

Glossary of terms

Alpha: Is a measure of the excess return of a fund over an index.

Beta: Is a measure of a fund's volatility relative to market movements. A measure of risk adjusted performance calculated by subtracting the risk-free rate from the rate of return of the portfolio and dividing the result by the standard deviation of the portfolio returns. A risk free rate of 2.00% was used in this calculation.

Standard Deviation: Is a statistical measurement of volatility risk based on historical returns.

Sharpe Ratio: Is the average return earned in excess of the risk-free rate per unit of volatility or total risk.

Maximum Drawdown: Represents the largest peak-to-trough decline during a specific period of time.

Correlation: Is a measure of how two investments move in relation to each other.

Up and Down Capture Ratios: Reflect how a particular investment performed when a specific index has either risen or fallen.

Long Positions: Entail purchasing securities with the intention of holding them in anticipation of a price increase. The inherent risk is a decrease in the price of the security that may result in a loss.

Short Positions: Entail borrowing securities with the intention of holding them in anticipation of a price decrease. The inherent risk is an increase in the price of the security that may result in a loss.

Cumulative Performance: The aggregate amount that an investment has gained or lost over time, independent of the period of time involved.

S&P 500 Index ("S&P 500"): An index consisting of 500 stocks chosen from market size, liquidity and industry group representation, among other factors, the S&P 500 is designed to be a leading indicator of U.S. equities, and it is meant to reflect the risk/return characteristics of the large-cap universe.

Dow Jones Industrial Index (DJIA): A price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the Nasdaq.

HFRX Equity Hedge Index: Measures investment strategies that maintain positions both long and short in primarily equity and equity derivative securities.

MSCI EAFE: Represents larger capitalization stocks from developed Europe, Asia and the Far East.

MSCI Emerging Markets: is a capitalization weighted index representing stocks from emerging markets countries as classified by MSCI.

Russell 2000: Represents the small capitalization stocks in the US stock market.

Barclays Aggregate Bond Index: A market capitalization weighted index used to represent investment grade bonds being traded in the United States. **Moving Average Convergence Divergence (MACO):** A trend -following momentum indicator that shows the relationship between two moving averages of prices. **Alternative investments may not be suitable for all investors. PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.**