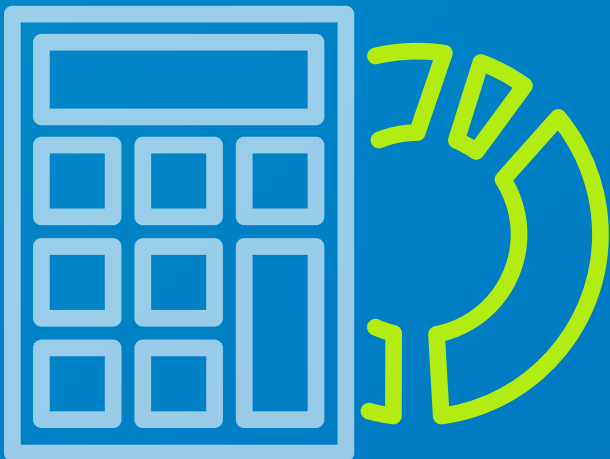


EQIS

EQIS Models Review

Q1 2023



Banking Tumult Shaped Market Returns in Q1

The sudden collapses of Silicon Valley Bank and Signature Bank in the first quarter sent a shockwave through financial markets that eventually claimed Credit Suisse in Europe as well. The perceived threat to financial stability posed by vulnerable US regional banks provoked a dramatic repricing in fixed income markets. The yields on bonds plummeted as traders speculated that the US Federal Reserve would be forced to cut rates as soon as this summer. However, the swift provision of liquidity by central banks and guarantees to act as a lender of last resort was largely successful in preventing further contagion from the bank collapses. A month later, the macroeconomic environment looks much like it did before the collapse of SVB, with economic growth still robust but slowing and central banks still hiking but nearing terminal rates.

However, the market dislocations for the first quarter were significant as of March 31st. The Bloomberg US Agg Bond Index saw a robust gain of 3% for the quarter, as did the Bloomberg Global Aggregate Bond Index. Longer duration bonds benefited more from increased expectations for interest rate cuts, with the Bloomberg US Treasury 20+ Year Index notching a gain of 6.6%. Municipal bonds rallied as well. Credit also performed well, with both corporate credit and high yield bonds returning more than 3% for the quarter.

| Broad Fixed Income | Quarter | YTD | 1 Year |
|--|---------|------|--------|
| Bloomberg US Agg Bond TR USD | 3.0% | 3.0% | -4.8% |
| Bloomberg Global Aggregate TR USD | 3.0% | 3.0% | -8.1% |
| Treasuries | | | |
| Bloomberg US Treasury Bill 1-3 M TR USD | 1.1% | 1.1% | 2.6% |
| Bloomberg 1-5 Yr Treasury TR USD | 1.9% | 1.9% | -0.4% |
| Bloomberg Treasury 5-7 Yr TR USD | 3.0% | 3.0% | -3.1% |
| Bloomberg Treasury 7-20 Yr TR USD | 4.3% | 4.3% | -8.6% |
| Bloomberg US Treasury 20+ Yr TR USD | 6.6% | 6.6% | -17.5% |
| Bloomberg US Treasury US TIPS TR USD | 3.3% | 3.3% | -6.1% |
| Credit | | | |
| Bloomberg Municipal TR USD | 2.8% | 2.8% | 0.3% |
| Bloomberg US Corp Bond TR USD | 3.5% | 3.5% | -5.6% |
| Bloomberg US Corporate High Yield TR USD | 3.6% | 3.6% | -3.3% |

Source: Morningstar

The dramatic drop in bond yields triggered a sharp reversal in established trends in the equity market. Value stocks that had been dominant fell out of favor for the quarter as speculations for interest rate cuts saw investors rush to purchase growth stocks once again. The technology stocks that benefitted from the earlier low-interest rate environment saw a massive rally, with the Nasdaq Composite recording a 17% gain for the quarter. The Russell 1000 Growth Index was not far behind with a gain of 14.4%. Meanwhile, the Russell 1000 Value appreciated by only 1%. Small cap stocks also underperformed relative to large cap, as the relative safety provided by size demanded a premium among investors fearing fallout from the stress on the banking system. However, even the Russell Mid Cap Growth and the Russell 2000 Growth still saw substantial appreciation from their sensitivity to the High Beta and Growth factors that were in favor for the period. The prospect of interest rate cuts in the US saw a continuation of the weakening trend in the US dollar, which provided a tailwind to international stocks. The MSCI Europe rallied by 10.6% for the quarter, outpacing the S&P 500. Broad emerging markets saw positive returns for the period, as did regional indices for Asia and Latin America.

| Domestic Equity | Quarter | YTD | 1 Year |
|---------------------------------|---------|-------|--------|
| NASDAQ Composite TR USD | 17.1% | 17.1 | -13.3% |
| S&P 500 TR USD | 7.5% | 7.5 | -7.7% |
| Russell 1000 Growth TR USD | 14.4% | 14.4 | -10.9% |
| Russell 1000 Value TR USD | 1.0% | 1.0 | -5.9% |
| Russell Mid Cap Growth TR USD | 9.1% | 9.1 | -8.5% |
| Russell Mid Cap Value TR USD | 1.3% | 1.3 | -9.2% |
| Russell 2000 Growth TR USD | 6.1% | 6.1 | -10.6% |
| Russell 2000 Value TR USD | -0.7% | -0.7 | -13.0% |
| International Equity | | | |
| MSCI ACWI NR USD | 7.3% | 7.3% | -7.4% |
| MSCI ACWI Ex USA NR USD | 6.9% | 6.9% | -5.1% |
| MSCI Europe NR USD | 10.6% | 10.6% | 1.4% |
| MSCI EM NR USD | 4.0% | 4.0% | -10.7% |
| MSCI AC Asia Pacific IMI NR USD | 4.6% | 4.6% | -7.9% |
| MSCI EM Latin America NR USD | 3.9% | 3.9% | -11.1% |

Source: Morningstar

Though the first quarter was marked by significant volatility, particularly in fixed income, we believe that the macroeconomic and market trends that were in place at the end of the year remain unchanged. As a result, our asset allocation preferences remain intact as well. We maintain a neutral stance behind equity and fixed income. Economic momentum remains robust in the US, though there are increasing signs that it may be weakening, making both equity and fixed income compelling.

We also continue our preference for domestic equities, though they are growing increasingly expensive relative to international markets. The bias toward large cap stocks remains to provide safety relative to small caps in the event of a recession. Notably we maintain our preference for value stocks as well, despite the forgettable first quarter. The recent growth rally has exhibited limited breadth and appears to be largely driven by movements in the bond market. There does not appear to be any imminent banking crisis that would trigger a sudden capitulation from central banks. Inflation remains high and interest rates are expected to remain high as well, though they may peak soon. A rapid return to a low-interest rate and low growth environment that would favor growth stocks does not seem likely. As a result, we believe value stocks will regain favor in the coming months. They also continue to enjoy a significant valuation discount relative to growth, providing a margin of safety.

Within fixed income, we prefer domestic bonds as the Fed is perceived to be the major central bank nearest to its peak interest rate, having started hiking before the European Central Bank. We remain modestly underweight duration, though duration is looking increasingly compelling. We prefer the yield pickup in investment grade corporate bonds relative to Treasuries but are cautious on the outlook for high yield. Finally, we remain constructive on the outlook for alternatives. Though trend-following strategies broadly suffered from the sudden reversal in the first quarter, we maintain confidence in their ability to diversify in challenging market environments. Commodities continue to serve a role in our portfolios as an inflation hedge and diversifier, particularly as the Chinese economy recovers. We are also constructive on real estate, though the commercial sector warrants caution.

| Asset Class | Asset Class Preference for 2023 | | | Change in Opinion from Last Outlook |
|-------------------------------|---------------------------------|---------|--------------|-------------------------------------|
| | Concern | Neutral | Constructive | |
| Equities | | 0 | | |
| Bonds | | 0 | | |
| Equity | | | | |
| Geographic Exposure | | | | |
| US | | | 1 | |
| Intl Developed | | 0 | | |
| EM | -1 | | | |
| Size | | | | |
| Large | | | 1 | |
| Mid | | 0 | | |
| Small | -1 | | | |
| Style | | | | |
| Growth | -1 | | | |
| Value | | | 1 | |
| Fixed Income | | | | |
| Geographic Exposure | | | | |
| US | | 0 | | |
| Intl Developed | -1 | | | |
| EM | -1 | | | |
| Credit Exposure | | | | |
| Treasuries | -1 | | | |
| IG Corporates | | | 1 | |
| High Yield | | 0 | | |
| Interest Rate Exposure | | | | |
| Duration | -1 | | | |
| Alternatives | | | | |
| Liquid Alts (F) | | | | 2 |
| Commodities | | | | 1 |
| Real Estate | | | | 1 |

| Key | -2 | -1 | 0 | 1 | 2 |
|--------------------|------------------|-------------|----------------|------------|-----------------|
| Relative Weighting | Very Underweight | Underweight | Neutral Weight | Overweight | Very Overweight |

EQIS Strategic

The EQIS Strategic model consists of traditional specialist investment managers that remain invested in their niche asset class over the full market cycle. The moderate iteration of this model gained 2.9% in the quarter, trailing the moderate blended benchmark. This model had a defensively oriented value tilt coming into the quarter, meaning that it did not participate in the sudden rally in high-beta growth. However, we believe the growth trend will be short lived and that the value trend that had been established previously will come back into favor. The value-focused Alpha Quant Dividend Equity strategy struggled in this environment, as did value overall as an investment approach. The disciplined large cap core approach of Martin Best Ideas Growth with a Value Discipline meant that it did not have sizeable allocations to the type of stocks that ran up in the first quarter, though it did have a gain of 4%. Down the market cap spectrum, Zacks Mid Cap Core performed in line with its benchmark while Ativo Small Cap outperformed. Martin International Tortue Capital benefitted from the rally in European stocks for the quarter, while the value tilt inherent in Financial Trust International Value Momentum limited its gains for the period. The fixed income component of this model largely performed in line with expectations. BlackRock High Yield Bond Fund slightly outperformed the high yield bond benchmark, while Financial Trust Flexible Income had a small gain in line with short-term bonds. The PIMCO Income Fund and SignalPoint Stable Income Point both had gains in line with the Bloomberg US Aggregate Bond Index. The tactical approach to high yield bonds employed by Kensington Managed Income struggled with the sharp reversals in the first quarter and is flat YTD. Cohen & Steers Institutional Realty enjoyed a small gain. While the Parametric Commodity Strategy had a small loss for the period, we believe it will benefit from the Chinese economy returning to growth in the coming months.

| Total Portfolio | Inception Date | Portfolio Weight | Q1 | YTD | Rolling 1 Year |
|--|----------------|------------------|-------|-------|----------------|
| EQIS Strategic Moderate - Net | 12/31/2007 | 100.00% | 2.1% | 2.1% | -10.9% |
| EQIS Strategic Moderate - Gross | 12/31/2007 | 100.00% | 2.9% | 2.9% | -8.2% |
| EQIS Moderate Blended Benchmark | 01/30/1999 | | 5.2% | 5.2% | -5.9% |
| US Equity & Sectors | | | | | |
| Advisor Partners US Equity Small Cap Value | 08/31/2010 | 2.00% | 0.8% | 0.8% | -6.0% |
| Alpha Quant Dividend Equity | 06/30/2017 | 18.00% | -1.1% | -1.1% | -2.6% |
| Ativo Small Cap | 10/01/2007 | 1.00% | 5.5% | 5.5% | -0.9% |
| Martin Best Ideas Growth With A Value Discipline | 07/01/2010 | 12.00% | 4.1% | 4.1% | -11.6% |
| Zacks Mid Cap Core | 10/31/2021 | 10.00% | 3.7% | 3.7% | -6.2% |
| International Equity | | | | | |
| Financial Trust International Value Momentum | 11/01/2015 | 6.00% | 4.0% | 4.0% | -18.5% |
| Martin International Tortue Capital | 10/01/2013 | 6.00% | 9.1% | 9.1% | -5.2% |
| Fixed Income / Taxable Bond | | | | | |
| BlackRock High Yield Bond Fund | 05/01/2020 | 2.00% | 3.9% | 3.9% | -3.1% |
| Financial Trust Flexible Income | 11/30/2013 | 10.00% | 1.7% | 1.7% | 1.1% |
| Kensington Managed Income Strategy | 05/31/2021 | 5.00% | 0.0% | 0.0% | -3.8% |
| PIMCO Income Fund | 05/01/2020 | 10.00% | 2.6% | 2.6% | -1.1% |
| SignalPoint Stable Income Point | 01/01/2010 | 10.00% | 3.3% | 3.3% | -7.1% |
| Alternatives | | | | | |
| Cohen & Steers Instl Realty Shares | 02/14/2000 | 4.00% | 2.4% | 2.4% | -18.0% |
| Parametric Commodity Strategy | 01/01/2022 | 4.00% | -2.2% | -2.2% | -6.5% |

EQIS Dynamic Strategic

The EQIS Dynamic Strategic model utilizes a blend of tactical managers that have the freedom to adjust their allocations to different asset classes according to market conditions, as well as dedicated single-asset-class managers that remain fully invested throughout the entire market cycle. The moderate risk version of this model gained 3.4% for the quarter, trailing the 5.2% gain in the blended moderate benchmark. The quality and value tilts in the dedicated equity managers utilized in this model were out of favor for the period, though we expect that to reverse later in the year. The multi-asset tactical managers used in this model did have gains for the quarter, but less than the blended benchmark. That is to be expected in an environment with rapid shifts in price signals and sharp drops followed by sudden recoveries. This dynamic was also in play in the fixed income component of the model, where the traditional managers performed in line with their benchmarks, while the tactical Kensington Managed Income Strategy and Ocean Park Strategic Income Strategy were roughly flat. The rise in bond yields seen in February following unexpectedly strong economic data pushed these managers to defensive positions, which then led them to miss out on the sudden drop in yields following the collapse of SVB. This model also employs several alternatives managers. The ABR 75/25 Volatility Strategy weathered the equity volatility well for the period, recording a notable 6.5% gain. The American Beacon AHL Managed Futures Fund suffered from the sudden reversal in trends. However, the risk-budgeting framework in this strategy limited losses to 3.7% for the quarter, which represents relative outperformance compared to the significant losses experienced by more aggressive trend-following strategies. The option-hedged approach of Swan Defined Risk to S&P 500 exposure capped its upside for the period.

| Total Portfolio | Inception Date | Portfolio Weight | Q1 | YTD | Rolling 1 Year |
|--|----------------|------------------|-------|-------|----------------|
| EQIS Dynamic Strategic Moderate - Net | 12/31/2007 | 100.00% | 2.6% | 2.6% | -10.0% |
| EQIS Dynamic Strategic Moderate - Gross | 12/31/2007 | 100.00% | 3.4% | 3.4% | -7.3% |
| EQIS Moderate Blended Benchmark | 01/30/1999 | | 5.2% | 5.2% | -5.9% |
| Asset Allocation Strategies | | | | | |
| Chapoquoit Dynamic Aggressive | 12/31/2021 | 12.00% | 2.9% | 2.9% | -17.8% |
| SignalPoint Balanced Point | 01/31/2010 | 9.00% | 4.7% | 4.7% | -4.9% |
| Toews Hedged Balanced Growth | 08/31/2005 | 5.50% | 2.0% | 2.0% | -5.1% |
| US Equity & Sectors | | | | | |
| Alpha Quant Dividend Equity | 07/01/2017 | 6.00% | -1.1% | -1.1% | -2.6% |
| Ativo Small Cap | 10/01/2007 | 3.00% | 5.5% | 5.5% | -0.9% |
| Martin Best Ideas Growth With A Value Discipline | 07/01/2010 | 4.00% | 4.1% | 4.1% | -11.6% |
| Zacks Mid Cap Core | 10/31/2021 | 2.50% | 3.7% | 3.7% | -6.2% |
| International Equity | | | | | |
| Financial Trust International Value Momentum | 06/01/2013 | 6.75% | 4.0% | 4.0% | -18.5% |
| Martin International Tortue Capital | 10/01/2013 | 6.75% | 9.1% | 9.1% | -5.2% |
| Fixed Income / Taxable Bond | | | | | |
| Kensington Managed Income Strategy | 05/31/2021 | 9.25% | 0.0% | 0.0% | -3.8% |
| Ocean Park Strategic Income Strategy | 04/01/2013 | 9.25% | 0.7% | 0.7% | -1.4% |
| PIMCO Income Fund | 05/01/2020 | 7.00% | 2.6% | 2.6% | -1.1% |
| SignalPoint Stable Income Point | 04/30/2007 | 7.00% | 3.3% | 3.3% | -7.1% |
| Alternatives | | | | | |
| ABR 75/25 Volatility Strategy | 11/01/2019 | 3.00% | 6.5% | 6.5% | -14.4% |
| American Beacon AHL Managed Futures Fund | 07/01/2021 | 3.00% | -3.7% | -3.7% | 2.6% |
| Parametric Commodity Strategy | 01/01/2022 | 3.00% | -2.2% | -2.2% | -6.5% |
| Swan Defined Risk Fund | 06/01/2013 | 3.00% | 2.6% | 2.6% | -7.1% |

EQIS Dynamic Tactical

The EQIS Dynamic Tactical model utilizes tactical asset allocation strategies extensively, which are designed to shift asset class exposures to adapt to the evolution of risks and opportunities in the market environment. The moderate risk iteration of this had a gain of 3.9% for the quarter, trailing the benchmark by a smaller margin than some of the other models. Alpha Cubed Balanced Growth stood out for the period with a 6.7% gain, benefiting from its fundamental macro approach to asset allocation. The tactical managers whose defensive protocols are more sensitive to price signals had smaller gains for the quarter, including Toews Hedged Balanced Growth, iSectors Post-MPT Moderate, and Chapoquoit Dynamic Aggressive. However, the SignalPoint strategies, which typically maintain a higher beta to equity markets than some other asset allocators, enjoyed larger gains in the range of 4.5%. Within the international equity space, the fundamental growth tilt propelled HJIM International Select to a sizeable gain of 7.9%, while the tactical and value focused Financial Trust International Value Momentum had a more muted gain.

| Total Portfolio | Inception Date | Portfolio Weight | Q1 | YTD | Rolling 1 Year |
|---|----------------|------------------|------|------|----------------|
| EQIS Dynamic Tactical Moderate - Net | 12/31/2007 | 100.00% | 3.1% | 3.1% | -10.3% |
| EQIS Dynamic Tactical Moderate - Gross | 12/31/2007 | 100.00% | 3.9% | 3.9% | -7.5% |
| EQIS Moderate Blended Benchmark | 01/30/1999 | | 5.2% | 5.2% | -5.9% |
| Asset Allocation Strategies | | | | | |
| Alpha Cubed Balanced Growth | 12/31/2015 | 8.00% | 6.7% | 6.7% | -0.6% |
| Chapoquoit Dynamic Aggressive | 12/31/2021 | 12.00% | 2.9% | 2.9% | -17.8% |
| iSectors Post-MPT Moderate | 02/01/2011 | 15.00% | 1.0% | 1.0% | -11.0% |
| SignalPoint Balanced Point | 01/31/2010 | 17.00% | 4.7% | 4.7% | -4.9% |
| SignalPoint Signal 10 | 10/31/2009 | 5.00% | 4.5% | 4.5% | -4.7% |
| Toews Hedged Balanced Growth | 08/31/2005 | 15.00% | 2.0% | 2.0% | -5.1% |
| International Equity | | | | | |
| Financial Trust International ValueMomentum | 11/01/2015 | 7.00% | 4.0% | 4.0% | -18.5% |
| HJIM International Select | 12/31/2006 | 7.00% | 7.9% | 7.9% | -3.0% |
| Fixed Income / Taxable Bond | | | | | |
| Kensington Managed Income Strategy | 05/31/2021 | 3.00% | 0.0% | 0.0% | -3.8% |
| Alternatives | | | | | |
| ABR 75/25 Volatility Strategy | 10/31/2019 | 5.00% | 6.5% | 6.5% | -14.4% |
| Swan Defined Risk Fund | 06/01/2013 | 6.00% | 2.6% | 2.6% | -7.1% |

EQIS Dynamic Sector

The EQIS Dynamic Sector model allocates to equity strategies that target specific sectors as well as tactical managers that can rotate between sectors dynamically. The moderate risk version of this model underperformed for the period, gaining 1.6% versus the 5.2% gain seen in the blended benchmark. The diversified equity managers in this model currently have a significant tilt toward value and underperformed for the period. The sector allocations made at year end were split between defensive consumer staples and health care, and cyclical value-focused energy and financials. EQIS Financial had a substantial loss of 9.3% for the quarter as the financial sector as a whole saw indiscriminate selling in the wake of the failure of SVB and Signature Bank. The resilient Q1 earnings reported by the big banks have put contagion fears largely to rest and financials are now trading at significant discounts. The model was underweight the technology and consumer discretionary sectors that surged in the first quarter. We do not believe the price movement in those sectors is sustainable and will remain underweight in this model. We anticipate that the sector trends that had been present preceding the first quarter shifts will reassert themselves later in the year. The sector-rotator Heritage Relative Strength Sector had a small gain of 2.6% for the quarter.

| Total Portfolio | Inception Date | Portfolio Weight | Q1 | YTD | Rolling 1 Year |
|--|----------------|------------------|-------|-------|----------------|
| EQIS Dynamic Sector Moderate - Net | 12/31/2007 | 100.00% | 0.9% | 0.87% | -10.9% |
| EQIS Dynamic Sector Moderate - Gross | 12/31/2007 | 100.00% | 1.6% | 1.63% | -8.1% |
| EQIS Moderate Blended Benchmark | 01/30/1999 | | 5.2% | 5.2% | -5.9% |
| US Equity & Sectors | | | | | |
| Alpha Quant Dividend Equity | 07/01/2017 | 9.50% | -1.1% | -1.1% | -2.6% |
| EQIS Consumer Staples ETF | 08/31/2020 | 5.50% | 1.4% | 1.4% | 0.8% |
| EQIS Energy | 04/01/2015 | 5.50% | -3.8% | -3.8% | 6.6% |
| EQIS Financial | 02/28/2017 | 5.50% | -9.3% | -9.3% | -21.0% |
| Financial Trust Health Value | 10/01/2015 | 5.50% | -6.2% | -6.2% | -11.4% |
| Martin Best Ideas Growth With A Value Discipline | 07/01/2010 | 6.50% | 4.1% | 4.1% | -11.6% |
| International Equity | | | | | |
| Financial Trust International Value Momentum | 11/01/2015 | 7.00% | 4.0% | 4.0% | -18.5% |
| Martin International Tortue Capital | 10/01/2013 | 7.00% | 9.1% | 9.1% | -5.2% |
| Fixed Income / Taxable Bond | | | | | |
| BlackRock High Yield Bond Fund | 05/01/2020 | 4.00% | 3.9% | 3.9% | -3.1% |
| Financial Trust Flexible Income | 12/01/2013 | 8.00% | 1.7% | 1.7% | 1.1% |
| PIMCO Income Fund | 05/01/2020 | 8.00% | 2.6% | 2.6% | -1.1% |
| SignalPoint Stable Income Point | 01/01/2010 | 11.00% | 3.3% | 3.3% | -7.1% |
| Asset Allocation Strategies | | | | | |
| Heritage Relative Strength Sector | 04/01/2011 | 9.00% | 2.6% | 2.6% | -10.8% |
| Alternatives | | | | | |
| American Beacon AHL Managed Futures Fund | 07/01/2021 | 3.00% | -3.7% | -3.7% | 2.6% |
| Cohen & Steers Instl Realty Shares | 02/14/2000 | 2.50% | 2.4% | 2.4% | -18.0% |
| Parametric Commodity Strategy | 01/01/2022 | 2.50% | -2.2% | -2.2% | -6.5% |

EQIS Income

The EQIS Income model focuses on generating higher income across its various risk tolerances than others with higher allocations to income-producing asset classes. The moderate risk version of this model had a small gain of 1.9% for the period, trailing the blended benchmark. The equity managers used in this model emphasize dividends, which was out of favor for the quarter as a factor relative to high bet and growth. The S&P 500 Dividend Aristocrats Index saw a limited 1.8% gain for the quarter, while the S&P 500 High Yield Dividend Aristocrats Index lost 0.5%. Meanwhile, the S&P 500 High Beta Index appreciated by 12.5%, followed by the S&P 500 High Growth Index with a gain of 9.6%. We do not expect those factor trends to persist as they are driven by speculation of a dramatic capitulation from the Fed, which we do not view as a likely scenario. The traditional fixed income managers used in this model performed in line with their benchmarks, while the tactical fixed income managers were flat. The real estate and preferred stock allocation also recorded small gains for the quarter. Though the commodities allocation had a loss of 2.2% for the quarter, it is important to note that it is still generating a 12-month yield of 15.3%.

| Total Portfolio | Inception Date | Portfolio Weight | Q1 | YTD | Rolling 1 Year | 12 Mo Yield |
|--|----------------|------------------|-------|-------|----------------|-------------|
| EQIS Income Moderate - Net | 12/31/2007 | 100.00% | 1.2% | 1.2% | -12.0% | |
| EQIS Income Moderate - Gross | 12/31/2007 | 100.00% | 1.9% | 1.9% | -9.3% | |
| EQIS Moderate Blended Benchmark | 01/30/1999 | | 5.2% | 5.2% | -5.9% | |
| US Equity & Sectors | | | | | | |
| Alpha Quant Dividend Equity | 07/31/2013 | 14.00% | -1.1% | -1.1% | -2.6% | 3.4% |
| Dearborn Partners Core Rising Dividend | 10/31/2013 | 12.00% | 3.1% | 3.1% | -2.1% | 2.0% |
| Green Alpha Growth & Income Portfolio | 10/31/2012 | 10.00% | 4.3% | 4.3% | -20.5% | 4.7% |
| Fixed Income / Taxable Bond | | | | | | |
| BlackRock High Yield Bond Fund | 05/01/2020 | 5.00% | 3.9% | 3.9% | -3.1% | 6.0% |
| Financial Trust Flexible Income | 11/30/2001 | 7.00% | 1.7% | 1.7% | 1.1% | 2.4% |
| Kensington Managed Income | 05/31/2021 | 5.00% | 0.0% | 0.0% | -3.8% | 2.3% |
| Ocean Park Strategic Income Strategy | 04/01/2013 | 7.00% | 0.7% | 0.7% | -1.4% | 2.0% |
| PIMCO Income Fund | 12/31/2015 | 7.00% | 2.6% | 2.6% | -1.1% | 6.8% |
| SignalPoint Stable Income Point | 01/01/2010 | 7.00% | 3.3% | 3.3% | -7.1% | 3.2% |
| Alternatives | | | | | | |
| Cohen & Steers Instl Realty Shares | 02/14/2000 | 13.00% | 2.4% | 2.4% | -18.0% | 3.3% |
| EQIS Preferred Stock ETF | 09/30/2010 | 10.00% | 2.7% | 2.7% | -9.6% | 5.5% |
| Parametric Commodity Strategy | 01/01/2022 | 3.00% | -2.2% | -2.2% | -6.5% | 15.3% |

EQIS Strategic Tax-Managed

The EQIS Strategic Tax-Managed model is cognizant of tax consequences and utilizes municipal bonds and equity managers with tax management overlays where possible. The moderate risk tolerance version of this model had a gain of 4.6% for the quarter, trailing the blended benchmark by a small margin. The single largest allocation in this model is to Advisor Partners US High Quality Dividend Yield. This strategy utilizes a tax-overlay approach while investing in the large cap equity space. The strategy defied headwinds to dividend investing for the period and saw a gain of 5.8%. The more muted gain for Dearborn Core Rising Dividend was more typical for that investment style in the first quarter. The various municipal bond strategies performed in line with their benchmarks, with longer duration bond funds seeing larger appreciation for the period. The tactical Ocean Park Municipal Bond Strategy saw the weakest gain of the period, having been caught in a defensive posture prior to the drop in yields witnessed in March. The asset allocation strategy iSectors Global Growth saw a limited gain of 4.1%.

| Total Portfolio | Inception Date | Portfolio Weight | Q1 | YTD | Rolling 1 Year |
|---|----------------|------------------|------|------|----------------|
| EQIS Strategic Tax-Managed Moderate - Net | 12/31/2019 | 100.00% | 3.9% | 3.9% | -6.9% |
| EQIS Strategic Tax-Managed Moderate - Gross | 12/31/2019 | 100.00% | 4.6% | 4.6% | -4.0% |
| EQIS Moderate Blended Benchmark | 01/30/1999 | | 5.2% | 5.2% | -5.9% |
| US Equity & Sectors | | | | | |
| Advisor Partners US High Quality Dividend Yield | 09/30/2005 | 28.00% | 5.8% | 5.8% | -7.2% |
| Dearborn Partners Core Rising Dividend | 10/31/2013 | 18.00% | 3.1% | 3.1% | -2.1% |
| Tax Exempt Fixed Income | | | | | |
| EQIS 7yr Muni ETF Ladder | 01/31/2019 | 7.00% | 1.7% | 1.7% | 0.6% |
| Lord Abbett National Tax Free | 07/31/2015 | 7.00% | 3.2% | 3.2% | -2.9% |
| Ocean Park Municipal Bond Strategy | 09/01/2021 | 3.00% | 1.1% | 1.1% | 0.3% |
| Western Asset Managed Municipals | 07/31/2015 | 7.00% | 2.9% | 2.9% | -1.0% |
| Western Asset Intermediate Municipals Fund | 12/31/2019 | 3.00% | 2.4% | 2.4% | 0.0% |
| Asset Allocation Strategies | | | | | |
| iSectors Global Growth | 12/31/2009 | 10.00% | 4.1% | 4.1% | -4.9% |
| International Equity | | | | | |
| HJIM International Select | 12/31/2006 | 8.50% | 4.0% | 4.0% | -18.5% |
| Martin International Tortue Capital | 10/01/2013 | 8.50% | 9.1% | 9.1% | -5.2% |

Summary

Overall, the 1st quarter of 2023 did not play out quite as many expected. The performance of the EQIS models was challenged relative to their blended benchmarks as established market trends suddenly inverted in the short term due to transient factors. The growth and high beta factors and technology stocks drove markets for the quarter, despite being largely out of favor for some time. Those factors are unlikely to continue to dominate market dynamics in the absence of interest rate cuts. We believe the Fed is unlikely to cut rates soon, as inflation remains elevated, economic growth remains robust, and the labor market remains strong. The EQIS model allocations continue to be positioned in a defensive and diversified manner and maintain their quality and value tilts. As much as the quarter was disappointing on a relative perspective, the Asset Management Group continues to believe this market is highly extended and believes a pullback may occur in the coming months. Across all investment approaches the EQIS models still provided positive returns and exhibited less volatility. Furthermore, the models are expected to have a rebalance in the coming months to account for new trends and opportunities as the Fed tightening cycle approaches its peak.

EQIS

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Performance displayed represents gross past performance as experienced by EQIS clients and does not guarantee future results. Gross performance does not reflect the deduction of fees. The actual fees for each investor are stated in the investor's account application, custodian statements, and performance reports. A side-by-side comparison of net and gross performance for the model reflected in this document is available on the EQIS platform.

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The comparative benchmarks are designed to measure a global portfolio of stocks, bonds, and cash, allocated to represent five distinct investor risk profiles. They represent stock exposure levels in line with investors' expectations relative to a targeted level of equity risk. The benchmark returns do not represent the results of actual trading of investable assets/securities. EQIS maintains the benchmark blend and calculates the benchmark levels and performance shown or discussed but does not manage actual benchmark assets. Benchmark returns displayed do not reflect a deduction of management fees and do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the benchmark or investment funds that are intended to track the performance of the benchmark. The imposition of these fees and charges would cause the actual and backtested performance of the securities/fund to be lower than the benchmark performance shown.

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