PALLADIEM

Multi-Strategy Alternative

Strategy Factsheet | *Data as of 12/31/2016*

Overview

Palladiem LLC , a Registered Investment Adviser, was founded in October 2011.

As of March 2016, $600 Million Assets Under Management.

Independent, employee-owned firm.

We are fiduciaries, committed to doing the right thing for the client.

Portfolio Statistics

SEC Yield	3.14%
12-Month Yield	2.04%
Avg Credit Quality	A
Avg Eff Duration (Years)	4.61
Avg Wtd Coupon	3.72%

Top 5 Holdings*	Pct
Swan Defined Risk	9.00%
Vanguard Intermediate-Term Bond	8.00%
Aspen Managed Futures Strategy	7.00%
Wells Fargo Absolute Return	7.00%
IQ Hedge Multi-Strategy Tracker	6.00%

Portfolio Characteristics

Risk Profile	Moderate-High
Turnover	60%
Cash Range	1%-5%
Wtd. Internal Expense Ratio	0.80%
# of Holdings	22

Key Attributes

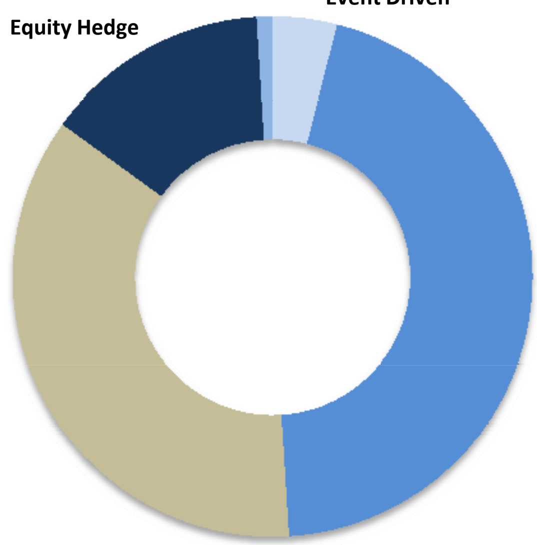
Low Equity Correlation	Liquidity & Transparency
Reduced Volatility	Low Expenses & Fees

Source: Morningstar.
**Holdings may differ based on program constraints.*

Strategy Description

- The Multi-Strategy Alternative portfolio is an actively managed, alternative investment strategy with daily liquidity intended to provide diversification and lower correlation to traditional investment strategies.
- Using mutual funds and ETFs, Palladiem seeks to provide diversification and low correlation to long-only stock and bond portfolios.
- An investment in an alternative investment product or strategy may be considered speculative and should not constitute a complete investment program.
- This strategy is typically appropriate as part of a total portfolio, for an investor with at least an intermediate investment time horizon, and a moderate-to-high tolerance for risk.

Asset Segment Weighting



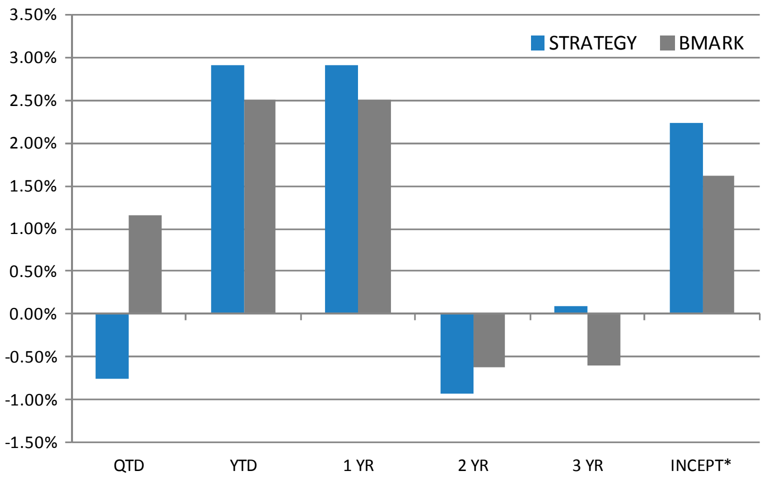
PCT	PORTFOLIO SEGMENTS / CONSTITUENTS	
45.0%	**Global Macro:** *Seeks to exploit market dislocations and price movement*	
	European Equity	Materials Sector
	Global Macro	Multi-Strategy
	Global Real Estate	Quality Factor Equity
	Global Technology	U.S. Consumer Discretionary
	Managed Futures	Value Factor Equity
14.0%	**Equity Hedge:** *Seeks to hedge long-only equity exposure*	
	Equity Long/Short	Hedged Equity
36.0%	**Relative Value:** *Seeks to exploit valuation discrepancies*	
	Credit Long/Short	Multi-Sector Fixed Income
	Crossover Corporate Bond	Senior Bank Loans
	Intermediate-Term Core	Short-term Credit
4.0%	**Event-Driven:** *Seeks to generate return from corporate transactions*	
	Merger Arbitrage	
1.0%	**Cash:** *Liquid Money Markets*	

Approved for End Client Use.

Performance Summary | *Data as of 12/31/2016*

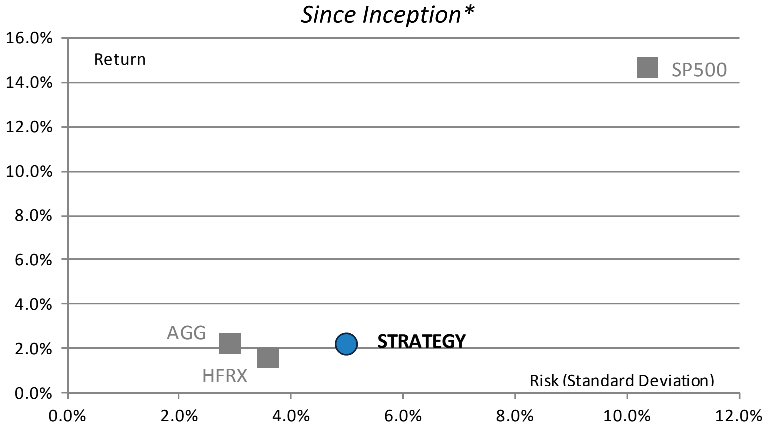
Performance vs. Benchmark

Returns for greater than 1 year are annualized.



Annualized Risk/Return vs. Major Indexes

*Since Inception**



Source: Morningstar

Since Inception*	Net	Gross	Bmark
Annualized Return	1.63%	2.24%	1.61%
Standard Deviation	4.97%	4.97%	3.59%
Sharpe Ratio	0.33	0.45	0.43
Maximum Drawdown	-10.39%	-9.58%	-8.93%
% Positive Months	58%	58%	62%
% Negative Months	42%	42%	38%
Correlation to SP500	-	0.72	0.73
Correlation to AGG	-	0.20	(0.20)
Correlation to HFRX	-	0.71	1.00
Trailing Return			
3 Month	-0.90%	-0.75%	1.16%
6 Month	0.96%	1.26%	3.35%
Trailing 1 Year	2.30%	2.92%	2.51%
Trailing 3 Year	-0.50%	0.10%	-0.60%
Trailing 5 Year	1.63%	2.24%	1.61%
Calendar Return			
2016	2.30%	2.92%	2.51%
2015	-4.04%	-3.47%	-3.64%
2014	0.34%	0.94%	-0.57%
2013	6.24%	6.88%	6.55%
2012	3.60%	4.23%	3.51%

* Inception Date (INCEPT): 1/1/2012

Benchmark (Bmark): HFRX Global Hedge Fund Index. Indices represent asset classes that may be included in the strategy and are presented to provide perspective on the strategy's historical risk, as measured by standard deviation, in relation to these asset classes. SP500 represents the S&P 500 Index; AGG represents the Barclays Capital Aggregate Bond Index; HFRX represents the Hedge Fund Research Institute Global Hedge Fund Index.

For more information contact us:
Palladiem, LLC - 7 Great Valley Parkway, Suite 295 - Malvern, PA 19355 - 888-886-4122 - info@palladiem.com - www.palladiem.com

Disclosures: The performance results contained herein do not represent the actual trading or investment performance of actual accounts invested in accordance with the investment strategy, but present performance of a hypothetical account invested in ETFs and mutual funds included in this investment strategy based upon the allocation established by Palladiem LLC. The performance information is net of standard advisory fees payable to Palladiem LLC (0.60%) but does not include any other expenses not covered by the advisory fee, which will reduce a client's return. Past performance is no guarantee of future results. The statements contained herein are based upon the opinions of Palladiem LLC (Palladiem) and the data available at the time of publication and are subject to change at any time without notice. This communication does not constitute investment advice and is for informational purposes only, is not intended to meet the objectives or suitability requirements of any specific individual or account, and does not provide a guarantee that the investment objective of any model will be met. An investor should assess his/her own investment needs based on his/her own financial circumstances and investment objectives. Neither the information nor any opinions expressed herein should be construed as a solicitation or a recommendation by Palladiem or its affiliates to buy or sell any securities or investments or hire any specific manager. The information contained herein has been obtained from sources that are believed to be reliable.

It is important to remember that there are risks inherent in any investment and that there is no assurance that any investment, asset class, style or index will provide positive performance over time. Diversification and strategic asset allocation do not guarantee a profit or protect against a loss in declining markets. Past performance is not a guarantee of future results. All investments are subject to risk, including the loss of principal. For more information about Palladiem, as well as its products, fees and services, please refer to Palladiem's Form ADV Part 2, which may be obtained through your financial advisor or by writing to Palladiem: 7 Great Valley Parkway, Suite 295, Malvern, PA 19355 or by calling (888) 886-4122.

Palladiem LLC is a Registered Investment Adviser.

Approved for End Client Use.