

POSITION, PERFORMANCE, ECONOMIC UPDATE

PERFORMANCE RECAP:

- Equity performance remains ahead of our benchmarks year-to-date despite giving up some performance in the second quarter. Year to date, the Luxon Global All Equity Portfolio gross return is +0.98% while the MSCI All Country World Index remains negative for the year at (0.43%).
- Bond returns trail their benchmarks for the quarter and year to date as yields rose and a strong dollar moved against our international bond positions. We have shortened duration and anticipate a more normalized second half of the year for fixed income.
- Alternatives had mixed performance on the quarter and year to date. Our equity options positions performed well for the quarter and YTD. In contrast, our long/short and market neutral positions suffered as their value oriented models were hurt by the continuing strength of growth oriented stocks. Performance remains strong versus the benchmark since inception.

PORTFOLIO CHANGES DURING Q2 2018

SUMMARY:

- **EQUITIES:** Exchanged MFS International Value for the Goldman Sachs International Small Cap Opportunities Fund. This establishes a new allocation in international small cap equities with a highly diversified quantitative manager.
- **FIXED INCOME:** Incrementally shortened duration and increased the credit quality of the Fixed Income portfolio with the introduction of FPA New Income.
- **ALTERNATIVES:** Reduction of exposure in Long/Short and Market Neutral spaces while increasing exposure to options strategies.

ECONOMIC UPDATE

- The threat of a trade war intensified. This is a serious geo-political concern that needs to be monitored closely. While we believe sound economic policy will prevail in the end, tail risk remains elevated. A diversified bond allocation in your portfolio, especially one holding some increasingly attractive short-duration exposure, may help diversify the exposure of equity trade-policy risk. In addition, we believe our overweight in small and mid cap companies relative to the MSCI All Country World Index makes sense in the event of increasing trade friction, as these smaller companies on average have less exposure to international trade.
- Short term yields rose significantly, further flattening the yield curve. Two year treasury yields rose to 2.52% at quarter end. This is a very attractive rate relative to the last 10 years of history, and makes money market and short term bond funds a worthwhile consideration. In light of this, we started to increase exposure to short duration in the portfolios at the beginning of the year and are continuing that in Q2.
- The Federal Reserve hit its inflation target of 2.0% - a positive sign of economic activity. This is good news for the economy and markets as long as inflation can be kept under control. We believe both Federal Reserve tools and general market conditions - such as low overseas rates - are likely to keep inflation contained.
- Unemployment hit a decade low of 3.8% in May before ticking back up to 4.0% in June. Job creation remained strong suggesting a labor pool continuing to come "off the sidelines". Amazingly, there are now more open jobs in the United States (6.7M) than persons looking for work (6.5M).



PERSPECTIVE

SEQUENCE OF RETURNS

The S&P 500 Index of large U.S. companies celebrates its 90th birthday this year. Over that long lifetime, the annualized return of the most commonly observed market barometer is approximately 10%, a number well known to most investors. That said, there have been numerous multi-year periods in which the market has failed to achieve that result. There are very few absolutes in the world of finance, but one of them is that returns for any investment will not be linear. The return stream will always be a compilation of varied results. Understanding the potential sequence of those returns is of vital importance for planning purposes.

A sequence of below average years during down markets is a positive development for investors accumulating capital. A Millennial investor starting his or her 401-k plan in 2000, embarking on a period of three consecutive S&P calendar returns of minus 9, minus 12, and minus 22 percent would have enjoyed a lengthy period buying low. The following ten years would have seen that capital more than double in value, even including the trauma of 2008 and early 2009, again using the S&P as a market proxy.

Understanding the potential sequence of returns for an investor during a period of capital withdrawal is crucial. The chart below illustrates one such period, beginning in 1966, with an investor withdrawing 5.4% annually, increasing that withdrawal by 3% each year. As a consequence of poor returns during the early period of this illustration, this 60-year old completely depletes all of their capital in a little more than 20 years, despite the long-term thirty-year average of 9.1% annual gains. It is very easy to dig a big capital hole when annual withdrawals are combined with an immediate period of difficult performance.

The moral of this story is investors must be keenly aware of how sequence of return risk can impact their financial plan as they enter a withdrawal phase of that plan, most often associated with retirement. Also found on the accompanying chart are some of the solutions we employ to mitigate that risk.

Sources

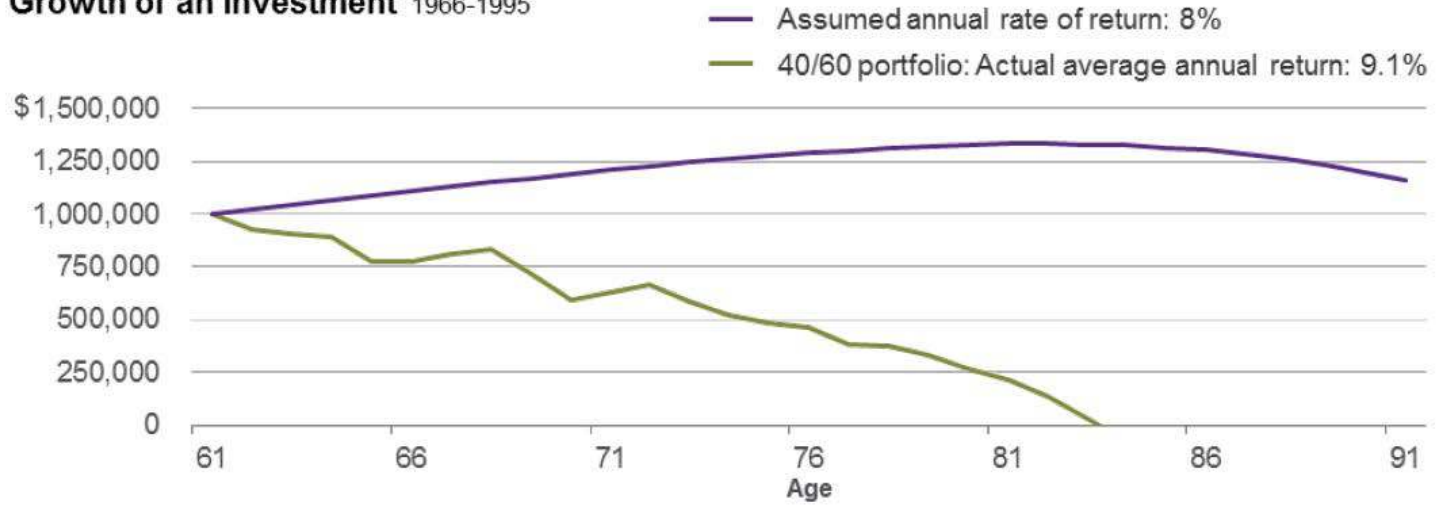
<https://fred.stlouisfed.org/series/UNEMPLOY>

<https://www.wsj.com/articles/american-jobs-outnumber-the-jobless-1528212776>



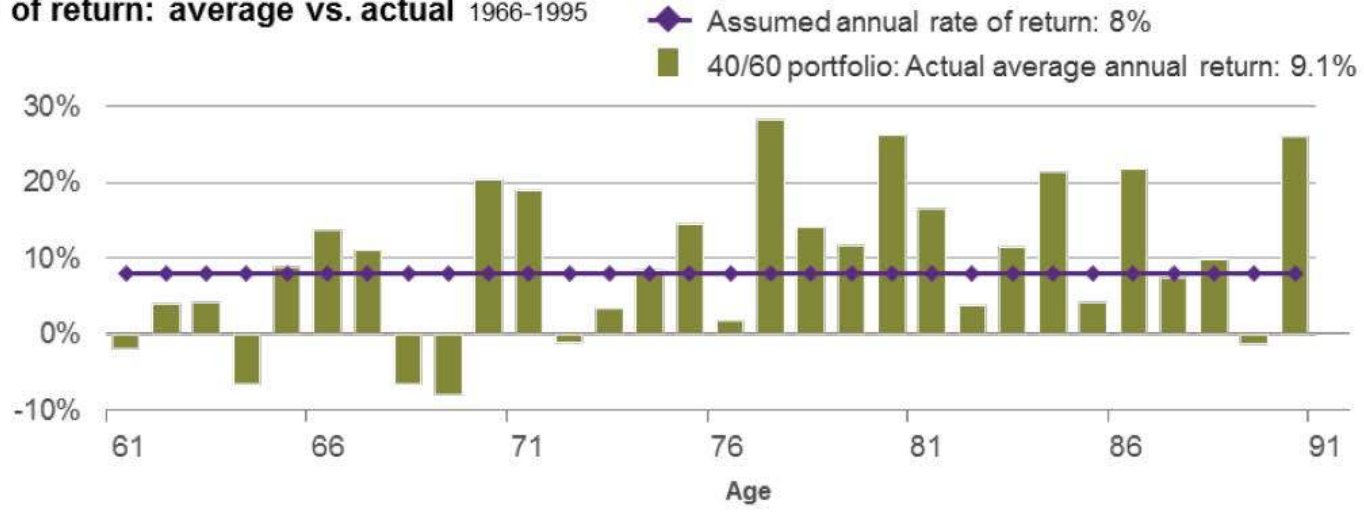
PERSPECTIVE

Growth of an investment 1966-1995



Assumptions: Enter retirement at age 60 with \$1,000,000. Start with a 5.4% withdrawal of \$54,000. Increase dollar amount of withdrawal by overall rate of inflation (3%) each year, which is lower than the average inflation rate of the period between 1966-1995.

Rate of return: average vs. actual 1966-1995



Source: J.P. Morgan Asset Management. Returns are based on a hypothetical portfolio, which is assumed to be invested 40% in the S&P 500 Total Return Index and 60% in the Barclays Capital U.S. Aggregate Index. The assumptions are presented for illustrative purposes only. They must not be used, or relied upon, to make investment decisions. There is no direct correlation between a hypothetical investment and the anticipated future return of an index. Past performance does not guarantee future results.

| | |
|---|--|
| <p>SEQUENCE OF RETURN RISK</p> <p>Withdrawing assets in down markets early in retirement can ravage a portfolio. Consider investment solutions that incorporate downside protection such as:</p> | <ul style="list-style-type: none"> • Greater diversification among non-correlated asset classes • Investments that use options strategies for defensive purposes • Annuities with guarantees and/or protection features |
|---|--|



| PORTFOLIO RETURNS | | QTD | YTD | 1 YEAR | 3 YEAR | INCEPTION | INCEPTION DATE |
|--------------------------|---|------------|------------|---------------|---------------|------------------|-----------------------|
| ALL EQUITY | Luxon Global All Equity | 0.27% | 0.98% | 11.75% | 9.58% | 9.06% | 12/31/2014 |
| | Luxon Global All Equity net 0.25% | 0.21% | 0.85% | 11.47% | 9.30% | 8.79% | 12/31/2014 |
| | 100% MSCI ACWI NR | 0.53% | -0.43% | 10.73% | 8.18% | 7.79% | 12/31/2014 |
| | Luxon Global All Equity Blended Benchmark | 1.30% | 0.38% | 11.53% | 9.20% | 8.49% | 12/31/2014 |
| 80/20 | Luxon Global 80-20 | 0.00% | 0.51% | 9.62% | 8.23% | 7.81% | 12/31/2014 |
| | Luxon Global 80-20 net 0.25% | -0.06% | 0.38% | 9.34% | 7.96% | 7.54% | 12/31/2014 |
| | 80% MSCI ACWI NR 20% BC Gbl Agg | -0.13% | -0.63% | 8.83% | 7.14% | 6.55% | 12/31/2014 |
| | Luxon Global 80-20 Blended Benchmark | 1.01% | 0.36% | 9.50% | 7.88% | 7.21% | 12/31/2014 |
| 70/30 | Luxon Global 70-30 | -0.30% | 0.13% | 8.43% | 7.58% | 7.20% | 12/31/2014 |
| | Luxon Global 70-30 net 0.25% | -0.36% | 0.01% | 8.16% | 7.31% | 6.93% | 12/31/2014 |
| | 70% MSCI ACWI NR 30% BC Gbl Agg | -0.46% | -0.72% | 7.88% | 6.60% | 5.92% | 12/31/2014 |
| | Luxon Global 70-30 Blended Benchmark | 0.71% | 0.19% | 8.40% | 7.23% | 6.57% | 12/31/2014 |
| 60/40 | Luxon Global 60-40 | -0.55% | -0.18% | 7.21% | 6.84% | 6.53% | 12/31/2014 |
| | Luxon Global 60-40 net | -0.61% | -0.30% | 6.94% | 6.58% | 6.27% | 12/31/2014 |
| | 60% MSCI ACWI NR 40% BC Gbl Agg | -0.79% | -0.82% | 6.94% | 6.06% | 5.28% | 12/31/2014 |
| | Luxon Global 60-40 Blended Benchmark | 0.52% | 0.08% | 7.30% | 6.53% | 5.90% | 12/31/2014 |
| 50/50 | Luxon Global 50-50 | -0.79% | -0.60% | 5.91% | 6.15% | 5.91% | 12/31/2014 |
| | Luxon Global 50-50 net 0.25% | -0.85% | -0.72% | 5.64% | 5.89% | 5.64% | 12/31/2014 |
| | 50% MSCI ACWI NR 50% BC Gbl Agg | -1.12% | -0.93% | 6.00% | 5.50% | 4.64% | 12/31/2014 |
| | Luxon Global 50-50 Blended Benchmark | 0.28% | -0.03% | 6.20% | 5.76% | 5.18% | 12/31/2014 |
| 30/70 | Luxon Global 30-70 | -1.44% | -1.52% | 3.42% | 4.51% | 4.40% | 12/31/2014 |
| | Luxon Global 30-70 net 0.25% | -1.50% | -1.64% | 3.16% | 4.24% | 4.14% | 12/31/2014 |
| | 30% MSCI ACWI NR 70% BC Gbl Agg | -1.79% | -1.13% | 4.14% | 4.36% | 3.32% | 12/31/2014 |
| | Luxon Global 30-70 Blended Benchmark | -0.15% | -0.30% | 3.97% | 4.24% | 3.77% | 12/31/2014 |
| ALL BOND | Luxon Global All Bond | -2.14% | -2.60% | -0.20% | 2.16% | 2.23% | 12/31/2014 |
| | Luxon Global All Bond net 0.25% | -2.20% | -2.73% | -0.45% | 1.90% | 1.98% | 12/31/2014 |
| | 100% BC Gbl Agg | -2.78% | -1.46% | 1.36% | 2.58% | 1.30% | 12/31/2014 |
| | Luxon Global All Bond Blended Benchmark | -1.03% | -1.01% | 0.39% | 1.79% | 1.49% | 12/31/2014 |
| ALT. | Luxon Global Alternatives | -1.56% | -2.20% | 2.44% | - | 2.60% | 5/31/2017 |
| | Luxon Global Alternatives net 0.25% | -1.62% | -2.32% | 2.19% | - | 2.34% | 5/31/2017 |
| | Wilshire Focused Lqd Alt | 0.21% | -0.45% | 2.18% | - | 2.28% | 5/31/2017 |
| 70/00/30 | Luxon Global 70-0-30 Alt Blend | -0.55% | - | - | - | -4.37% | 1/31/2018 |
| | Luxon Global 70-0-30 Alt Blend net 0.25% | -0.61% | - | - | - | -4.47% | 1/31/2018 |
| | 70%ACWI 0%Gbl Agg 30%Wil Fcsd Alt | 0.44% | - | - | - | -4.64% | 1/31/2018 |
| | Luxon Global 70-0-30 Blended Benchmark | 0.88% | - | - | - | -4.20% | 1/31/2018 |
| 60/20/20 | Luxon Global 60-20-20 Alt Blend | -0.67% | - | - | - | -4.19% | 1/31/2018 |
| | Luxon Global 60-20-20 Alt Blend net 0.25% | -0.73% | - | - | - | -4.29% | 1/31/2018 |
| | 60%ACWI 20%GblAgg 20%Wil Fcsd Alt | -0.19% | - | - | - | -4.36% | 1/31/2018 |
| | Luxon Global 60-20-20 Blended Benchmark | 0.49% | - | - | - | -3.70% | 1/31/2018 |

Past performance is not indicative of future results. See disclosure for relevant Benchmark information. Returns are annualized for periods of 1 year or greater.

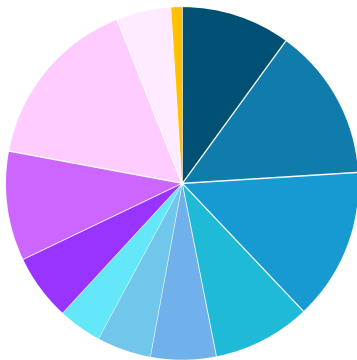
PORTFOLIO WEIGHTS

| | | ALL EQUITY | 80/20 | 70/30 | 60/40 | 50/50 | 30/70 | ALL BOND | ALT | 60-20-20 | 70-00-30 |
|--------------------------|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| TICKER | EQUITY FUND NAME | | | | | | | | | | |
| AUEIX | AQR LARGE CAP DEFENSIVE STYLE I | 4 | 4 | 3 | 3 | 3 | 3 | 0 | 0 | 3 | 3 |
| APHKX | ARTISAN INTERNATIONAL VALUE INSTL | 6 | 5 | 4 | 4 | 3 | 3 | 0 | 0 | 4 | 4 |
| DODFX | DODGE & COX INTERNATIONAL STOCK | 6 | 4 | 4 | 3 | 3 | 0 | 0 | 0 | 3 | 4 |
| JVLIX | JHANCOCK DISCIPLINED VALUE I | 7 | 6 | 5 | 5 | 4 | 3 | 0 | 0 | 5 | 5 |
| JVMIX | JHANCOCK DISCIPLINED VALUE MID CAP I | 6 | 3 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 0 |
| GICIX | GOLDMAN SACHS INTL SM CP INSGHTS INSTL | 5 | 4 | 4 | 3 | 3 | 3 | 0 | 0 | 3 | 4 |
| GOGIX | JHANCOCK INTERNATIONAL GROWTH I | 10 | 7 | 7 | 6 | 5 | 0 | 0 | 0 | 6 | 7 |
| VSEIX | JPMORGAN SMALL CAP EQUITY I | 5 | 4 | 3 | 3 | 4 | 0 | 0 | 0 | 3 | 3 |
| JMUEX | JPMORGAN US EQUITY L | 6 | 6 | 6 | 4 | 4 | 3 | 0 | 0 | 4 | 6 |
| POGRX | PRIMECAP ODYSSEY GROWTH | 7 | 6 | 5 | 5 | 4 | 3 | 0 | 0 | 5 | 5 |
| PCBIX | PRINCIPAL MIDCAP INSTITUTIONAL | 3 | 3 | 3 | 4 | 3 | 0 | 0 | 0 | 4 | 3 |
| RPTIX | T. ROWE PRICE MID-CAP GROWTH I | 3 | 3 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| TQAIK | T. ROWE PRICE QM US SMALL-CAP GR EQ I | 4 | 3 | 3 | 3 | 0 | 0 | 0 | 0 | 3 | 3 |
| VEU | VANGUARD FTSE ALL-WLD EX-US ETF | 10 | 7 | 7 | 6 | 3 | 3 | 0 | 0 | 6 | 7 |
| VUG | VANGUARD GROWTH ETF | 7 | 6 | 5 | 4 | 4 | 3 | 0 | 0 | 4 | 5 |
| VOE | VANGUARD MID-CAP VALUE ETF | 3 | 3 | 3 | 3 | 3 | 0 | 0 | 0 | 3 | 3 |
| VTV | VANGUARD VALUE ETF | 7 | 6 | 5 | 4 | 4 | 3 | 0 | 0 | 4 | 5 |
| EQUITY SUBTOTAL % | | 99 | 80 | 70 | 60 | 50 | 30 | 0 | 0 | 60 | 70 |
| TICKER | BOND FUND NAME | | | | | | | | | | |
| *CASH* | BBGBARC US TREASURY BILL 1-3 MON TR USD | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| DBLFX | DOUBLELINE CORE FIXED INCOME I | 0 | 3 | 4 | 5 | 6 | 10 | 14 | 0 | 4 | 0 |
| DIBRX | DREYFUS INTERNATIONAL BOND I | 0 | 3 | 3 | 5 | 6 | 8 | 9 | 0 | 3 | 0 |
| ICSH | ISHARES ULTRA SHORT-TERM BOND ETF | 0 | 4 | 3 | 5 | 6 | 7 | 10 | 10 | 3 | 5 |
| FPNIX | FPA NEW INCOME | 0 | 0 | 3 | 3 | 4 | 5 | 8 | 0 | 0 | 0 |
| OIBIX | OPPENHEIMER INTERNATIONAL BOND I | 0 | 3 | 4 | 5 | 7 | 10 | 17 | 0 | 3 | 0 |
| OUSIX | OPPENHEIMER LIMITED TERM BOND I | 0 | 0 | 3 | 3 | 4 | 6 | 10 | 0 | 0 | 0 |
| PIMIX | PIMCO INCOME INSTL | 0 | 3 | 3 | 5 | 6 | 8 | 10 | 0 | 3 | 0 |
| BIV | VANGUARD INTERM-TERM BOND ETF | 0 | 3 | 3 | 3 | 4 | 7 | 11 | 0 | 0 | 0 |
| WACPX | WESTERN ASSET CORE PLUS BOND I | 0 | 0 | 3 | 5 | 6 | 8 | 10 | 0 | 3 | 0 |
| BOND SUBTOTAL % | | 1 | 20 | 30 | 40 | 50 | 70 | 100 | 11 | 20 | 6 |
| TICKER | ALTERNATIVE FUND NAME | | | | | | | | | | |
| QMNIX | AQR EQUITY MARKET NEUTRAL I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12 | 0 | 5 |
| QLEIX | AQR LONG-SHORT EQUITY I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 0 |
| BPIRX | BOSTON PARTNERS LONG/SHORT RSRCH INST | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12 | 0 | 0 |
| EIGMX | EATON VANCE GLBL MACR ABSOLUTE RETURN | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15 | 4 | 7 |
| GTEYX | GATEWAY Y | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15 | 0 | 0 |
| GLSOX | GLENMEDE SECURED OPTIONS INSTITUTIONAL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 20 | 6 | 6 |
| JHEQX | JPMORGAN HEDGED EQUITY I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15 | 6 | 6 |
| ALT SUBTOTAL % | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 89 | 20 | 24 |
| GRAND TOTAL % | | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |



PORTFOLIO WEIGHTS

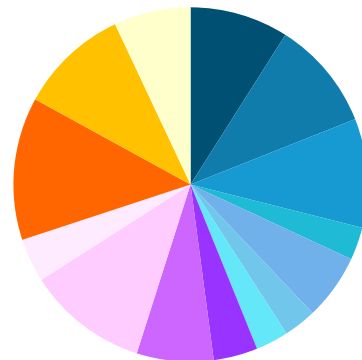
ALL EQUITY



80/20



70/30



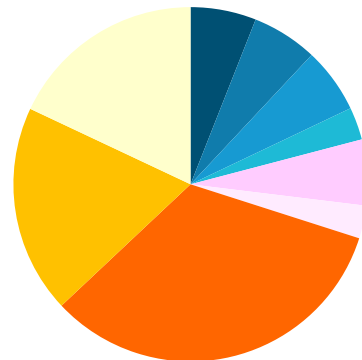
60/40



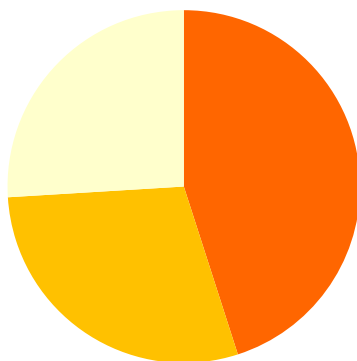
50/50



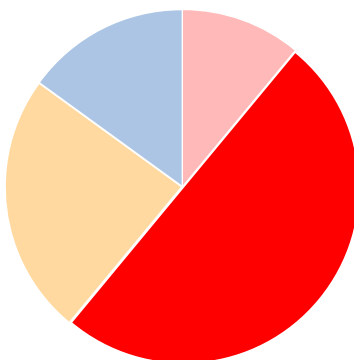
30/70



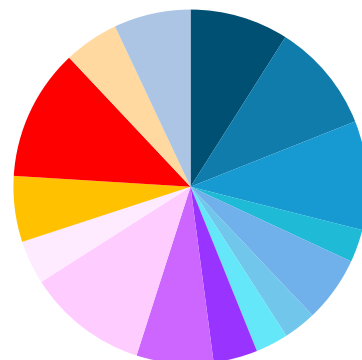
ALL BOND



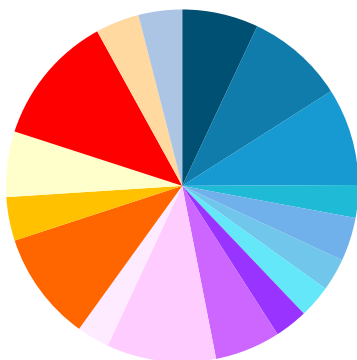
ALTERNATIVE



70/00/30



60/20/20



LEGEND

- US LARGE CAP CORE
- US LARGE CAP VALUE
- US LARGE CAP GROWTH
- US MID CAP VALUE
- US MID CAP GROWTH
- US SMALL CAP CORE
- US SMALL CAP GROWTH
- INT'L LARGE CAP VALUE
- INT'L LARGE CAP GROWTH
- INT'L LARGE CAP CORE
- INT'L SMALL CAP
- US FIXED INCOME CORE
- US FIXED INCOME SHORT
- INT'L FIXED INCOME
- OPTIONS HEDGED EQUITY
- LONG SHORT EQUITY
- GLOBAL MACRO



PORTFOLIO WEIGHT CHANGES DURING Q2

| | | ALL EQUITY | 80-20 | 70-30 | 60-40 | 50-50 | 30-70 | ALL BOND | ALT | 60-20-20 | 70-00-30 |
|--|---|------------|----------|-----------|-----------|-----------|-----------|----------|------------|----------|----------|
| PORTFOLIO WEIGHT CHANGES DURING Q2 | | | | | | | | | | | |
| TICKER | EQUITY FUND NAME | | | | | | | | | | |
| AUEIX | AQR LARGE CAP DEFENSIVE STYLE I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| APHKX | ARTISAN INTERNATIONAL VALUE INSTL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| DODFX | DODGE & COX INTERNATIONAL STOCK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| JVLIX | JHANCOCK DISCIPLINED VALUE I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| JVMIX | JHANCOCK DISCIPLINED VALUE MID CAP I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| GICIX | GOLDMAN SACHS INTL SM CP INSGHTS INSTL | 5 | 4 | 4 | 3 | 3 | 3 | 0 | 0 | - | - |
| GOGIX | JHANCOCK INTERNATIONAL GROWTH I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| VSEIX | JPMORGAN SMALL CAP EQUITY I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| JMUEX | JPMORGAN US EQUITY L | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| MINIX | MFS® INTERNATIONAL VALUE I | -5 | -4 | -4 | -3 | -3 | -3 | 0 | 0 | - | - |
| POGRX | PRIMECAP ODYSSEY GROWTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| PCBIX | PRINCIPAL MIDCAP INSTITUTIONAL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| RPTIX | T. ROWE PRICE MID-CAP GROWTH I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| TQAIX | T. ROWE PRICE QM US SMALL-CAP GR EQ I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| VEU | VANGUARD FTSE ALL-WLD EX-US ETF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| VUG | VANGUARD GROWTH ETF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| VOE | VANGUARD MID-CAP VALUE ETF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| VTV | VANGUARD VALUE ETF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| | EQUITY SUBTOTAL % | 0 | 0 | 1 | 1 | 1 | 1 | 0 | 0 | - | - |
| TICKER | BOND FUND NAME | | | | | | | | | | |
| *CASH* | BBGBARC US TREASURY BILL 1-3 MON TR USD | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| DBLFX | DOUBLELINE CORE FIXED INCOME I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| DIBRX | DREYFUS INTERNATIONAL BOND I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| FPNIX | FPA NEW INCOME | 0 | 0 | 3 | 3 | 4 | 5 | 8 | 0 | - | - |
| ICSH | ISHARES ULTRA SHORT-TERM BOND ETF | 0 | 0 | 0 | 1 | 1 | 1 | 1 | 10 | - | - |
| OIBIX | OPPENHEIMER INTERNATIONAL BOND I | 0 | 0 | -1 | -1 | -1 | -1 | -1 | 0 | - | - |
| OUSIX | OPPENHEIMER LIMITED TERM BOND I | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | - | - |
| PIMIX | PIMCO INCOME INSTL | 0 | 0 | -1 | -1 | -2 | -2 | -4 | 0 | - | - |
| PIGIX | PIMCO INVESTMENT GRADE CORP BD INSTL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| BIV | VANGUARD INTERM-TERM BOND ETF | 0 | 0 | 0 | -1 | 0 | 0 | -1 | 0 | - | - |
| WACPX | WESTERN ASSET CORE PLUS BOND I | 0 | 0 | -1 | -1 | -2 | -3 | -4 | 0 | - | - |
| | BOND SUBTOTAL % | 0 | 0 | -1 | -1 | -1 | -1 | 0 | 10 | - | - |
| TICKER | ALT FUND NAME | | | | | | | | | | |
| QMNIX | AQR EQUITY MARKET NEUTRAL I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -11 | - | - |
| QLEIX | AQR LONG-SHORT EQUITY I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| BPIRX | BOSTON PARTNERS LONG/SHORT RSRCH INSTI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -10 | - | - |
| EIGMX | EATON VANCE GLBL MACR ABSOLUTE RETURN | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| GTEYX | GATEWAY Y | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | - | - |
| GLSOX | GLENMEDE SECURED OPTIONS INSTITUTIONAL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 7 | - | - |
| JHEQX | JPMORGAN HEDGED EQUITY I | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | - | - |
| | ALT SUBTOTAL % | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -10 | - | - |
| | GRAND TOTAL % | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| <p>NOTES: WEIGHTINGS ARE PRESENTED AS OF THE MOST RECENT ALLOCATION DATE, PLUS OR MINUS MARKET GAINS IN THAT POSITION SINCE THE LAST REBALANCE. FOR EXAMPLE, A 10% POSITION ALLOCATED ON 6/30 THAT APPRECIATES 10% WILL SHOW IN THE FACTSHEET AT 11% ON 6/30 IF NO OTHER CHANGES ARE MADE. BECAUSE OF THIS, YOU MAY SEE EQUITY AND BOND TOTALS FLUCTUATE BETWEEN PERIODS</p> | | | | | | | | | | | |



DISCLOSURES

If applicable, the net expense ratio has been applied to the calculation of the average weighted expense ratio.

Indexes are unmanaged and used for illustrative purposes only and are not intended to be indicative of any fund or the managed model's performance. It is not possible to invest directly in an index.

Luxon Global Models are proprietary products of Luxon Asset Management, LLC, Luxon Asset Management is a subsidiary of Luxon Financial Holdings, LLC.

The below Models included in this document have been independently verified by ACA Performance Services, LLC for the period of 1/1/15 - 12/31/17. Independent Performance Certification Reports for each Model are available upon request by contacting info@luxonglobal.com. Performance shown after 12/31/17, though believed to be accurate, have not been independently verified. Luxon plans to have ongoing performance audits completed on these models annually.

Luxon Global All Bond Model: The Luxon Global All Bond Model seeks to conserve capital while generating income. The Model's target allocations provide investors with a wide range of global fixed income and alternative investments. The Long-Term Benchmark is Barclays Global Aggregate Bond Index. The Variable Blend Benchmark is shown as additional information. Currently (12/31/17) 22% Barclays Global Aggregate ex USD Bond Index and 78% Barclays USA Intermediate Aggregate Bond Index, blended quarterly.

Luxon Global 30/70 Model: The Luxon Global 30/70 Model seeks to generate income while maintaining some modest growth in invested capital. The Model's target allocations provide investors with a 30% allocation to equities and 70% allocation to fixed income investments. The Long-Term Benchmark is a blended benchmark of 30% MSCI ACWI (Net) Index, and 70% Barclays Global Aggregate Bond Index, blended on a quarterly. The Variable Blend Benchmark is shown as additional information. Currently (12/31/17) 5% MSCI AWCI ex USA (Net) Index, 25% MSCI USA Index, 16% Barclays Global Aggregate ex USD Bond Index, and 54% Barclays USA Intermediate Aggregate Bond Index, blended quarterly.

Luxon Global 50/50 Model: The Luxon Global 50/50 Model seeks to grow invested capital while generating in come. The Model's target allocations provide investors with a balanced 50% allocation to equities and 50% allocation to fixed income investments. The Long-Term Benchmark is a blended benchmark of 50% MSCI ACWI (Net) Index, and 50% Barclays Global Aggregate Bond Index, blended quarterly. The Variable Blend Benchmark is shown as additional information. Currently (12/31/18) 9% MSCI AWCI ex USA (Net) Index, 41% MSCI USA Index, 12% Barclays Global Aggregate ex USD Bond Index, and 38% Barclays USA Intermediate Aggregate Bond Index, blended quarterly.

Luxon Global 60/40: The Luxon Global 60/40 Model seeks to grow invested capital. The Model's target allocations provide investors with a 60% allocation to equities and 40% allocation to fixed income investments. The Long-Term Benchmark a blended benchmark of 60% MSCI ACWI (Net) Index, and 40% Barclays Global Aggregate Bond Index, blended quarterly. The Variable Blend Benchmark is shown as additional information. Currently 13% MSCI AWCI ex USA (Net) Index, 47% MSCI USA Index, 10% Barclays Global Aggregate ex USD Bond Index, and 30% Barclays USA Intermediate Aggregate Bond Index, blended quarterly.

Luxon Global 70/30 Model: The Luxon Global 70/30 Model seeks to grow invested capital. The Model's target allocations provide investors with a 70% allocation to equities and 30% allocation to fixed income investments. The Long-Term Benchmark a blended benchmark of 70% MSCI ACWI (Net) Index, and 30% Barclays Global Aggregate Bond Index, blended quarterly. The Variable Blend Benchmark is shown as additional information. Currently (12/31/17) 16% MSCI AWCI ex USA (Net) Index, 54% MSCI USA Index, 8% Barclays Global Aggregate ex USD Bond Index, and 22% Barclays USA Intermediate Aggregate Bond Index.

Luxon Global 80/20 Model: The Luxon Global 80/20 Model seeks to grow invested capital. The Model's target allocations provide investors with an 80% allocation to equities and 20% allocation to fixed income investments. The Long-Term Benchmark is a blended benchmark of 80% MSCI ACWI (Net) Index, and 20% Barclays Global Aggregate Bond Index, blended quarterly. The Variable Blend Benchmark is shown as additional information. Currently (12/31/17) 18% MSCI AWCI ex USA (Net) Index, 62% MSCI USA Index, 4% Barclays Global Aggregate ex USD Bond Index, and 16% Barclays USA Intermediate Aggregate Bond Index, blended quarterly.

Luxon Global All Equity: The Luxon Global All Equity Model seeks to aggressively grow invested capital. The Long-Term Benchmark is MSCI ACWI (Net) Index. The Variable Blend Benchmark is shown as additional information. Currently (12/31/17) 26% MSCI AWCI ex USA (Net) Index and 74% MSCI USA Index.

DISCLOSURES

Luxon Global Alternatives Model performance has been independently audited by ACA Performance Services, LLC for a period of 5/1/17 - 12/31/17. Independent Performance Certification Reports for each Model are available upon request by contacting info@luxonglobal.com.

Luxon Global Alternatives Model: The Luxon Global Alternatives Model is designed to complement traditional equity/bond allocations. The Model invests only in daily liquid 40 act funds - currently mutual funds or ETFs. For comparison purposes, the Model is measured against the Wilshire Focused Liquid Alternative Index. The Wilshire Focused Liquid Alternative Index is shown as additional information.

The performance for the below models have not yet been independently verified by a third party.

Luxon Global 60/20/20 Model: The Luxon Global 60/20/20 model is designed to complement traditional equity/bond allocations. The Model invests only in daily liquid 40 act funds - currently mutual funds or ETFs. The Variable Blend Benchmark is shown as additional information. Currently (3/31/18) 6% BBgBarc Gbl Agg Ex USD TR USD, 14% BBgBarc US Agg Interm TR USD, 22% MSCI ACWI Ex USA NR USD, 38% MSCI USA NR USD, 20% Wilshire Focused Lqd Alternative TR USD.

Luxon Global 70/00/30 Model: The Luxon Global 70/00/30 model is designed to complement traditional equity/bond allocations. The Model invests only in daily liquid 40 act funds - currently mutual funds or ETFs. The Variable Blend Benchmark is shown as additional information. Currently (3/31/18) 26% MSCI ACWI Ex USA NR USD, 44% MSCI USA NR USD, 30% Wilshire Focused Lqd Alternative TR USD.

Past performance does not guarantee or indicate future results. All investment strategies have the potential for profit or loss. Any performance information included herein represents the performance achieved by Luxon Asset Management as a discretionary investment manager with trade implementation responsibility for the accounts included in the performance composite. The performance shown does not reflect the performance of Model-Based Program accounts managed by a Sponsor utilizing Luxon's non-discretionary investment recommendations. In Model-Based Programs, although it is generally contemplated that the Sponsor will implement Luxon's investment recommendations in Program accounts, the performance of such accounts may differ from the performance shown for a variety of reasons, including but not limited to: the Sponsor, and not Luxon, is responsible for implementing trades in the accounts; differences in market conditions; client-imposed investment restrictions; the timing of client investments and withdrawals; fees payable by Model-Based Program accounts; and/or other factors.

Composite and benchmark/index performance results reflect realized and unrealized appreciation and the reinvestment of dividends, interest, and/or capital gains. Taxes have not been deducted. Gross composite returns do not reflect actual performance because they do not reflect the deduction of any fees or expenses. Certain performance figures do not reflect the deduction of investment advisory fees (please refer to Part 2 of Luxon Asset Management's Form ADV) in the case of both separate investment accounts and mutual funds; but they do reflect commissions, other expenses (except custody), and reinvestment of earnings. Such fees that a client may incur in the management of their investment advisory account may reduce the client's return. The "net of fees" performance figures reflect the deduction of investment advisory, custodial and trading fees, but does not include advisor fee. All periods longer than one year are annualized. Net composite returns reflect the deduction of an annual fee of .25% typically deducted quarterly. Due to the compounding effect of these fees, annual net composite returns may be lower than stated gross returns less stated annual fee. Index returns do not reflect transaction costs or the deduction of fees and it is not possible to invest directly in an index. This material has been created by Luxon Asset Management and the information included herein has not been verified by your program sponsor and may differ from information provided by your program sponsor. This material must be preceded or accompanied by the manager profile, which you can obtain from your Financial Advisor.

Luxon Asset Management ("Luxon") acts as a discretionary investment manager or non-discretionary model provider in a variety of separately managed account or wrap fee programs (each, an "SMA Program") sponsored either by Luxon or a third-party investment advisor, broker-dealer or other financial services firm (a "Sponsor"). When acting as a discretionary investment manager, Luxon is responsible for implementing trades in SMA Program accounts. When acting as a non-discretionary model provider, Luxon's responsibility is limited to providing non-discretionary investment recommendations (in the form of model portfolios) to the SMA Program Sponsor, and the Sponsor may utilize such recommendations in connection with its management of SMA Program accounts. In such "model-based" SMA Programs ("Model-Based Programs"), it is the Sponsor, and not Luxon, which serves as the investment manager to, and has trade implementation responsibility for, the Model-Based Program accounts.