



# All-Terrain Investing is crash tested



November 2015

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Wagner is the founder and president of Flexible Plan Investments, Ltd., a US registered investment advisory firm. The views and opinions are those of the author only and do not necessarily represent those of Flexible Plan Investments or any of its affiliates, and the author is responsible for any errors. The author also acknowledges the programming assistance from Gayan Nagodage-Don on data processing for market cycle separation and statistics.



November 20, 2015

To my strategic partners,

Every market has its ups and downs, its rallies and corrections, its blow-off moves and crashes. We know one way to manage risk in these volatile markets is diversification. But we also know that diversification is hard to achieve during dire times.

I'm pleased to announce a new group of strategies from Flexible Plan that seeks to ensure true diversification, even in rough markets: our All-Terrain investing separately managed account service.

We've all heard that assets have a correlation of one during down markets. Yet historical research shows that a select group of asset classes have very little correlation, and this lack of correlation persists. These asset classes (for example, stocks, bonds, and gold) gain value over the long term—they just gain at different times. Our All-Terrain strategies only invest in these select non-correlated asset classes and are now available for all-ETF or all-mutual-fund investing.

Enclosed I've included a report based on research we performed in our gold bullion white paper. The gold bullion white paper includes the performance of gold, stocks, bonds, and commodities from 1972–2013 during the seven economic scenarios investors fear the most, as well as the four quadrants of Ray Dalio's All-Weather GDP/CPI combinations. The popularity of that report prompted us to create the report you see here—"All-Terrain Investing is Crash Tested." This compendium provides performance results for 30 scenarios and is part of the ongoing strategy research here at Flexible Plan.

In this report, you will find the following:

- Our summary research report on the six All-Terrain strategies
- Charts illustrating both our mutual fund and ETF separately managed accounts
- The All-Weather research from our PowerPoint presentation

For more information on All-Terrain Investing, please feel free to give us a call at 800-347-3539 x2.

All the best,

Jerry C. Wagner  
Founder and President  
Flexible Plan Investments

**CRASH TEST ALL-TERRAIN INVESTING MUTUAL FUND (1/3/2000 - 9/30/2015)**

Market		All Weather - Dynamic	All Weather - Dynamic Leveraged	All Weather Static	Trivantage - Leveraged	Trivantage - Unleveraged
<b>Total</b>		<b>7.29%</b>	<b>9.99%</b>	<b>7.37%</b>	<b>10.85%</b>	<b>9.23%</b>
GDP Rising	1	7.52%	11.45%	8.14%	11.03%	9.57%
GDP Falling	1	5.87%	1.51%	2.74%	9.70%	7.17%
CPI Rising	2	6.83%	7.52%	6.26%	12.72%	9.75%
CPI Falling	2	8.22%	17.08%	10.40%	1.49%	5.29%
Normal		6.85%	9.87%	7.16%	13.44%	10.73%
Ideal		9.43%	14.57%	10.58%	-0.31%	3.40%
Stagflation		6.70%	-6.67%	0.51%	8.10%	3.48%
Deflation		2.13%	31.22%	9.48%	11.48%	15.84%
Low Volatility	3	13.54%	46.92%	12.59%	40.76%	29.56%
High Volatility	3	2.20%	-11.76%	3.46%	-6.10%	-4.20%
Low Stress	4	2.91%	12.95%	6.08%	12.97%	12.00%
Normal Stress	4	7.66%	10.33%	6.60%	13.98%	11.75%
Moderate Stress	4	9.99%	13.29%	11.54%	12.41%	10.12%
Significant Stress	4	3.60%	-3.71%	1.23%	-9.26%	-7.50%
Above Avg Growth	5	7.28%	10.03%	7.07%	8.28%	7.38%
Below Avg Growth	5	7.10%	9.00%	7.38%	11.29%	9.50%
Positive Outlook	6	9.01%	9.91%	7.99%	7.54%	6.33%
Negative Outlook	6	5.30%	8.81%	6.42%	12.71%	11.04%
SP500- Bull	7	9.51%	14.85%	8.39%	13.61%	11.00%
SP500- Bear	7	-6.28%	-12.94%	-8.88%	-0.10%	1.23%
SP500- Sideways	7	9.56%	11.37%	15.43%	9.64%	9.00%
Commodity- Bull	8	10.37%	11.53%	9.79%	15.05%	12.29%
Commodity- Bear	8	-1.25%	0.47%	-0.07%	-1.43%	0.71%
Commodity- Sideways	8	11.93%	22.66%	12.27%	18.92%	13.87%
Dollar- Bull	9	-0.02%	-0.79%	0.17%	-1.22%	1.63%
Dollar- Bear	9	14.90%	23.84%	15.92%	30.08%	22.93%
Dollar- Sideways	9	6.82%	7.23%	5.89%	4.70%	3.43%
Treasury- Bull	10	8.30%	15.67%	9.92%	15.53%	13.31%
Treasury- Bear	10	14.19%	-27.08%	4.08%	-1.37%	-8.94%
Treasury- Sideways	10	4.32%	2.11%	2.02%	1.95%	2.24%

Data Sources: DialData and DTN

Source: Flexible Plan Investments’ Hypothetical Research Reports (Jan 2000 – Sept 2015). Strategy returns shown are after 0.0% advisory fee. An establishment fee of 0.0% has been deducted at inception. The index shown is not tradable. These results were achieved by means of retroactive application of a computer model and may not represent the results of actual trading. PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

1. Growth Rising - Real economic growth rate (GDP) is rising | Growth Falling - Real economic growth rate (GDP) is falling
2. Inflation Rising - Inflation (CPI) is rising | Inflation Falling - Inflation (CPI) is falling
3. Low Volatility - VIX value lower than 1st quartile of historical VIX | High Volatility - VIX value more than 3rd quartile of historical VIX
4. Low Stress - Cleveland Financial Stree Index - CFI < -0.733 | Normal Stress - Cleveland Financial Stree Index - -0.733 ≥ CFSI < 0.544 | Moderate Stress - Cleveland Financial Stree Index - 0.544 ≥ CFSI < 1.82 | Significant Stress - Cleveland Financial Stree Index CFSI ≥ 1.82
5. Above Avg. Growth - Chicago Fed National Activity Index Positive | Below Avg. Growth - Chicago Fed National Activity Index Negative
6. Positive Outlook - University of Michigan: Consumer Sentiment Positive for the Month | Negative Outlook - University of Michigan: Consumer Sentiment Positive for the Month
7. S&P 500 Bull - 20% upward move more than 42 days | S&P 500 Bear - 20% downward move more than 42 days | S&P 500 Sideways - 10% drop in bull or gain in bear in post sideways more than 21 days and recovery
8. Commodity Bull - 20% upward move more than 42 days | Commodity Bear - 20% downward move more than 42 days | Commodity Sideways - 10% drop in bull or gain in bear in post sideways more than 21 days and recovery
9. Dollar Bull - 10% upward move more than 42 days | Dollar Bear - 10% downward move more than 42 days | Dollar Sideways - 5% drop in bull or gain in bear in post sideways more than 21 days and recovery
10. Treasury Bull - 10% upward move more than 42 days | Treasury Bear - 10% downward move more than 42 days | Treasury Sideways - 5% drop in bull or gain in bear in post sideways more than 21 days and recovery

This is a hypothetical research report and is not based on the results of actual trading - all returns are before fees

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**CRASH TEST ALL-TERRAIN INVESTING ETF (1/3/2000 - 9/30/2015)**

Market		All Weather - Dynamic	All Weather - Dynamic Leveraged	All Weather Static	Trivantage - Leveraged	Trivantage - Unleveraged	Smarter Beta
<b>Total</b>		<b>7.38%</b>	<b>9.62%</b>	<b>7.01%</b>	<b>12.30%</b>	<b>9.34%</b>	<b>12.77%</b>
GDP Rising	1	8.40%	11.00%	7.78%	12.80%	8.96%	13.42%
GDP Falling	1	1.30%	1.53%	2.44%	9.26%	11.70%	8.91%
CPI Rising	2	5.82%	7.23%	5.24%	13.49%	10.31%	11.86%
CPI Falling	2	12.06%	16.29%	12.54%	6.07%	4.22%	14.14%
Normal		6.82%	9.28%	6.52%	14.34%	10.41%	12.00%
Ideal		13.46%	14.65%	11.21%	5.26%	1.80%	16.23%
Stagflation		-0.47%	-5.29%	-2.77%	8.09%	9.66%	10.97%
Deflation		4.97%	25.31%	19.81%	10.47%	17.92%	3.81%
Low Volatility	3	15.46%	46.94%	12.07%	43.61%	31.18%	43.49%
High Volatility	3	2.28%	-12.50%	3.50%	1.31%	0.79%	-7.20%
Low Stress	4	6.37%	12.67%	5.98%	11.53%	11.25%	4.07%
Normal Stress	4	8.36%	10.23%	6.66%	16.62%	8.84%	16.11%
Moderate Stress	4	8.57%	12.32%	10.48%	13.88%	10.04%	11.12%
Significant Stress	4	0.71%	-3.89%	0.52%	-9.50%	7.41%	12.94%
Above Avg Growth	5	7.06%	9.65%	6.73%	7.14%	6.19%	10.36%
Below Avg Growth	5	7.38%	8.53%	7.01%	14.03%	10.66%	12.82%
Positive Outlook	6	8.74%	9.99%	7.56%	9.49%	8.37%	16.70%
Negative Outlook	6	5.74%	8.05%	6.17%	13.88%	9.86%	8.80%
SP500- Bull	7	8.42%	15.09%	7.75%	12.76%	9.31%	20.07%
SP500- Bear	7	-5.08%	-14.49%	-8.20%	4.59%	4.81%	-4.73%
SP500- Sideways	7	12.50%	10.13%	15.22%	15.87%	12.33%	3.35%
Commodity- Bull	8	9.94%	10.99%	8.95%	16.88%	13.79%	18.10%
Commodity- Bear	8	0.16%	0.24%	0.71%	2.17%	-0.39%	1.80%
Commodity- Sideways	8	11.33%	22.68%	11.49%	14.53%	11.29%	13.99%
Dollar- Bull	9	0.03%	-1.12%	0.15%	-1.69%	-1.03%	3.84%
Dollar- Bear	9	17.06%	22.79%	15.33%	31.01%	22.95%	21.27%
Dollar- Sideways	9	4.98%	7.43%	5.42%	8.53%	6.37%	13.07%
Treasury- Bull	10	10.21%	14.85%	10.05%	20.18%	12.63%	12.42%
Treasury- Bear	10	-3.64%	-23.43%	-5.18%	-10.04%	10.18%	42.98%
Treasury- Sideways	10	2.22%	2.09%	1.55%	-1.79%	2.03%	10.88%

Data Sources: DialData and DTN

Source: Flexible Plan Investments’ Hypothetical Research Reports (Jan 2000 – Sept 2015). Strategy returns shown are after 0.0% advisory fee. An establishment fee of 0.0% has been deducted at inception. The index shown is not tradable. These results were achieved by means of retroactive application of a computer model and may not represent the results of actual trading. PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

1. Growth Rising - Real economic growth rate (GDP) is rising | Growth Falling - Real economic growth rate (GDP) is falling
2. Inflation Rising - Inflation (CPI) is rising | Inflation Falling - Inflation (CPI) is falling
3. Low Volatility - VIX value lower than 1st quartile of historical VIX | High Volatility - VIX value more than 3rd quartile of historical VIX
4. Low Stress - Cleveland Financial Stree Index - CFI < -0.733 | Normal Stress - Cleveland Financial Stree Index - -0.733 ≥ CFSI < 0.544 | Moderate Stress - Cleveland Financial Stree Index - 0.544 ≥ CFSI < 1.82 | Significant Stress - Cleveland Financial Stree Index CFSI ≥ 1.82
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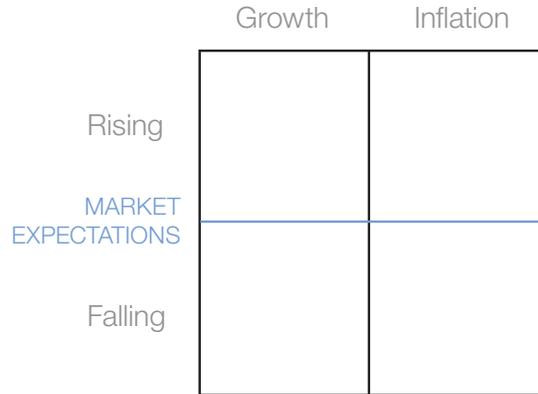
### The All Weather Portfolio

“Normal”: Real economic growth rate (GDP) is rising and inflation (CPI) is rising

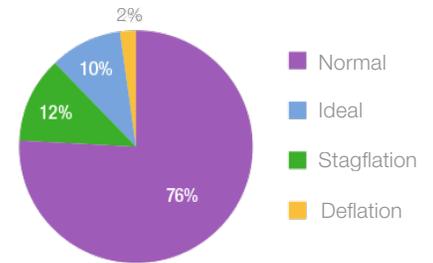
“Ideal”: Real economic growth rate (GDP) is rising and inflation (CPI) is falling

“Stagflation”: Real economic growth rate (GDP) is falling and inflation (CPI) is rising

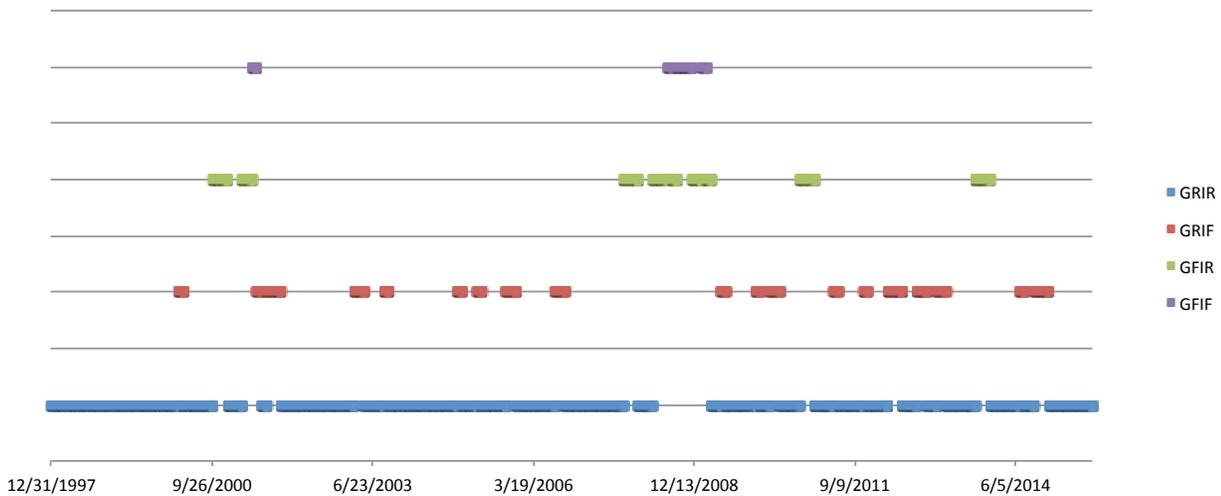
“Deflation”: Real economic growth rate (GDP) is falling and inflation (CPI) is falling



Historical Frequency of Different Economic Regimes (1973-6/30/13)



### Four All-Weather time periods (1/98-9/15)



Source: Flexible Plan Investments Research

### The Four Quadrants

1. Rising Growth and Inflation
2. Rising Growth and Falling Inflation
3. Falling Growth and Rising Inflation
4. Falling Growth and Inflation

**Rising Growth and Inflation**

	AWD	AWDL	AWS	TRIVL	TRIVU	SPY	AGG	Gold
CAGR	7.86%	11.80%	7.80%	<b>13.79%</b>	11.71%	9.88%	4.18%	10.31%
Risk	4.76%	13.88%	5.42%	14.55%	10.91%	17.86%	3.91%	16.67%
Sharpe	1.6535	0.8502	1.4392	0.9481	1.0732	0.553	1.07	0.6184
MaxDD	-6.95%	-16.97%	-9.43%	-19.05%	-15.01%	-48.00%	-5.79%	-29.88%
MAR	1.132	0.6955	0.8273	0.7241	0.7799	0.2057	0.723	0.345

Data Sources: DialData and DTN

Source: Flexible Plan Investments' Hypothetical Research Reports (Jan 2000 – Sept 2015). Strategy returns shown are after 0.0% advisory fee. An establishment fee of 0.0% has been deducted at inception. The index shown is not tradable. These results were achieved by means of retroactive application of a computer model and may not represent the results of actual trading. PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

**Rising Growth and Falling Inflation**

	AWD	AWDL	AWS	TRIVL	TRIVU	SPY	AGG	Gold
CAGR	<b>10.74%</b>	8.87%	8.94%	1.12%	2.09%	5.48%	8.47%	-7.75%
Risk	4.56%	13.46%	4.76%	15.29%	11.61%	17.42%	3.37 %	16.60%
Sharpe	2.3556	0.6587	1.8791	0.0731	0.18	0.3144	2.5134	-0.4666
MaxDD	-4.51%	-15.41%	-3.72%	-24.56%	-17.53%	-22.07%	-3.20%	-21.59%
MAR	2.3831	0.5754	2.404	0.0455	0.1193	0.2481	2.6461	-0.3587

Data Sources: DialData and DTN

Source: Flexible Plan Investments' Hypothetical Research Reports (Jan 2000 – Sept 2015). Strategy returns shown are after 0.0% advisory fee. An establishment fee of 0.0% has been deducted at inception. The index shown is not tradable. These results were achieved by means of retroactive application of a computer model and may not represent the results of actual trading. PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

**Falling Growth and Rising Inflation**

	AWD	AWDL	AWS	TRIVL	TRIVU	SPY	AGG	Gold
CAGR	8.92 %	9.69 %	10.10 %	<b>11.22 %</b>	9.17 %	13.09 %	5.87 %	17.70 %
Risk	5.69 %	16.23 %	6.77 %	16.77 %	13.09 %	23.00 %	5.16 %	21.13 %
Sharpe	1.5658	0.5969	1.4917	0.6689	0.7002	0.5693	1.1376	0.8379
MaxDD	-5.19 %	-10.64 %	-3.87 %	-13.98 %	-10.94 %	-18.36 %	-4.47 %	-13.90 %
MAR	1.7169	0.91	2.6112	0.8028	0.8381	0.7132	1.3119	1.2736

Data Sources: DialData and DTN

Source: Flexible Plan Investments' Hypothetical Research Reports (Jan 2000 – Sept 2015). Strategy returns shown are after 0.0% advisory fee. An establishment fee of 0.0% has been deducted at inception. The index shown is not tradable. These results were achieved by means of retroactive application of a computer model and may not represent the results of actual trading. PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

**Falling Growth and Inflation**

	AWD	AWDL	AWS	TRIVL	TRIVU	SPY	AGG	Gold
CAGR	-22.73 %	-4.57 %	-22.08 %	-6.28 %	<b>-1.72 %</b>	-70.53 %	0.00 %	-14.46 %
Risk	7.34 %	17.14 %	10.04 %	29.05 %	22.25 %	52.99 %	15.97 %	38.30 %
Sharpe	-3.0977	-0.2669	-2.1984	-0.2162	-0.0774	-1.3308	0.0001	-0.3777
MaxDD	-14.76 %	-10.55 %	-15.09 %	-17.17 %	-13.91 %	-46.32 %	-12.83 %	-22.13 %
MAR	-1.5403	-0.4336	-1.463	-0.3659	-0.1238	-1.5225	0.0002	-0.6535

Data Sources: DialData and DTN

Source: Flexible Plan Investments' Hypothetical Research Reports (Jan 2000 – Sept 2015). Strategy returns shown are after 0.0% advisory fee. An establishment fee of 0.0% has been deducted at inception. The index shown is not tradable. These results were achieved by means of retroactive application of a computer model and may not represent the results of actual trading. PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

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The Research Report results are hypothetical and were achieved by means of retroactive application of a computer model, with the benefit of hindsight, and may not represent the results of actual trading. Therefore, Research Report results are NOT represented as actual trading or client experience and they do not reflect the impact on decision making or economic or market factors experienced during actual management of funds. The investment return and principal value of an investment may be lower or higher than the performance quoted; and investors' shares, when redeemed, may be worth more or less than their original cost. Annual returns are compounded monthly. Performance between selected dates may be misleading as indicative of overall performance of a strategy since the dates chosen by the operator of the program are susceptible of having been selected to present optimum performance.

If the Universe Components consist of any of the following sub-advised funds, the client will receive a pro-rata credit for any such fees paid on their billing, since FPI serves as sub-advisor to such funds for which it is separately compensated. Read the prospectus carefully before investing. In deciding whether to invest in the funds described, you should carefully consider the investment objectives, risks and the charges and expenses of the investment company before investing. The prospectus and funds' SAI contain information regarding the above considerations and more. You may obtain a Prospectus and SAI through the following contact information:

Fund	Fund Advisor	Contact Information
The Gold Bullion Strategy Fund <a href="http://www.goldbullionstrategyfund.com">http://www.goldbullionstrategyfund.com</a>	Advisors Preferred	1445 Research Boulevard, Suite 530 Rockville, MD 20850 Phone: 855-650-7453
Quantified All-Cap Equity Fund		
Quantified Alternative Investment Fund		
Quantified Managed Income Fund		
Quantified Market Leaders Fund		
Quantified Self Adjusting Trend Following Fund <a href="http://www.quantifiedfunds.com">http://www.quantifiedfunds.com</a>		

Advisor may predicate some strategies on trading signals furnished by non-affiliated firms. In such instances, the non-affiliated firm is under contract to Adviser to provide, and in certain instances, implement management of Client accounts in such strategies. Flexible Plan by necessity relies on information, data, and software provided by third parties, the reliability of which, while believed to be accurate, cannot be guaranteed and losses may result from reliance upon them. These are normal risks for which Flexible Plan takes no responsibility beyond use of reasonable care in its selection of the third party.

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For many strategies, Adviser provides suitability-based profiles with names such as, without limitation, Conservative, Moderate, Balanced, Growth and Aggressive or with numerical designations such as 25, 40, 60, 80 and 100. Clients should draw no conclusions from such titles. Rather, they are simply a way of designating the hierarchical ranking of Adviser's Profiles within a strategy. They are not meant to imply any ranking within some universal risk measure or benchmark, nor are they equivalent to a Client's subjective concept of the term.

For Global View Capital Management clients, portfolios in this report may not reflect actual portfolios because the component strategies may change quarterly or when market conditions, in Flexible Plan's or the sub-adviser's opinion, warrant a change. These results are derived from the historical hypothetical research reports of the component strategies in each of the model portfolios. These results reflect a snapshot of those allocations carried backward in time to demonstrate how the combination would have performed in the historical period provided.

Strategy and asset allocation decisions may not always be correct and may adversely affect account performance. The use of leverage may magnify this risk. Leverage and funds employing derivatives carry other risks that may result in losses, including the effects of unexpected market shifts, default and/or the potential illiquidity of certain derivatives. Because Flexible Plan strategies make use of publicly traded mutual funds and Exchange Traded Funds, investors should consider carefully information contained in the prospectus of these investments, including investment objectives, risks, charges and expenses. You can request a prospectus from your financial advisor. Please read the prospectus carefully

before investing. Investment value will fluctuate, and shares, when redeemed, may be worth more or less than the original cost.

Flexible Plan's strategies are actively managed and their characteristics will vary among strategies. As a manager utilizing publically traded mutual funds and Exchange Traded Funds, the strategy is subject to the risks associated with the funds in which it invests. Mutual fund and Exchange Traded Fund values fluctuate in price so the value of your investment can go down depending on market conditions. International investing involves risks, including risks related to foreign currency, limited liquidity, less government regulation, and the possibility of substantial volatility due to adverse political, economic or other developments. These risks are often heightened for investments in emerging/developing markets or smaller capital markets. The two main risks related to fixed-income investing are interest-rate risk and credit risk. Typically, when interest rates rise, there is a corresponding decline in the market value of bonds. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. Asset allocation strategies do not assure profit and do not protect against loss. Non-diversification of investments means that more assets are potentially invested in fewer securities than if investments were diversified, so risk is increased because each investment has a greater effect on performance and there may be more correlation of the fewer investments used. Investing in leveraged or inverse funds entails specific risks relating to liquidity, leverage and credit of the derivatives invested in by such funds, which may reduce returns and/or increase volatility.

Active investment management may involve more frequent buying and selling of assets. The majority of FPI's strategies utilize no load mutual funds with no transaction charge. Best efforts are employed to avoid short-term redemption charges, however, active managed strategies can still result in charges, especially when entering or exiting a strategy. Additionally, any commissioned investments will reflect the impact of more frequent buying and/or selling of assets. If investing within a non-tax-deferred investment, Investors should consider the tax consequences of moving positions more frequently. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification cannot protect against all market risk.

### BULL/BEAR/SIDEWAYS SCORES

The Bull/Bear/Sideways scores may assist in assessing a strategy's behavior in various market regimes. The scores are based on research presented in a 2014 white paper entitled "Bull, Bear, and Sideways Markets: A Tri-Market Classification for Evaluating Active Investment Strategies," by Jerry C. Wagner and Z. George Yang, Ph.D. The scores shown were calculated for the period January 1998 through September 2014, using hypothetical performance for the strategy, and the S&P 500 Index as the benchmark. Scores will only change substantially after a 20% decline in the S&P 500 Index. The scores are defined mathematically as:

- Bull score: the percentage of upside return capture of the strategy, with the benchmark's score defined as 100.
- Bear score: the percentage of downside loss avoidance of the strategy, with the benchmarks score defined as zero.
- Sideways score: both the excess return of the strategy and its maximum drawdown reduction, with the benchmark's score defined as 50.
- The average ("AVG") score shown is weighted by the number and duration of bull, bear, and sideways segments over the multi-year calibration period.

The parameters defining bull, bear, and sideways markets were:

- Bull market: a minimum 20% rise from the last market bottom.
- Bear market: a minimum 20% fall from the last market top.
- Sideways: fluctuation of at least 10%, ending the period unchanged.
- Each period must endure for at least 42 days.

For suitability-based strategies, the range of maximum scores are for all suitability profiles of the strategy; the maximum score and minimum score may not necessarily be for the most aggressive or most conservative risk profile.

Information generated by bull, bear, and sideways analysis regarding the likelihood or investment outcomes is hypothetical in nature and does not reflect actual investment results, and is not a guarantee of future results. The Bull/Bear/Sideways scores are calculated with mutual funds. It is assumed that the mutual fund and Exchange-Traded Funds (ETFs) research results are similarly close.

### PAST RESEARCH REPORT RESULTS DO NOT GUARANTEE FUTURE RESULTS.

Please read Flexible Plan Investments' Brochure Form ADV Part 2A carefully before investing. These results do not represent actual trading or client experience. As supplemental information, a listing of all recommendations made within the immediately preceding twelve months, all assumed trades and other data used to generate the referenced results is available upon request. Inherent in any investment is the potential for loss as well as the potential for gain.

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