

HARNESSING MOMENTUM FOR CLIENT PORTFOLIOS



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The description of risks identified with in this presentation are limited and does not identify or fully describe all risks associated with the investments which QA's investment strategies may make. In addition to the investment risks described in QA's Form ADV disclosure brochure (see disclosures for information on how to obtain a copy), you will find disclosure regarding the specific risks associated with the ETFs and mutual funds in which QA invests in their prospectuses, which are available from the sponsors of the ETFs and mutual funds. Investors should consider the investment objectives, risks, charges, and expenses of the ETFs and mutual funds carefully before investing.

Please review the important disclosures at the end of the presentation, and let us know if you have any questions.

WHO WE ARE

- Unique **momentum-based** investment discipline
- **Founded in 2000** — a 15-year track record
- **Global, tactical, ETF-based investment manager**

Equity

Balanced

Fixed income

“Flex” Overlay

Alternative

QUANTITATIVE ADVANTAGE

INVESTMENT PRINCIPLES



INVESTMENT PRINCIPLES

Investment leadership rotates over time.

Economic and market forecasting is extremely difficult.

Investor expectations and behavior drive trends in asset prices.

Momentum provides insight into potential future opportunities and risks.

LEADERSHIP ROTATION = POTENTIAL OPPORTUNITY

US Equity Styles

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
MV -10.1	MV 40.2	SV 23.2	MG 13.6	LV 20.8	MG 13.5	SV -29.5	MG 41.1	MG 30.6	LG 4.7	MV 18.5	SG 42.7	LG 14.9	LG 5.5
SV -14.5	SV 40.0	SG 22.0	MV 11.5	SV 19.6	LG 9.1	SG -32.9	MV 33.7	SG 28.0	SG 3.6	SV 18.2	SV 40.0	LV 12.4	SG 2.8
SG -15.4	SG 37.3	MV 18.9	SG 9.2	MV 14.6	SG 5.6	MV -34.9	LG 31.6	SV 24.7	LV -0.5	LV 17.7	MV 34.3	MV 12.1	MG 2.0
MG -19.2	LV 31.8	LV 15.7	SV 6.2	LG 11.0	MV 2.6	LG -34.9	SG 28.4	MV 22.8	MG -0.9	MG 17.3	MG 32.8	MG 7.6	LV -3.1
LV -20.9	MG 31.0	MG 14.0	LV 5.8	SG 10.5	LV 2.0	MG -37.6	SV 22.8	LV 15.1	SV -1.4	LG 14.6	LG 32.8	SV 7.5	MV -6.7
LG -23.6	LG 25.7	LG 6.1	LG 4.0	MG 5.8	SV -5.5	LV -39.2	LV 21.2	LG 15.1	MV -2.4	SG 14.6	LV 32.0	SG 3.9	SV -6.7
13.5	14.5	17.1	9.6	15.0	19.0	9.7	19.9	15.5	7.1	3.9	10.7	11.0	12.2

KEY: LG = S&P 500 Growth Index; MG = S&P MidCap 400 Growth Index; SG = S&P SmallCap 600 Growth Index; LV = S&P 500 Value Index; MV = S&P MidCap 400 Value Index; SV = S&P SmallCap 600 Value Index

These numbers show the annual difference in returns between the “leaders” and “laggards.” The gap is significant and highlights the impact of selecting investments for your portfolio.

Indices are unmanaged and cannot be invested into directly. Past performance is no guarantee of future results: Source: Morningstar.

QUANTITATIVE ADVANTAGE

INVESTMENT PROCESS



INVESTMENT PROCESS

Adaptive, Momentum-Based



RIGOROUS • DISCIPLINED • SYSTEMATIC • REPEATABLE

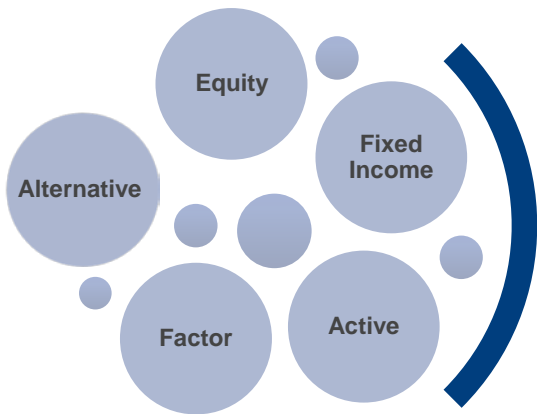
INVESTMENT PROCESS

2 IDENTIFY

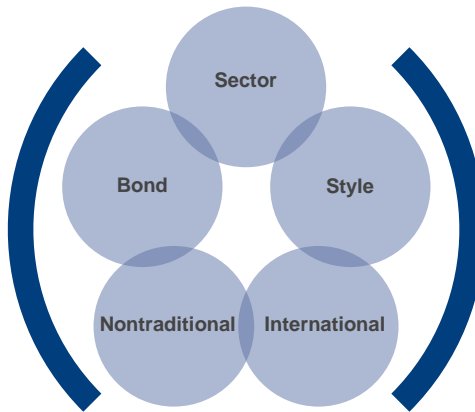
QA identifies momentum-based opportunities.

Momentum-Based Discipline

Marketplace of
1,400+ ETFs



QA Strategy
Sleeves



ETF Due Diligence

Application of Momentum Process



QA Normalized Momentum Score

INVESTMENT PROCESS

3 SELECT

QA selects investments showing the most promise.

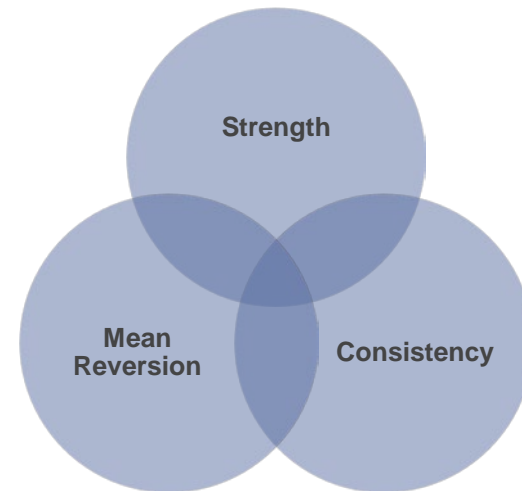
QA Normalized Momentum Score



Portfolio Management Review



Portfolio Holdings



QUANTITATIVE ADVANTAGE

INVESTMENT STRATEGIES



INVESTMENT STRATEGIES

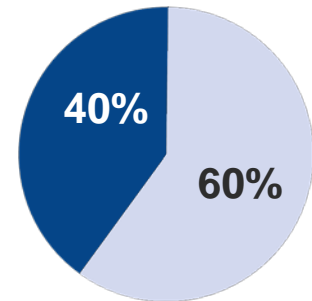
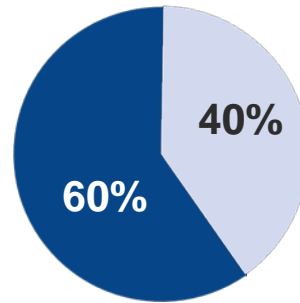
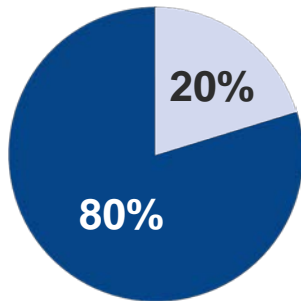
Tactical Management Within Strategic Weightings

Equity

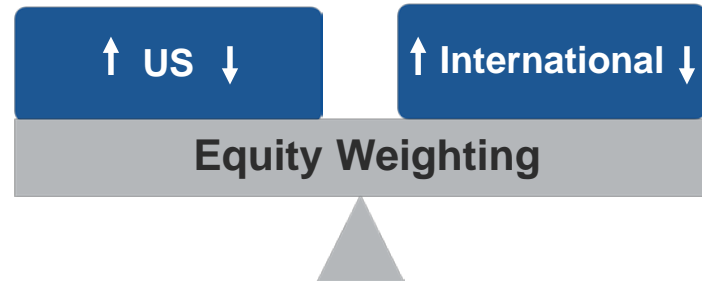


- US Styles
- US Sectors
- International Regions

Global Balanced



■ Global Equity ■ Fixed Income



INVESTMENT STRATEGIES

Flex Strategies

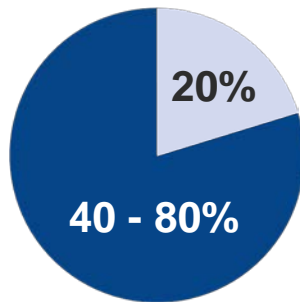
- Versions of the Equity and Global Balanced strategies with an additional tactical overlay
- Seek to provide a measure of downside protection by managing the overall range of equity exposure

Global Equity Flex

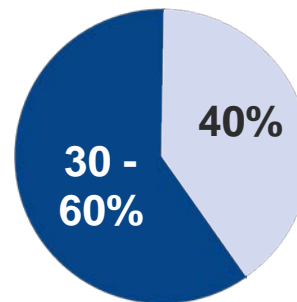


Global Balanced Flex

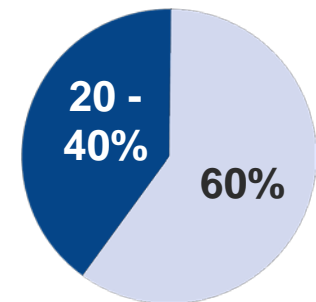
Growth



Moderate



Conservative



■ Global Equity ■ Fixed Income

INVESTMENT STRATEGIES

Tactical All Market Strategy

Seeks reduced volatility relative to global equity markets and low correlation to traditional asset classes

Multiple Asset Class Opportunities

15 holdings selectively diversified among traditional and alternative asset classes

Long Equities
(up to 5 positions)

TRADITIONAL

Fixed Income
(up to 4 positions)

Short Equities
(up to 5 positions)

ALTERNATIVE

Currencies
(up to 4 positions)

Commodities
(up to 4 positions)

Real Estate
(up to 4 positions)

To maintain diversification, this strategy will always hold positions in at least four of the six asset classes

No strategy assures success or protects against loss. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. A strategy with alternative exposure carries a higher degree of risk. Alternative asset classes are subject to potentially greater risks than other asset categories including leverage, liquidity, counterparty and credit risks, fluctuations in exchange rates, changing economic conditions and price fluctuation. Please see the important disclosures on the next page for risks associated with alternative investments.

The fast price swings in commodities and currencies will result in significant volatility in an investor's holdings. Long positions may decline as short positions rise, thereby accelerating potential losses to the investor. Investing in Real Estate Investment Trusts (REITs) involves special risks such as potential illiquidity and may not be suitable for all investors. There is no assurance that the investment objectives of this program will be attained. Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and bonds are subject to availability and change in price. Stock investing involves risk including loss of principal. Currencies investing may expose investors to significant potential losses.

WHY USE QA?

- **Empirical approach** as foundation for investment discipline and process
- **Proprietary application** of momentum principles
 - Multiple intervals of momentum analysis
 - Unique to each universe of ETFs examined
- Seeks to **capture rotation** within multiple segments of the global capital markets
- 15-year track record

DISCLOSURES

About QA

Quantitative Advantage, LLC (QA) is an investment advisor registered with the Securities and Exchange Commission and is a limited liability company organized in the state of Minnesota. Registration of an investment advisor does not imply any specific level of skill or training.

QA claims compliance with the Global Investment Performance Standards ("GIPS®"). To receive QA's complete list of composites, composite descriptions, and/or a presentation that complies with the GIPS® standards, contact QA by calling 800-397-4002, or write to 10400 Yellow Circle Drive, Suite 303, Minnetonka, MN 55343, or compliance@QAglobal.net. For the purposes of determining firm assets and firm-wide compliance with the GIPS® standards, the firm is defined as all accounts managed on a discretionary or non-discretionary basis by QA, excluding insurance products.

This information has been prepared by QA, is provided for informational purposes only and does not constitute investment advice. It contains general information, is not suitable for everyone and is subject to change without notice.

For more information about QA, its investment programs, fees, and the risks associated with the investments which QA's investment strategies may make, please review QA's Form ADV disclosure brochure which is available at www.QAglobal.net, or upon request by telephone at 800-397-4002 or by e-mail to compliance@QAglobal.net. Please review the Form ADV disclosure brochure carefully before entering into an agreement with QA.

The returns and return patterns of the indices shown in the chart on page 6 represent past performance, are not a guarantee of future performance and future returns and return patterns may vary from those shown in the chart.

An investor cannot invest directly in an index. An index's performance does not reflect the deduction of transaction costs, management fees, or other costs which would reduce returns. The index performance results provided in this presentation represent past performance and are not a guarantee of future performance. For a complete definition of the indices referenced in this presentation, please refer to the sponsor website at www.standardandpoors.com and www.hedgefundresearch.com.

Benchmark Descriptions

S&P 500 Growth Index is a stock market index based on the growth companies of the S&P 500 index.

S&P MidCap 400 Growth Index is a stock market index based on growth companies of the S&P MidCap 400®.

S&P SmallCap 600 Growth Index is a stock market index based on growth companies of the S&P SmallCap 600®.

S&P Value Index is a stock market index based on on large-capitalization companies that exhibit value characteristic. Constituents are drawn from the S&P 500®.

S&P MidCap 400 Value Index is a stock market index based on mid- capitalization companies that exhibit value characteristics. Constituents are drawn from the S&P MidCap 400.

S&P SmallCap 600 Value Index is a stock market index based on small-capitalization companies that exhibit value characteristics. Constituents are drawn from the S&P SmallCap 600®.

The HFRX Global Hedge Fund Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies, including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry. The HFRX Global Hedge Fund Index is being used under license from Hedge Fund Research, Inc., which does not endorse or approve of any of the contents of this report.

Investment Strategies

QA's investment strategies, like most investment strategies, involve the risk of loss of principal that clients should be prepared to bear. In all cases, investment returns and principal value will fluctuate and are subject to market volatility, so that a client's investment, when sold, may be worth more or less than the original cost. Various types of investments involve different kinds of risk, and there is no assurance that any investment strategy will be profitable. There is no guarantee that QA's investment philosophy, Global Investment System and investment strategies will be successful or that the opinions expressed by QA will prove to be true. All holdings within QA's investment strategies are subject to change at any time without notice. Asset allocation does not ensure a profit or protect against a loss.

DISCLOSURES

Past performance of QA's investment strategies is not a guarantee of future performance results. You should not assume that future performance results will be profitable or equal to QA's past performance. Some of QA's investment strategies have a limited performance history. The use of QA's investment strategies may be appropriate for certain investors as part of their overall investment strategy. However, the use of investment strategies is not a substitute for personalized investment advice and investors should consult with their advisors before implementing any investment strategy. No strategy assures a profit or protects against a loss.

QA's investment strategies are often implemented using exchange-traded funds (ETFs) and/or mutual funds, which are subject to risks similar to those of other publicly-traded shares, including loss of principal, price volatility, competitive industry pressures, possible trading halts and global, political and economic developments. These risks may be magnified in funds with concentrated holdings. In other cases, QA's investment strategies invest in mutual funds, which share many of these risks. While mutual funds are not traded on an exchange, and are therefore not subject to possible trading halts, investments in mutual funds do involve risks including loss of principal, price volatility, competitive industry pressures, delays in payments of redemption proceeds for up to seven days and global, political and economic developments.

In addition, many ETFs and mutual funds in which QA's investment strategies may invest are exposed to various other risks often associated with index funds, including the use of derivatives, potential for high turnover, securities lending, index tracking error and other risks. While index funds are designed to provide investment results that generally correspond to their underlying indices, index funds may not be able to exactly replicate the performance of the indices because of fund-related expenses and other factors. Index ETFs may also trade at a premium or discount to their net asset values, which may give rise to additional differences relative to their underlying indices.

QA's investment strategies focus on total return. In line with this, QA does not generally take tax considerations into account in making investment decisions. In addition, QA's investment strategies (especially the QA Flex strategies) involve a high level of portfolio turnover, which may increase transaction costs, lower returns and have negative tax consequences in taxable accounts

The fast price swings in commodities and currencies will result in significant volatility in an investor's holdings. Long positions may decline as short positions rise, thereby accelerating potential losses to the investor. Investing in Real Estate Investment Trusts (REITs) involves special risks such as potential illiquidity and may not be suitable for all investors. There is no assurance that the investment objectives of this program will be attained. Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and bonds are subject to availability and change in price. Stock investing involves risk including loss of principal. Currencies investing may expose investors to significant potential losses.

Equity Investment Strategy:

QA Global Equity

Balanced Investment Strategies:

QA Global Balanced 80/20 (80% Equity, 20% Fixed Income)

QA Global Balanced 60/40 (60% Equity, 40% Fixed Income)

QA Global Balanced 40/60 (40% Equity, 60% Fixed Income)

QA's Global Equity and Global Balanced strategies seek long-term growth of capital by investing in a portfolio of global equity holdings. Portfolio holdings typically include a focused portfolio of investments providing global exposure through investments in US style, US sector and international ETFs. QA's Global Balanced strategies also seek to reduce the higher volatility associated with equity investments by strategically allocating a percentage of the portfolio to fixed income. Up to 50% of the portfolios may be invested in ETFs targeting an allocation to international markets.

Flex Investment Strategies:

QA Global Equity Flex

QA Global Balanced Flex – Growth

QA Global Balanced Flex – Moderate

QA Global Balanced Flex – Conservative

DISCLOSURES

QA's Global Equity Flex and Global Balanced Flex strategies seek long-term growth of capital by investing in a portfolio of global equity holdings. Portfolio holdings typically include a focused portfolio of investments providing global exposure through investments in US style, US sector and international ETFs. QA's Global Balanced Flex strategies also seek to reduce the higher volatility associated with equity investments by strategically allocating a percentage of the portfolio to fixed income. Up to 50% of the portfolios may be invested in ETFs targeting an allocation to international markets.

In addition, the Flex analysis seeks to provide a measure of downside protection in each of QA's Flex strategies by tactically managing the overall range of equity exposure.

The overall equity exposure in Flex strategies is based on individual position-by-position analysis. The equity exposure will fall within a range, depending on individual position decisions. The range of equity exposure in the Flex strategies is:

<u>QA Flex Strategies</u>	<u>Equity Exposure Range</u>
QA Global Equity Flex	50% to 100%
QA Global Balanced Flex - Growth	40% to 80%
QA Global Balanced Flex - Moderate	30% to 60%
QA Global Balanced Flex - Conservative	20% to 40%

While QA will generally execute Flex actions on its regular monthly trade days, QA retains full discretion to effect trades in Flex accounts at any time. In all Flex strategies, the maximum reduction in equity exposure is 50% of normal levels. The proceeds from any Flex-related reductions in equity holdings are typically invested in short-term fixed income ETFs and/or cash or cash equivalents.

Alternative Investment Strategy:

QA Tactical All Market

QA's Tactical All Market strategy seeks long-term risk-adjusted growth of capital with reduced volatility relative to the global equity markets and a low correlation to the returns of traditional asset classes, by investing in a variety of traditional and alternative asset classes.

Additional Risk Information

The description of risks identified above is limited and does not identify or fully describe all risks associated with the investments which QA's investment strategies may make. In addition to the investment risks described in QA's Form ADV disclosure brochure (see above for information on how to obtain a copy), you will find disclosure regarding the specific risks associated with the ETFs and mutual funds in which QA invests in their prospectuses, which are available from the sponsors of the ETFs and mutual funds. Investors should consider the investment objectives, risks, charges, and expenses of the ETFs and mutual funds carefully before investing.

For Model Wealth Portfolios (MWP) accounts, QA will provide model investment portfolios to LPL Financial. QA anticipates that LPL Financial will generally follow the model investment portfolios QA provides. However, LPL Financial has full discretion to invest client accounts in accordance with the model investment portfolios, and may deviate from the model investment portfolios and select other investments. In MWP accounts, LPL Financial (and not QA) exercises full investment discretion. These and other factors will result in MWP account performance being different than that of the composite.

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