

ETF Trend Following

As of March 31, 2016

This presentation does not constitute an offering of securities. The information contained herein is summary in nature.

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Executive Summary:

**Liquid absolute
return strategies**

ETF Portfolio Management (ETF PM) was formed by David Kreinces in November 2007 as an innovative financial advisory firm specializing in liquid absolute return strategies. The firm offers transparency, online access, and client statement reporting through separately managed accounts at **Schwab**, a leading independent custodian.

**Growth with strict
risk control**

Our **50/50 Portfolio** provides a strategic combination of multi-asset class indexing and trend following. The **Tactical 2x (T2)** portfolio delivers dynamic ETF trend following, with up to 2x leverage at select times.

**No performance
fee**

The 50/50 Portfolio and T2 target annual returns well over 10% and 15%, respectively, with risk limits of 10% and 20% per year respectively.

The annual management fee is 1.0% and 2.0%, respectively, with no performance fee, and a \$25k recommended minimum.

**Reactive rules-
based investing**

**Trend following can
deliver gains when
equities crash**

Trend Following:

Trend following strategies shift portfolio exposure according to rules-based processes that react to existing trends in the price and volatility of securities. In many respects, **index investing is a passive form** of trend following.

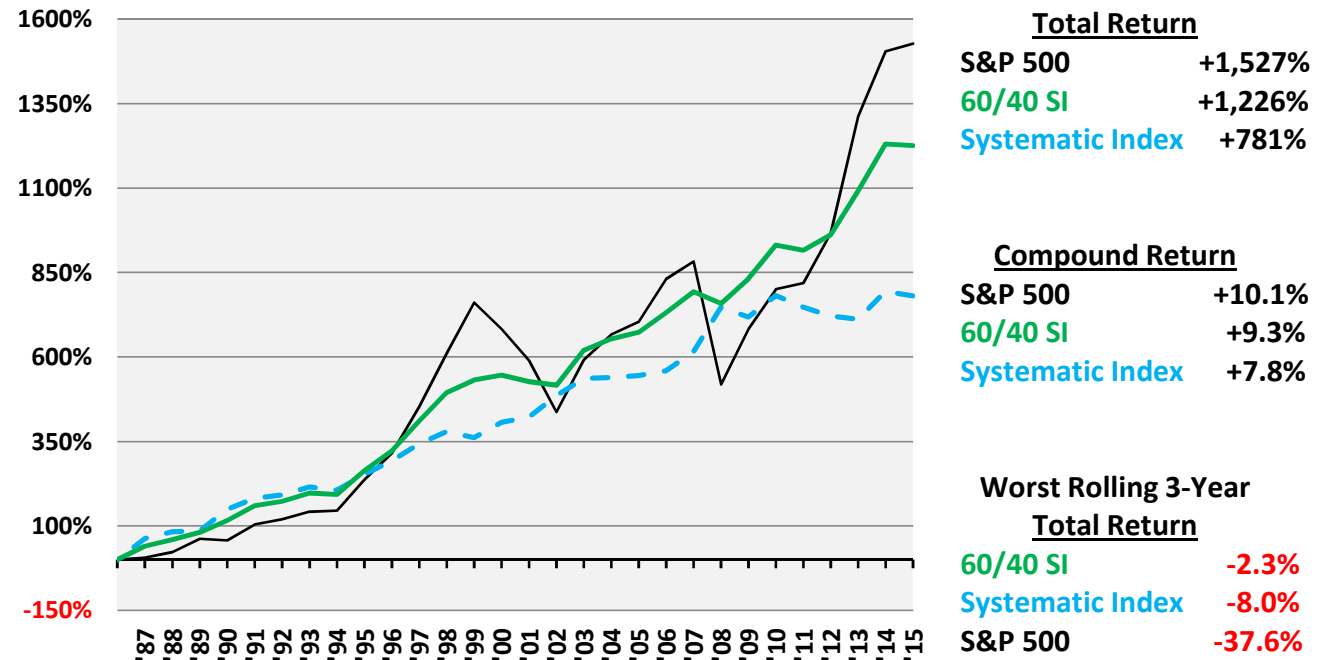
In fact, historical performance suggests that investors should combine these two reactive rules-based strategies. In 2015, the **Systematic Index** shown here included 457 strategies, mostly trend following funds, with **over \$300 billion** in total assets under management.

Trend following is now **one of the largest sectors in the hedge fund index.**

Over 29 years, a 60/40 allocation to the Systematic Index significantly reduced risk.

The worst rolling 3yr total return fell to **-2%**, from **-38%** for the S&P 500 alone.

Systematic Index: Total Return (29 years as of 12/31/15)

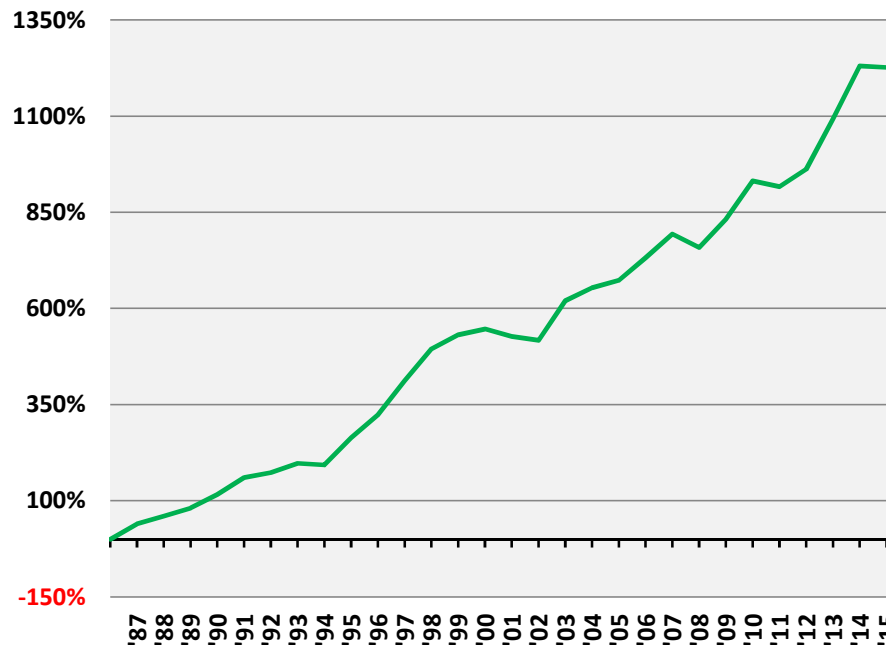


Note: Systematic Index (SI) is the BarclayHedge Systematic Traders Index which is mostly trend following funds. 60/40 SI is 60% Systematic Index and 40% S&P 500. Hypothetical backtested data for informational purposes assumes annual rebalancing and no transaction costs. Worst Rolling 3-Year is based on calendar year data. Past performance does not guarantee future results. Please see full performance disclosures online at www.barclayhedge.com and www.etfpm.com.

The combination of indexing and trend following delivered an “escalator-like” return stream.

60/40 SI delivered 9.3% per year without any significant drawdowns.

60/40 SI: Total Return (29 years as of 12/31/15)



Total Return
60/40 SI +1,226%

Compound Return
60/40 SI +9.3%

Worst Rolling 3-Year Total Return
60/40 SI -2.3%

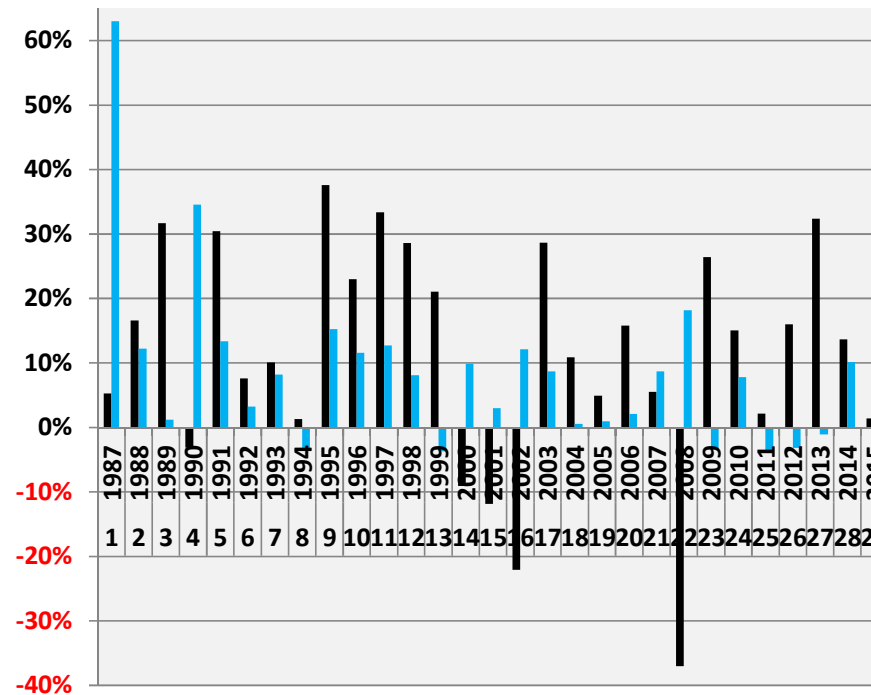
Note: Systematic Index (SI) is the BarclayHedge Systematic Traders Index which is mostly trend following funds. 60/40 SI is 60% Systematic Index and 40% S&P 500. Hypothetical backtested data for informational purposes assumes annual rebalancing and no transaction costs. Worst Rolling 3-Year is based on calendar year data. Past performance does not guarantee future results. Please see full performance disclosures online at www.barclayhedge.com and www.etfpm.com.

Systematic Index: Bar Chart (29 years as of 12/31/15)

The S&P 500 outperformed in 22 of 29 years, or 76% of the time.

In 13 of the years, or 45% of the time, the S&P 500 average outperformance was 21% per year.

In 6 of the years, or 21% of the time, the Systematic Index outperformance was 36% on average.



Best Year
Systematic Index +63%
60/40 SI +40%
S&P 500 +38%

Worst Year
Systematic Index -4%
60/40 SI -4%
S&P 500 -37%

Note: Systematic Index is the BarclayHedge Systematic Traders Index which is mostly trend following funds. 60/40 SI is 60% Systematic Index and 40% S&P 500. Hypothetical backtested data for informational purposes assumes annual rebalancing and no transaction costs. Worst Year is worst calendar year. Past performance does not guarantee future results. Please see full performance disclosures online at www.barclayhedge.com and www.etfpm.com.

Systematic Index: Annual Returns (29 years as of 12/31/15)

If you lose less in bear markets, you can gain less most of the time and still outperform.

Uncorrelated performance

Investors were constantly tempted to shift their asset allocation.

		SI	S&P 500	60/40 SI
29 Yr. Annualized		7.8%	10.1%	9.3%
29	2015	-1.4%	1.4%	-0.3%
28	2014	10.3%	13.7%	11.7%
27	2013	-1.1%	32.4%	12.3%
26	2012	-3.2%	16.0%	4.5%
25	2011	-3.8%	2.1%	-1.5%
24	2010	7.8%	15.1%	10.7%
23	2009	-3.4%	26.5%	8.6%
22	2008	18.2%	-37.0%	-3.9%
21	2007	8.7%	5.5%	7.4%
20	2006	2.1%	15.8%	7.6%
19	2005	1.0%	4.9%	2.5%
18	2004	0.5%	10.9%	4.7%
17	2003	8.7%	28.7%	16.7%
16	2002	12.1%	-22.1%	-1.6%
15	2001	3.0%	-11.9%	-3.0%

		SI	S&P 500	60/40 SI
14	2000	9.9%	-9.1%	2.3%
13	1999	-3.7%	21.0%	6.2%
12	1998	8.1%	28.6%	16.3%
11	1997	12.8%	33.4%	21.0%
10	1996	11.6%	23.0%	16.1%
9	1995	15.3%	37.6%	24.2%
8	1994	-3.2%	1.3%	-1.4%
7	1993	8.2%	10.1%	8.9%
6	1992	3.3%	7.6%	5.0%
5	1991	13.4%	30.5%	20.2%
4	1990	34.6%	-3.1%	19.5%
3	1989	1.2%	31.7%	13.4%
2	1988	12.2%	16.6%	14.0%
1	1987	63.0%	5.3%	39.9%

Note: Systematic Index (SI) is the BarclayHedge Systematic Traders Index which is mostly trend following funds. 60/40 SI is 60% Systematic Index and 40% S&P 500. Hypothetical backtested data for informational purposes assumes annual rebalancing and no transaction costs. Past performance does not guarantee future results. Please see full performance disclosures online at www.barclayhedge.com and www.etfpm.com.

Systematic Index: Rolling 3-Year Total Returns (29 years as of 12/31/15)

The worst 3yr total return for the Systematic Index was **-8%**.

The S&P 500 was negative in 6 of 27 periods.

60/40 SI was negative in 1 of 27 periods.

		Systematic Index	S&P 500	60/40 SI			Systematic Index	S&P 500	60/40 SI
27	Period Average	24%	40%	31%					
27	2015	7%	53%	25%		13	2001	9%	-3%
26	2014	5%	75%	31%		12	2000	14%	41%
25	2013	-8%	57%	16%		11	1999	17%	108%
24	2012	0%	36%	14%		10	1998	36%	111%
23	2011	0%	49%	18%		9	1997	45%	126%
22	2010	23%	-8%	15%		8	1996	25%	71%
21	2009	24%	-16%	12%		7	1995	21%	53%
20	2008	31%	-23%	11%		6	1994	8%	20%
19	2007	12%	28%	18%		5	1993	27%	55%
18	2006	4%	35%	15%		4	1992	58%	36%
17	2005	10%	50%	25%		3	1991	54%	66%
16	2004	23%	11%	20%		2	1990	53%	49%
15	2003	25%	-12%	11%		1	1989	85%	62%
14	2002	27%	-38%	-2%					

Note: Systematic Index is the BarclayHedge Systematic Traders Index which is mostly trend following funds. 60/40 SI is 60% Systematic Index and 40% S&P 500. Hypothetical backtested data for informational purposes assumes annual rebalancing and no transaction costs. Past performance does not guarantee future results. Please see full performance disclosures online at www.barclayhedge.com and www.etfpm.com.

Systematic Index: Rolling 10-Year Total Returns (29 years as of 12/31/15)

		Systematic Index	S&P 500	60/40 SI
20 Period Average		96%	181%	133%
20	2015	37%	102%	72%
19	2014	40%	109%	77%
18	2013	28%	104%	66%
17	2012	40%	99%	72%
16	2011	63%	33%	62%
15	2010	74%	15%	60%
14	2009	77%	-9%	48%
13	2008	77%	-13%	44%
12	2007	62%	78%	75%
11	2006	68%	124%	97%
10	2005	83%	138%	112%
9	2004	109%	213%	157%
8	2003	102%	186%	142%
7	2002	101%	144%	126%
6	2001	85%	238%	141%
5	2000	103%	400%	199%
4	1999	149%	433%	249%
3	1998	162%	480%	273%
2	1997	172%	426%	265%
1	1996	293%	315%	323%

During its worst 10-year period, the Systematic Index gained 28%.

The S&P 500 fell by 13%, and 60/40 SI gained 44%.

Note: Systematic Index is the BarclayHedge Systematic Traders Index which is mostly trend following funds. 60/40 SI is 60% Systematic Index and 40% S&P 500. Hypothetical backtested data for informational purposes assumes annual rebalancing and no transaction costs. Past performance does not guarantee future results. Please see full performance disclosures online at www.barclayhedge.com and www.etfpm.com.

50/50 Portfolio is
half Tactical and half
eMAC

ETF PM Portfolios:

Absolute Return

- 50/50 Portfolio (50/50)
- Tactical (T)
- Tactical 2x (T2)

Investable Benchmarks

- Income (30/70i)
- Income & Growth (I&G)
- Income & Growth 2x (I&G 2x)
- Income & Growth 3x (I&G 3x)
- Growth (eMAC)

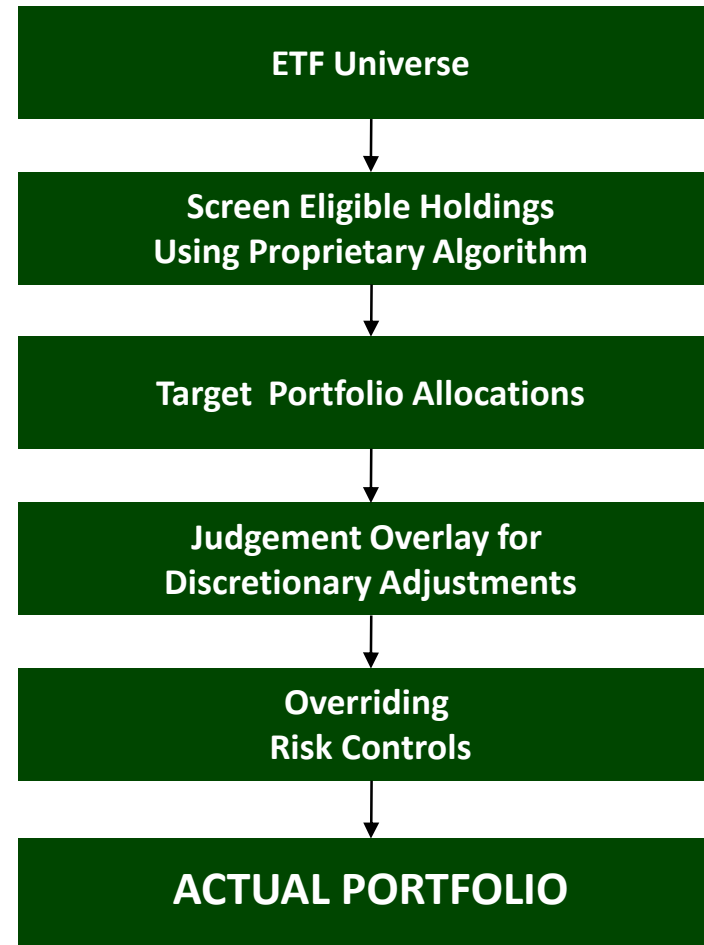
See full disclosures online at www.etfpm.com.

Investment Process: 50/50 Portfolio

A top-down approach

Proprietary indicators include volatility, liquidity and price variables

Portfolio exposure may average 85% long with a range of 100% long to 50% cash

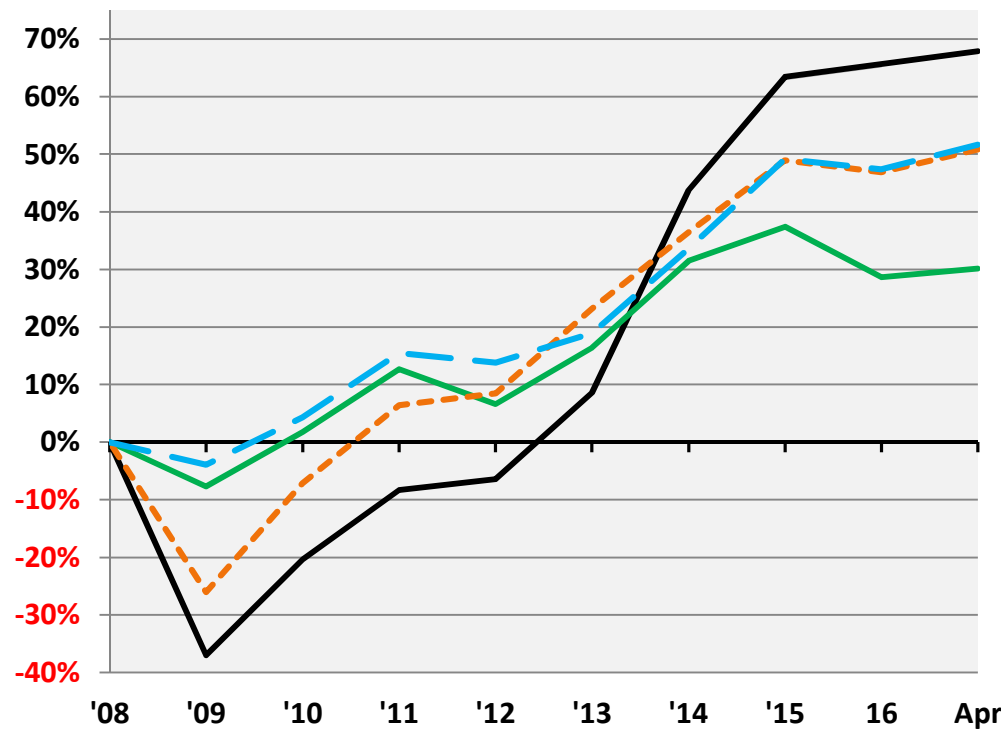


Half indexing and half trend following

No leverage and no short exposure

ETF trend following with risk control

50/50 Portfolio (8.3 years as of 3/31/16)



<u>Total Return</u>	
S&P 500	+68%
60/40 SI	+52%
eMAC	+51%
50/50 Portfolio	+30%

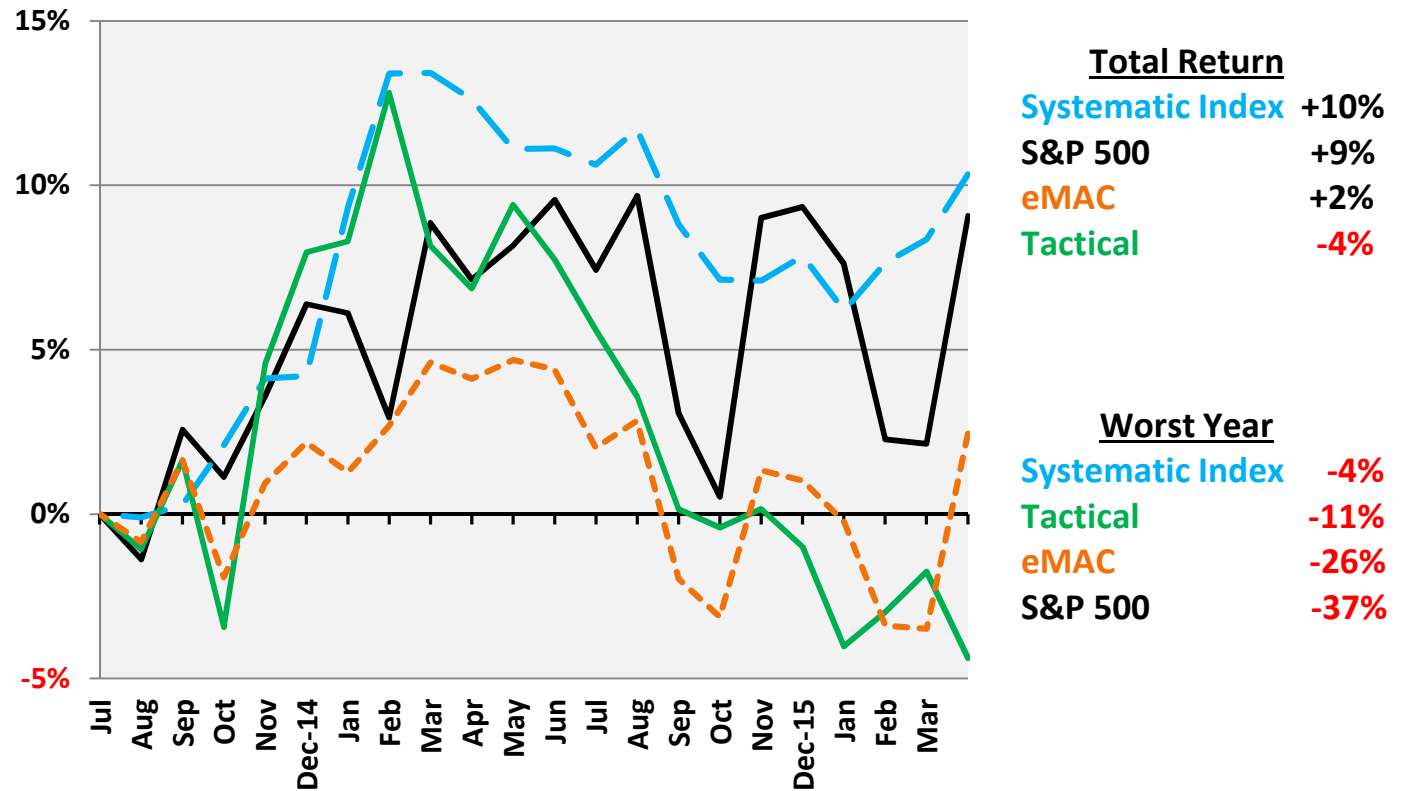
<u>Worst Year</u>	
60/40 SI	-4%
50/50 Portfolio	-8%
eMAC	-26%
S&P 500	-37%

Note: The eMAC is one of our growth investable benchmark portfolios. The 50/50 Portfolio is half ETF trend following and half strategic indexing. 60/40 SI is 60% Systematic Index and 40% S&P 500. Worst Year is worst calendar year since 2008. Past performance does not guarantee future results. Please see full performance disclosures online at www.barclayhedge.com and www.etfpm.com.

No leverage and no short exposure

ETF trend following with risk control

Tactical (21 Months as of 3/31/16)



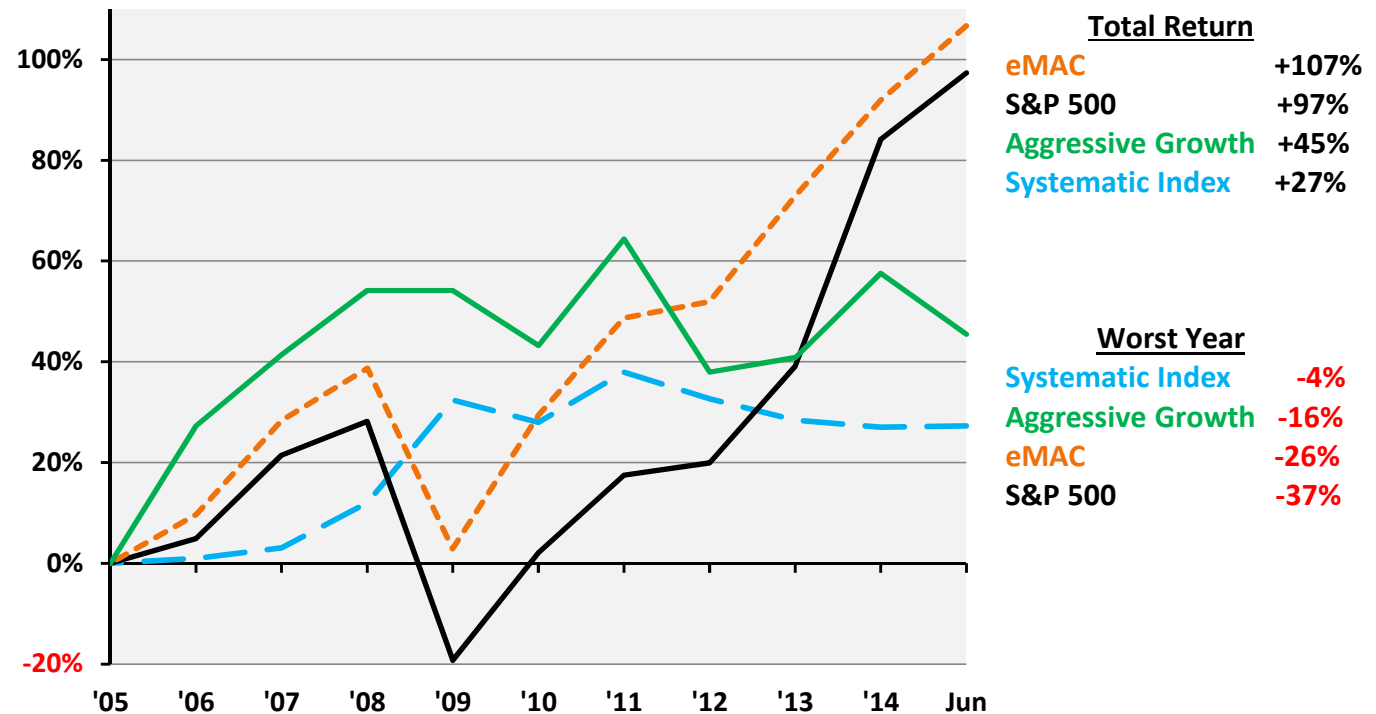
Note: Tactical (T) employs dynamic ETF trend following with leading ETFs. The eMAC is our growth benchmark portfolio. Worst Year is worst calendar year since 2008. Past performance does not guarantee future results. Please see full performance disclosures online at www.barclayhedge.com and www.etfpm.com.

Our longest track record

Multi-asset class ETF rotation

ETF trend following with risk control

Aggressive Growth (9.5 years as of 6/30/14)



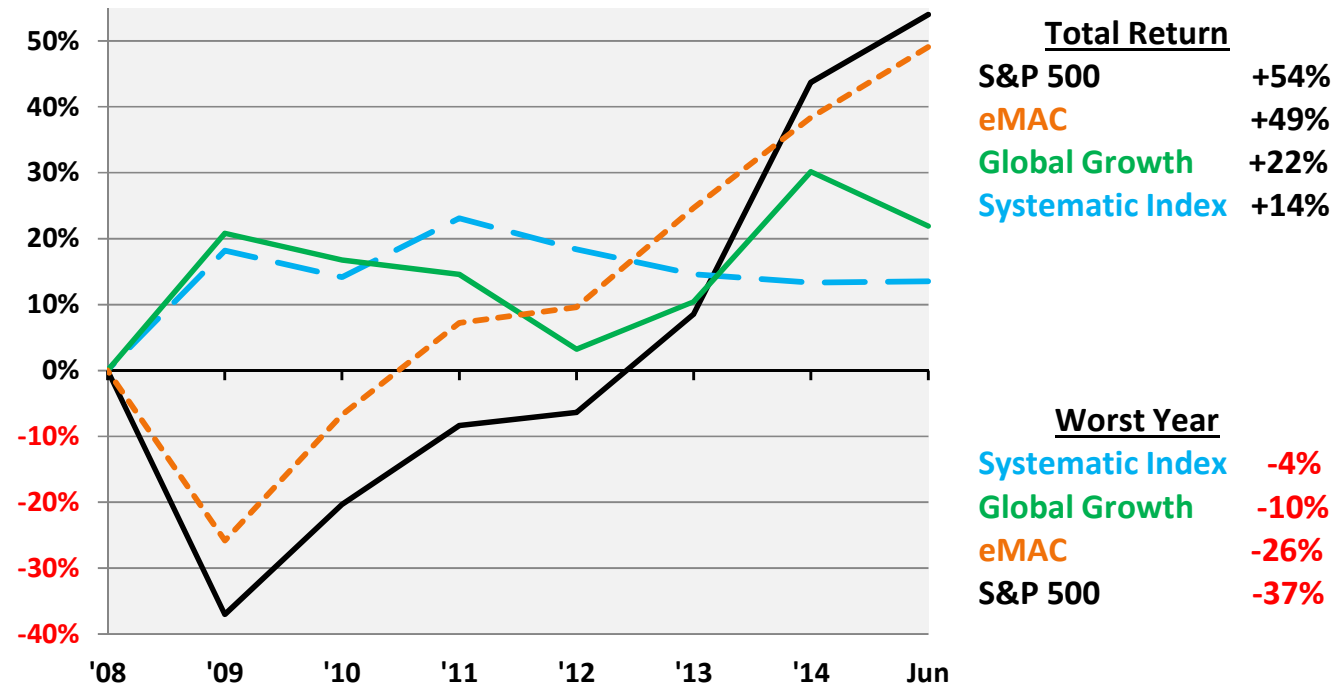
Note: The eMAC is our growth investable benchmark portfolio. Systematic Index is the BarclayHedge Systematic Traders Index which is mostly trend following funds. Worst Year is worst calendar year since 2005. Past performance does not guarantee future results. Please see full performance disclosures online at www.barclayhedge.com and www.etfpm.com.

Our best portfolio
in 2008

Diversified equity
ETF rotation

ETF trend following
with risk control

Global Growth (6.5 years as of 6/30/14)

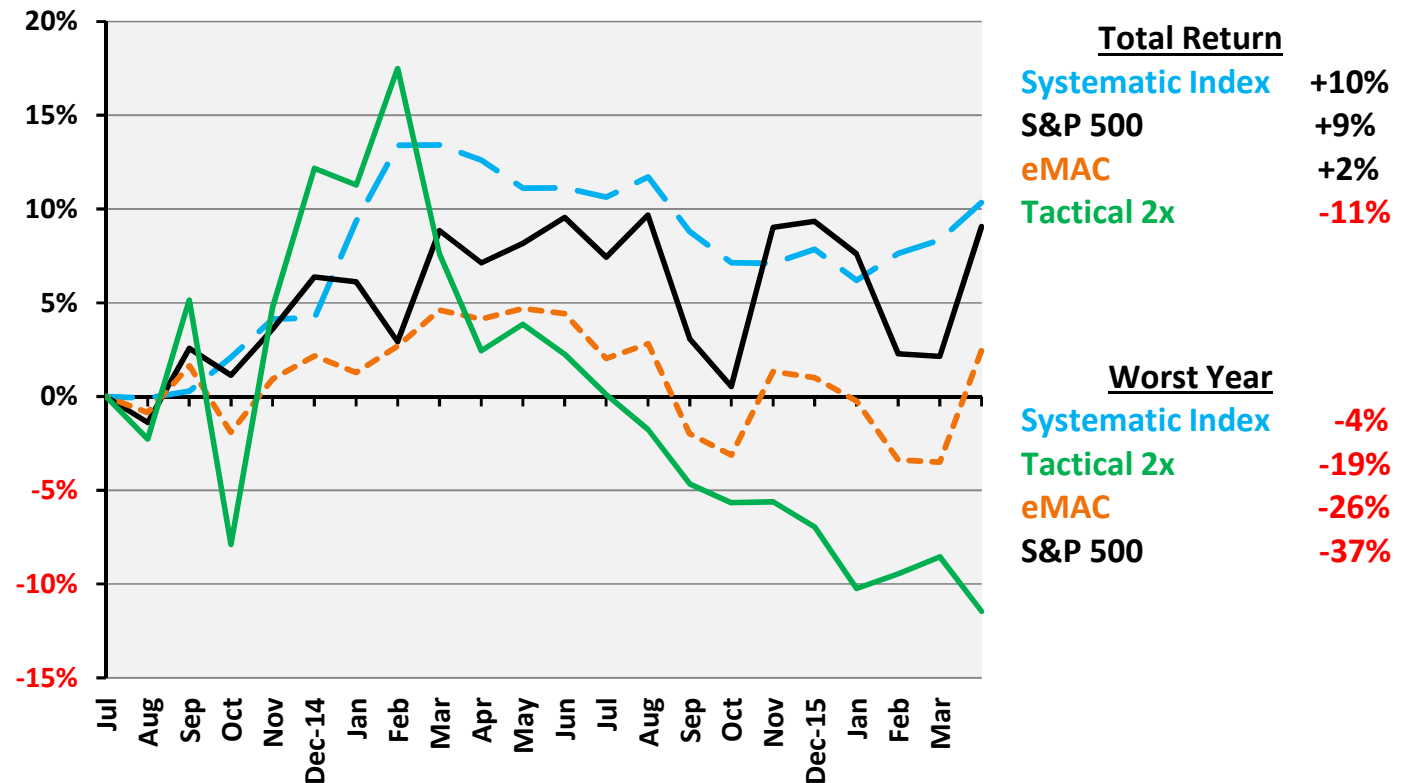


Note: Systematic Index is the BarclayHedge Systematic Traders Index which is mostly trend following funds. The eMAC is our growth benchmark portfolio. Worst Year is worst calendar year since 2008. Past performance does not guarantee future results. Please see full performance disclosures online at www.barclayhedge.com and www.etfpm.com.

Disciplined use of up to 2x leverage, with no short exposure

ETF trend following with risk control

Tactical 2x (T2) (21 Months as of 3/31/16)



Note: Tactical 2x (T2) delivers disciplined ETF trend following with up to 2x leverage at select times. Systematic Index is the BarclayHedge Systematic Traders Index which is mostly trend following funds. The eMAC is our growth investable benchmark portfolio. Worst Year is worst calendar year since 2008. Past performance does not guarantee future results. Please see full performance disclosures online at www.barclayhedge.com and www.etfpm.com.

Product Offering and Key Features:

Diversification by asset class and investment process

50/50 Portfolio: Inception January 2008

Recommended Minimum: \$25,000

Transparency with online account access

Management Fee: 1.0% Annually

Performance Fee: None

Daily liquidity

Custodian: Schwab

Account Type: Separately Managed Account

Liquidity: Daily

Product Offering and Key Features:

Dynamic ETF trend following

Tactical 2x Portfolio: Inception July 2014

Recommended Minimum: \$25,000

Transparency with online account access

Management Fee: 2.0% Annually

Performance Fee: None

Custodian: Schwab

Daily liquidity

Account Type: Separately Managed Account

Liquidity: Daily

**Experienced
Management**

Senior Management and Advisory Board:

David S. Kreinces, Founder & Portfolio Manager

- Over 20 years of diverse investment experience in various asset classes including equities, fixed income, real estate, and commodities
- Launched ETF Portfolio Management in November 2007
- Merrill Lynch PIA Program Portfolio Manager for retail high net worth clients
- Launched two startup hedge funds; Cello Technology Fund and E-Growth Fund
- High Yield Media Research Analyst, Bear Stearns & Co.
- Top-ranked High-Yield Broadcasting/Media Research Team
- MS, Real Estate, Georgia State University and BBA, Accounting, Emory University

J. Edwin Holliday, Advisory Board Member

- Formerly Regional Sales Vice President for Campbell & Co., one of the oldest and largest absolute return portfolio managers worldwide
- Raised \$1.3 billion in client capital at Campbell & Co.
- B.S. in Mechanical Engineering from West Virginia Institute of Technology

Jonathan Schwartz, Advisory Board Member

- Over 20 years experience in portfolio management and business development
- Proprietary trader, manager, and trainer with a focus on trend following
- Experienced in sector SPAC deals and angel investing
- Sy Syms School of Business, Yeshiva University and Economics, CUNY Baruch College

Disclosures:

See the actual historical performance and disclosures for Tactical (T), Tactical 2x (T2), Aggressive Growth (AG), and Global Growth (GG) at etfpm.com.

50/50 Portfolio (50/50): This is a hypothetical portfolio that reflects a 50/50 combination of strategic index investing and ETF trend following. In April 2016, the passive portion shifted to Income & Growth 3x (IG 3x), from the eMAC. In July 2014, the active portion shifted to T, from our prior AG and GG portfolios. While the hypothetical performance data has not been audited, the estimates are net of all fees and assume reinvestment of dividends.

Fees: The 50/50 Portfolio account is charged an annual, all-inclusive fee of **1.0% of assets under management (AUM)**. No advisory fee is charged for the passive portion, and the active portion is charged 2.0% annually, resulting in a blended 1.0% annual advisory fee for the 50/50 Portfolio.

60/40 SI: This is a backtested portfolio that reflects 60% Systematic Index (SI) and 40% S&P 500.

Systematic Index (SI): The BarclayHedge Systematic Traders Index which includes over 450 managed futures strategies that are mostly trend following funds. SI has over \$250 billion in assets and reflects one of the largest sectors in the hedge fund index.

General Information: All of our T and T2 performance results relate to the T and T2 representative accounts, accounts that David Kreinces first traded in July 2014. Mr. Kreinces was solely responsible for the development of T and T2, and he has full discretionary authority over the selection of investments for, and he is primarily responsible for managing, ETF PM accounts that allocate to these portfolios.

Disclosures *(Continued)*:

Performance: The performance results for T and T2 reflect the single account performance results achieved by the representative accounts. Accordingly, the performance results are similar to the composite results but the figures are not identical.

The T and T2 representative accounts were chosen because they most closely conform to the respective investment strategies. Individual account performance will vary based upon the inception date of the account, restrictions on the account, and other factors, and may not equal the performance presented herein. **Please see etfpm.com for the latest performance report or request the report via email at info@etfpm.com.**

Historical performance is not indicative of future performance. Additionally, the investment return and principal value of an ETF PM account will fluctuate and may be worth more or less than the original cost when liquidated. The investment environment and market conditions may be markedly different in the future and investment returns will fluctuate in value.

The T and T2 portfolios were implemented, and will continue to be implemented, with a view towards long-term capital growth and protection. The indices presented are for comparison purposes only. An ETF PM Account employing the T or T2 portfolios may not be as diversified as any of these indices and no index is directly comparable to T or T2.

Fees: The representative T and T2 accounts are charged annual, all-inclusive advisory fees of **2.0% of assets under management (AUM)**.

Disclosures *(Continued)*:

Advisory fees are disclosed in each client's investment management agreement. The T and T2 portfolios are solely responsible for all commissions and other transaction charges as well as any charges relating to the custody of securities.

Benchmarks:

The **S&P 500 Index (SPX)** is an unmanaged index of common stocks that represents the U.S. stock market. The index is mainly comprised of large cap companies and reflects roughly two-thirds of the total domestic stock market value. **SPY** is an ETF for the S&P 500.

The **Growth Benchmark (eMAC)** performance estimates reflect a hypothetical core model, a strategy that David Kreinices first backtested in 2008. The eMAC is based on the efficient multi-asset class portfolio of core ETFs in David Swensen's *"Unconventional Success"* and his revisions.

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