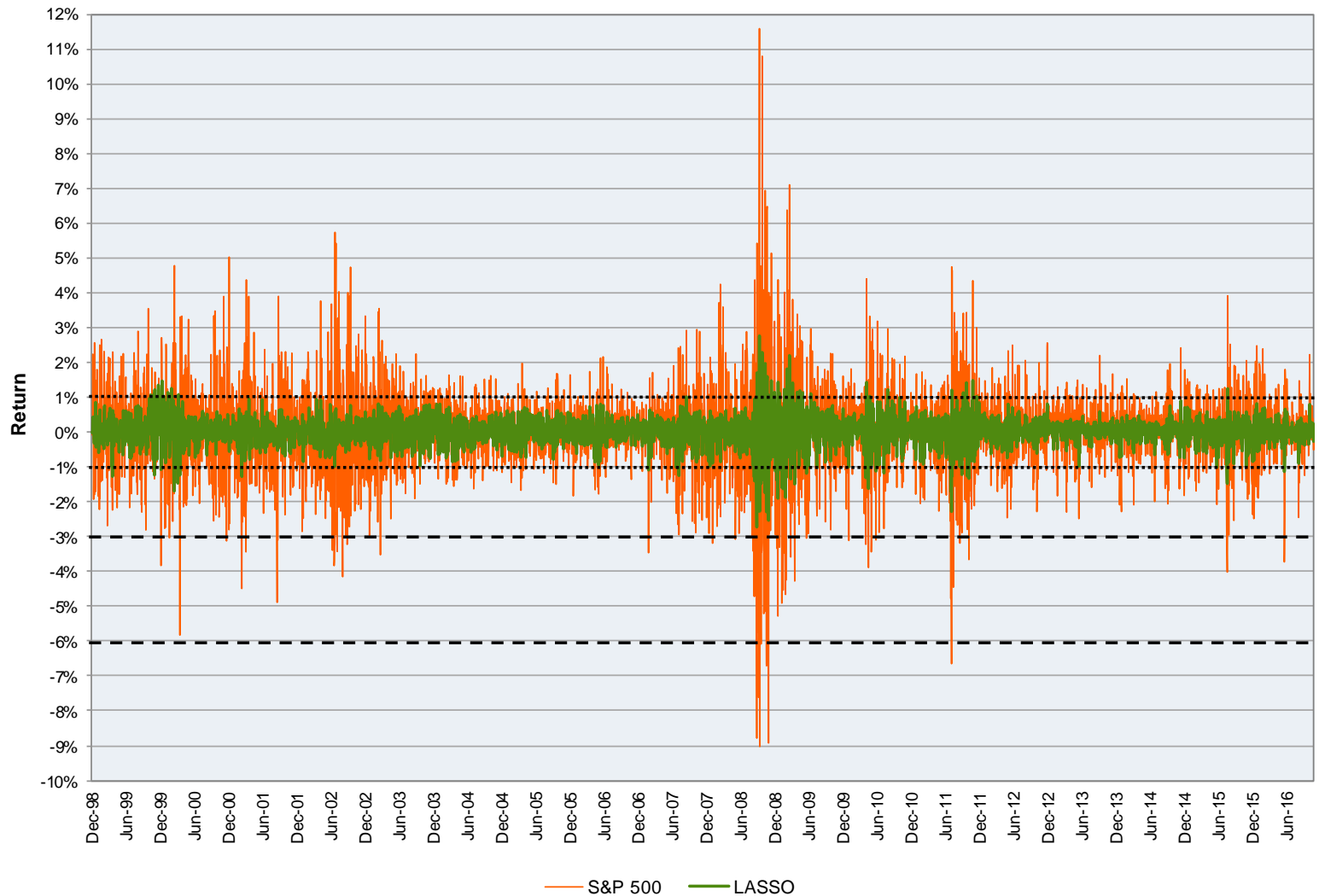


LASSO RISK PARAMETERS: DAILY VOLATILITY

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

Inception of LASSO from December 31, 1998 through November 30, 2016

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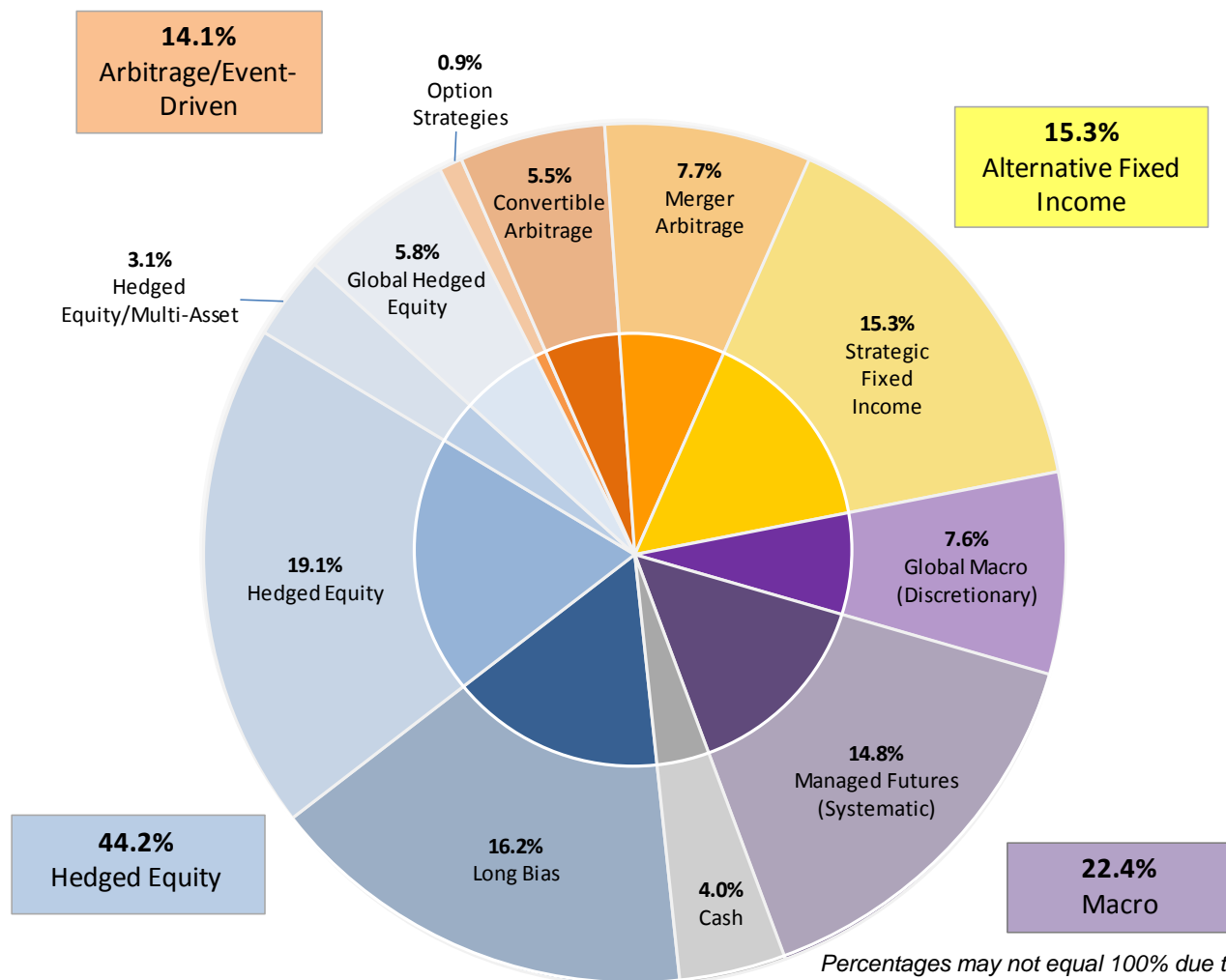


LAASSO CURRENT STRATEGY ALLOCATION

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

LASSO Composite Strategy Allocation as of November 30, 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 11/30/16
- Cumulative return since inception: 118.2% (net) versus 151.2% (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 November 30, 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%	1.0%		1.1%
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	1.0%	0.4%	1.2%	-0.4%	-1.7%	-0.1%	3.2%	3.6%	2.5%	4.5%			
S&P 500	3.7%	1.8%	6.0%	8.1%	5.4%	9.1%	14.5%	12.8%	6.9%	5.3%			
Barclays Capital Aggregate Bond	-2.4%	-3.2%	-0.9%	2.2%	1.6%	2.8%	2.4%	3.4%	4.3%	4.9%			
Statistical Analysis													
Return	LASSO	S&P 500	BC Agg	Risk	LASSO	S&P 500	BC Agg						
Annualized Compound ROR	4.5%	5.3%	4.9%	Standard Deviation	6.7%	14.8%	3.5%						
Cumulative Return	118.2%	151.2%	134.8%	Sharpe Ratio (0.1% risk free rate)	0.50	0.34	1.05						
Cumulative VAMI	\$2,182	\$2,512	\$2,348	Sortino Ratio (0.1% min. acceptable return)	0.85	0.49	1.78						
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	60.9%	61.4%	66.5%	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	(0.09)						
Average Loss	-1.4%	-3.7%	-0.7%	Correlation		0.75	(0.05)						
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 November 30, 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	1.0%	0.4%	1.2%	-0.4%	-1.7%	-0.1%	3.2%	3.6%	2.5%	4.1%
HFRX Equity Hedge ("HFRXEH")	1.5%	2.2%	2.5%	-1.2%	-1.5%	0.1%	2.7%	0.2%	-1.1%	1.1%

Statistical Analysis					
Return	LASSO	HFRXEH	Risk	LASSO	HFRXEH
Annualized Compound ROR	4.1%	1.1%	Standard Deviation	6.1%	7.3%
Cumulative Return	74.3%	15.3%	Sharpe Ratio (0.1% risk free rate)	0.50	0.02
Cumulative VAMl	\$1,743	\$1,153	Sortino Ratio (0.1% min. acceptable return)	0.75	0.02
Best Month	5.0%	5.2%	Down side Deviation (0.1% min. acceptable return)	4.1%	5.8%
Worst Month	-5.1%	-10.0%	Comparison To Benchmarks		
% Positive Months	62.8%	54.9%	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

LASSO RETURNS & STATISTICS

LASSO Composite (net) vs. Morningstar Multialternative Category Average

Inception of Morningstar Multialternative Category Average from December 31, 2000 through November 30, 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	1.0%	0.4%	1.2%	-0.4%	-1.7%	-0.1%	3.2%	3.6%	2.5%	2.8%
Morningstar Multialternative ("Multialt")	0.0%	-0.8%	0.4%	-1.3%	-1.5%	-0.1%	1.1%	1.4%	0.4%	-0.1%

Statistical Analysis					
Return	LASSO	Multialt	Risk		
Annualized Compound ROR	2.8%	-0.1%	Standard Deviation		
Cumulative Return	54.9%	-1.4%	Sharpe Ratio (0.1% risk free rate)		
Cumulative VAMI	\$1,549	\$986	Sortino Ratio (0.1% min. acceptable return)		
Best Month	5.0%	10.5%	Downside Deviation (0.1% min. acceptable return)		
Worst Month	-5.1%	-12.2%	Comparison To Benchmarks		
% Positive Months	59.7%	59.2%	Multialt		
Average Monthly Return	0.2%	0.0%	Alpha		
Average Gain	1.4%	1.5%	Annualized Alpha		
Average Loss	-1.4%	-2.1%	Beta		
Maximum Draw down	-23.4%	-40.3%	Correlation		
			R-Squared		

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.