PALLADIEM

Income Distribution Strategy

Strategy Factsheet | *Data as of 03/31/2020*

Overview

Palladiem LLC, is a registered investment adviser and was founded in October 2011.

As of December 2020, $805 Million Assets Under Management.

Independent, employee-owned firm.

Palladiem is an investment manager with a focus on transparency and risk management.

Portfolio Returns Based Style Analysis

Style Category	Palladiem Income Distribution
Large-cap Value	5.01%
Large cap Growth	2.14%
Mid cap Value	1.82%
Mid cap Growth	2.06%
Small-cap Value	0.91%
Small cap Growth	0.00%
Global ex-US Developed Markets	0.00%
Emerging Markets	8.46%
Corporate Bonds	31.02%
Long-Term Treasuries	0.00%
Intermediate-Term Treasuries	0.54%
Short-Term Treasuries	47.24%
R Squared	**82.35%**

Style analysis is based on monthly returns from January 2017 to March 2021 and uses total portfolio return with monthly rebalancing. Returns based style analysis aims to explain the portfolio returns based on asset class exposures, it does not identify the actual portfolio holdings.

Portfolio Components (Jan 2017 - Mar 2021)

Ticker	Name	CAGR	Stdev	Best Year	Worst Year	Max DD	Sharpe Ratio	Sortino Ratio	US Mkt Correlation
ANGL	VanEck Vectors Fallen Angel HiYld Bd ETF	7.93%	10.45%	18.07%	-5.84%	-14.60%	0.66	0.95	0.82
IEI	iShares 3-7 Year Treasury Bond ETF	3.01%	2.88%	6.95%	-2.20%	-3.08%	0.62	1.24	-0.47
IXGRINNET	Risk Managed Gold Index - Net	5.73%	7.71%	11.56%	-1.31%	-4.23%	0.60	1.40	0.21
IDHD	Invesco S&P Intl Dev Hi Div Low Vol ETF	6.32%	14.00%	18.81%	-6.97%	-24.97%	0.42	0.57	0.84
SPHD	Invesco S&P 500 High Div Low Vol ETF	6.39%	17.69%	19.85%	-10.35%	-30.92%	0.37	0.51	0.88
MBB	iShares MBS ETF	2.88%	2.04%	6.19%	-1.20%	-2.09%	0.81	1.40	-0.22

Monthly Correlations (Jan 2017 - Mar 2021)

Ticker	Name	ANGL	IEI	IXGRINNET	IDHD	SPHD	MBB
ANGL	VanEck Vectors Fallen Angel HiYld Bd ETF	1.00	-0.33	0.44	0.78	0.78	-0.10
IEI	iShares 3-7 Year Treasury Bond ETF	-0.33	1.00	0.21	-0.43	-0.53	0.87
IXGRINNET	Risk Managed Gold Index - Net	0.44	0.21	1.00	0.22	0.16	0.27
IDHD	Invesco S&P Intl Dev Hi Div Low Vol ETF	0.78	-0.43	0.22	1.00	0.87	-0.19
SPHD	Invesco S&P 500 High Div Low Vol ETF	0.78	-0.53	0.16	0.87	1.00	-0.24
MBB	iShares MBS ETF	-0.10	0.87	0.27	-0.19	-0.24	1.00

Key Attributes

Scheduled Distributions	Liquidity & Transparency
Principal Protection	Low Expenses & Fees

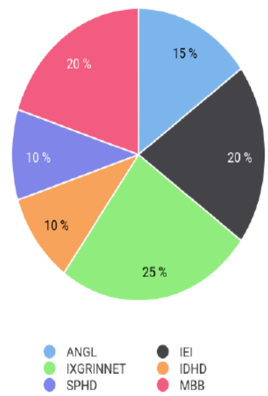
Strategy Description

- The Income Distribution strategy is designed for investors interested in income drawdown while maintaining their principal investment.
- The portfolio is an actively managed portfolio of daily liquid diversified investments that exhibit lower volatility with a higher probability of consistent return outcome on an annual basis. This strategy replaces our previous Diversified and Focused Income strategies.
- At this time, we firmly believe that investors should not focus on yield nor income return in this environment of negative real yields. We believe the risks of doing so far outweigh the benefits.

Asset Allocation

Palladiem Income Distribution

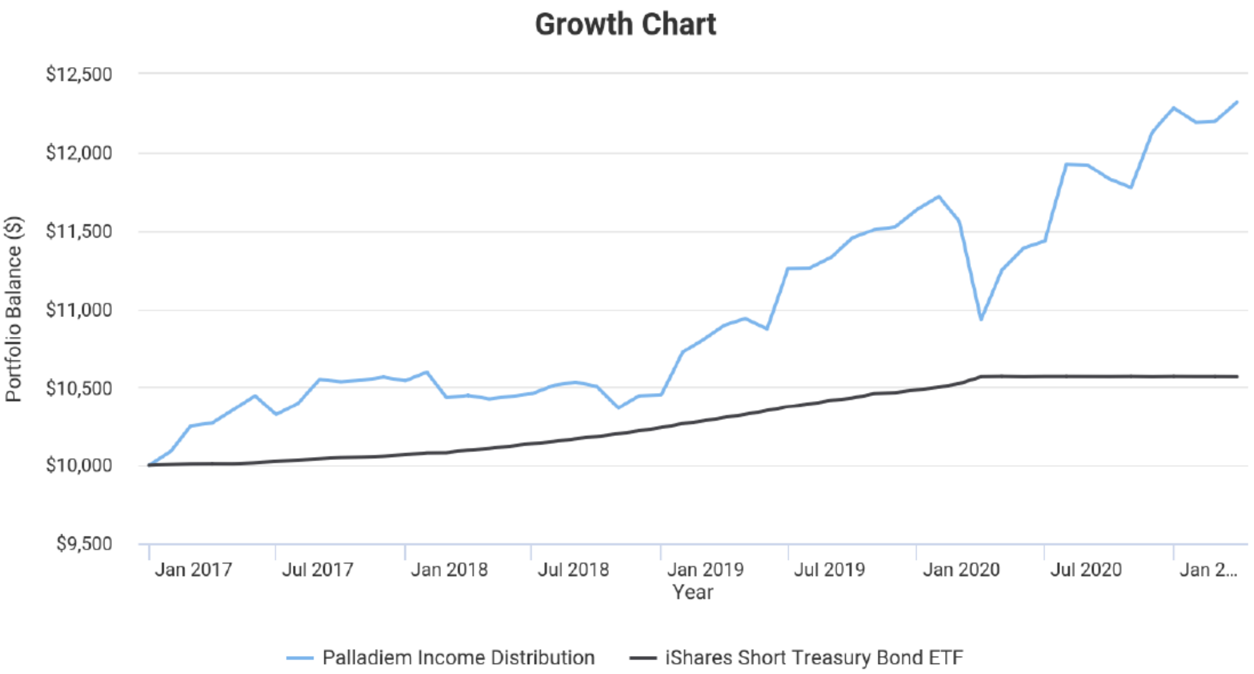
Ticker	Name	Allocation
ANGL	VanEck Vectors Fallen Angel HiYld Bd ETF	15.00%
IEI	iShares 3-7 Year Treasury Bond ETF	20.00%
IXGRINNET	Risk Managed Gold Index - Net	25.00%
IDHD	Invesco S&P Intl Dev Hi Div Low Vol ETF	10.00%
SPHD	Invesco S&P 500 High Div Low Vol ETF	10.00%
MBB	iShares MBS ETF	20.00%



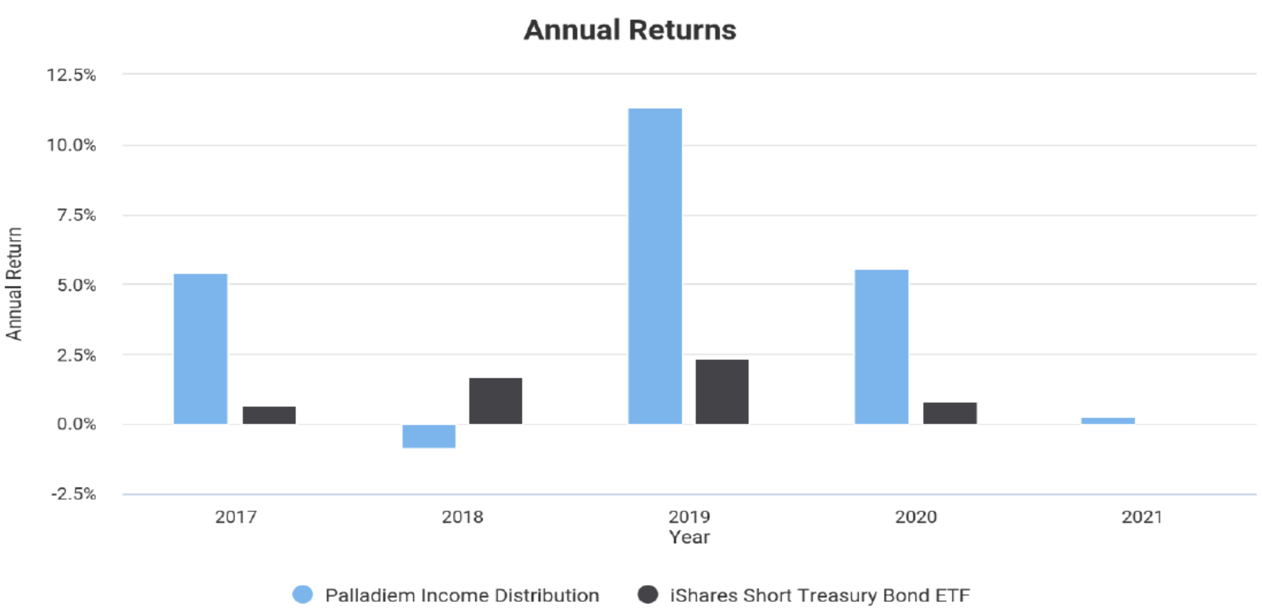
PCT	PORTFOLIO SEGMENTS / CONSTITUENTS
20.0%	**Equity:** *Low-Cost, Systematic, and Factor Exposure* Global High Div; Low Vol
55.0%	**Fixed Income / Cash:** *Seeks to Preserve Capital and Generate Income* Fallen Angels; Short Term Treasury; Mortgages
25.0%	**Alternative:** *Anticipated Risk Mitigation with Alpha Opportunities* Risk Managed Gold

Source: Morningstar.

**Holdings are subject to change and may be different than at the time of this report or based on program constraints.*



The chart represents the growth of a hypothetical investment of $10,000 in the strategy since inception and reflects the reinvestment of dividends and income. The chart does not represent an actual investment and is not intended to imply future results.



Source: Portfolio Visualizer (Model Returns - Gross)

Benchmark (Bmark): iShares Short Treasury Bond (SHV). 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. SHV represents a basket of 3-5 Year Treasury Issues. You cannot invest directly in an index.

Risk and Return Metrics (Jan 2017 - Mar 2021)

Metric	Palladiem Income Distribution	iShares Short Treasury Bond ETF
Geometric Mean (monthly)	0.41%	0.11%
Geometric Mean (annualized)	5.03%	1.30%
Volatility (monthly)	1.43%	0.10%
Volatility (annualized)	4.97%	0.33%
Downside Deviation (monthly)	0.87%	0.01%
Max. Drawdown	-6.72%	-0.03%
US Market Correlation	0.78	-0.43
Beta (*)	-4.58	1.00
Alpha (annualized)	10.98%	0.00%
R Squared	9.45%	100.00%

Palladiem Income Distribution Returns

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017	0.90%	1.60%	0.18%	0.83%	0.86%	-1.15%	0.68%	1.47%	-0.13%	0.09%	0.19%	-0.22%	5.40%
2018	0.52%	-1.53%	0.14%	-0.22%	0.16%	0.16%	0.51%	0.19%	-0.25%	-1.32%	0.76%	0.05%	-0.85%
2019	2.62%	0.71%	0.88%	0.39%	-0.60%	3.55%	0.03%	0.62%	1.08%	0.46%	0.16%	0.96%	11.34%
2020	0.71%	-1.34%	-5.45%	2.90%	1.25%	0.39%	4.30%	-0.07%	-0.72%	-0.47%	2.99%	1.30%	5.58%
2021	-0.75%	0.04%	1.02%										0.30%

iShares Short Treasury Bond ETF Returns

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017	0.05%	0.05%	0.01%	-0.00%	0.06%	0.08%	0.10%	0.07%	0.08%	0.04%	0.05%	0.08%	0.67%
2018	0.13%	0.01%	0.17%	0.09%	0.16%	0.15%	0.13%	0.18%	0.14%	0.17%	0.19%	0.20%	1.72%
2019	0.24%	0.16%	0.22%	0.19%	0.24%	0.24%	0.16%	0.23%	0.14%	0.27%	0.07%	0.17%	2.36%
2020	0.15%	0.22%	0.42%	0.02%	-0.03%	0.02%	0.00%	-0.00%	-0.01%	0.01%	-0.02%	0.02%	0.81%
2021	-0.01%	0.00%	-0.01%										-0.02%

Source: Portfolio Visualizer (Model Returns - Gross)

Benchmark (Bmark): iShares Short Treasury Bond (SHV). 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. SHV represents a basket of 3-5 Year Treasury Issues. You cannot invest directly in an index.

Disclosures: The performance returns shown represent the results of a model portfolio of the investment strategy only and do not represent the results of actual trading of investor assets. The model performance has inherent limitations. Palladiem maintains the model and calculates the model performance shown or discussed, but it does not represent actual assets. Thus, the performance shown or discussed does not reflect the impact that material economic and market factors had or might have had on decision making if actual investor money had been managed. While model performance may have performed better than the benchmark for some or all of the periods shown, the performance during any other period may not have, and there is no assurance that model performance will perform better than the benchmark in the future. An investor's actual account is managed by the investor or by an advisor based on the model portfolio, but the actual composition and performance of the account may differ from those of the model portfolio due to differences in the timing and prices of trades, and the identity and weightings of securities holdings. Portfolio performance assumes reinvestment of dividends and capital gains and is net of standard advisory fees payable to Palladiem LLC (0.55%) but does not include any other expenses not covered by the advisory fee, which will reduce a client's return. Direct investment in an index is not possible. Index returns assume the reinvestment of dividends and capital gains. Past performance is no guarantee of future results.

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