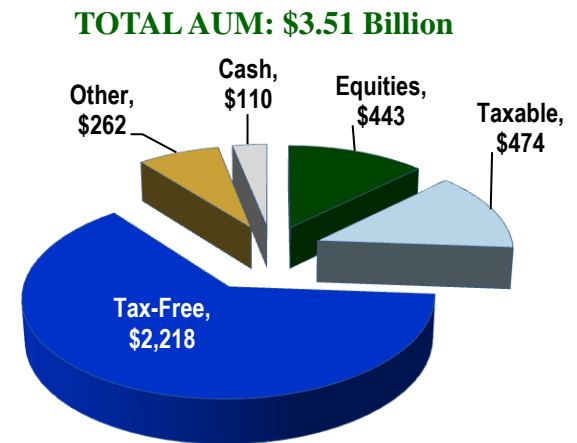


Tactical Trend

Company Profile

- ✓ Managing client portfolios since 1973
- ✓ Over \$3.5 billion total assets under management
 - Individuals
 - Institutions
 - Retirement plans
 - Government entities
 - Cash management portfolios
 - Foundations and Charitable Accounts
- ✓ Team-based approach with average team member investment experience of over 25 years
- ✓ Clients located throughout the US and abroad
- ✓ Offices
 - Headquartered in Sarasota, Florida
 - Branch office in Vineland, New Jersey



ETF Team



David R. Kotok cofounded Cumberland Advisors in 1973 and has been its Chief Investment Officer since inception. He holds a B.S. in economics from The Wharton School of the University of Pennsylvania, an M.S. in organizational dynamics from The School of Arts and Sciences at the University of Pennsylvania, and an M.A. in philosophy from the University of Pennsylvania. Mr. Kotok's articles and financial market commentaries have appeared in The New York Times, The Wall Street Journal, Barron's, and other publications. He is a frequent contributor to Bloomberg TV and Bloomberg Radio, Yahoo Finance TV, and other media. Mr. Kotok has served as Program Chairman and currently serves as a Director of the Global Interdependence Center (GIC), www.interdependence.org, whose mission is to encourage the expansion of global dialogue and free trade in order to improve cooperation and understanding among nation states, with the goal of reducing international conflicts and improving worldwide living standards. Mr. Kotok chaired its Central Banking Series and organized a five-continent dialogue held in Cape Town, Hong Kong, Hanoi, Milan, Paris, Philadelphia, Prague, Rome, Santiago, Shanghai, Singapore, Tallinn, and Zambia (Livingstone). He has received the Global Citizen Award from GIC for his efforts. Mr. Kotok is a member of the National Business Economics Issues Council (NBEIC), the National Association for Business Economics (NABE) and served on the Research Advisory Board of BCA Research. Mr. Kotok has served as a Commissioner of the Delaware River Port Authority (DRPA) and on the Treasury Transition Teams for New Jersey Governors Kean and Whitman. He has also served as a board member of the New Jersey Economic Development Authority and as Chairman of the New Jersey Casino Reinvestment Development Authority. He has authored or co-authored four books, including the second edition of *From Bear to Bull with ETFs* and *Adventures in Muniland*.



Matthew McAleer serves as the Executive Vice President and Director of Equity Strategies. He is responsible for overseeing all aspects of Cumberland Advisors' equity group including portfolio management, research and trading. With a focus on quantitative research, Mr. McAleer uses detailed trend, price and relative strength analysis to manage portfolio construction and to identify investment opportunities across multiple asset classes. Mr. McAleer began as an investment advisor in 1994 analyzing bonds, stocks, mutual funds and eventually exchange-traded funds at Wheat First Securities. At Wheat First Securities, he began developing the portfolio management style that has become his hallmark management style that focuses on tactical asset allocation using trend and relative strength analysis. Mr. McAleer has over 25 years of investment management experience and previously led the tactical asset allocation strategies at Hudson Canyon Investment Counselors and Classic Asset Management. He holds a B.S. degree in marketing/economics from Rider University, where he also competed for the wrestling team.

Portfolio Style

Investment Objective

- ✓ Match or exceed the performance of the stated benchmark (65% S&P Global Broad Market Index and Bloomberg Barclays Intermediate U.S. Government/Credit Index) by generating investment appreciation through the tactical asset allocation of capital.

Investment Philosophy

- ✓ Utilize trend, price, and relative strength to identify favorable investment opportunities among 6 asset classes
 - Domestic Equities
 - International Equities
 - Fixed-Income
 - Commodities
 - Currencies
 - Cash
- ✓ Allocation of assets to the highest-ranked asset classes at any point in time
- ✓ Rotate capital to specific markets that portfolio managers believe offer the strongest potential for price appreciation, while attempting to control risk by underweighting or eliminating exposure to markets exhibiting negative price trends and elevated risk

Portfolio Style *(continued)*

Investment Approach

Offer exposure to the favored asset classes primarily through exchange-traded funds (ETFs)

May also invest in exchange-traded notes (ETNs), individual equities, fixed-income securities, and money market instruments

What the Tactical Trend Allocation Portfolio Style does

- ✓ Provides access to a global tactical asset allocation strategy
- ✓ Provides investors with a flexible allocation strategy that is responsive to market changes
- ✓ Seeks to maximize returns by analyzing asset class relative strength

Process Overview

- ✓ Uses a quantitative process to identify asset classes under accumulation
- ✓ Capital is tactically allocated to the securities in the favored asset classes
- ✓ Strategy maintains a strict sell discipline in an attempt to contain drawdowns

Portfolio Style (continued)

Strategy Difference

- Offers potential for appreciation in multiple market environments & cycles
- Total return is the focus
- Model does not predetermine asset class mix and can use cash as a favored vehicle
- Strategy serves as a non-correlated source of returns

Potential Uses

- May provide a complete strategy for managing an investor's total portfolio
- May serve as a complement to a core equity allocation
- May be viewed as an alternative asset class in portfolio construction
- May be funded from other risk asset classes or cash

4-Stage Model Process

1. Asset Class Analysis

Highly quantitative relative strength and trend analysis process used to measure risk/reward of 6 broad asset classes.



2. Tactical Allocation

The ability to tactically allocate capital towards asset classes exhibiting the strongest potential for price appreciation.



3. Security Selection











The strategy uses multiple securities to gain exposure to favorable market opportunities.



Risk Control

The model is continually monitored for changes in trend and relative strength with the ability to protect capital by moving defensively with cash instruments when risk/reward ratios dictate.

1. Asset Class Analysis

Asset Class	1 Domestic Equities	2 International Equities	3 Commodities	4 Fixed Income	5 Cash	6 Currencies
Date of Last Rank	08/15/2016	01/05/2017	01/05/2017	12/08/2016	09/22/2016	08/11/2016
Tally #	314	201	201	173	136	51
Flex %	29.2%	18.7%	18.7%	16.1%	12.6%	4.7%
Cash % Rank	 3.57	 56.67	 54.84	 33.33	N/A	 75.00
Trend Factor	 1.89	 1.11	 0.99	 0.72	N/A	 0.31

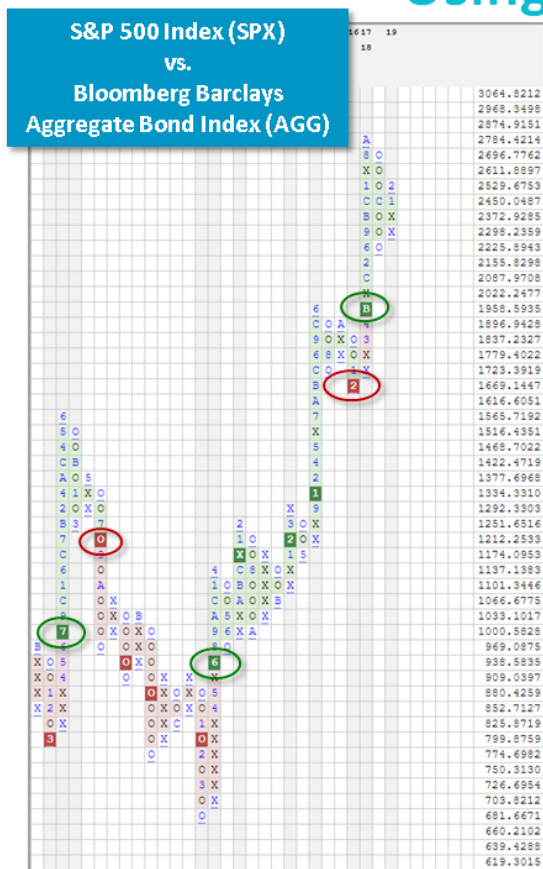
Source: Dorsey Wright & Associates. Richmond, Virginia 23235

What is Relative Strength Analysis?

- ✓ Measures the performance of one security in comparison to another
 - Example: Microsoft is compared to the S&P 500 or US\$ relative to the Euro
- ✓ Calculate relative strength and plot the daily values on a point & figure chart
 - $\text{Relative Strength} = \text{Price of one security} \div \text{The comparing security}$
- ✓ Relative strength chart is considered to be on a buy signal if the chart is on a double top
- ✓ Relative strength chart is considered to be on a sell signal if the charts is on a double bottom
- ✓ Review near-term guidance column of the relative strength chart since the relative strength signals last an average of 2 years
- ✓ Review the column for guidance rather than signal
 - Index-to-index relative strength chart and ETF relative strength chart
 - These baskets of stocks tend to move more slowly than individual names

Asset Class Analysis *(continued)*

Relative Strength Analysis: 2000-2019 (SPX vs. AGG) Using RS for Asset Class Comparisons



When the RS Chart is on a **buy signal**, it suggests outperformance from US Equities relative to Bonds.

Start Date	End Date	Signal	SPX	AGG
7/31/2003	7/15/2008	Buy	22.68%	1.84%
7/15/2008	6/5/2009	Sell	-22.62%	-0.69%
6/5/2009	2/11/2016	Buy	94.56%	9.99%
2/11/2016	11/9/2016	Sell	18.27%	-0.15%
11/9/2016	2/28/2019	Buy	28.72%	-2.58%

Buy and hold SPX (7/31/03 – 2/28/19):	+181.17%
Buy and Hold AGG (7/31/03 – 2/28/19):	+8.21%
Switching with RS Signals:	+204.66%

This example is presented for illustrative purposes only, and does not represent a past or present recommendation. Performance of the switching strategy is the result of back-testing. Back-tested performance results have certain limitations. Such results do not represent the impact of material economic and market factors might have on an investment advisor's decision-making process if the advisor were actually managing client money. Back-testing performance also differs from actual performance because it is achieved through retroactive application of a model investment methodology designed with the benefit of hindsight. The performance numbers above are pure price returns, not inclusive of dividends, fees or all transaction costs. Investors cannot invest directly in an Index, like the S&P 500 Index (SPX), and index performance numbers do not include fees. Past performance is not indicative of future results. Potential for profits is accompanied by possibility of loss.

2. Tactical Allocation

Advantage

The primary advantage of tactically allocating capital is the ability to remain flexible and respond to changes in the demeanor of the markets.

Allocating Capital

Capital is allocated to the strongest asset classes across multiple markets including domestic and international equities, fixed income, commodities, and cash.

Trend and Price Analysis

While relative strength attempts to identify broad shifts in asset class risk, trend and price analysis enable us to focus on specific entry and exit points of securities within the asset class.

What is Trend Analysis?

- ✓ One of the main premises of technical analysis is that prices tend to trend. Therefore, one of the main purposes of a chart is to help in the identification of the primary trend of a given stock, index, mutual fund, ETF, or commodity – and to then play the direction of that trend for as long as it stays in force.
- ✓ There are two main trend lines that are used
 - Bullish Support Line
 - Bearish Resistance Line
- ✓ Trend lines allow easy identification of whether the vehicle is in an overall uptrend or negative in a downtrend.
- ✓ Trends (upward or downward) can stay in force for months or years at a time

What is Price Analysis?

- ✓ Supply and demand are the economic forces that determine price movements in the markets.
- ✓ Supply is represented by holders of a security who will demand a certain price in order to sell.
- ✓ Demand is represented by buyers who determine the price at which they are willing to buy.
- ✓ Price movements are determined by the balance of these two forces:
 - Oversupply will drive prices down
 - High demand will drive prices up
- ✓ Charting price action is a highly effective way to display price movements driven by supply and demand.
 - Enables an analyst to recognize meaningful patterns in those movements

3. Security Selection

Top-Down Selection Process

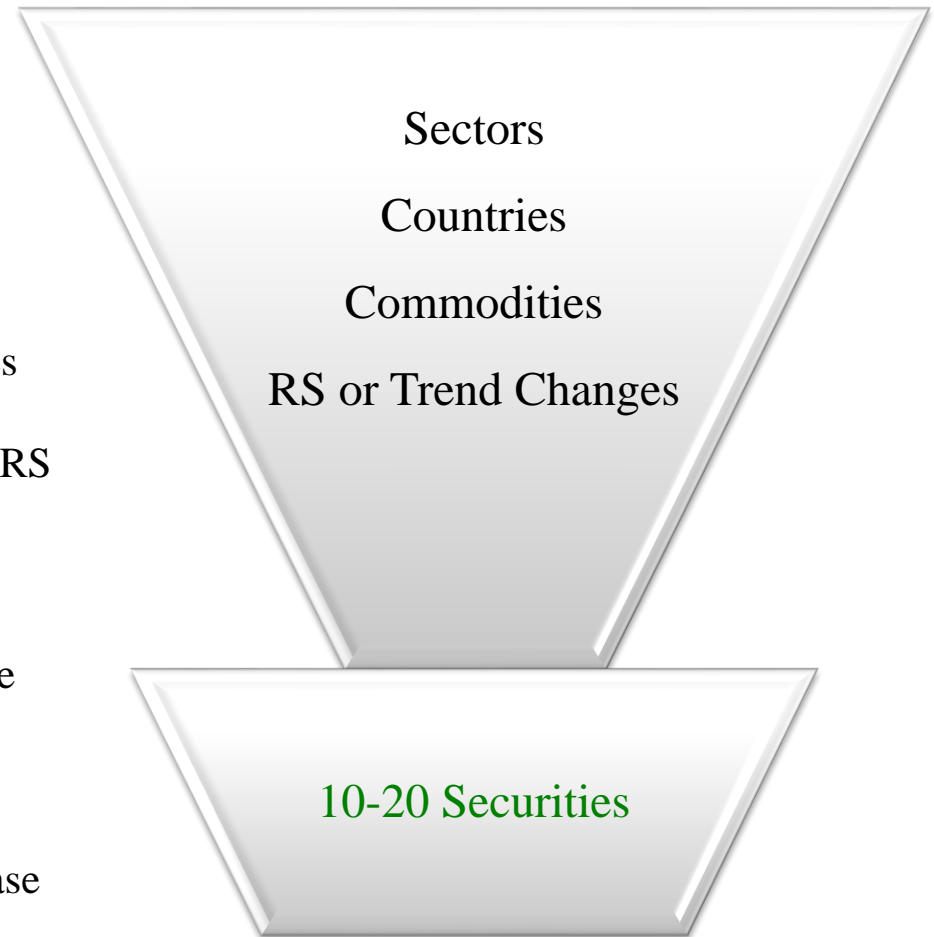
- Identify the strongest asset classes
- Drill down asset class
- Focus on sectors, countries, or commodities exhibiting favorable risk/reward attributes

10-20 Securities

- Strategy normally highlights 10-20 securities included in portfolio
- Securities are monitored for any changes in RS or trend signaling increased risk

Strict Sell Discipline

- Employ strict sell discipline on the downside that focuses on weakening RS scores and violation of trend
- Preservation of capital is an important focus
- Sell target is not predetermined upon purchase as our capital appreciation goal is ideally realized through longer term trends that can be tax advantaged



Portfolio Summary

Type of Investment Structure

- ✓ Separately managed account (not a pooled instrument)

Portfolio Objective

- ✓ Match or exceed the performance of the stated benchmark which is 65% S&P Global BMI (Broad Market /35% Bloomberg Barclays Global Aggregate Bond Index

Returns

- ✓ Emphasis on long-term capital gains

Rebalancing Frequency

- ✓ Opportunistic

Disclosure

Benchmark: The benchmark for the Tactical Trend style is 65% S&P Global BMI (Broad Market Index) and 35% Bloomberg Barclays Intermediate U.S. Government/Credit Index, rebalanced monthly. The S&P Global BMI (Broad Market Index) comprises the S&P Developed BMI and S&P Emerging BMI, and is a comprehensive, rules-based index measuring stock market performance globally. The Bloomberg Barclays Intermediate U.S. Government/Credit Index tracks the performance of intermediate term U.S. government and corporate bonds.

Investing in Foreign Market ETFs: Tactical Trend portfolios are made up of ETF's that are indexed to foreign markets or securities. Therefore the portfolio may be exposed to the following additional risks 1) there may be differences between countries in relation to accounting, financial reporting, legal, regulatory, pricing, liquidity and settlement and clearance procedures; 2) foreign currencies change in value relative to the American dollar. This may affect the ETF's investment returns. While passive currency management may be undertaken, it may not be possible to perfectly match the movements of the underlying currency. In addition the impact of currency hedging on the ETF's return is uncertain, cannot be guaranteed and can result in unfavorable market movements; and 3) the countries to which the ETFs are exposed may be subject to considerable degrees of economic, political and social instability.

ETFs: Due to the rebalancing methodology strategy used for ETF strategies, positions may be sold or closed in the very short-term (within 30 days). Also, the same security may be bought for some accounts, while being sold for others. This may result in increased commissions for some clients. This rebalancing methodology does not take into consideration any tax implications that may result from this type of trading. Exchange traded funds may not correlate to designated indices and, may have additional fees and expenses, including the possible duplication of management fees. Indices are provided for comparative purposes only as you cannot invest directly in an index.

Composites: Cumberland reserves the right to waive the minimum account size or impose a higher account size. Additional information regarding policies for calculating and reporting returns and/or a complete list and description of Cumberland Advisors' composites, is available by contacting your account executive at (800) 257-7013, or write to Cumberland Advisors, One Sarasota Tower, 2 N. Tamiami Trail, Suite 303, Sarasota, FL 34236.

Past Performance: Past performance is not an indication or guarantee of future performance. No alterations of the composite as presented here has occurred because of changes in personnel or other reasons at any time.