

TARGET INCOME PORTFOLIO
INCOME STRATEGY

OBJECTIVE

To produce a targeted yield while maintaining a secure compounding base position to protect principal.

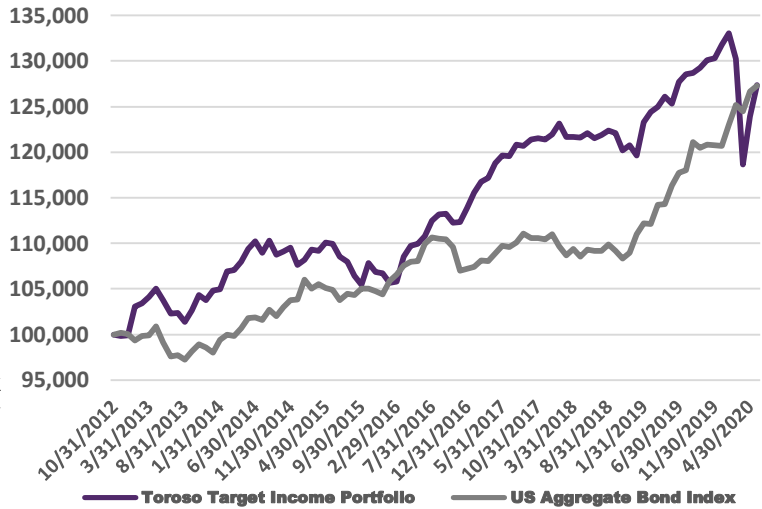
DESIGNED FOR INVESTORS SEEKING

- Targeted yields, consistent with individual bond coupons or distributions
- Substantially lower volatility than the broad U.S. High Yield Bond market

ETF-FOCUSED APPROACH

The strategy offers investors the ability to invest in a broadly diversified portfolio of high yielding and low risk securities, tactically rebalanced through our methodology that focuses on a carefully-selected group of ETFs (Exchange-Traded Funds).

GROWTH OF \$100,000



INCOME

GOAL = CONSISTENT YIELD
CURRENT YIELD = 5.85%



RETURNS & DATA AS OF 5/31/2020	TRAILING ANNUALIZED RETURNS						CALENDAR YEAR RETURNS						
	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS	INCEPTION TO DATE	2019	2018	2017	2016	2015	2014	2013
TARGET INCOME PORTFOLIO GROSS	2.78%	-3.35%	1.66%	2.11%	2.98%	3.24%	10.19%	-1.93%	7.13%	6.69%	-0.85%	2.67%	4.94%
NET	2.78%	-3.58%	1.16%	1.27%	2.18%	2.47%	9.42%	-2.93%	6.27%	5.89%	-1.54%	2.16%	3.89%
BENCHMARK - US AGGREGATE BOND INDEX	0.47%	5.47%	9.42%	5.07%	3.94%	3.23%	8.72%	0.01%	3.54%	2.65%	0.55%	5.97%	-2.02%
COMPARISON - 1-3 YR TREASURY INDEX	0.08%	2.98%	4.64%	2.66%	1.86%	1.46%	4.20%	-1.26%	9.04%	0.86%	0.56%	0.63%	0.36%

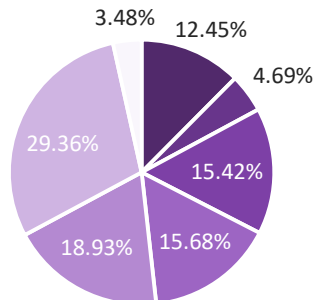
Weighted Fees and Expenses of Acquired Funds: 0.84%

Inception Date: November 1, 2012

PERFORMANCE METRICS

	TARGET INCOME (GROSS)	US AGGREGATE BOND INDEX
Alpha	1.45	0.00
Beta	0.45	1.00
Standard Deviation	5.16	3.09
Sharpe Ratio	0.49	0.80
Up Period Percent	65.93	60.44
Down Period Percent	34.07	39.56
Up Capture Ratio	83.88	100.00
Down Capture Ratio	64.17	100.00
Best Quarter	4.49	3.15
Worst Quarter	-9.95	-2.98

CREDIT QUALITY



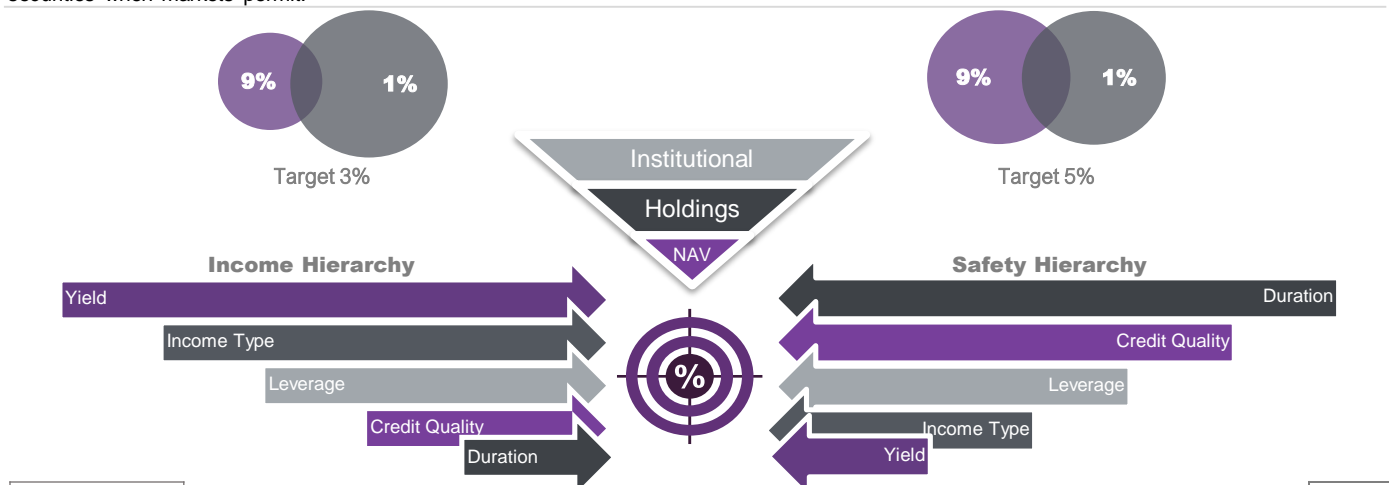
AAA	12.45%
AA	4.69%
A	15.42%
BBB	15.68%
B or Below	29.36%
Not Rated	3.48%

KEY INCOME STATISTICS

Current Yield	5.85%
Average Eff Duration	4.12
% Equity	8%
% Bonds	75%
% Other	7%

METHODOLOGY

A barbell approach is utilized to balance two components: the portion of the strategy in higher yielding securities meant to drive the majority of the yield, and the low risk portion of conservative, cash equivalents which allows for the opportunity to tactically increase allocations to higher yielding securities when markets permit.



MONTHLY RETURNS - GROSS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YEAR
2020	0.98%	-2.14%	-8.87%	4.42%	2.78%								-3.35
2019	3.06%	0.92%	0.46%	0.90%	-0.64%	1.91%	0.68%	0.09%	0.46%	0.63%	0.19%	1.13%	10.19%
2018	1.00%	-1.22%	-0.01%	-0.06%	0.41%	-0.48%	0.32%	0.38%	-0.22%	-1.53%	0.42%	-0.93%	-1.93%
2017	1.49%	1.07%	0.36%	1.33%	0.74%	-0.04%	1.02%	-0.09%	0.55%	0.14%	-0.09%	0.44%	7.13%
2016	-0.99%	0.16%	2.58%	1.12%	0.13%	0.79%	1.56%	0.59%	0.06%	-0.88%	0.11%	1.32%	6.69%
2015	0.54%	1.05%	-0.14%	0.80%	-0.09%	-1.27%	-0.56%	-1.39%	-0.96%	2.26%	-0.92%	-0.11%	-0.85%
2014	0.11%	1.89%	0.13%	0.89%	1.24%	0.77%	-1.09%	1.20%	-1.39%	0.31%	0.36%	-1.71%	2.67%
2013	3.18%	0.35%	0.69%	0.88%	-1.21%	-1.44%	0.05%	-0.97%	1.30%	1.64%	-0.55%	1.01%	4.94%

ABOUT TOROSO ASSET MANAGEMENT

Toroso is an asset manager and registered investment advisory firm specializing in ETF-focused investment strategies and services. Its strategies are designed to deliver specific outcomes (growth, income, protection, etc.) and driven by in-depth ETF and economic research. The team of finance veterans in asset management, investment strategy, and fund management dedicate themselves to finding the right solution for each client. With offices in New York and Chicago, the team has provided research to over a thousand financial advisors.

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DISCLOSURES

The Toroso Strategy is subject to underlying expenses such as the annual expense ratios of the Exchange-Traded Products (ETPs) used to construct the portfolio, which generally include an embedded investment management fee paid to the investment adviser of the ETP. In addition, trading and transaction fees and other expenses such as custody and clearing are incurred in the management of the Sector Opportunities Portfolio. The market price for a share of an ETP may fluctuate from the value of its underlying securities. Consequently, ETPs can trade at a discount or premium to their net asset value. Certain equity and commodity ETPs are often more volatile and less liquid and present greater risks of loss of capital. Furthermore, certain ETPs employ strategies such as leverage or have the investment goal of performing opposite to a particular benchmark and may not be suitable for investment periods longer than one day due to the high volatility in their market price. Investments in fixed income ETPs are subject to the risks associated with debt securities including credit risk and interest rate risk.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS, WHICH MAY VARY.

The Gross and Net Returns presented reflects the composite performance of all actual Toroso accounts managed in accordance with such strategy for the entire calendar month and is calculated using a time-weighted total return methodology. The Gross and Net Returns for the strategy reflect expenses such as commissions and other brokerage fees and transaction costs, as well as the reinvestment of dividends and other earnings. The Net Returns for the strategy is stated after (net) the deduction of Toroso management fees, which may be found in ADV Form 2A. The investment process described above reflects Toroso's ongoing efforts to monitor and manage various risks in the clients' portfolios, but does not imply, and no representation is made, that client portfolios are low risk. The investment strategy presented and/or discussed may not be suitable for all types of prospective investors or clients and Toroso Investments LLC's investment advisory services may not be available in all states or countries. All investing involves risk, including the possible loss of all principal invested. The information and statements presented above should not be construed as investment advice and should not be relied upon solely as the basis for evaluating the investment strategies presented or Toroso Investments, LLC's advisory services. Prospective clients should perform an independent review of all facts and information prior to making a determination as to whether Toroso Investments, LLC's advisory services are appropriate for them based on their individual circumstances. Registration with the SEC does not imply a certain level of skill or training.

DEFINITIONS

Alpha is an indication of how much an investment outperforms or underperforms on a risk-adjusted basis relative to its benchmark. Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. A beta of 1 indicates that the security's price will move with the market. A beta of less than 1 means that the security will be less volatile than the market. A beta of greater than 1 indicates that the security's price will be more volatile than the market. The Sharpe Ratio is a measure for calculating risk-adjusted return. Generally, the greater the value of the Sharpe ratio, the more attractive the risk-adjusted return. Risk is measure of the standard deviation which is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard Deviation is calculated as the square root of variance.

BENCHMARKS

The benchmarks shown were selected due to their composite makeup and represent, based on Toroso's experience, the best indication for relative performance comparison. The indices are widely recognized and accepted industry indices which consists of a managed or unmanaged pool of securities. The indices are typically rebalanced on a monthly or quarterly basis, may or may not include the re-investment of dividends and typically are gross of any assumed trading costs or management fees or other assumed occurred expenses. When figures are included returns may be less than stated. It is not possible to invest directly in an index and an index does not incur the transaction costs that the investment strategy does. Please note that there may be material differences between the benchmark (index) and the investment strategies in terms of their composition, including, but not limited to level of diversification and exposure and amount of exposure to certain types of investments such as commodities or foreign equities; and their level of risk, as measured by volatility and/or other methods. The Bloomberg Barclays Aggregate Bond Index is a market value-weighted index that tracks the daily price, coupon, pay-downs, and total return performance of fixed-rate, publicly placed, dollar-denominated, and nonconvertible investment grade debt issues with at least \$250 million par amount outstanding and with at least one year to final maturity. The Bloomberg Barclays 1-3 Year US Treasury Bond Index represents public US Treasury obligations with remaining maturities of one to three years.