



LAKE PARTNERS, INC.®

LASSO®

Long and Short Strategic Opportunities®

*The Democratization
of Alternative Investments*™

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

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December 2016 Highlights

LASSO HIGHLIGHTS: December 2016

Performance

- LASSO gained 1.0% in December, outperforming its benchmark, the HFRX Equity Hedge Index, which was up only 0.2%, as well as its peer group, the Morningstar Multialternative Category, which returned 0.7%. As background, the S&P 500 rose 2.0%, while the Barclays US Aggregate Bond Index edged up 0.1%.
- Since LASSO's inception on 12/31/98, it has had a cumulative gain of 120.3% versus 156.2% for the S&P 500 Index. However, LASSO has had only 32% of the daily volatility of the S&P 500, while capturing 77% 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*									
	December 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%	1.5%	2.0%	-0.1%	3.2%	2.5%	4.5%	120.3%	6.2%
HFRX Equity Hedge Index*	0.2%	0.8%	0.1%	-0.3%	2.9%	-1.2%	N/A	N/A	N/A
Morningstar Multialternative Category*	0.7%	-0.1%	0.8%	-0.1%	1.3%	0.4%	N/A	N/A	N/A
S&P 500 Stock Index*	2.0%	3.8%	12.0%	8.9%	14.7%	7.0%	5.4%	156.2%	19.6%
Barclays US Agg Index*	0.1%	-3.0%	2.7%	3.0%	2.2%	4.3%	4.9%	135.1%	3.8%

Market Overview

- The strong rally mounted by US equities in November following the election of Donald Trump continued into the first half of December, but then ran out of steam and reversed course as the month ended. From November 30 through December 13, the S&P 500 gained 3.4%, driven by enthusiastic expectations that policy under the President-elect would be business-friendly by shifting towards greater fiscal stimulus, tax reform, and deregulation. However, the Index then fell -1.4% during the balance of the month. This reversal was attributable in part to the Federal Reserve's decision on December 14 to raise interest rates, as well as its indication that it anticipated raising rates at a faster pace during 2017. Furthermore, market sentiment diminished somewhat as investors began to take a more realistic view of what the incoming Trump administration might actually be able to accomplish.

***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: December 2016

Market Overview (continued)

- The wide divergences within the market that were seen in November continued into December, although to a lesser degree. In particular, small caps outperformed large caps, and value outperformed growth. For example, the Russell 2000 Value Index gained 4.1%, while the Russell 1000 Growth Index was up 1.2%. For the two months combined, the Russell 2000 Value Index climbed 17.9%, while the Russell 1000 Growth Index was up only 3.4%.
- Among S&P industry groups, rate-sensitive groups that had been the laggards in November rebounded in December and figured prominently among the leaders for the month. Having turned in negative performance in the prior month, utilities and real estate gained 4.9% and 4.4%, respectively, in December. They were exceeded only by the telecom group, which advanced 8.1%. At the other end of the spectrum, consumer discretionary stocks and materials each eked out a mere gain of 0.1%.
- Among international equity markets, the MSCI Europe Index enjoyed a strong rally, gaining 5.8% in local currency terms and 5.2% in US dollar terms, on signs of improving economic growth. The MSCI Japan Index also rose, gaining 3.4% in yen terms but only 1.0% in US dollar terms as the currency weakened. Emerging markets had mixed results: MSCI Russia rose 7.4% in ruble terms on stronger oil prices, but MSCI China was down -4.1%, MSCI India slipped -0.9%, and MSCI Brazil was off -3.0% on various concerns about their domestic economies (all figures in local currencies).
- The US bond market, which slumped in November on the prospect of reflation, rallied slightly in December, as reflected in the 0.1% rise in the Barclays US Aggregate Bond Index. While high yield and corporate credit performed better, 10-year Treasury prices continued to slide, as the yield rose during the month from 2.38% to 2.45%.
- Rates and yields were relatively stable in international fixed income and credit markets. Notably, the yield on the 10-year German bund edged down from 0.27% to 0.20%. In Japan, 10-year government bond yields hovered near the Bank of Japan's target of 0%.
- In commodity markets, oil prices advanced on the outlook for firmer economic growth as well as renewed balance between supply and demand. West Texas Intermediate Crude Oil finished the month at \$53.72/barrel versus \$49.44/barrel at the end of November.

LASSO PORTFOLIO REVIEW: December 2016

Strategy Leaders & Laggards

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

Portfolio Highlights

- Nearly all of the strategies in the program were positive in December. Our long-biased equity managers were the performance leaders for the second month in a row. Furthermore, the group outperformed the S&P 500.
- Among the other equity-oriented allocations, our hedged equity managers also performed well, driven by idiosyncratic stock selection and sector concentrations. In contrast, global hedged equity managers had mixed returns: our core manager was up modestly while the other was down but only to a small degree.
- In the arbitrage-related area, our merger arbitrage managers had steady gains for the month, and our convertible arbitrage/covered call manager was up modestly. The investment in an option strategy manager was reallocated to one of our merger arbitrage managers, who has had a more stable risk/return profile.
- Both strategic fixed income allocations not only were positive but also outperformed the Barclays US Aggregate Bond Index due to their exposure to credit-related sectors and reduced exposure to government debt.
- In the systematic managed futures area, our core allocation to a diversified, multi-manager fund had a solid gain for the month. However, our counter-trend equity futures trader was down meaningfully. The investment in a more aggressive single-manager fund was reallocated to a manager that uses a quantitative, model-based trend following approach.
- Our discretionary macro manager had a strong gain for the month due to emerging market, corporate credit, and currency exposures.

LAASSO PORTFOLIO REVIEW: December 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 is undergoing a significant transition:
 - In the US, the Federal Reserve has embarked on an effort to normalize interest rates. While monetary policy may remain cautious, excess liquidity will be less of a factor in driving markets, while fundamentals will be increasingly important. However, the election of Donald Trump raises a number 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 deflation, rising interest rates, and potential trade wars. Consequently, volatility and sector rotation will increase, as investors try to sort out the “winners” and “losers” from policy changes.
 - 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) efforts to stimulate the economy conflict with the need to reduce excessive leverage throughout the financial system.
- The crosscurrents stemming from this set of divergences and dissonances are expected to engender further turbulence across markets.

Outlook

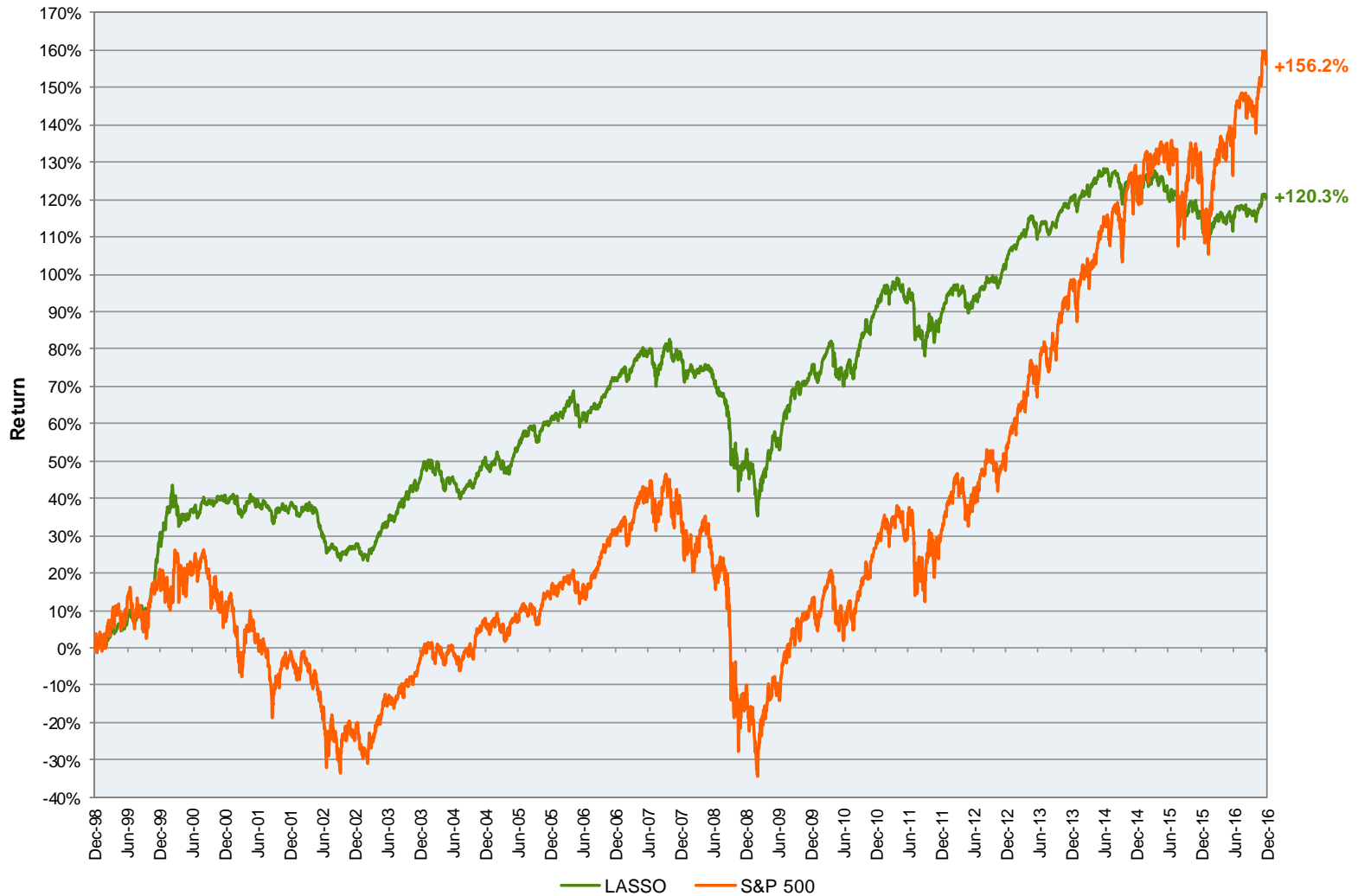
- Given this backdrop, we are continuing to allocate the LAASSO program across a diversified mix of strategies, and composite net equity exposure remains just under the middle of our target range.
- We believe that the LAASSO strategy is well positioned to live up to its history of producing attractive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

LASSO CUMULATIVE DAILY RETURNS

LASSO Composite (net) vs. S&P 500

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

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

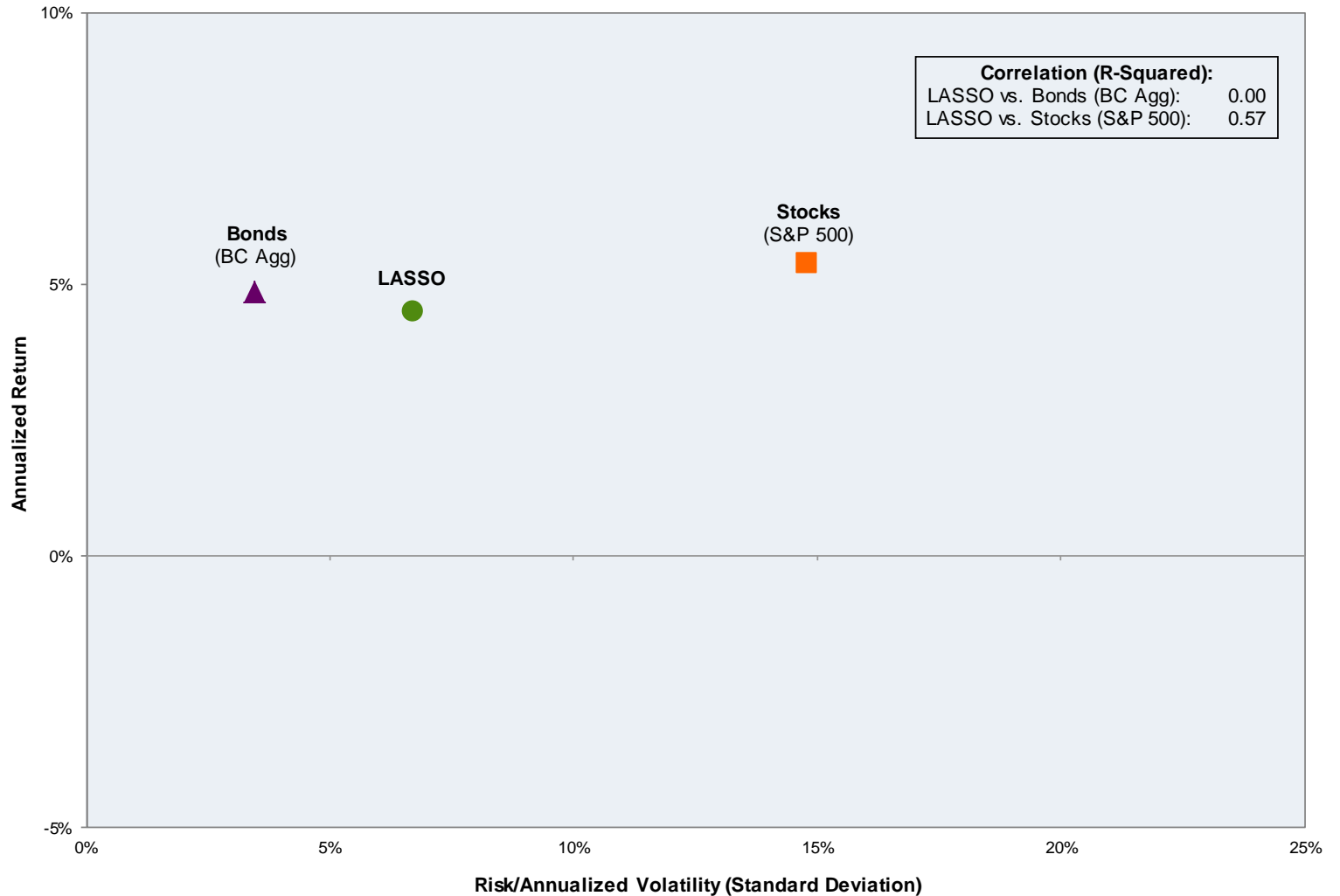


LASSO RISK/RETURN PROFILE

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

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

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

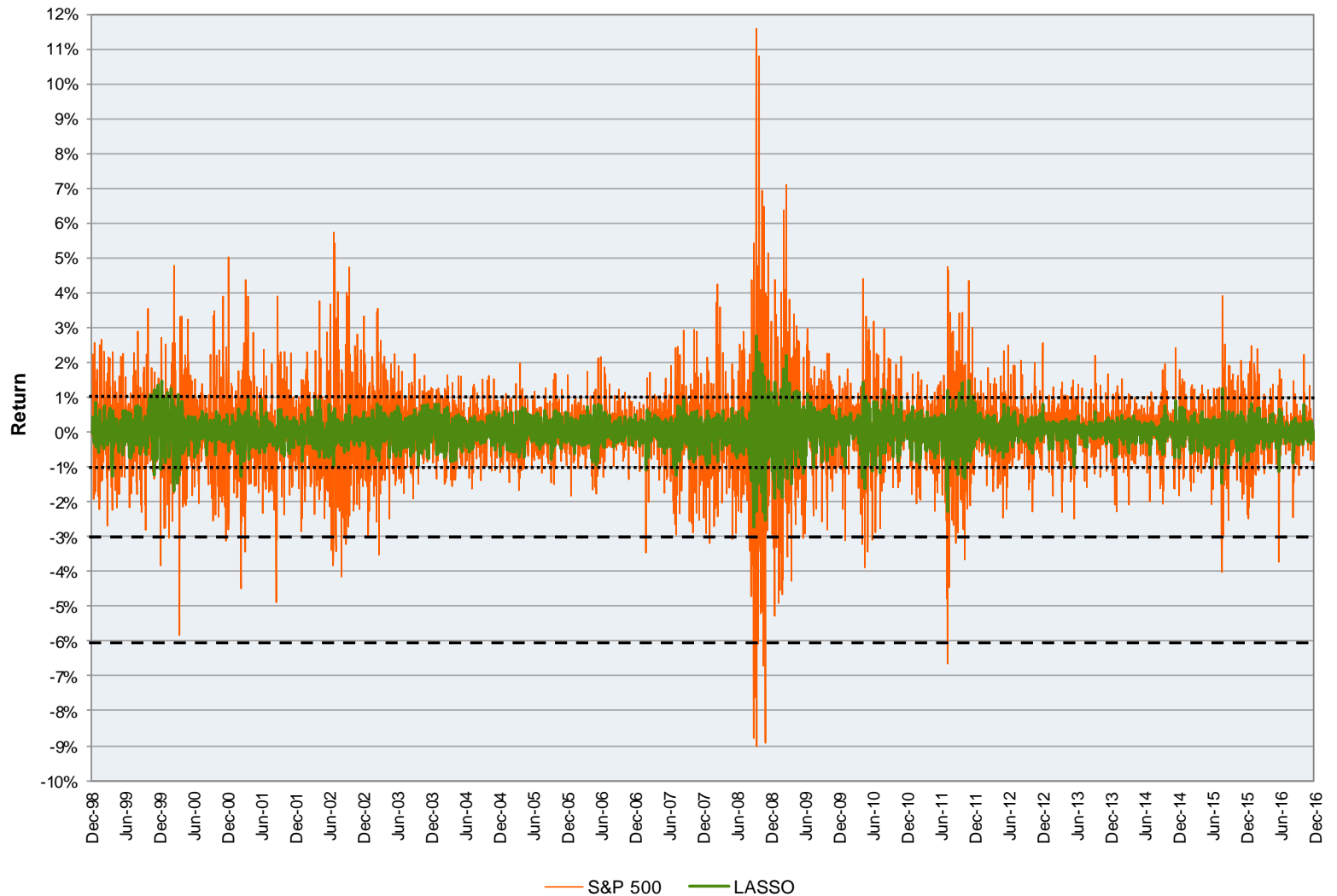


LAGO RISK PARAMETERS: DAILY VOLATILITY

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

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

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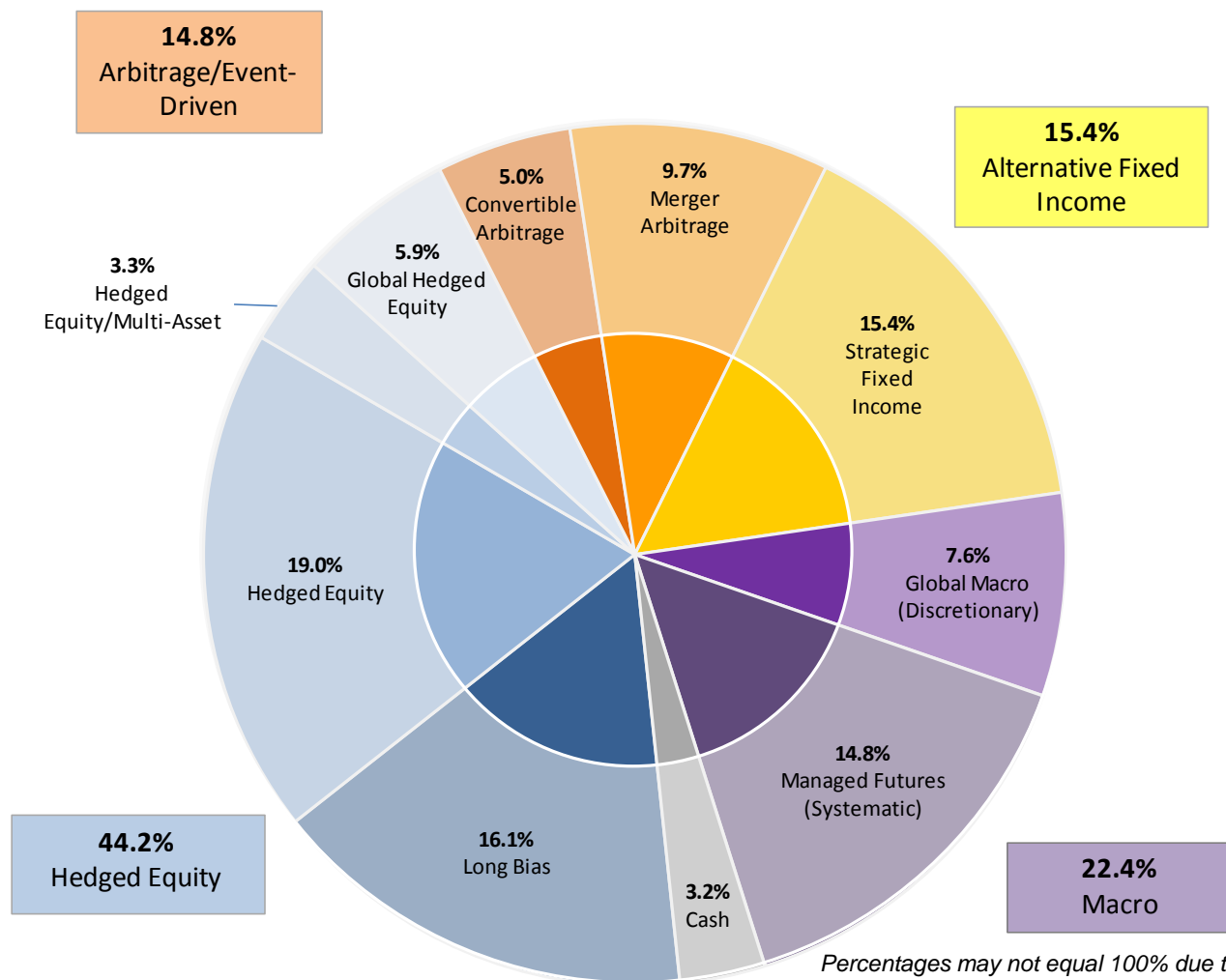


LAASSO CURRENT STRATEGY ALLOCATION

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

LASSO Composite Strategy Allocation as of December 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 eighteen year track record: 12/31/98 to 12/31/16
- Cumulative return since inception: 120.3% (net) versus 156.2% (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 December 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%	1.0%	1.0%	2.0%
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%	1.5%	2.3%	2.0%	-0.8%	-0.1%	3.2%	3.5%	2.5%	4.5%			
S&P 500	2.0%	3.8%	7.8%	12.0%	6.6%	8.9%	14.7%	12.8%	7.0%	5.4%			
Barclays Capital Aggregate Bond	0.1%	-3.0%	-2.5%	2.7%	1.6%	3.0%	2.2%	3.6%	4.4%	4.9%			
Statistical Analysis													
Return	LASSO	S&P 500	BC Agg	Risk			LASSO	S&P 500	BC Agg				
Annualized Compound ROR	4.5%	5.4%	4.9%	Standard Deviation			6.7%	14.8%	3.5%				
Cumulative Return	120.3%	156.2%	135.1%	Sharpe Ratio (0.1% risk free rate)			0.51	0.35	1.05				
Cumulative VAMI	\$2,203	\$2,562	\$2,351	Sortino Ratio (0.1% min. acceptable return)			0.86	0.50	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	61.1%	61.6%	66.7%	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 December 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	1.0%	1.5%	2.3%	2.0%	-0.8%	-0.1%	3.2%	3.5%	2.5%	4.2%
HFRX Equity Hedge ("HFRXEH")	0.2%	0.8%	4.2%	0.1%	-1.1%	-0.3%	2.9%	0.3%	-1.2%	1.1%

Statistical Analysis					
Return	LASSO	HFRXEH	Risk	LASSO	HFRXEH
Annualized Compound ROR	4.2%	1.1%	Standard Deviation	6.1%	7.3%
Cumulative Return	75.9%	15.6%	Sharpe Ratio (0.1% risk free rate)	0.51	0.02
Cumulative VAMl	\$1,759	\$1,156	Sortino Ratio (0.1% min. acceptable return)	0.76	0.02
Best Month	5.0%	5.2%	Downside Deviation (0.1% min. acceptable return)	4.1%	5.7%
Worst Month	-5.1%	-10.0%	Comparison To Benchmarks		
% Positive Months	63.0%	55.2%	HFRXEH		
Average Monthly Return	0.4%	0.1%	Alpha	0.3%	
Average Gain	1.4%	1.5%	Annualized Alpha	3.5%	
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 December 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	1.0%	1.5%	2.3%	2.0%	-0.8%	-0.1%	3.2%	3.5%	2.5%	2.8%
Morningstar Multialternative ("Multialt")	0.7%	-0.1%	0.7%	0.8%	-1.0%	-0.1%	1.3%	1.4%	0.4%	0.0%

Statistical Analysis					
Return	LASSO	Multialt	Risk		
Annualized Compound ROR	2.8%	0.0%	Standard Deviation	6.0%	9.6%
Cumulative Return	56.4%	-0.7%	Sharpe Ratio (0.1% risk free rate)	0.30	-0.08
Cumulative VAMI	\$1,564	\$993	Sortino Ratio (0.1% min. acceptable return)	0.43	-0.10
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	59.9%	59.4%	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	0.47	

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.