

## Risk Score™

**RISK**  
**92**

Riskalyze: #SWHDG

## Investment Discipline™

The Moderate Hedge model fluctuates between investing in two holdings: an S&P 500 double-leveraged indexed ETF and cash. The ETF will return approximately twice the return of the S&P 500. Weightings in either of these holdings is determined by short- and long-term indicators that aim to predict up or down movements in the S&P 500. Two bullish signals equals 100% ETF, mixed signals 50/50, and two bearish signals 100% cash.

## Model Objective

This model's primary objective is to provide capital appreciation. When the S&P 500 is moving up, it aims to generate alpha by utilizing a double leveraged ETF that should generate greater returns than the index. When the S&P 500 is moving down, it aims to generate alpha by staying in cash and maintaining principal value while the index falls.

## Annual Returns (net of max fee)

2012*	26.93%
2013*	60.20%
2014*	25.66%
2015*	-4.86%
2016*	3.32%
2017	40.83%
2018	-1.39%

\*Backtested returns through 5/31/16

## Return Statistics

Ann. Since Inception	21.48%
Last Quarter	2.13%
Trailing 12 Months	19.37%

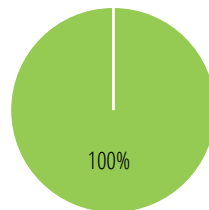
## Risk Statistics

Max Drawdown	-38.67%
Recovery Time	18.2 mos
MAR Ratio	0.56
Alpha (1 Yr)	4.05%
Beta (1 Yr)	1.31
Std Dev (1 Yr)	17.29%
Sharpe (1 Yr)	1.01

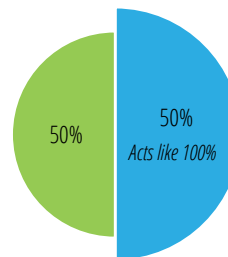
## How Moderate Hedge Uses Alpha and Omega to Your Advantage

Alpha and Omega are a pair of algorithms that generate short- and long-term forecasts of movements in the stock market. We utilize these to fluctuate the holdings in Moderate Hedge between 100% cash and 100% invested in a 2x leveraged S&P 500 ETF. With the ETF, a 1% rise in the S&P 500 would generate a return of approximately 2% in the ETF while a 1% decline in the S&P 500 would generate a return of approximately -2% in the ETF. This creates an equity exposure that ranges from 0% to 200% according to the possible stock market outlooks as shown in the pie charts to the right.

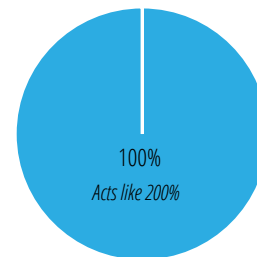
Two Bearish Signals



Mixed Signals



Two Bullish Signals



■ 2x S&P 500 ETF  
■ Cash

## Disclosures

Past results are not a guarantee or implied guarantee of future performance, returns, profit, or growth. Investors should thoroughly evaluate financial objectives, goals, and parameters such as risk tolerance with their Advisor before investing. Investment account values will be subject to fluctuation in capital markets. Fiduciary does not guarantee any level of investment performance, superior than the appropriate benchmark or otherwise.

Carefully consider the investment objectives, risk factors, and charges and expenses before investing with A Smarter Way to Invest. This and other information can be found in A Smarter Way to Invest's Form ADV Part 2A, which can be obtained from your financial advisor, by calling (810) 588-6178 or by visiting [www.ASmarterWaytoInvest.com](http://www.ASmarterWaytoInvest.com). There are risks involved with investing, including possible loss of principal.

This material is intended for both educational purposes and to promote interest in the subject matter. It does not address any individual's specific situation and is not to serve as the basis for any investment decision. The material is based on the latest information available to the public and, while deemed accurate, is not guaranteed. Numerical examples, if any, are only illustrative. Guarantees, when applicable, are backed by the financial strength and claims-paying ability of the issuing carrier. For additional information, please contact A Smarter Way to Invest directly.

Backtesting was performed using actual signals given by our investment algorithms applied to the historical security prices of the instruments actually used in this model. Trades were assumed to be applied at the closing price of the day a signal was received. Actual return data is used where available.