LongRun Monthly Strategy Summary (10/31/2013)

Commentary

You know the markets are strong when both September and October (traditionally hazardous to your wealth) are not only positive but strongly positive. For the second month in a row, all 14 of the ETFs in our Global Diversified benchmark produced positive returns – that's equities around the world and four different takes on the bond market. The S&P 500 and the Dow both set new all-time highs on October 30th and the Nasdaq achieved a new 13-year high (though still well below its Internet bubble peak).

The LongRun strategies all did well in October. Aggressive Growth was up 5%, Absolute Return added 4.3% and ARv2 bumped up 4%. By comparison, the S&P 500 was higher by 4.6% and Global Diversified climbed 3.7%. October showed continued strength in non-US equity markets that were badly lagging the US through August. Europe has been especially strong, with VGK up 19.6% year-to-date and included in all three of our portfolios. The other interesting turn in October was the noticeable underperformance of small cap US equities relative to the large cap S&P 500. Small caps are still the year-to-date leader but their weakness has resulted in them being dropped from our models.

November is the start of what has historically been the strongest six month seasonal period for equity markets. All three of our strategies are fully invested in equities. Aggressive Growth and original Absolute Return are tilted internationally, with the latter portfolio dropping small cap US (IWM) in favor of Latin America (ILF). Aggressive Growth held steady with Europe (VGK), Asia Pacific (EPP) and Metals & Mining (XME). ARv2 still favors the US but dropped IWM and Consumer Discretionary (XLY) in favor of Industrials (XLI) and Materials (XLB).

Even though the Federal Reserve is not scheduled to meet in November, the confirmation hearings for Fed Chair nominee Janet Yellen will keep Fed policy in the spotlight and some market reaction can be expected. The European Central Bank announced a rate cut this morning that gave a further boost to overseas markets. Earnings season in the US has been a very mixed bag of beats and misses resulting is some stocks soaring while others swoon. Many companies have made downward revisions to their outlooks. So far, the market is looking past any potential bad news. No reason to expect any change of course right now, but I can't help being a bit skeptical that we can just keep going up without some kind of pullback. We shall see.

"What is all our knowledge worth? We do not even know what the weather will be tomorrow." Berthold Auerbach, German writer

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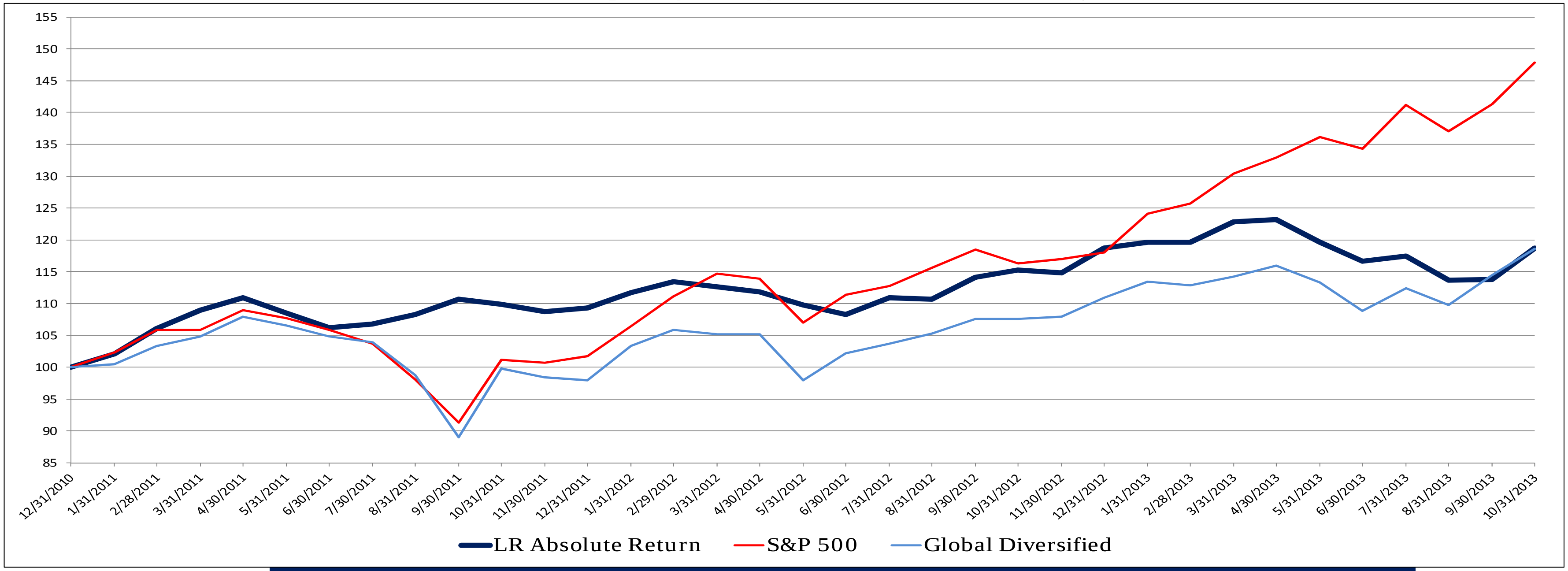
LongRun Monthly Strategy Summary (10/31/2013)

LongRun Absolute Return Strategy

See the last page for a information on this strategy.



2011 Returns (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Rel
LR Absolute Return	2.0	4.0	2.7	1.8	-2.2	-2.1	0.5	1.4	2.3	-0.7	-1.1	0.6	**9.3**	**Perf**
S&P 500 (SPY)	2.3	3.5	0.0	2.9	-1.1	-1.7	-2.0	-5.5	-6.9	10.9	-0.4	1.0	**1.8**	**7.6**
Global Diversified	0.4	2.9	1.5	2.9	-1.2	-1.6	-0.9	-5.0	-9.9	12.1	-1.4	-0.5	**-2.1**	**11.4**

2012 Returns (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Rel
LR Absolute Return	2.1	1.6	-0.7	-0.8	-1.8	-1.4	2.4	-0.1	3.0	1.0	-0.4	3.4	**8.6**	**Perf**
S&P 500 (SPY)	4.6	4.3	3.2	-0.7	-6.0	4.1	1.2	2.5	2.5	-1.8	0.6	0.9	**16.0**	**-7.4**
Global Diversified	5.6	2.4	-0.6	-0.1	-6.8	4.3	1.5	1.5	2.1	0.0	0.3	2.8	**13.3**	**-4.7**

2013 Returns (%)

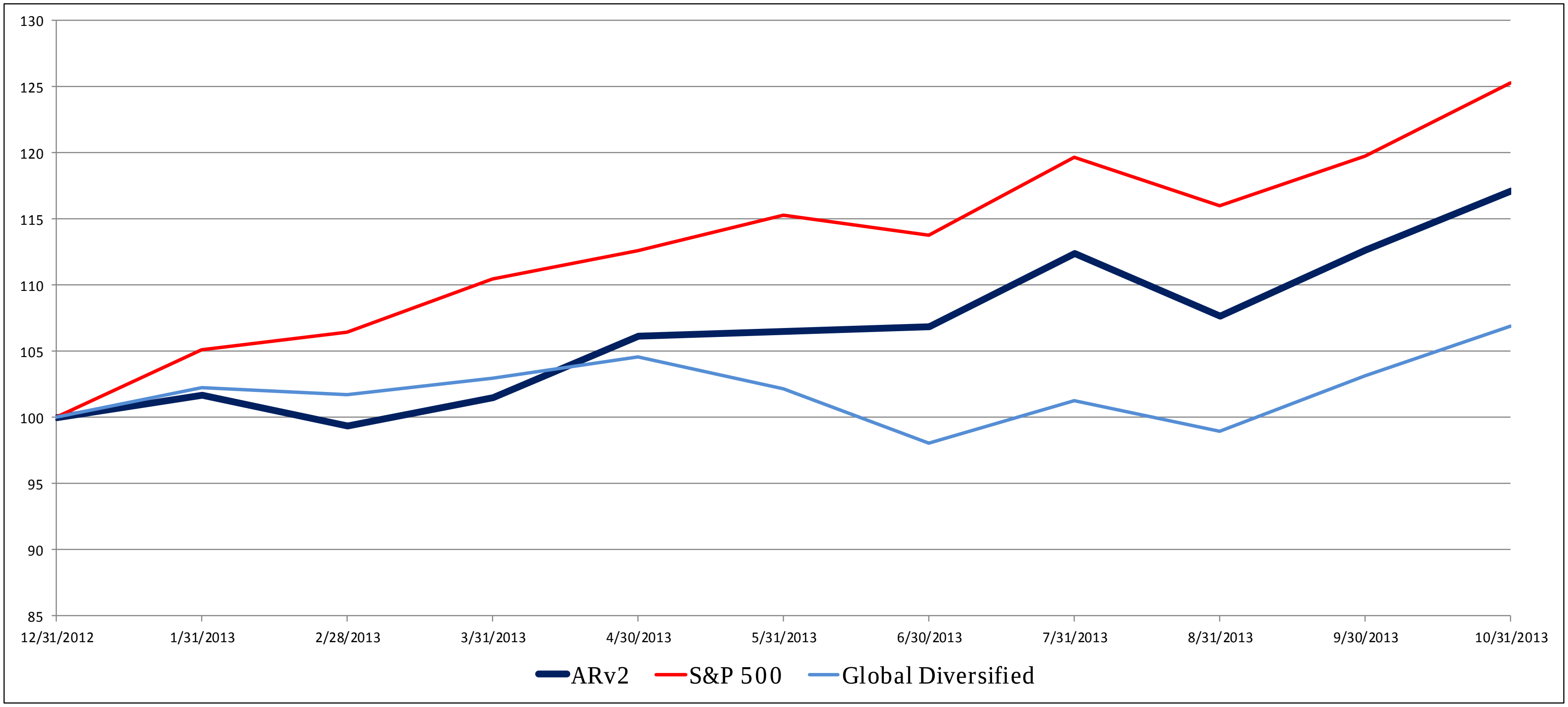
															From Inception 1-Jan-2011	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Rel	Rtn	Rel
LR Absolute Return	0.8	-0.1	2.7	0.3	-3.0	-2.5	0.7	-3.2	0.1	4.3			**0.0**	**Perf**	**18.7**	**Perf**
S&P 500 (SPY)	5.1	1.3	3.8	1.9	2.4	-1.3	5.2	-3.0	3.2	4.6			**25.3**	**-25.3**	**47.9**	**-29.2**
Global Diversified	2.3	-0.6	1.3	1.5	-2.3	-4.0	3.3	-2.4	4.3	3.7			**7.0**	**-7.0**	**18.6**	**0.1**

See "Important Disclosures Regarding LongRun Capital Risk-Managed Strategies" for additional information

LongRun Monthly Strategy Summary (10/31/2013)

LongRun Absolute Return version 2 (ARv2)

See the last page for a information on this strategy.



2013 Returns (%)

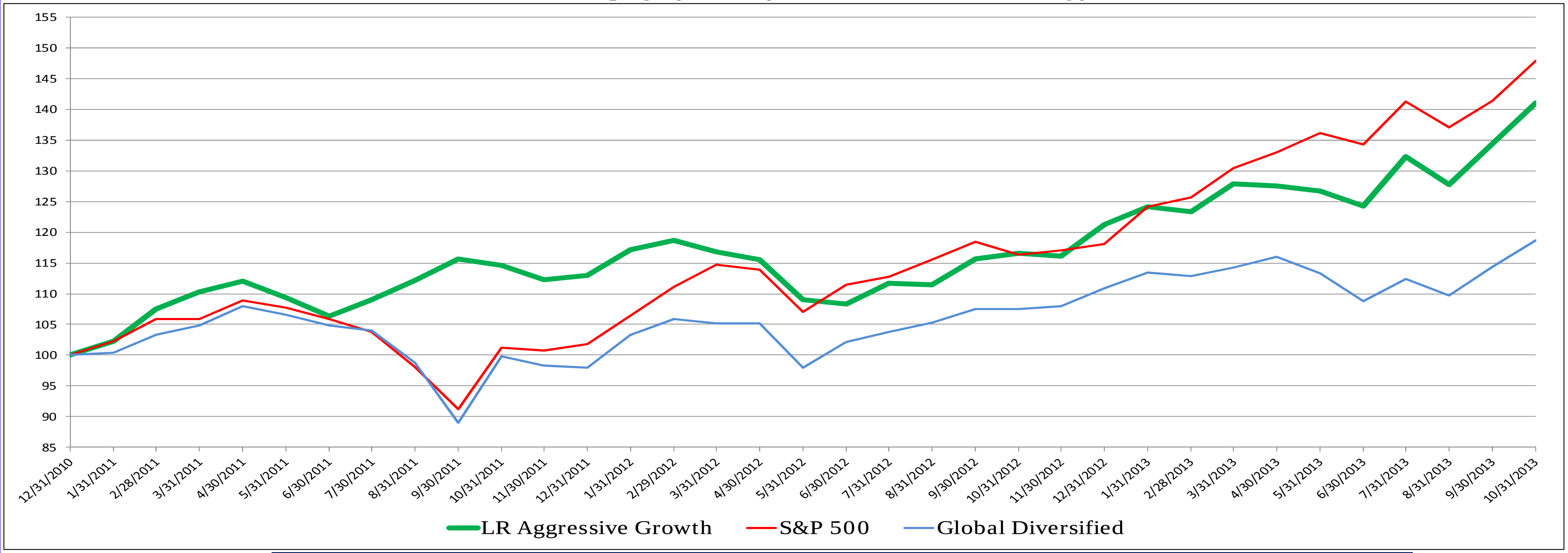
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Rel Perf
LR Absolute Return v2	*1.7*	*-2.2*	*2.2*	*4.5*	*0.3*	*0.4*	*5.2*	-4.2	4.7	4.0			**17.1**	
S&P 500 (SPY)	5.1	1.3	3.8	1.9	2.4	-1.3	5.2	-3.0	3.2	4.6			**25.3**	**-8.1**
Global Diversified	2.3	-0.6	1.3	1.5	-2.3	-4.0	3.3	-2.4	4.3	3.7			**7.0**	**10.2**

Returns from January 2013 through July 2013 are from a backtest of ARv2. Returns starting August 2013 reflect actual results.

LongRun Monthly Strategy Summary (10/31/2013)

LongRun Aggressive Growth Strategy

See the last page for a information on this strategy.



2011 Returns (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Rel Perf
LR Aggressive Growth	2.2	5.2	2.6	1.6	-2.4	-2.8	2.4	2.9	3.2	-0.9	-2.0	0.6	**13.0**	
S&P 500 (SPY)	2.3	3.5	0.0	2.9	-1.1	-1.7	-2.0	-5.5	-6.9	10.9	-0.4	1.0	**1.8**	**11.2**
Global Diversified [1]	0.4	2.9	1.5	2.9	-1.2	-1.6	-0.9	-5.0	-9.9	12.1	-1.4	-0.5	**-2.1**	**15.1**

2012 Returns (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Rel Perf
LR Aggressive Growth	3.7	1.3	-1.6	-1.0	-5.7	-0.6	3.1	-0.1	3.7	0.8	-0.4	4.4	**7.3**	
S&P 500 (SPY)	4.6	4.3	3.2	-0.7	-6.0	4.1	1.2	2.5	2.5	-1.8	0.6	0.9	**16.0**	**-8.6**
Global Diversified [1]	5.6	2.4	-0.6	-0.1	-6.8	4.3	1.5	1.5	2.1	0.0	0.3	2.8	**13.3**	**-6.0**

2013 Returns (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Rel Perf	From Inception 1-Jan-2011 Rtn	From Inception 1-Jan-2011 Rel Perf
LR Aggressive Growth	2.4	-0.6	3.6	-0.2	-0.7	-1.9	6.5	-3.4	5.1	5.0			**16.3**		**41.1**	
S&P 500 (SPY)	5.1	1.3	3.8	1.9	2.4	-1.3	5.2	-3.0	3.2	4.6			**25.3**	**-9.0**	**47.9**	**-6.8**
Global Diversified [1]	2.3	-0.6	1.3	1.5	-2.3	-4.0	3.3	-2.4	4.3	3.7			**7.0**	**9.4**	**18.6**	**22.4**

See "Important Disclosures Regarding LongRun Capital Risk-Managed Strategies" for additional information

LongRun Monthly Strategy Summary (10/31/2013)

2012 Target Asset Returns and Dispersion

Target Asset	ETF	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
US Large Cap	SPY/IVV	4.6	4.3	3.2	-0.7	-6.0	4.1	1.2	2.5	2.5	-1.8	0.6	0.9	16.0
US Mid Cap	MDY/IJH	6.6	4.5	1.9	-0.3	-6.5	1.9	0.0	3.5	1.7	-0.9	2.3	2.3	17.8
US Small Cap	IWM	7.2	2.6	2.5	-1.6	-6.6	5.1	-1.5	3.5	3.3	-2.2	0.6	3.6	16.7
AsiaPac ex Japan	EPP	10.2	3.3	-1.7	1.3	-11.8	7.0	5.1	1.3	2.8	2.5	1.8	3.8	26.7
Europe	VGK	5.5	5.4	0.1	-2.5	-12.0	8.3	0.3	4.7	2.9	1.8	2.5	4.3	21.6
Latin America	ILF	9.1	4.7	-2.0	-4.0	-12.2	4.8	1.4	-1.1	2.4	-0.6	-1.6	6.5	5.8
Emerging Markets	EEM	11.0	5.3	-3.1	-1.7	-10.7	5.1	0.0	0.4	5.2	-0.4	1.5	6.8	19.1
US Real Estate	VNQ/IYR	6.4	-1.2	5.2	2.9	-4.5	5.5	2.0	0.0	-1.9	-0.9	-0.3	3.7	17.6
Energy	XLE	2.3	5.9	-3.8	-0.7	-10.7	4.8	4.9	2.7	3.1	-2.0	-1.2	1.0	5.2
Metals/Mining	XME	10.7	-4.4	-3.8	-2.6	-18.7	5.6	-3.9	2.9	6.6	2.3	-4.7	6.9	-6.6
Inv Grade Corp Bonds	LQD	2.1	1.6	-1.4	1.1	0.8	0.9	3.5	-0.1	1.1	1.4	-0.4	-0.3	10.6
High Yield Bonds	HYG	1.5	2.1	-1.0	1.1	-3.2	4.7	1.0	1.2	0.5	0.9	1.1	1.4	11.7
Emerging Mkts Bonds	EMB	1.1	2.5	-0.1	1.8	-2.8	4.1	3.7	1.2	1.8	0.6	1.2	0.7	16.9
20+ Yr Treasuries	TLT	-0.3	-2.6	-4.2	4.8	9.0	-1.7	3.8	-1.3	-2.5	-0.5	1.4	-2.5	2.6
Dispersion (best-worst)		11.3	10.4	9.4	8.8	27.7	10.0	9.0	6.0	9.2	4.7	7.2	9.4	33.2
Absolute Return Strategy Holdings		CASH VNQ IWM CASH	VNQ IWM MDY SPY	ILF EEM MDY IWM	MDY CASH SPY IWM	CASH VNQ CASH EMB	TLT CASH LQD CASH	CASH VNQ EMB LQD	TLT LQD EMB VNQ	EPP VGK XLE EMB	XLE EPP VGK EMB	XME EPP VGK CASH	VGK EPP EEM CASH	
Aggressive Growth Strategy Holdings		XLE VNQ IWM	VNQ IWM MDY	ILF EEM MDY	MDY EEM SPY	SPY VNQ MDY	TLT VNQ LQD	TLT VNQ EMB	TLT LQD EMB	EPP VGK XLE	XLE EPP VGK	XME EPP VGK	VGK EPP EEM	

2013 Target Asset Returns and Dispersion

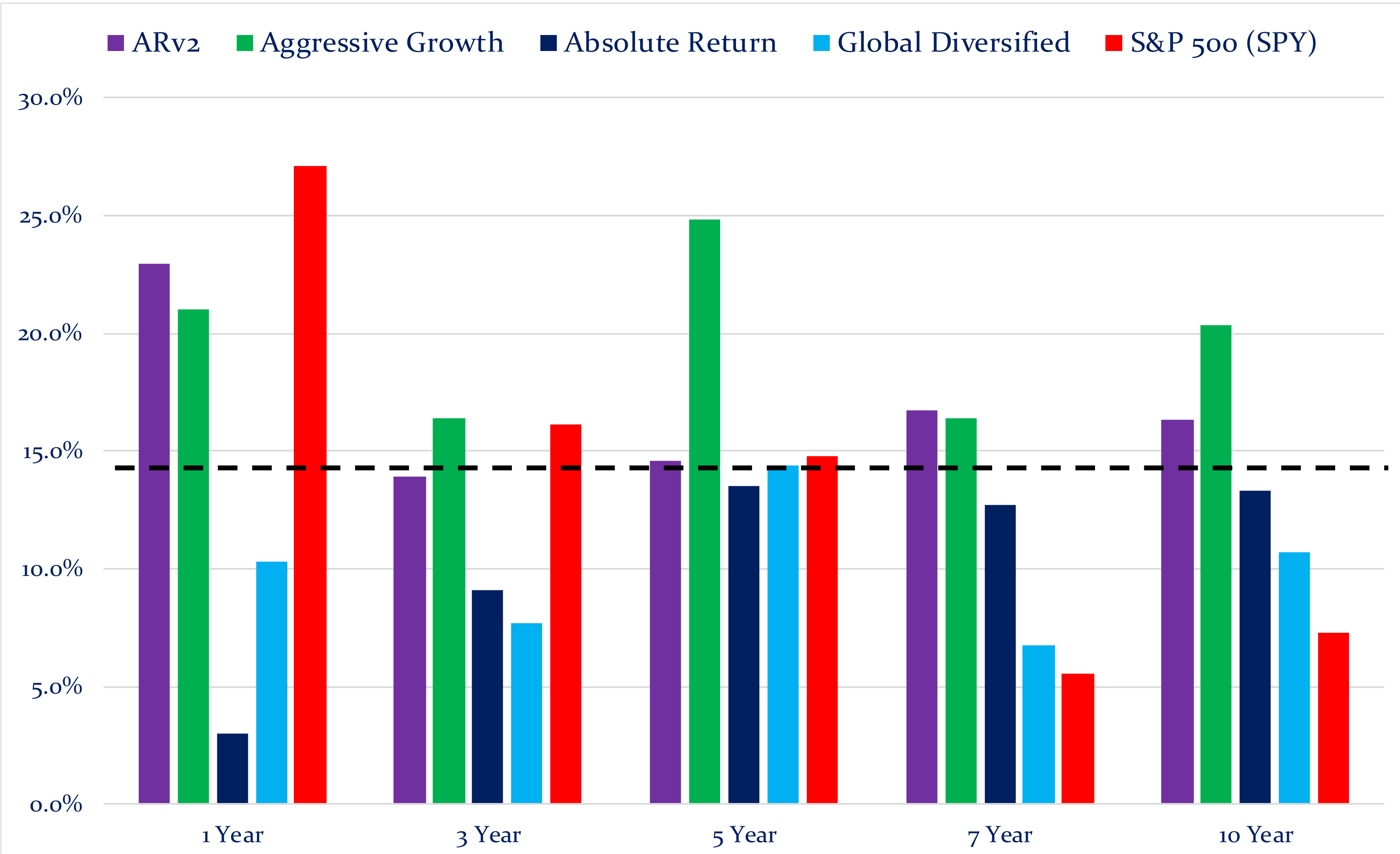
Target Asset	ETF	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
US Large Cap	SPY/IVV	5.1	1.3	3.8	1.9	2.4	-1.3	5.2	-3.0	3.2	4.6			25.3
US Mid Cap	MDY/IJH	7.1	0.9	4.8	0.6	2.3	-2.3	6.7	-3.9	5.4	3.6			27.5
US Small Cap	IWM	6.2	1.0	4.7	-0.4	3.9	-0.8	7.3	-3.2	6.5	2.4			30.8
AsiaPac ex Japan	EPP	3.5	1.8	0.1	3.8	-10.2	-5.2	3.8	-0.8	7.6	4.3			7.7
Europe	VGK	4.3	-3.4	0.3	4.5	0.0	-4.4	7.6	-1.5	7.2	4.2			19.6
Latin America	ILF	3.8	-4.7	0.7	-0.7	-6.6	-7.6	-1.6	-3.3	9.4	3.9			-7.7
Emerging Markets	EEM	-0.3	-2.3	-1.0	1.2	-4.8	-5.3	1.3	-2.5	7.2	4.2			-3.0
US Real Estate	VNQ/IYR	3.7	1.2	2.9	6.7	-6.0	-2.0	0.9	-7.0	3.5	4.5			7.9
Energy	XLE	8.3	0.4	2.5	-1.3	2.9	-2.3	5.3	-1.0	2.1	4.2			22.7
Metals/Mining	XME	-2.8	-7.6	-0.2	-8.0	1.3	-11.5	7.6	-0.8	2.3	7.3			-13.4
Inv Grade Corp Bonds	LQD	-1.3	1.1	-0.1	2.2	-3.2	-3.3	1.1	-1.0	0.7	1.8			-2.1
High Yield Bonds	HYG	0.3	0.9	0.9	2.1	-2.6	-1.7	2.9	-1.3	0.8	2.5			4.8
Emerging Mkts Bonds	EMB	-2.9	0.3	-0.9	3.6	-4.9	-4.4	0.2	-2.4	3.2	2.5			-6.2
20+ Yr Treasuries	TLT	-3.2	1.2	-0.4	4.7	-6.8	-3.3	-2.3	-1.3	0.7	1.4			-9.3
Dispersion (best-worst)		11.5	9.3	5.9	14.7	14.1	10.7	9.9	6.2	8.7	5.9			44.1
Absolute Return Strategy Holdings		VGK EPP EEM XME	IJH VGK IWM EPP	IWM IJH XLE EPP	IJH IWM XLE IVV	IYR IVV IJH EPP	IWM IVV IJH VGK	CASH CASH CASH CASH	IWM IJH IVV XLE	CASH CASH CASH CASH	VGK XME EPP IWM	**VGK XME EPP ILF**		
ARv2 Strategy Holdings		*DXJ EEM EPP FXI*	*DXJ FXI MDY VGK*	*DXJ IWM MDY XLF*	*DXJ MDY XLP XLV*	*VNQ XLP XLV XLY*	*DXJ XLF XLV XLY*	*DXJ QQQ XLF XLY*	IWM XLF XLV XLY	QQQ IWM XLV XLY	IWM QQQ VGK XLY	**QQQ VGK XLI XLB**		
Aggressive Growth Strategy Holdings		VGK EPP EEM	IJH VGK IWM	IWM IJH XLE	IWM IJH XLE	IYR IVV IJH	IWM IVV IJH	IWM IVV IJH	IWM IJH IVV	IWM XLE VGK	VGK XME EPP	**VGK XME EPP**		

See "Important Disclosures Regarding LongRun Capital Risk-Managed Strategies" for additional information

LONGRUN CAPITAL MANAGEMENT

Trailing Performance of Risk-Managed Strategies

The chart below shows trailing performance of LongRun strategies versus the Global Diversified portfolio and the S&P 500 index. Performance of the LongRun strategies combines actual results with historic backtest data.



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LongRun Monthly Strategy Summary (10/31/2013)

LongRun Capital Management LLC

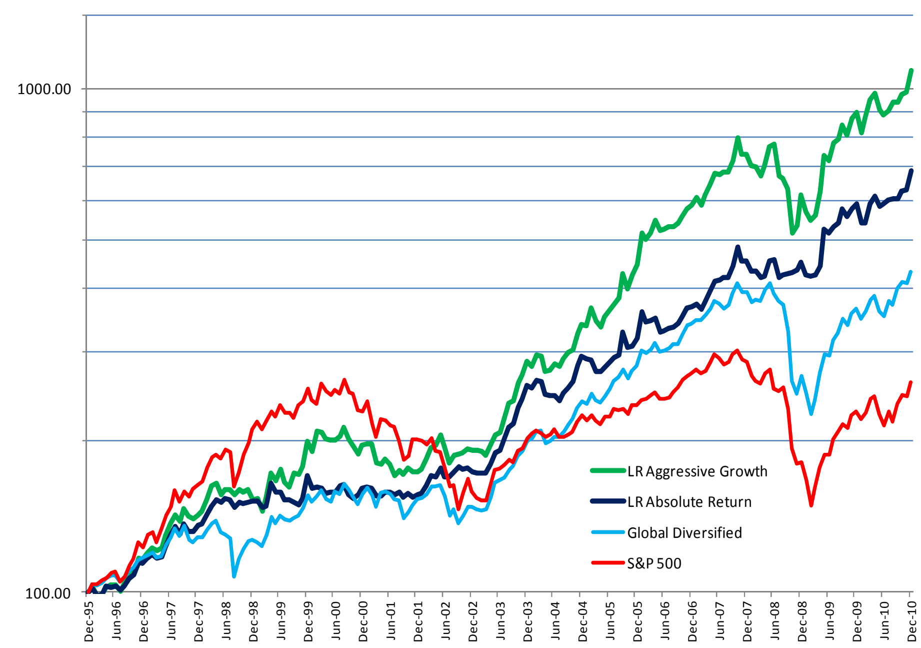
LongRun Capital Management LLC is an independent registered investment advisor founded in 2003 to provide investment management services to individuals, families, trusts and charitable entities. Our focus is the active management of investment portfolios to achieve a balance of return, risk and tax-efficiency that meets each client's specific objectives. The Absolute Return and Aggressive Growth strategies are part of a broader array of investment solutions that we make available to our clients depending upon their objectives and risk tolerance. All assets under management are held in separate accounts owned directly by our clients. Our Managing Partner, Jim Carroll, has more than 20 years of financial advisory and investment experience.

Investment Structure:	**Separately Managed Accounts**
Custodian:	**Fidelity Investments**
Minimum Investment:	**$1,000,000 (subject to waiver)**
Lock-up:	**None**
Liquidity/Redemption:	**Upon client request**
Management fee:	**1% of first $5 million; .75% of assets above $5 million**
Disclosure:	**Form ADV available upon request**

LONGRUN CAPITAL MANAGEMENT

Backtest of Original LongRun Risk-Managed Strategies

The results shown below represent a backtest of the LongRun Aggressive Growth and Absolute Return strategies from January 1, 1996 through December 31, 2010. Additional information is available upon request. Please review the important disclosures below and on the last page.



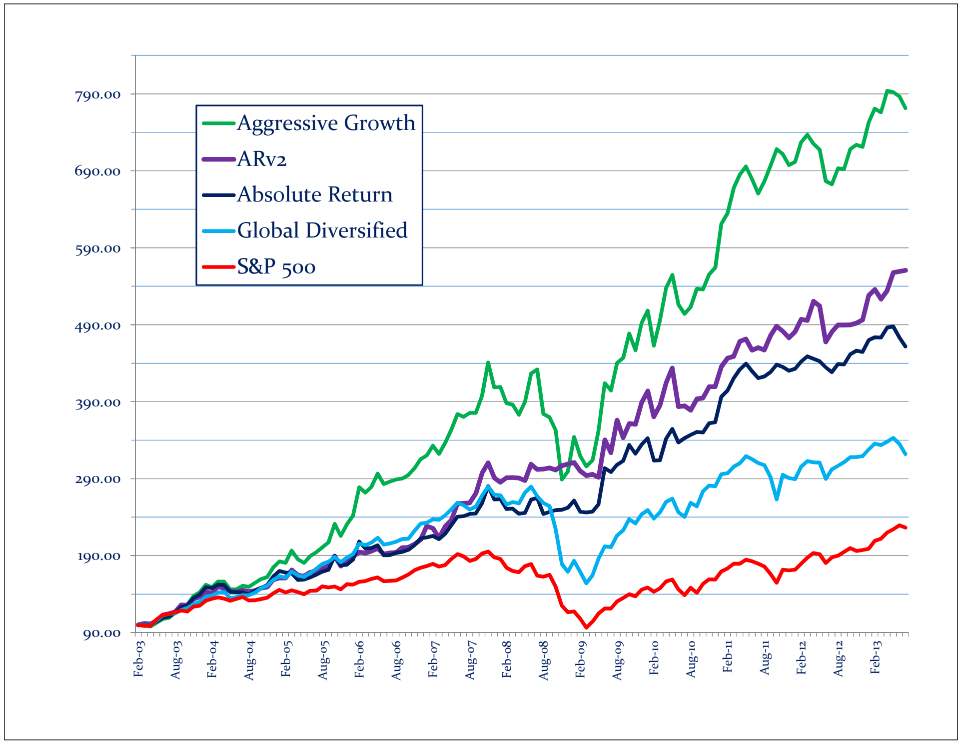
	S&P 500 (SPY)	Global Diversified[1]	Aggressive Growth[2]	Absolute Return[3]
Compound Annual Return[4]	6.6%	10.3%	17.2%	13.7%
Ending Value per $1[5]	$2.62	$4.34	$10.84	$6.84
Multiple of S&P 500	NA	1.7	4.1	2.6
Standard Deviation[6]	16%	15%	18%	13%
Maximum Drawdown[7]	-51%	-45%	-35%	-13%
Overall Correlation[8]	100%	85%	56%	46%
Up Market Correlation[9]	100%	84%	56%	53%
Down Market Correlation[9]	100%	88%	47%	21%
Up Capture[10]	100%	90%	107%	74%
Down Capture[10]	100%	76%	59%	37%
Up/Down Ratio[11]	1.0	1.2	1.8	2.0
Percent Positive Ratio[12]	62%	86%	91%	94%
Positive Monthly Returns	60%	64%	64%	68%
Batting Average[13]	NA	58%	60%	56%

1. Global Diversified is a portfolio that equally weights the 14 ETFs used in the risk-managed strategies, resulting in a global portfolio that is a 70/30 mix of equity and fixed income
2. Aggressive Growth is a risk-managed strategy designed to achieve higher long-term returns for clients able to tolerate a significant amount of risk
3. Absolute Return is a risk-managed strategy designed to strictly limit investment risk while producing attractive expected returns
4. Annualized compound return from January 1, 1996 through December 31, 2010
5. The estimated value of $1 invested on January 1, 1996 through December 31, 2010
6. Standard deviation is a statistical measure of the dispersion of investment returns around the average return; a higher standard deviation is commonly viewed as indicative of greater risk
7. Drawdown is a measure of the worst peak to trough decline in portfolio value over a measured period; a higher drawdown is indicative of greater risk
8. Correlation measures the degree to which one set of returns moves up and down in sync with a benchmark set of returns; the S&P 500 is used as the benchmark for this analysis
9. Upmarket correlation analyzes only periods when benchmark returns are positive; downmarket vice versa; upmarket correlation higher than downmarket correlation indicates better risk-adjusted returns
10. Up capture measures the degree to which an investment matches benchmark returns in an upmarket and vice versa for down capture
11. An Up/Down Ratio greater than 1 indicates risk-adjusted outperformance versus the benchmark; a ratio of 2 or more indicates significant risk-adjusted outperformance
12. Percent Positive Ratio measures the percentage of all holding periods from six months to five years that produced positive returns
13. Batting average measures the percentage of months that the particular investment outperformed the benchmark (S&P 500)

LONGRUN CAPITAL MANAGEMENT

Backtest of LongRun Risk-Managed Strategies Including ARv2

The results shown below represent a backtest of the LongRun Aggressive Growth, Absolute Return and Absolute Return version 2 (ARv2) strategies from February 2003 through June 2013. Additional information is available upon request. Please review the important disclosures below and on the next page.



	ARv2	Aggressive Growth	Absolute Return	Global Diversified[1]	S&P 500 (SPY)
Compound Annual Return	18.0%	21.7%	15.8%	11.9%	8.2%
Ending Value per $1[2]	$5.61	$7.72	$4.62	$3.22	$2.26
Multiple of S&P 500	2.5	3.4	2.0	1.4	NA
Standard Deviation[3]	14%	18%	13%	16%	14%
Maximum Drawdown[4]	-13%	-34%	-13%	-45%	-51%
Sharpe Ratio[5]	1.16	1.10	1.06	0.66	0.45
Sortino Ratio[6]	0.62	0.55	0.58	0.30	0.21
Gain/Pain Ratio[7]	1.78	1.49	1.66	0.87	0.60
Ulcer Index[8]	3.8%	8.2%	4.9%	11.5%	15.7%
Ulcer Performance Index[9]	4.3	2.5	2.9	0.9	0.4
Correlation to S&P 500[10]	43%	60%	44%	91%	100%
Correlation to Global Diversified[10]	46%	75%	55%	100%	91%
Up Capture[11]	95%	138%	89%	109%	100%
Down Capture[11]	41%	73%	47%	91%	100%
Up/Down Ratio[12]	2.3	1.9	1.9	1.2	1.0
Best 12-Month Return[13]	51.7%	71.3%	52.5%	59.8%	53.1%
Worst 12-Month Return[13]	-1.3%	-34.5%	-10.9%	-40.6%	-43.3%
Average 12-Month Return[13]	17.5%	23.3%	16.2%	13.4%	8.6%
Percent Positive Ratio[14]	98%	95%	96%	87%	70%
Positive Monthly Returns	70%	64%	70%	64%	64%
Batting Average[15]	56%	60%	53%	58%	NA

Statistics are based on a backtest start date of 2/1/2003

1. Global Diversified is a portfolio that equally weights 14 ETFs representing a global 70% equity/30% fixed income portfolio.
2. The estimated value of $1 invested on February 1, 2003 through the as of date of this presentation.
3. Risk measured as the dispersion of investment returns around the average return. A lower standard deviation means that the range of returns was relatively narrow, indicating a smoother return pattern. A higher standard deviation means that the range of returns was relatively wide, indicating a more volatile return pattern.
4. Risk measured as the worst peak to trough decline in portfolio value over the measured period. For example, a decline in portfolio value from $1 million to $750,000 would be 25%. Large drawdowns require higher subsequent returns to recover lost value.
5. Sharpe Ratio is a measure of risk-adjusted return calculated as the excess return (investment return minus risk-free T-bill rate) divided by standard deviation of returns. A higher Sharpe Ratio indicates a better risk-adjusted return.
6. Sortino Ratio is a variation of the Sharpe Ratio that differentiates between "good" volatility (volatility of positive returns) and "bad" volatility (volatility of negative returns). It is calculated as the excess return (investment return minus risk-free T-bill rate) divided by the standard deviation of negative returns. The higher the Sortino Ratio the better the risk-adjusted returns.
7. Gain/Pain Ratio (GPR) is a measure of risk-adjusted return that compares the gain from an investment with the pain endured to achieve it. Gain is measured as the sum of all monthly returns and pain is the sum of all negative monthly returns. Fewer and/or smaller negative returns will result in a higher GPR. A GPR greater than 1 represents an outstanding risk-adjusted return.
8. Ulcer Index (UI) measures the depth and duration of all drawdowns in price from earlier highs (also thought of as time spent "underwater"). Similar in concept to Max Drawdown, UI measures all drawdowns. The greater a drawdown in value, and the longer it takes to recover to earlier highs, the higher the UI. Technically, it is the square root of the mean of the squared percentage drawdowns in value. The squaring effect penalizes larger drawdowns proportionately more than smaller drawdowns.
9. Ulcer Performance Index (UPI) is a measure of risk-adjusted return calculated as excess return (investment return minus risk-free T-bill rate) divided by Ulcer Index. It is similar in concept to the Gain/Pain Ratio. UPI in excess of 2 indicates an outstanding risk-adjusted return.
10. Correlation measures the degree to which one set of returns moves in sync with a benchmark. Ideally, an investment strategy will have a relatively low correlation to benchmarks combined with better returns.
11. Up capture measures investment performance for those periods when the benchmark return is positive. 100% up capture indicates that the investment matched the return of the benchmark. Down capture is the same measurement for those periods when the benchmark return is negative. The combination of high up capture and low down capture is ideal.
12. An Up/Down Ratio is calculated as Up Capture divided by Down Capture. A ratio greater than 1 indicates risk-adjusted outperformance versus the benchmark. A ratio of 2 or better indicates outstanding risk-adjusted performance.
13. Based on all rolling 12-month periods in the historical data. For example, there were 114 different 12-month holding periods from February 2003 through June 2013.
14. Percent Positive Ratio (PPR) measures the % of all possible holding periods ranging from 6 months to five years that produced positive returns. A PPR greater than 95% indicates very high consistency.
15. Batting average measures the % of months that a particular investment outperformed a benchmark (in this case the S&P 500). A batting average greater than 50% indicates strong performance but this statistic provides less information than others such as GPR, UPI and Up/Down Ratio.

Important Disclosures Regarding LongRun Capital Risk-Managed Strategies

- **Strategies:** Absolute Return and Aggressive Growth (the "Original Strategies") and Absolute Return version 2 ("ARV2") are disciplined, rules-based tactical allocation strategies developed by LongRun Capital based on a quantitative methodology known as relative strength. Relative strength involves ranking a selected universe of potential investments based on recent rate of return and then allocating a portfolio to a subset of investments at the top of the performance ranking. The Original Strategies use a universe of 14 exchange-traded funds (ETFs) and rank them on 3-month total return. ARv2 uses a universe of 37 ETFs and ranks them on a weighted combination of 3-month total return, 6-month total return and 2-month volatility. Both Absolute Return and ARv2 incorporate rules designed to reduce risk when equity markets experience sustained declines and can be invested 100% in cash-equivalent securities. The Aggressive Growth strategy will be fully invested at all times. Additional information regarding the strategies is available upon request.

- **ETF universe:** The 14 ETFs that serve as the selection menu for the Original Strategies were selected as representative of the global equity and fixed income asset classes that would commonly be used to construct a prudently diversified portfolio. The 37 ETFs used for ARv2 are an expanded set of primarily equity and fixed income assets. These ETFs used for each strategy will be held constant unless one or more cease trading in the future, in which case we will seek to use a reasonable substitute representing the same asset class. In addition, we may occasionally substitute an equivalent ETF as part of a tax loss harvesting strategy or to reduce transaction expenses. Clients will incur direct expenses associated with the purchase and sale of ETFs as well as the indirect expenses associated with management of the ETFs by their sponsors (e.g. iShares).

- **Global Diversified Portfolio:** The S&P 500 is a benchmark commonly used as a proxy for the US equity market. As an alternative, we developed the Global Diversified portfolio to measure the performance of all 14 of the ETFs used in the models underlying the Original Strategies. The Global Diversified portfolio assigns an equal weighting to each of the 14 ETFs and rebalances those weightings each month. The portfolio is approximately 70% equity and 30% fixed income with approximately 40% allocated to US equities and 30% allocated to international equities.

- **Backtest:** LongRun Capital constructed backtests of the strategies using the ETF universe assigned to each strategy and, in the case of the Original Strategies, mutual funds representing the same asset classes for time periods prior to the inception of the ETFs being used. The rule-sets used to determine the month-to-month holdings of the strategies were applied consistently for the entire backtest period. Backtest returns reflect the deduction of a 1% per annum management fee and an expense ratio of 0.15% per annum designed to approximate the transaction expenses associated with implementation of the Strategies. Underlying data has been obtained from sources believed to be reliable and we are not responsible for errors or omissions. The results achieved in actual accounts may vary from those that would be indicated from backtest results. Backtest performance of the strategies provides no guarantee of future results.

- **Composite Results:** LongRun Capital is an independent investment advisory firm that manages assets on a discretionary basis. Clients may elect to have their assets managed on a customized basis and may utilize the Strategies for some or all of their assets managed by LongRun Capital. Unaudited composites for the Original Strategies were started on January 1, 2011, representing the performance of actual accounts assigned to the Strategies. An unaudited composite for ARv2 was started on August 1, 2013. Composite returns are presented net of investment management fees and transaction expenses. LongRun Capital's top management fee tier is 1% per annum. Internal fees and expenses associated with the ETFs are reflected in the price of each ETF. Dividends, income and capital gains are reinvested on a monthly basis when allocation changes are made. Past performance is no guarantee of future results. Information regarding LongRun Capital's management fees and the value of assets included in the composite results is available upon request. In addition, LongRun Capital's disclosure document, Form ADV Part 2A, is available online at www.adviserinfo.sec.gov or upon request.