

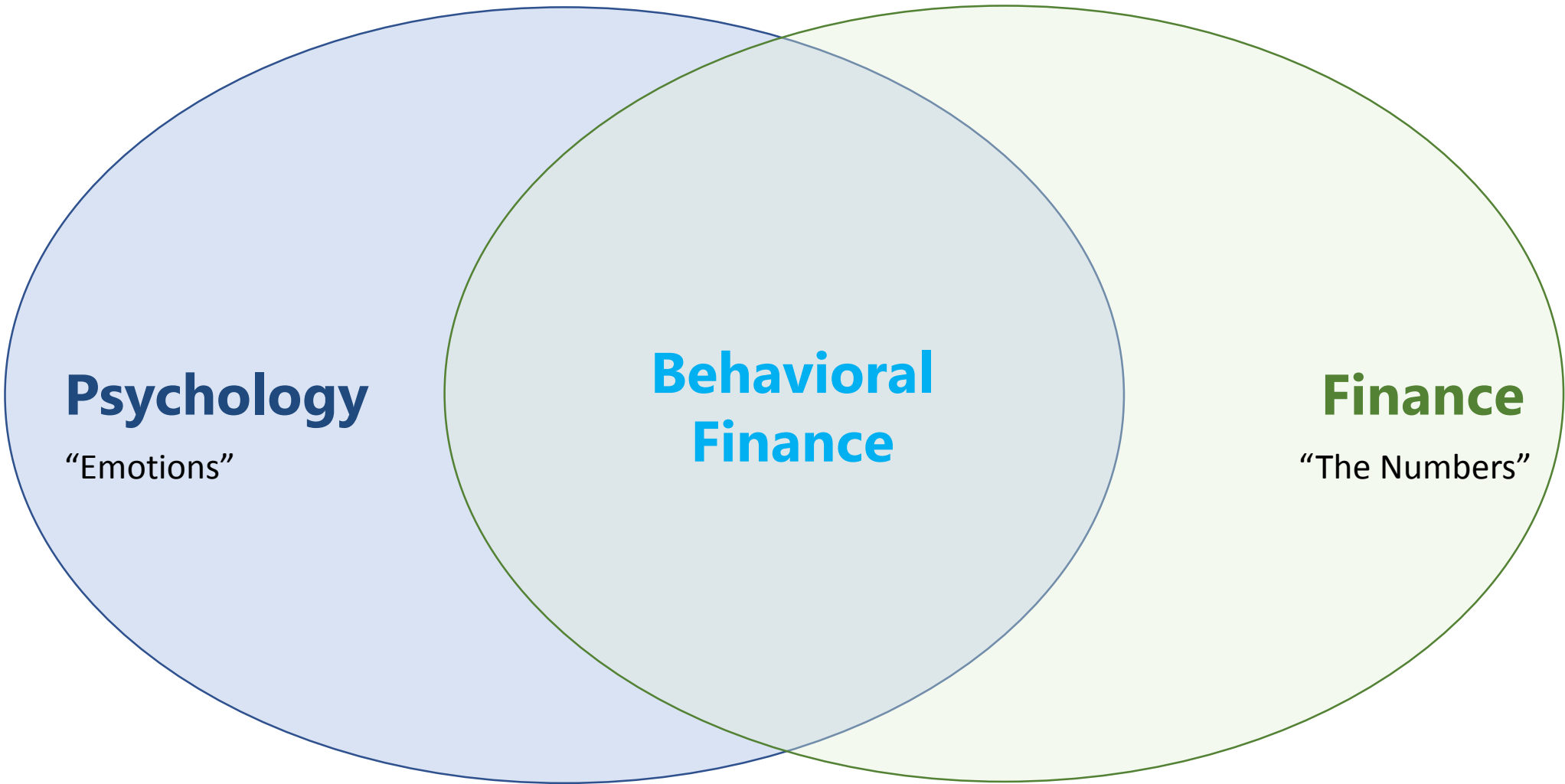


SWAN GLOBAL
INVESTMENTS

Seeking to Smooth Returns & Improve Investor Outcomes:

Addressing the Behavior in Finance





Loss Aversion

Fear of loss leads to pulling out at worst time, leads to “panic selling”

Herding

Copying behavior of others - even in the face of unfavorable outcomes

Anchoring

Focus on past paradigm, not adapting to changes

False Diversification

Believing portfolio is diversified, but assets are actually highly correlated

Investor Behavior

Dalbar QAID



Mental Accounting

Isolating results in one area to justify decision in another unrelated area

Media Response

Tendency to react to news without reasonable and thorough examination

Optimism

Belief that good things happen to me, and bad things happen to others

Narrow Framing

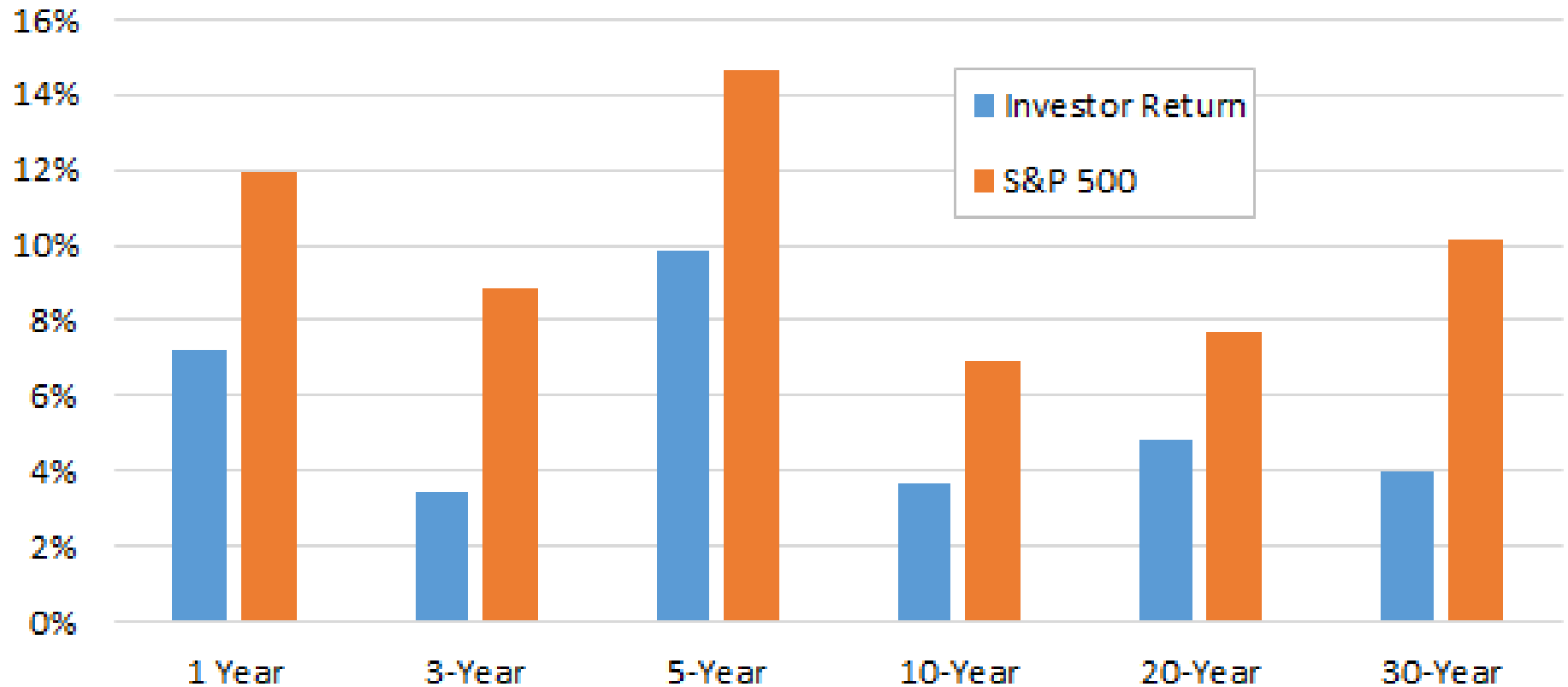
Changing part of portfolio without considering affects on the total portfolio



The Result: Disconnect Between Investor and Market Returns

Investor Returns for Equity Funds vs. S&P 500

Annualized Total Returns (except for 1-year data)



Source: Dalbar

Source: CapitalSpectator.com, QAID, 2017, Dalbar, Inc., Investment Company Institute. * Average equity investor, average bond investor and average asset allocation investor performance results are calculated using data supplied by the Investment Company Institute. Investor returns are represented by the change in total mutual fund assets after excluding sales, redemptions, and exchanges. This method of calculation captures realized and unrealized capital gains, dividends, interest, trading costs, sales charges, expenses and any other costs. After calculating investor returns in dollar terms, two percentages are calculated for the period examined: Total investors return rate and annualized investor return rate. Total return rate is determined by calculating the investor return dollars of the net of the sales, redemptions and exchanges for each period.



Statement Shock can lead to panic selling, mistiming the market

Annualized Return of Ave. Equity Investor

S&P 500 Annualized Return

Over 20 years **4.79%***

7.68%*

Over 30 years **3.98%***

10.16%*

* QAID, 2017, Dalbar, Inc.

Reducing Statement Shock may help participants avoid emotional reactions.



Bear Markets - More Common than Many Assume

Did You Know?

S&P 500 data shows that on average, bear markets:

Occur every
3.7
years

Last
10
months

Erase over
35%
of market value

Require
3.3
years to recover



Equity Bull Market Long in the Tooth

There have been 25 U.S bull markets since 1929.

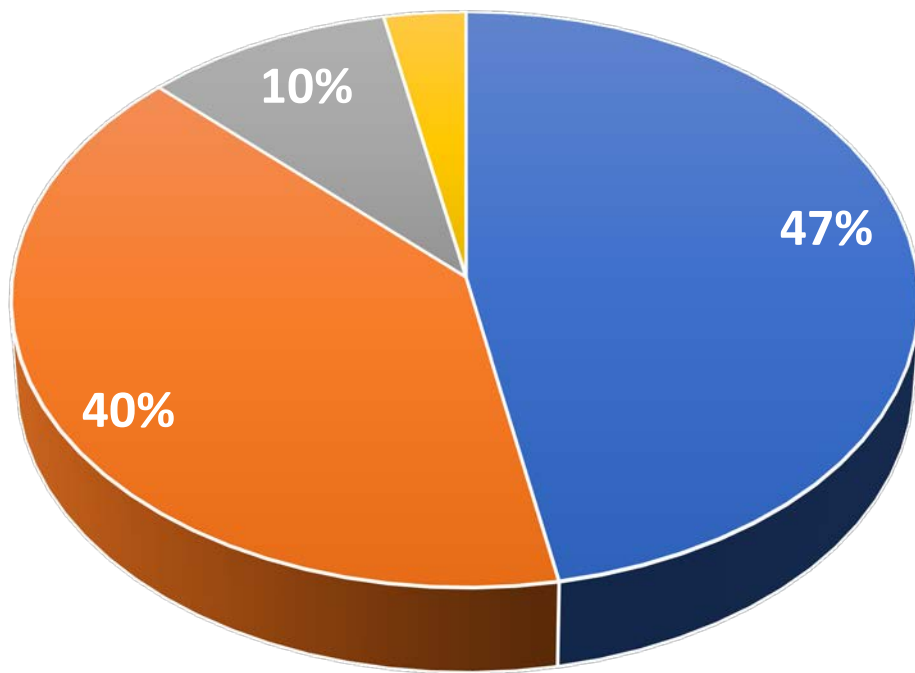
Current bull market is the 2nd longest in history.

Bull markets	Duration	Gain
Average	30.7 months	+103.52%
Median	13.1 months	+73.53%
Current (Mar 09 – Dec 17)	106 months	+338.47%



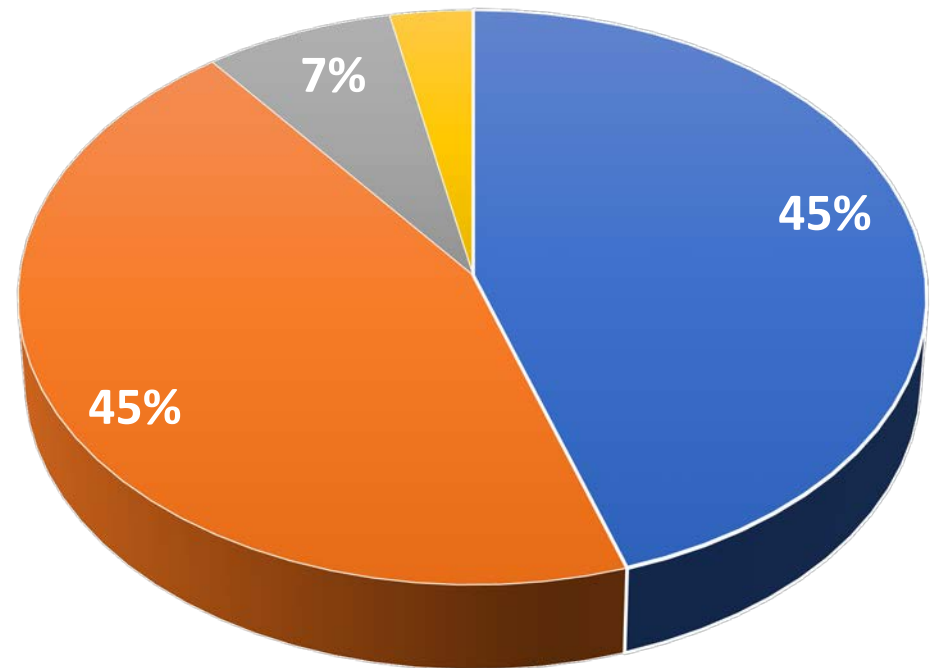
What is the Industry Doing Differently after 2008?

Morningstar Category Average
TDF series 2000-2010
as of 12/31/2017



■ Equity ■ Bond ■ Cash ■ Other

Morningstar Category Average
TDF series 2010-2020
as of 12/31/2017



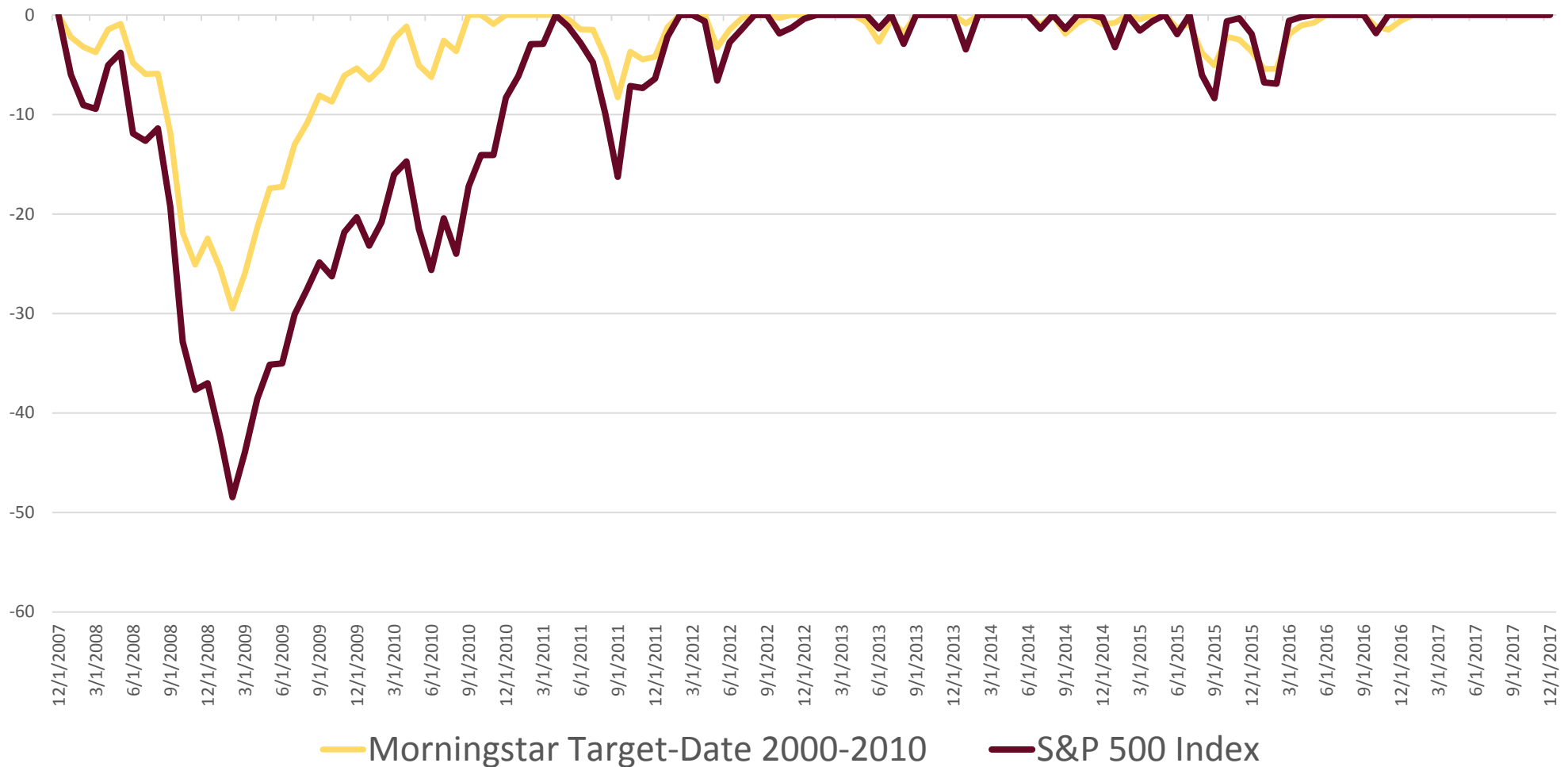
■ Equity ■ Bond ■ Cash ■ Other



What is the Industry Doing Differently?

Morningstar Category Average, TDF series 2000-2010

Drawdown Analysis: 2007-2017



How did the 'top' TDFs perform in 2008?

	Target Equity Allocation	2008 Annual Return
American Funds Target Date Ret 2010 A	67%	-27.45%
Columbia Retirement 2010 A	65%	-27.41%
Oppenheimer Transition 2010 A	65%	-41.32%
Alliance Bernstein 2010 Retirement Strat A	62%	-32.88%
T. Rowe Price Retirement 2010	60%	-26.71%
Goldman Sachs Retirement Strat 2010 A	58%	-30.78%
MainStay Retirement 2010A	56%	-22.03%
MassMutual Select Dest Retire 2010 A	55%	-25.06%
Vanguard Target Retirement 2010	55%	-20.67%
Nationwide Destination 2010 A	53%	-23.53%
BlackRock Lifecycle Prepared 2010 Inv A	52%	-25.29%
TIAA-CREF Lifestyle	52%	-23.57%
JHancock2 Lifecycle 2010 A	51%	-29.82%
Fidelity Freedom 2010	50%	-25.32%
Fidelity Advisor Freedom 2010 A	49%	-26.61%
Swan Defined Risk Strategy (net of fees)	90%	-4.50%



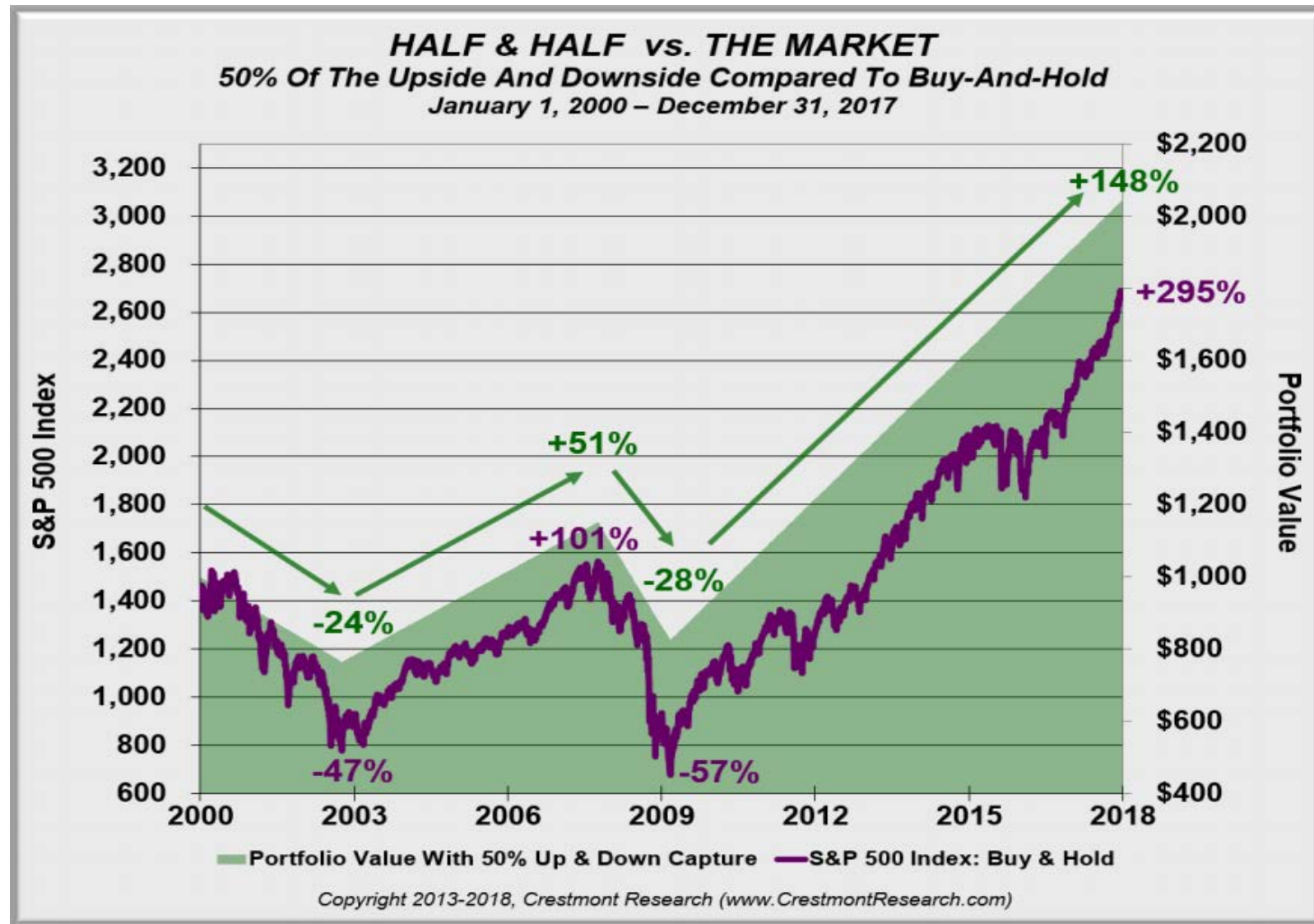
Research shows investors:

1. Chase returns
2. Emotionally react to losses
3. Struggle to “time the market”

Why not help them smooth the ride?



Smoothing the Ride Works



NOTE – Returns based on S&P 500 Price Index, not the Total Return index.



The Defined Risk Strategy

Equity markets tend to go up over time, so we remain **Always Invested**.

- Low-cost ETFs to seek growth

Large losses derail investors from their goals, so we remain **Always Hedged**.

- Long-term put options to seek protection



The Defined Risk Strategy

1 Establish Equities

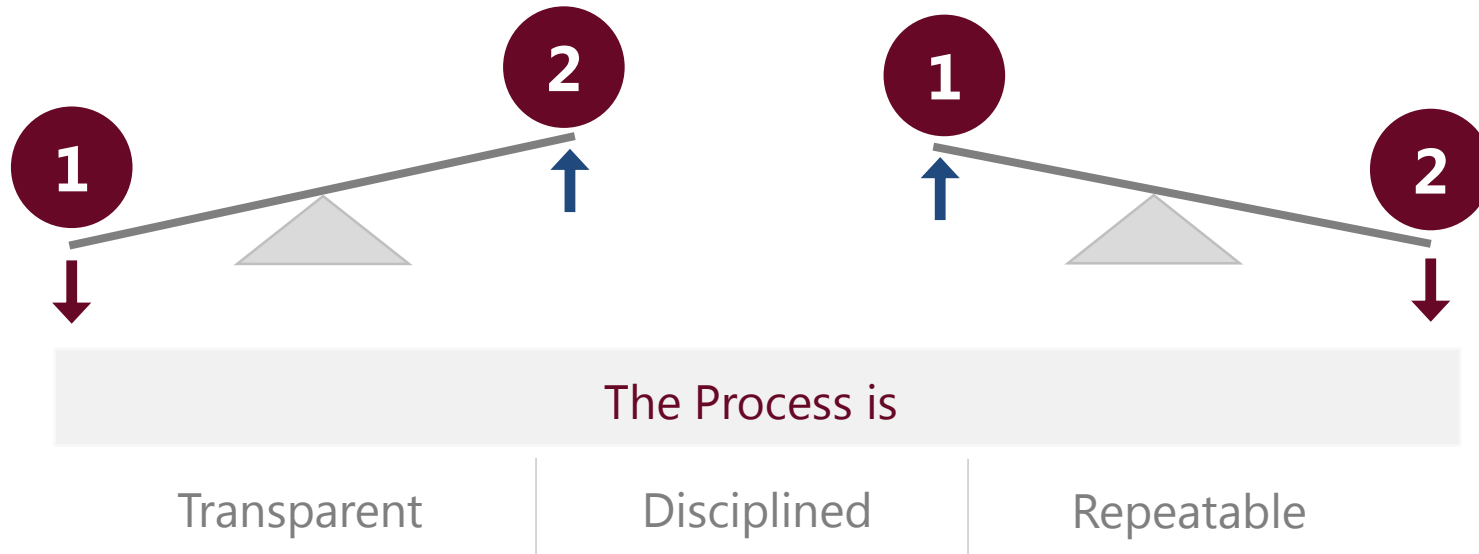
- Buy-and-hold equity position using low-cost ETFs
- No stock selection, No market timing
- Invested at all times

2 Create Hedge

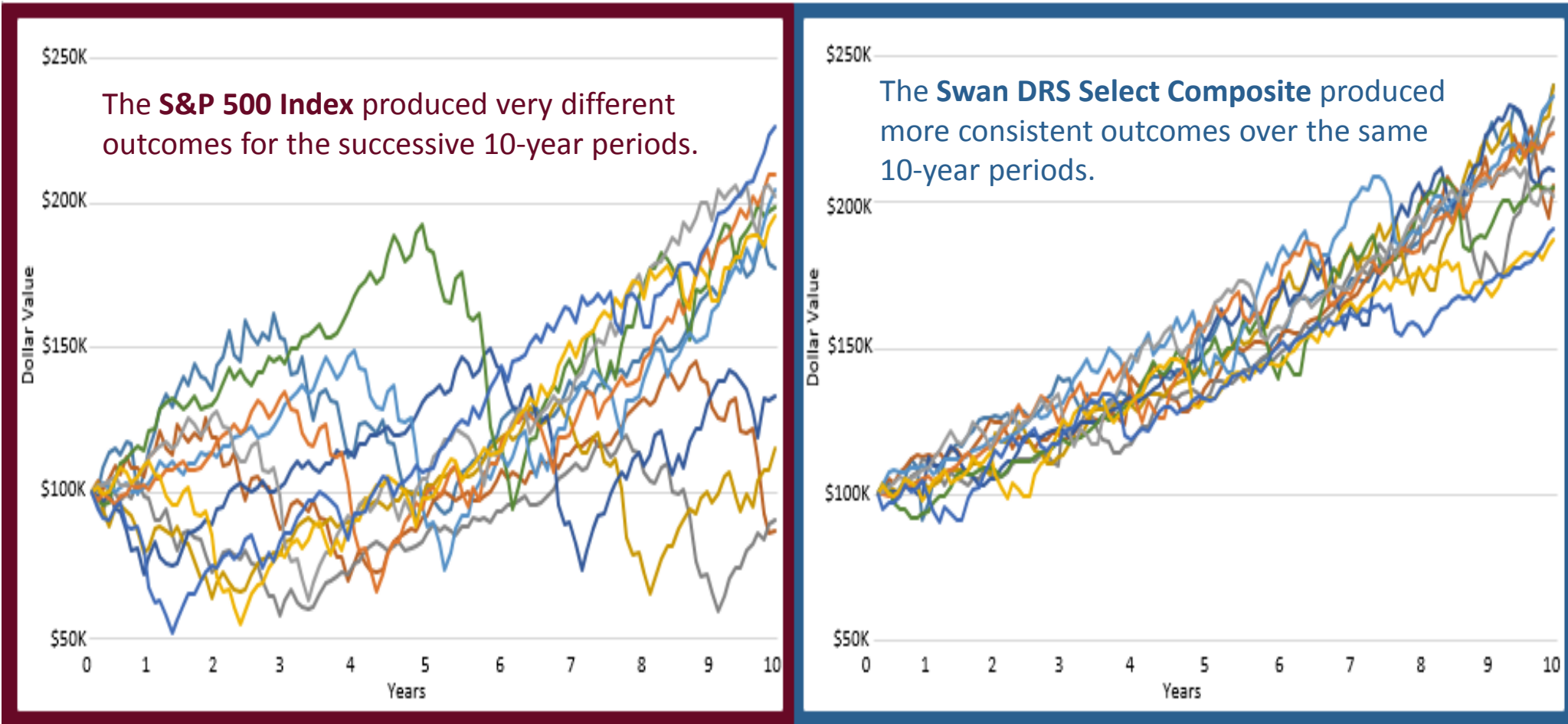
- Buy puts on the underlying equity
- At or Near-the-Money
- Long-term – generally one to two years, initially

3 Harvest Option Premium

- Seek to sell shorter-term options
- Market-neutral, non-directional trading strategies



Seeking to smooth the ride...



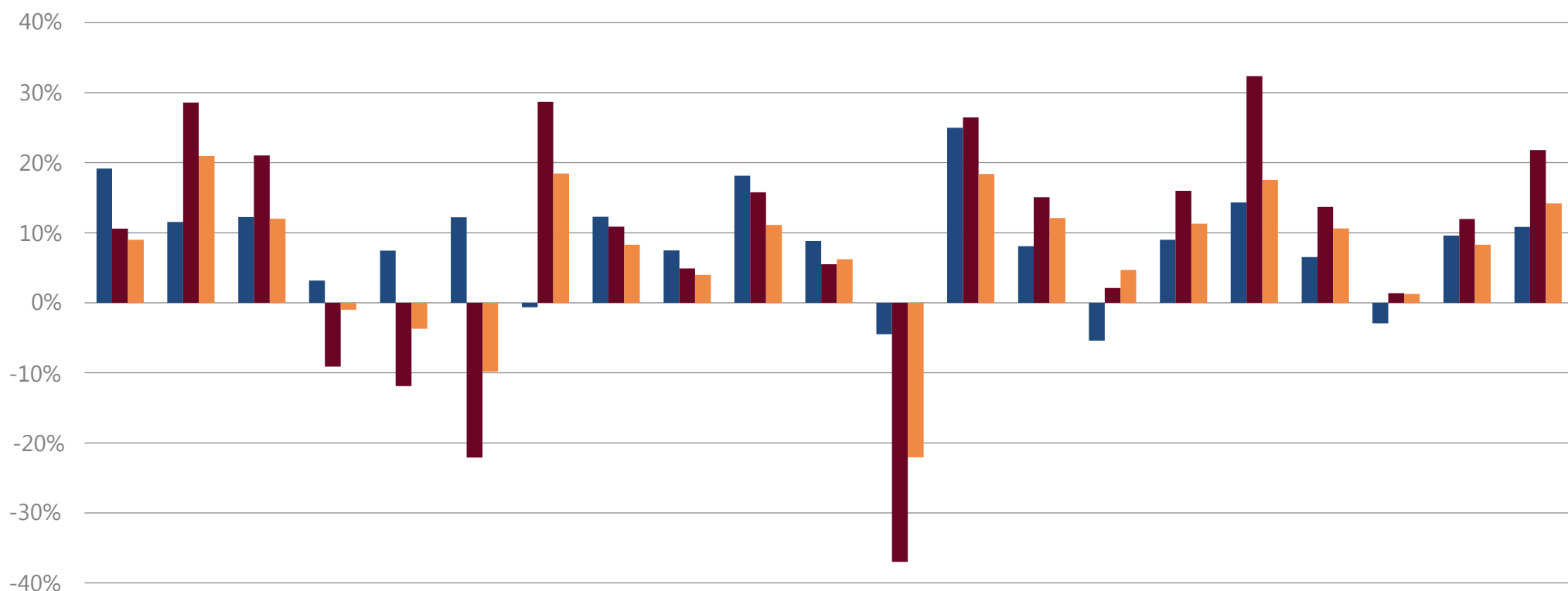
The graphs above show an investment of \$100,000 over eleven successive, 10-year investment periods. The first period is 1/1998 to 12/2007; the last period is 1/2008 to 12/2017.

Each period contains at least one bull market and one bear market.



Defined Risk Strategy – Proven Ability to Minimize Losses in Bear Markets

Swan DRS Select Composite vs. S&P 500 Index vs. 60/40



	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Swan DRS	19.17%	11.55%	12.26%	3.17%	7.46%	12.22%	-0.65%	12.28%	7.47%	18.14%	8.81%	-4.50%	25.00%	8.10%	-5.38%	9.01%	14.34%	6.52%	-2.93%	9.59%	10.83%
S&P 500	10.58%	28.58%	21.04%	-9.10%	-11.89%	-22.10%	28.68%	10.88%	4.91%	15.79%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%
60/40	9.01%	20.98%	12.00%	-0.99%	-3.71%	-9.82%	18.48%	8.30%	4.00%	11.12%	6.22%	-22.06%	18.40%	12.13%	4.69%	11.31%	17.56%	10.62%	1.28%	8.31%	14.21%

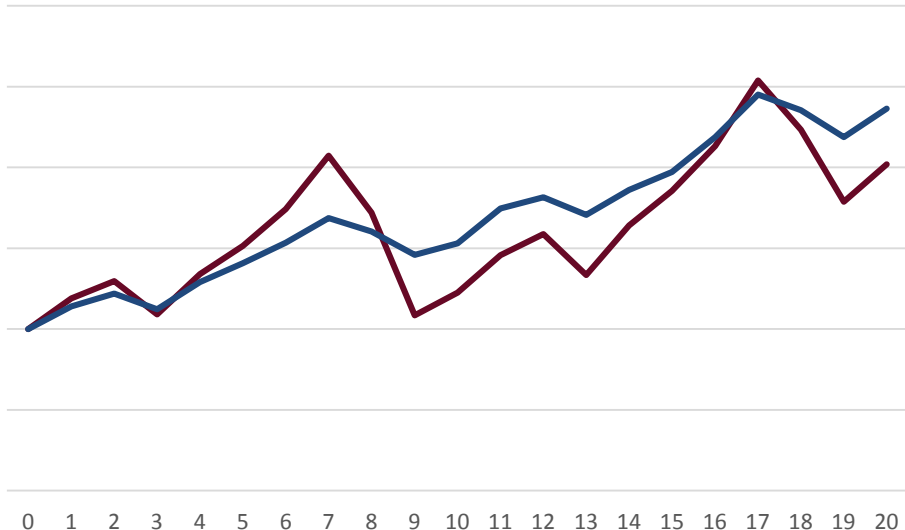


Just getting to Retirement is not enough...

Retirees need their money to last.

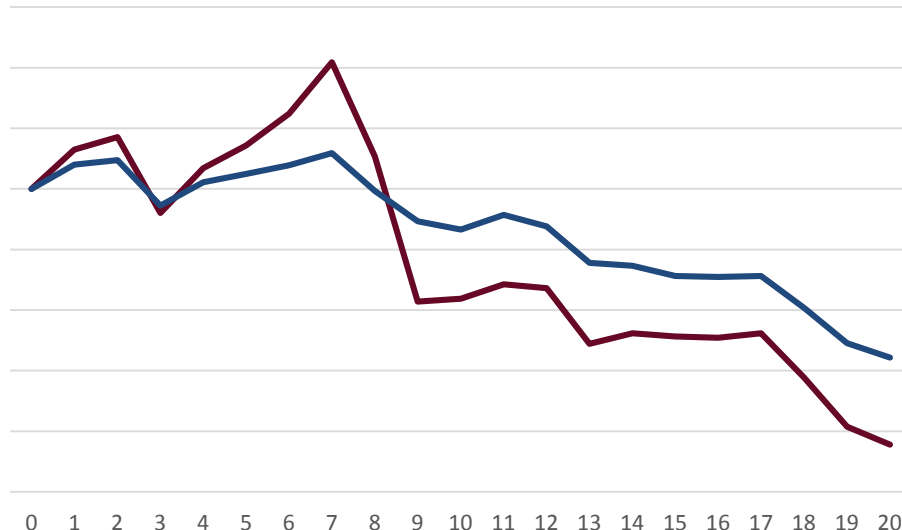
TO and THROUGH

Accumulation Phase: primary goal is to invest and grow wealth for retirement (goal).



Smoothing returns may help participants remain invested and on track towards their goal.

Distribution Phase: primary goal shifts to sustaining income throughout lifetime.



Avoiding big losses is critical when withdrawing from the account. Can't run out of money.



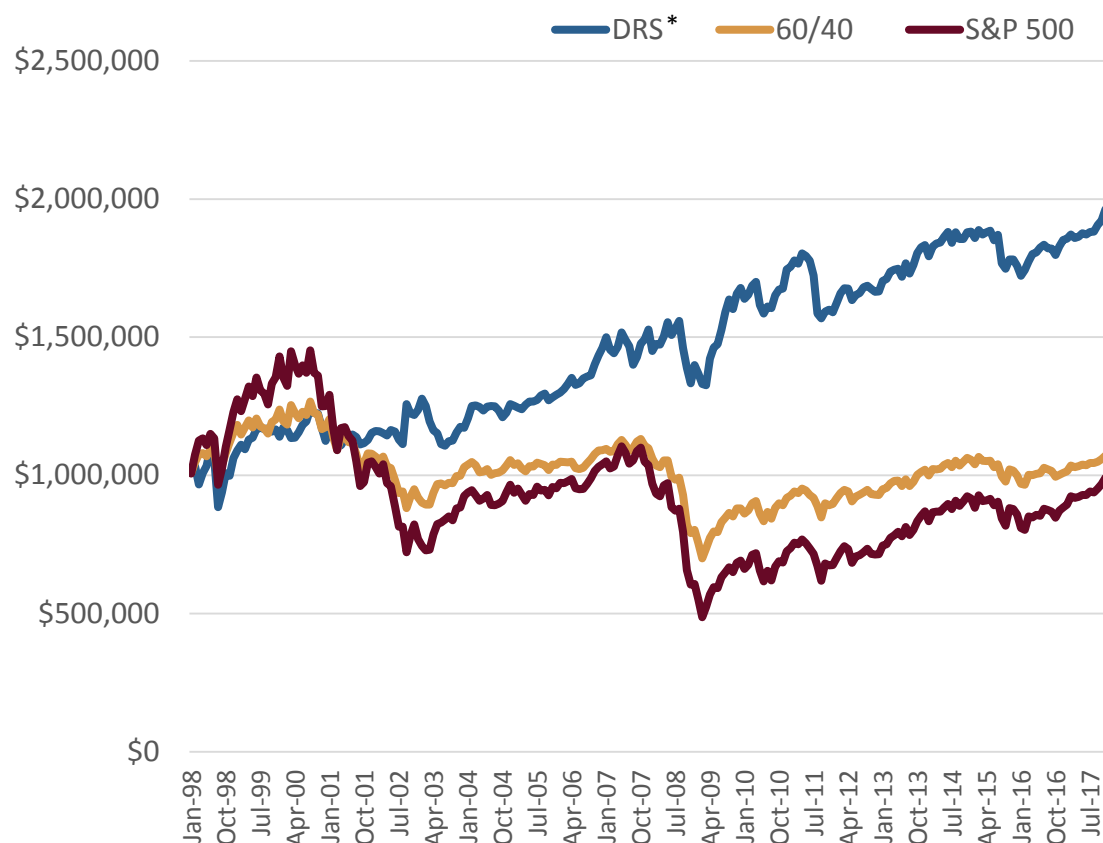
Sustainable Retirement Income

Consistent Returns, Avoiding Large Losses May Support Systematic Withdrawals

Scenario	Starting Value	Amount Withdrawn	Ending Value
Swan Defined Risk Strategy (Net)*	\$1,000,000	\$1,214,868	\$1,975,098
60% S&P 500 Index / 40% Barclays U.S. Aggregate Bond Index	\$1,000,000	\$1,214,868	\$1,074,278
S&P 500 Index	\$1,000,000	\$1,214,868	\$996,784

Assumptions	
Starting Value	\$1,000,000
Withdrawals**	\$4,166 / Month (5%)
Growth Rate	Supplied
Annual % Inflation	2.0%
Date Range	1/1/1998 to 12/31/2017

Annualized Account Value (Net of Withdrawals)



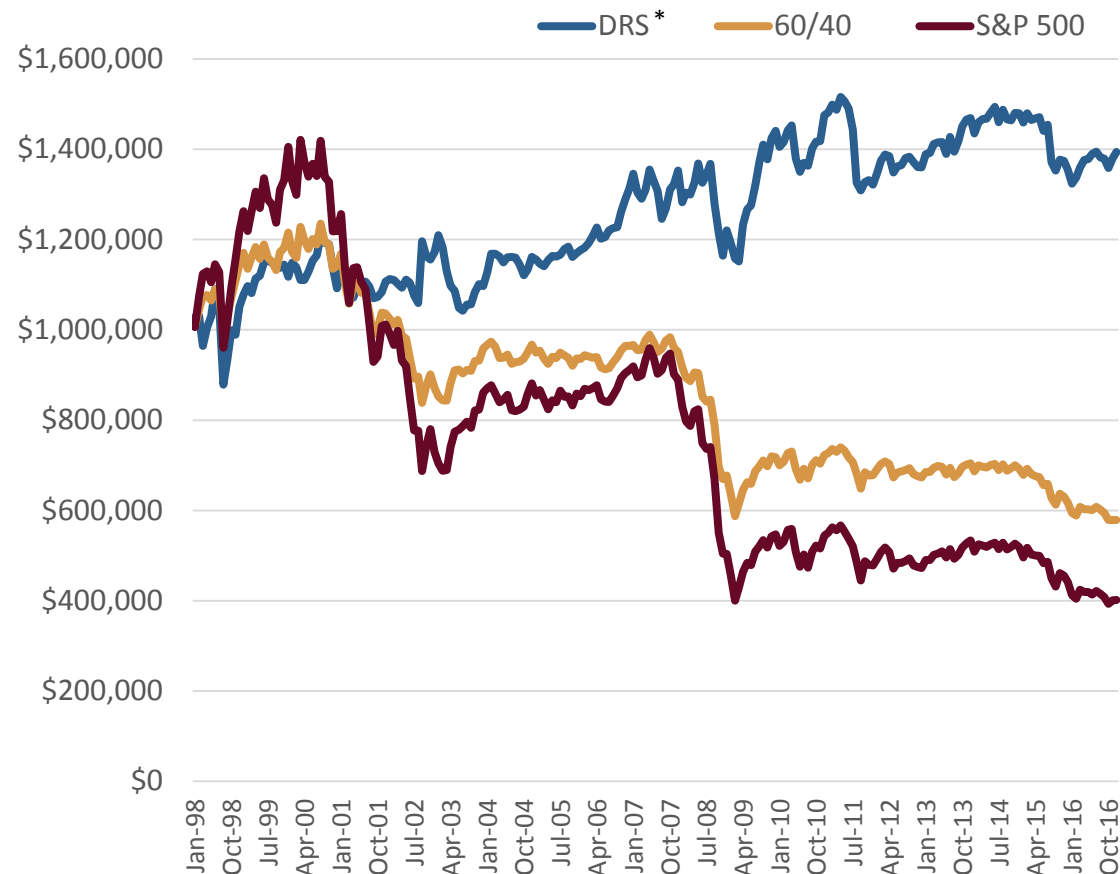
Sustainable Retirement Income

Consistent Returns, Avoiding Large Losses May Support Systematic Withdrawals

Scenario	Starting Value	Amount Withdrawn	Ending Value
Swan Defined Risk Strategy (Net) *	\$1,000,000	\$1,457,842	\$1,452,335
60% S&P 500 Index / 40% Barclays U.S. Aggregate Bond Index	\$1,000,000	\$1,457,842	\$568,369
S&P 500 Index	\$1,000,000	\$1,457,842	\$393,447

Assumptions	
Starting Value	\$1,000,000
Withdrawals**	\$5,000 / Month (6%)
Growth Rate	Supplied
Annual % Inflation	2.0%
Date Range	1/1/1998 to 12/31/2017

Annualized Account Value (Net of Withdrawals)



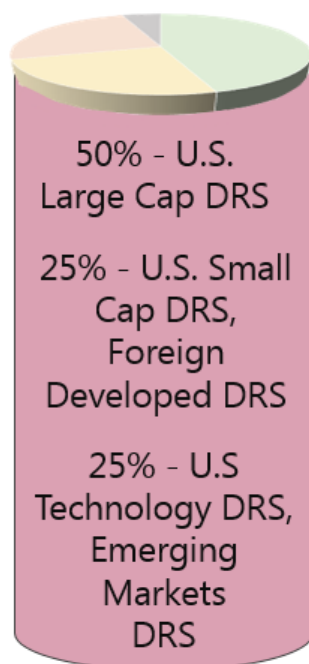
5 Risk-Managed Funds for Retirement Plan Investments



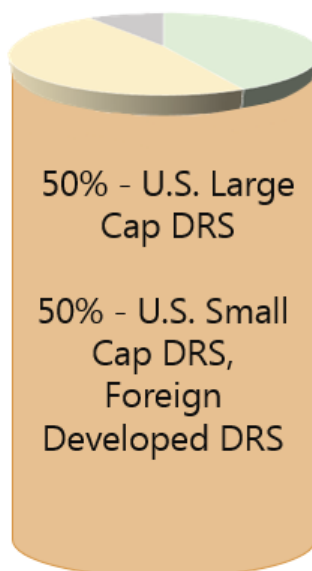
SWAN DEFINED
RISK
COLLECTIVE INVESTMENT FUNDS

- **Swan Defined Risk Aggressive Growth**
- **Swan Defined Risk Moderate Growth**
- **Swan Defined Risk Moderate**
- **Swan Defined Risk Conservative**
- **Swan Defined Risk Income**

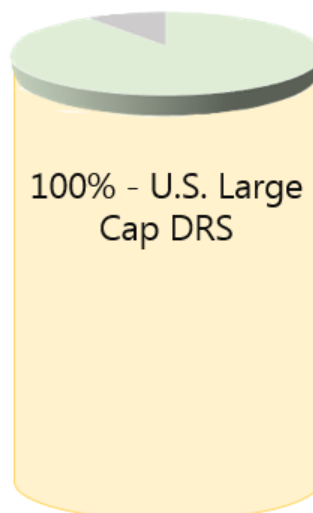
AGGRESSIVE GROWTH



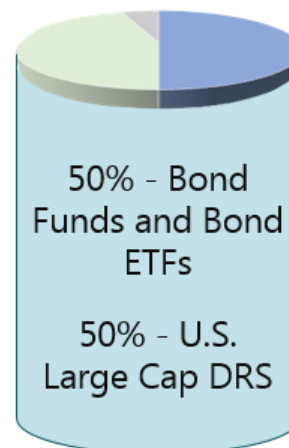
MODERATE GROWTH



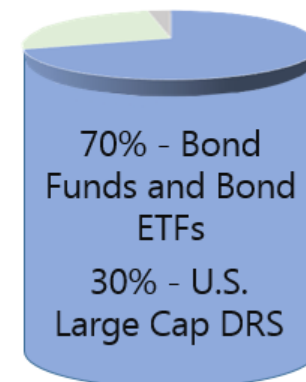
MODERATE



CONSERVATIVE



INCOME



The Swan Defined Risk Collective Investment Funds (CIFs) have different allocations to the Swan Defined Risk Strategy, and in some cases, the CIFs have an allocation to the Swan Defined Risk Strategy applied to other asset classes. See the CIT/CIF disclosure documentation for more information.





SWAN GLOBAL
INVESTMENTS

– Co-Manager



GORDON ASSET
MANAGEMENT, LLC

– Co-Manager



– Trustee



Management – Swan Defined Risk Collective Investment Funds

About Swan Global Investments

Swan Global Investments is an asset management firm with \$5.03 billion in assets under management (as of December 31, 2017). It was formed in 1997 to offer a proprietary strategy designed to hedge against large stock market declines. The Defined Risk Strategy is an actively managed, hedged equity, rules-based process. It is available in mutual funds, separately managed accounts, and as an overlay to customize existing equity portfolios. Through a combination of techniques that seek to hedge the market and generate market-neutral income, the goal of the DRS is to minimize large losses in bear markets and outperform the S&P 500 over a full market. Swan's expanding portfolio of investment offerings is managed out of Durango, CO with affiliated offices in Tampa and Puerto Rico. In addition to managing the five Collective Investment Funds, Swan offers its Defined Risk Strategy through separate accounts and mutual funds. For more information, please visit <http://swanglobalinvestments.com>.

About Gordon Asset Management

Gordon Asset Management, LLC is an independent investment advisory firm located in the Raleigh-Durham area of NC and manages over 150 corporate retirement plans as a plan level fiduciary under ERISA section 3(21)A(ii) without discretion or with discretion under ERISA 3(38) as an investment manager. The firm is certified as an investment advisor with the Centre for Fiduciary Excellence (www.CEFEX.org) for adhering to global best practices in fiduciary excellence. Please contact Gordon Asset Management at wealthqb.com if you are interested in reviewing the CIT documents and disclosures.

About Alta Trust Company

Alta Trust Company is a South Dakota chartered trust company that partners with world class investment managers such as Swan and Gordon to provide retirement plans with quality investment options. Collective Investment Trusts are bank maintained trusts and are not registered with the Securities and Exchange Commission. Alta Trust Company is the trustee for the Swan Defined Risk Collective Investment Funds.

Past performance is no guarantee of future results. A Fund's strategy, like most investment strategies, involves risks, including possible loss of principal. Before investing in any Fund, please consider the Fund's investment objective, strategies, risks, and expenses. Be sure to consult with your financial, legal and professional tax advisers prior to investment in any fund.

Please contact Gordon Asset Management at www.wealthqb.com if you are interested in reviewing the CIT documents and disclosures.

For Investment related questions please contact Swan Global Investments at: (970) 382-8901.

For general inquiries please contact Alta Trust at: 866-516-4015. Or visit the Fund web page at www.trustalta.com/swan.



Prior to the inception date of the Swan Collective Investment Funds (CIFs), the investment manager maintained an investment strategy which is used in the CIFs. The Swan Collective Investment Funds and the Swan DRS strategy performance represent separate products. The strategy performance is primarily shown to give potential investors additional information on how the option overlay strategy employed by the Swan Collective Investment Funds has performed over a longer time horizon. The Swan DRS strategy is only an allocation of each Swan CIF and as a result the Swan DRS performance and the CIF performance may differ materially due to other strategy and allocation exposures in the CIFs, fees, participant and portfolio transactions and other factors. The strategy performance does not necessarily represent what investor returns would have been in the Swan Collective Investment Funds.

Swan Global Investments, LLC. is a SEC registered Investment Advisor that specializes in managing money using the proprietary Defined Risk Strategy (DRS). Please note that registration of the Advisor does not imply a certain level of skill or training. Further information may be obtained by contacting the company directly at 970-382-8901 or www.swanglobalinvestments.com. Swan Global Investments, LLC, Swan Global Management, LLC, and Swan Capital Management, LLC are affiliated entities. Sources: Swan Global Investments, Zephyr StyleADVISOR, and Morningstar; all information is provided "as is" without warranty of any kind. Swan assumes no responsibility for typographical errors, inaccuracies or other errors which may occur.

This presentation is for information purposes only and does not constitute any investment advice or tax advice. DRS performance results are presented in U.S. dollars and are net-of-actual-fees and trading expenses and reflect the reinvestment of dividends and capital gains. Actual fees may vary based on, among other factors, account size and custodial relationship. No current or prospective client should assume future performance of any specific investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Changes in investment strategies, contributions or withdrawals may cause the performance results of a client's investment portfolio to differ materially from the reported composite performance. Different types of investments involve varying degrees of risk and there can be no assurance that any specific investment will either be suitable or profitable for a client's investment portfolio. Historical performance results for market indices and/or categories generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. All Swan products utilize the Defined Risk Strategy ("DRS"), but may vary by asset class, regulatory offering type, etc. Accordingly, all Swan DRS product offerings will have different performance results due to offering differences and comparing results among the Swan products and composites may be of limited use. Economic factors, market conditions, and investment strategies will affect the performance of any portfolio and there are no assurances that it will match or outperform any particular benchmark.

The benchmarks used for the DRS Select Composite are the S&P 500 Index, which consists of approximately 500 large cap stocks, and a 60/40 blended composite, weighted 60% in the aforementioned S&P 500 Index and 40% in the Barclays US Aggregate Bond Index. The 60/40 is rebalanced monthly. The Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency). The S&P 500 Index is often used as a proxy for the overall U.S. equity market. Indexes and other benchmarks used herein are generally unmanaged and have no fees or expenses. An investment cannot be made directly in an index or some of these benchmarks. Swan's investments may consist of securities which vary significantly from those in the benchmark indexes listed above and performance calculation methods may not be entirely comparable. Accordingly, comparing results shown to those of such indexes and benchmarks may be of limited use.



Swan claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with GIPS. Swan's compliance with GIPS has been independently verified for the periods July 1, 1997 through December 31, 2016. The Spaulding Group conducted Swan's verification. A copy of the verification report is available upon request. To receive copies of the report, please feel free to call (970) 382-8901 or email operations@swanglobalinvestments.com. Verification assesses whether (1) the firm has complied with all the composite construction requirements of GIPS on a firm-wide basis, and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with GIPS. Verification does not ensure the accuracy of any specific composite presentation.

Swan offers and manages The Defined Risk Strategy ("DRS") for its clients including individuals, institutions and other investment advisor firms. There are eight DRS Composites offered: 1) The DRS Select Composite which includes non-qualified accounts; 2) The DRS IRA Composite which includes qualified accounts; 3) The DRS Composite which combines the DRS Select and DRS IRA Composites; 4) The DRS Institutional Composite which includes high net-worth, non-qualified accounts that utilize cash-settled, index-based options held at custodians that allow participation in Clearing Member Trade Agreement (CMTA) trades; 5) The Defined Risk Fund Composite which includes mutual fund accounts invested in the S&P 500; 6) The DRS Emerging Markets Composite which includes mutual fund accounts invested in emerging markets; 7) The DRS Foreign Developed Composite which includes all research and development account(s), and mutual fund accounts invested in foreign developed markets; 8) The DRS U.S. Small Cap Composite which includes all research and development account(s), and mutual fund accounts invested in U.S. small cap issues. Additional information regarding Swan's policies and procedures for calculating and reporting performance returns is available upon request.

The charts and graphs contained herein should not serve as the sole determining factor for making investment decisions. To the extent that you have any questions regarding the applicability of any specific issue presented or discussed, you are encouraged to consult with Swan Global Investments. All information, including that used to compile charts, is obtained from sources believed to be reliable, but Swan Global Investments does not guarantee its reliability.

Swan uses options in the DRS strategy. Options carry additional risks and are not suitable for all clients. Clients must read and understand the current options risk disclosure documents prior to entering into any options or other derivatives transactions. Prior to implementing a call writing program or any of the strategies described herein, a client should further discuss this investment process with other financial, legal and/or tax advisors. The options risk disclosure document is located at: <http://optionsclearing.com/about/publications/character-risks.jsp>

