

Long-Short Hedge Fund

As of June 30, 2017

Fund Overview:

The Long-Short Fund is an equity strategy that employs an active investment approach that utilizes the firm's proprietary equity research methodology. The approach is *conservative* and the investment philosophy is very *traditional*. The purpose of a hedge fund is to *reduce risk*.

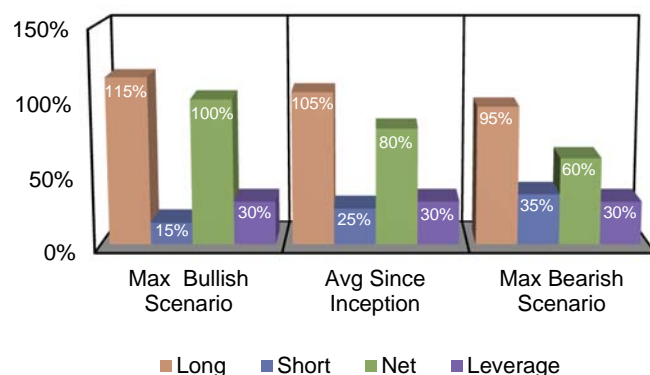
Fund Objective:

The Long-Short Hedge Fund seeks to achieve market beating returns while always maintaining some short exposure to hedge risk, enhance returns, and protect capital during adverse market conditions.

Investment Approach:

Proprietary research identifies and capitalizes on positive and negative trends in global equity market themes by stock, sector, industry group, country and market cap. This process reveals early evidence of change from both a fundamental and investor sponsorship perspective, allowing the portfolio management team to assess market opportunities and tactically adjust long/short exposure to maximize alpha and manage risk. The Fund adheres to the traditional "Jones Model" which is to: always maintain a net long exposure, always maintain short exposure to protect capital and limit the use of leverage.

Risk Guidelines



Standard Deviation	13.3%
Beta	0.67
Sharpe Ratio	0.39

Highlights

- Cumulative since inception net return of +225% vs benchmark +148%
- Generated positive return in 14 of 18 calendar years
- Outperformed benchmark in 2 out of 3 negative calendar years
- Fund management team intact since inception (July 1999)
- Fee Structure: 1%/20% with 5% hurdle and high water mark
- Minimum investment: \$500,000

Sector Exposure (Long / Short)

Consumer Discretionary	4.7%	4.5%
Consumer Staples	1.8%	3.2%
Energy	4.6%	0%
Financials	19.5%	6.2%
Health Care	17.1%	2.9%
Industrials	19.1%	3.0%
Information Technology	33.5%	3.0%
Materials	4.8%	1.5%
Utilities	2.7%	1.4%
Telecommunications	0%	0%
Thematic ETF's	0%	0%
Total	108%	26%

