The President's Letter

4TH QUARTER 2019

Even lower fees for QFC strategy investors!

By Jerry C. Wagner
President, Flexible Plan Investments

We are excited to announce our new "QFC Fee Waiver" policy for investors with at least $150,000 invested in Quantified Fee Credit (QFC) strategies or at least $100,000 invested in Turnkey QFC strategies. Under this policy, we will waive 100% of the Flexible Plan Investments (FPI) portion of your advisory fee on your QFC strategies that is in excess of the subadvisory fees paid by the Quantified and Gold Bullion Strategy Funds used in your account.

Depending on where your QFC strategies are traded, this is an additional 35% to 50% reduction in the FPI portion of your advisory fee. This is over and above the 50% to 65% credit against the FPI portion of your fees already provided by the subadvisor fee credit used by our QFC strategies (as compared to our regular FPI rate schedule).

The new policy is effective for investment services performed by FPI after December 31, 2019, on quarterly billed statements and after February 29, 2020, on monthly billed statements..

Going forward, the only fee you will be billed on these QFC strategies is the portion of the fee paid to your financial adviser.

Any portion of your current account that qualifies as of the effective date will automatically be subject to our new fee policy. *No further action from you is required.* Qualifying accounts (those with the necessary balance invested in QFC strategies) that are created or transferred after December 31, 2019 (or February 29, 2020, on monthly billed statements), will receive a pro rata fee reduction for the portion of the quarter/month that they are invested.

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This new fee policy will be applied the first quarter of 2020 (billed in April 2020 for quarterly clients and March 2020 for monthly clients). Because we bill in arrears (after our investment services have been performed), the fees for the fourth quarter of 2019 (billed in January 2020) and those billed in January and February of 2020 will not be affected.

The QFC strategies: Two levels of risk management at one low price

Our QFC strategies have two characteristics:

1. They exclusively use the funds subadvised by Flexible Plan Investments, Ltd., which include the Quantified Fund family and The Gold Bullion Strategy Fund (QGLDX).

2. Because FPI receives a subadvisory fee from these funds, they all provide a subadvisory fee credit against the FPI portion of your QFC strategy's advisory fee.

The QFC strategies also have two levels of risk and opportunity management:

1. The dynamic management employed *within* the funds used in each strategy.

2. The active management *between* the funds required by the strategies themselves.

Each strategy is designed to mimic a popular FPI strategy—but at a lower FPI advisory fee. By using the FPI subadvised funds, there are no fund restrictions, non-retirement account wash sales (see the wash sales discussion later in this newsletter), redemption fees, or minimum holding periods to interfere with the trading rules of each strategy. In addition, more cost-effective investment instruments can be used in pursuit of the fund and strategy goals of minimizing risk and maximizing opportunities.

Today there are 25 QFC strategies, which make use of our 10 subadvised funds:

Turnkey

QFC Multi-Strategy Core
- Available in 5 risk profiles

QFC Fusion 2.0
- Available in 5 risk profiles

QFC Fusion 2.0 Prime
- Available in 18 risk profiles

QFC Multi-Strategy Explore
- Equity Trends
- Low Correlation
- Low Volatility
- Special Equity

Core

QFC Multi-Strategy Core
- Available in 5 risk profiles

QFC Fusion 2.0
- Available in 5 risk profiles

QFC Fusion 2.0 Prime
- Available in 18 risk profiles

QFC Dynamic Fund Profiles
- Available in 5 risk profiles

QFC Lifetime Evolution
- Available in 5 risk profiles

QFC Market Leaders
- Available in 5 risk profiles

QFC All-Terrain
- Available in 5 risk profiles. Also available as separate Explore options.

Explore

QFC Multi-Strategy Explore
- Equity Trends
- Low Correlation
- Low Volatility
- Special Equity

QFC Classic

QFC Diversified Tactical Equity

QFC Liquid Alternatives

QFC Managed Income

QFC Political Seasonality Index

QFC S&P Pattern Recognition

QFC Select Alternatives

QFC Self-adjusting Trend Following

QFC Systematic Advantage

QFC All-Weather Dynamic - Unleveraged

QFC All-Weather Static

QFC All-Weather Dynamic - Leveraged

QFC Trivantage - Unleveraged

QFC Trivantage - Leveraged

QFC TVA Gold

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Turnkey QFC opportunities

Most advisers and clients would prefer to have someone else make their strategy selections. This is important not only when accounts are created, when the number of strategies we offer may be overwhelming, but also as our management continues.

It is rare that an investment strategy selected in the past will always be the best selection for the current market environment. Selecting truly diversified strategies for your portfolio can help address this, but building that portfolio correctly may also seem daunting.

A better method for many is to choose a Turnkey QFC strategy and let FPI make all of the selections, removals, and reallocations automatically for you.

Turnkey QFC strategies allow you to avoid the constant monitoring and debate about how your strategies are doing in the current market environment and what they should be invested in for the future. They also avoid all of the strategy change documentation, because FPI does this for you automatically within the Turnkey QFC strategy.

Our Turnkey QFC strategies are listed in the table above. With these strategies, we still manage the investments *within* each fund and *between* the funds in each QFC strategy, but we also add *a third level* of dynamic risk and opportunity management: actively allocating *among* the Turnkey QFC strategies using multiple strategies in a single account.

These Turnkey QFC strategies greatly simplify the portfolio-building process. With QFC Multi-Strategy Core (MSC), one can easily diversify an existing passively managed core strategy by adding a dynamic version that provides additional defensive measures. We offer five risk profiles to further customize this option. The minimum investment is $25,000.

In addition to a tactical core, investors can add "explore strategies" to their portfolios to further diversify or take advantage of specific market opportunities. We suggest an allocation of at least 65% in the core portion and the balance in explore options.

You can simplify the process of selecting explore strategies by choosing one of our four QFC Multi-Strategy Explore (MSE) options. Each of the four versions of these strategies holds multiple explore strategies combined and actively managed by us to achieve a specific type of investment.

The MSE options, listed from most conservative to most aggressive, are Low Volatility, Low Correlation, Special Equity, and Equity Trends. The minimum investment is $5,000 in each QFC explore strategy you choose.

Our ultimate Turnkey QFC strategy is Fusion 2.0. This is an upgraded version of our popular Fusion option.

Not only does QFC Fusion 2.0 dynamically choose the strategies for the portfolio every week, but it also allocates among both core and explore strategies. Like MSC, it has five risk profiles for accounts under $100,000 ranging from conservative to aggressive. For accounts over $100,000 (Prime accounts), the number of profiles expands to 18 to allow for more customization.

All Turnkey QFC accounts over $100,000 qualify for a number of additional Prime benefits: waiver of the small-account setup fees and paper delivery fees, qualification for the annual longevity fee credit, access to a dedicated client service representative, and an invitation to a quarterly update with the portfolio manager of the strategies. These accounts also qualify for our new "QFC Fee Waiver" policy (that's right—for Turnkey strategies, the qualifying amount is reduced from $150,000 to $100,000).

New Year's resolution: Allocate $100,000 or more to Turnkey QFC strategies and get three levels of risk and opportunity management at one (even lower) low fee!

Don't forget to check out the "Fourth-Quarter Recap" section later in this newsletter. Nine out of the 10 top-performing FPI strategies in the fourth quarter were QFC strategies. All three of the Turnkey QFC strategies made the list!

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Wash sales and active management

Now we'd like to turn our attention to what a lot of investors are thinking about this time of year: taxes! Every year around this time, we receive many inquiries about the tax treatment of wash sales. To help you gain a little more clarity on the topic, we're providing an updated version of our "Wash Sales FAQ":

What is a wash sale?

Under the Internal Revenue Code, a wash sale occurs when an investor sells a security and then repurchases the same security within 30 days of the date of the sale.

What is the effect of a wash sale?

Wash sales defer an investor's ability to take a loss resulting from a sale of the investment. So if an investor sells an investment on February 1 at a loss of $3 and then buys the same investment back on February 15, the loss from that sale is not recognized (deducted from other income). Recognition of the loss would be delayed until a new sale occurs that is not within 30 days of a purchase (before or after).

Why is a wash sale treated this way?

Before the wash-sales rule entered the Internal Revenue Code, investors could artificially generate a capital loss by simply selling a stock that they had a loss on and buying it back a short time later. This allowed investors to reduce their taxable income by taking advantage of volatility at a time of their choosing, even though they had no intention of not remaining invested in the security. The wash-sales rule sought to eliminate what was deemed a tax-avoidance scheme.

Why is a wash sale not as bad as you might think?

First, the wash-sales rule only applies to losses taken outside of a tax-deferred vehicle. It does not apply to trades made within an IRA, 401(k), 403(b), or other qualified plans. It also does not apply to trades within a variable annuity (VA) or variable universal life policy.

Even if the trade is outside one of these deferred income vehicles,

1. the use of the loss is not lost to the investor but is just deferred until the investor has a non-wash-sale trade;
2. if that occurs within the same year, there is no impact on the investor's taxes at all; and
3. when the loss is deferred, the deferred loss is added to the cost of the investment, so that when there is a sale of the stock in a non-wash-sale trade, any gain is reduced by the amount of the earlier wash-sale loss. Similarly, if there is a loss, it is increased by the amount of the wash-sale loss foregone.

How do wash sales impact active management?

The likelihood of a wash sale depends on how frequently your manager trades. Many strategies trade essentially identical securities on a daily or weekly basis. Such strategies will by definition generate wash sales.

FPI strategies where this is the case are WP Income Builder, Government Bond Trading, Sector Index Rotation, Long/Short Government Bond, Managed Income Aggressive, Political Seasonality Index (all daily trading), and Fusion—including QFC Fusion 2.0 (weekly trading). The wash-sales treatment is the trade-off for using more frequent trading to provide downside protection and to seek more frequent profit opportunities.

In addition, tactical strategies, which move into and out of a single index fund or asset class, can have a whipsaw trade in which they buy and then reverse course in a short period. While this rarely happens in many of the tactical strategies (Volatility Adjusted NASDAQ, Self-adjusting Trend Following, Systematic Advantage, Trivantage, and Classic), contrarian or mean-reversion strategies (Contrarian S&P Trading and TVA Gold) are designed to have short-term trades, and this will occur with some regularity.

Four ways to avoid wash sales at Flexible Plan

1. *Trade the strategies previously mentioned first in your qualified accounts.* None of these trades will be classified as a wash sale.
2. *Trade those strategies solely in a variable annuity (VA).* Nationwide Monument Advisor is an especially good vehicle for this since they charge only $20 a month—no matter how big or small the account. So it's $20 on a $1,000 account and also on a $1,000,000 account. It is truly one of the best deals on Wall Street—buying tax deferral for just $20 per

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month. And almost all of our strategies are available on this variable annuity.

I've heard some advisers say that this approach ignores the fact that distributions taken from a VA are subject to ordinary income-tax treatment, and they want to avoid such treatment. But with a VA you defer taxation on trades that occur before distribution *and* avoid dealing with wash sales. If you held the strategies outside of the VA in a taxable account, you would neither defer nor avoid, regardless of when you took money out of the account. Instead, you would have to deal with taxation and wash sales yearly. It's especially great to be able to avoid both for just $20 per month.

3. *Use our 25 QFC strategies.* All of the frequent trading with our QFC strategies is done within the mutual funds. *Trades within a mutual fund are not subject to the wash-sale rule.*

   Reallocations of assets within the QFC strategies generally occur on a one-month-plus trading cycle, so they do not qualify for wash-sale treatment. Classic, Political Seasonality Index, and Systematic Advantage are subject to the whipsaw possibility previously discussed. QFC strategies, for the most part, have little chance of a wash sale—and they have a low, low advisory fee—a win-win!

4. *Restrict your strategies to our less-traded strategies.* Our monthly trend-following strategies, such as Market Leaders, Lifetime Evolution, All-Weather, any of our Evolution specialty strategies, and our Principled Investing strategies (Faith Focused Investing and For A Better World) trade no more frequently than monthly. In this same vein, A Better Buy and Hold and Low Volatility/Rising Dividends seek to have no short-term trades.

I know that any day now I will receive a call from a client, adviser, or accountant wanting to know about these wash sales showing up in a client account. Hopefully, the explanations in this article—combined with a little planning—will help.*

Jerry C Wagner

Jerry C. Wagner
President

*While Mr. Wagner was a practicing tax attorney, Flexible Plan Investments does not provide tax advice. Readers are encouraged to seek the counsel of their own qualified tax accountant or attorney on these matters.

FOURTH-QUARTER RECAP

During the fourth quarter of 2019, equities posted strong gains across the board after a minor sell-off at the beginning of the quarter. Nearly 90% of OnTarget Monitors for the quarter were "in the yellow" or better, with 79% "OnTarget" ("in the green") or better ("in the blue").

Equities and gold rose during the fourth quarter, and Treasurys fell. Generic, risk-managed portfolios gained: Vanguard Balanced Fund (+5.36%); HFRX Equity Hedge Index (+2.60%); and S&P 500, bond, and gold asset allocation (+2.07%). More than 80% of our Strategic Solutions Quantified strategies and funds beat this mark, led by the Quantified STF Fund (+19.38%). Our new QFC Fusion 2.0 (up 9.31% after max fees) and Multi-Strategy Core (up 7.46% after max fees) Balanced profiles prospered.

Among the equity segments, emerging markets led the pack, rising over 11% for the quarter—a rare event over the past few years. Small-cap stocks also turned in a strong performance for the quarter, up over 9%, followed by the S&P 500, which was up over 8%. Mid-cap stocks, the worst performers, still gained over 6.5%. This spread among the equity segments indicates a healthy global appetite for risk, which we haven't seen in quite a while.

Overall, stock market fundamentals remain solid. The minor sell-off at the beginning of the quarter did not lead to further deterioration. Additionally, while the third year of a presidential term tends to be the best performing for markets, the fourth typically places second. This may give domestic equity markets a bit of a buffer against any further deterioration in fundamentals.

There continues to be a high degree of optimism among investors. Stocks remain in overbought territory and volatility is at a low point. This could be the formula for a short-term sell-off. Long-term prospects appear bullish.

Safe-haven assets were mixed for the quarter. Gold rose about 3%, while long-term government bonds fell over 5%. While often considered a safe-haven asset, gold can also be a protection against both political uncertainty and rising inflation, which may explain the very different performances of the two most common safe-haven assets. By November, inflation had risen to over 2% year over year for the first time since 2018.

The yield curve changed significantly during the quarter, with short-term rates falling and long-term rates rising, effectively removing the yield-curve inversion that had occurred in recent months. Rates below one-year fell the most, some upward of 40 basis points. This could suggest that the market is no longer pricing in a recession in the near future.

Given the status of the economy, the yield curve, and the current trend direction of safe-haven assets, we expect second-quarter results to be mixed. Gold remains in an uptrend, helped by a sell-off in the U.S. dollar versus other currencies. Bonds, on the other hand, started a downtrend in September that seems likely to continue with brief rallies throughout the quarter.

With a strong quarter for equities, about 85% of our strategies were up for the quarter. Those near the top were mostly aggressive equity strategies or those with access to the equity markets. Those that declined in the quarter were predominantly fixed-income (bond) oriented.

The top performers within our Strategic Solutions offerings included several of our QFC strategies. QFC Self-adjusting Trend Following led the pack with a gain of more than 17% for the quarter, while Market Leaders Sector Growth Ultra gained more than 15%. These were followed by several of our core QFC strategies.

The newest iteration of our Fusion strategy, QFC Fusion 2.0 Aggressive, was up over 14%. QFC Multi-Strategy Core Aggressive, one of our new turnkey offerings, was up 13.9%. Nine of the top 10 strategies of the quarter were QFC strategies, which offer clients a fee credit, minimizing strategy costs.

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Top performers for the quarter

QSTF	QFC Self-adjusting Trend Following	17.35%
MLSGU	Market Leaders Sector Growth Ultra	15.17%
QFUSA	QFC Fusion 2.0 Aggressive	14.04%
QDCA	QFC Multi-Strategy Core Aggressive	13.48%
QMLA	QFC Market Leaders Aggressive	13.44%
QMLG	QFC Market Leaders Growth	12.81%
QFUSG	QFC Fusion 2.0 Growth	12.44%
QMLB	QFC Market Leaders Balanced	12.12%
QDIVT	QFC Diversified Tactical Equity	10.89%
MSET	QFC Multi-Strategy Explore: Equity Trends	10.84%

Strategy returns are shown after the maximum 2.25% annual advisory fee and less any fee credits where applicable.

With bonds declining substantially in the quarter, it was a challenging market for alternative and fixed-income-based strategies. While still significantly outperforming their benchmark, Fixed Income Tactical and Government Income Tactical were down for the quarter.

Hedged Gold Bullion was the worst performer for the quarter. This strategy is being closed in the first quarter of 2020 and the assets transferred to QFC TVA Gold, which recorded a gain for the quarter.

Fusion portfolios, particularly on the aggressive end, were among our best performers this quarter. Topping the list were the QFC Fusion 2.0 aggressive and growth risk profiles. Conservative profiles were down due to the underperformance of less-risky assets this quarter. As noted earlier, long-term government bonds were down over 5% for the quarter, while our conservative portfolios did considerably better.

Fusion returns at Schwab

	Q4	YTD
Fusion Aggressive	11.1%	10.4%
Fusion Growth	9.9%	10.0%
Fusion Balanced	7.1%	7.7%
Fusion Moderate	0.1%	5.3%
Fusion Conservative	-0.3%	4.5%

Strategy returns are shown after the maximum 2.25% annual advisory fee and less any fee credits where applicable.

Fusion returns at Strategic Solutions

	Q4	YTD
Fusion Aggressive	10.7%	10.2%
Fusion Growth	9.5%	10.6%
Fusion Balanced	6.8%	7.2%
Fusion Enhanced Income	4.6%	5.6%
Fusion Moderate	-0.1%	4.7%
Fusion Conservative	-0.5%	3.7%

Strategy returns are shown after the maximum 2.25% annual advisory fee and less any fee credits where applicable.

QFC Fusion 2.0 returns at Strategic Solutions

	Q4	YTD
Fusion Aggressive	14.0%	N/A
Fusion Growth	12.4%	N/A
Fusion Balanced	8.9%	N/A
Fusion Moderate	4.6%	N/A
Fusion Conservative	2.3%	N/A

Strategy returns are shown after the maximum 2.25% annual advisory fee and less any fee credits where applicable.

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Important Disclosures

Flexible Plan provides free consultations to you to address (i) past results; (ii) any changes in your financial situation indicating a change in investment strategy; (iii) reasonable management restrictions or modifications; and (iv) your current investment objectives. These consultations are available upon request quarterly via telephone or in person at our offices.

Please remember to contact your primary investment professional and Flexible Plan Investments, Ltd., **in writing**, if there are any changes in your personal/financial situation or investment objectives or for the purpose of reviewing the ongoing suitability of your current investment strategy/program, or if you want to impose, add, or modify any reasonable restrictions to our investment advisory services. Please Note: Unless you advise, in writing, to the contrary, we will assume that there are no restrictions on our services, other than to manage the account in accordance with your current designated investment strategy/program.

Investment Portfolio Rating: The term "portfolio" refers to all of your accounts managed by FPI, regardless of number of strategies. The rating is based on your latest suitability questionnaire filed with us. If your account is a corporate or trust account or we have not received a suitability questionnaire from you, we utilize the historical fifteen-year standard deviation for your portfolio to determine your Rating. One of four categories is referenced: Conservative, Moderate, Growth or Aggressive. If the category referenced for you seems no longer appropriate, please contact our offices to fill out a new questionnaire.

Volatility Barometer: The S&P500 and NASDAQ Indexes, as well as the Investor Profile reference points, are the annualized monthly standard deviation of the percentage change of the total return of those Indexes and the total return net of your advisory fees based on our hypothetical research on a portfolio of FPI strategies held in the same dollar proportion as those held in your account(s) at the end of the quarter, respectively. The standard deviation is calculated for a rolling three-year period to the end of the quarter, regardless of the time you have been invested in the strategies. The standard deviation for the actual period of your portfolio may differ, as may its relationship to that of the S&P500 and NASDAQ Indexes. Standard Deviation is a statistical measurement of the variability of the return of a portfolio from the mean average. It is one measure of volatility. When a fund has a high Standard Deviation, the predicted range is wide, implying a greater volatility, and, therefore, a greater level of risk. Investors are cautioned, however, that in calculating risk, high positive returns are treated the same as high negative returns. Thus, strategies with above average returns often exhibit high Standard Deviation. See "Risk Considerations" in FPI's Brochure Form ADV, Part 2A.

Risk Target: Utilizing the same return stream described in the Volatility Barometer description, FPI determines on a monthly basis the greatest drawdown or loss, before advisory fees, that would have been achieved from a portfolio or index high point to a low point without an intervening new high. The maximum loss shown is for the period commencing at the latest start date of your portfolio's component strategies (in no event less than five years) to the present, regardless of the time you have been invested in the strategies. The loss for the actual period of your portfolio may differ, as may its relationship to that of the Indexes. Some strategies may actually target a higher risk and exposure to risk than the S&P 500. See strategy descriptions in FPI's Brochure Form ADV, Part 2A.

Market Commentary: Adjustments and allocations discussed as occurring within your portfolio are derived from the most significant percentage holdings and changes from the first pie chart to the last shown on the accompanying statement page. Cash or money market positions referenced are derived from our trade records and do not reflect those resulting from additions to or withdrawals from your account or strategies.

OnTarget Monitor: The black line denoting your portfolio account value is derived from the actual month-to-month percent change of your portfolio, after advisory fees. The quarter end account value reflects past fees paid, if deducted directly from your account(s). The scale of the chart is logarithmic so that all changes are represented proportionately. We base the time period on the investment time horizon provided in your suitability questionnaire response. For comparison purposes the period may have been rounded up to the next five-year period and the maximum period shown is twenty years. Twenty years is also the period used if no time horizon was provided. The green pathway reflects the result of hundreds of Monte Carlo simulations utilizing the monthly returns, net of your advisory fees based on our hypothetical research, for the period from the latest start date of your portfolio's component strategies (in no event less than five years) to the end of the quarter of a portfolio of strategies held in the same dollar proportion as those held in your account(s) at the end of the quarter. Based on these simulations, the upper-most line and targeted amount (represented with a blue field) was reached or exceeded in 20% of the simulation outcomes, the second line and target (the bottom line of the green field) was matched or bettered in 80% of the outcomes, while the lowest line (the top of the red field) was reached or exceeded in 90% of the outcomes. The circled target amount reflects the minimum value attained, after advisory fees, in 60% of the outcomes. A greater or lesser number of simulations may generate different results. The chart and the values utilized and set forth therein are for illustrative purposes only. **Additions, withdrawals, extension or maintenance of the Time Horizon or strategy changes within a quarter will cause the chart to be redrawn and/or new targets and outcomes established.**

The results of Monte Carlo analysis rely on many assumptions, such as expected returns, volatility, and correlation that cannot be forecast with certainty. Because Monte Carlo simulations create randomly generated scenarios, results will vary with each use over time. It is also impossible to foresee all possible situations, including some that may negatively impact a client's portfolio. Projections and other information generated by Monte Carlo simulations regarding the likelihood of investment incomes are hypothetical in nature and do not reflect actual investment results, and are not guarantees of future results. Despite the limitations, Monte Carlo analysis is still a very powerful tool to test the probability, though not the certainty, of investment success.

NO GUARANTEE OF PROJECTED OUTCOME IS EXPRESSED OR IMPLIED

Portfolio Returns Utilized: Unless otherwise noted, the strategy returns utilized in creating the charts described above are HYPOTHETICAL returns drawn from our research reports. These results were achieved by means of retroactive application of a computer model and may not represent the results of actual trading. Annual returns are compounded monthly and are inclusive of the last full trading week of the year, but may not necessarily include the last trading day of the year. Research Report results are NOT represented as actual trading or client experience nor do they reflect the impact on decision making of economic or market factors experienced during actual management of funds. Where returns or risk of your portfolio are referenced the returns are your actual account's risk and return, gross of your advisory fees.

"Net of your advisory fees" means the advisory fees and Quantified Funds ("Affiliated Funds") credits reflected in your account in the first period shown on your OnTarget Monitor chart. Currently, your rate could be higher or lower as the value of your account changes. For example, under the FPI fee schedule as the assets under management increases, the fee rate can decrease. Other fees may apply, as well. All expenses are required to be disclosed in each investment's prospectus, available from your financial representative and the product provider. Various minimum-holding periods for each fund may be utilized to comply with trading restrictions. Fund or Advisor may change these periods. Actual investment performance of any trading strategy may frequently be materially different than the results shown. "Model Accounts," where referenced, reflect actual accounts. Accounts used are based on the account longevity and its activity. The returns of the Affiliated Funds, sub-advised by Flexible Plan, reflect the actual price changes. The Affiliated Fund returns, while believed representative of actual results, may not necessarily represent the actual experience of any client.

If single strategy account histories are unavailable, statistics applicable to such accounts are derived from the exchange history files of each strategy used. Actual buy-sell trading signals and pricing are used in conjunction with such files to create the applicable statistics for each model account. These exchange-history derived returns are believed representative of each strategy's actual results, but the results do not represent the actual experience of any client during the period. Therefore, these results may not reflect the impact that material economic and market factors might have had on the results. Nor do they reflect any problems of execution or pricing that may have been encountered in the actual implementation of the buy and sell signals shown in the exchange history files, the effect of which has not been determined, and may be indeterminable.

Enhancements have been made in our methodologies, which are believed to have had a positive effect on returns. The amount is not precisely quantifiable, but as actual price history is used, the effect of these enhancements is reflected. Continued development efforts may result in further changes.

Utilizing performance between selected dates may not be indicative of overall performance. Inquiry for total results is always advised. Return examples given will vary based upon their volatility as they relate to the indices shown. Other accounts, investments and indices may materially outperform or under perform. Various investments used may no longer be available due to the result of periodic review, consolidations and/or exchange conditions imposed.

Investment management fees vary based on underlying fund composition (QFC versus non QFC and mix of QFC strategies), aggregate assets in the Quantified Funds, platform where your account is managed, level of your assets under management at Flexible Plan, and the schedule of fees arranged with your advisor. Fees are prorated and charged not less frequently than quarterly in arrears. Use of the Affiliated Funds will generate an annual minimum credit of 0.55%. As a result, actual fees may vary. Unless otherwise noted, if after fee Fund returns are referenced, they will be no more than 2.25% before reductions or credits for the already mentioned factors. Otherwise the maximum fee is applied. When returns are shown from strategy inception, the maximum Strategic Solutions Establishment Fee of 1.2% has been deducted. All mutual fund fees and expenses are included to the extent they are reflected in net asset value and not offset against management fees. As tax rates vary, taxes have not been considered.

Prior to August, 2013, "Proprietary Funds" meant Evolution Managed Funds ("EMF") as to which Rafferty Asset Management, LLC served as investment adviser and Flexible Plan Investments served as sub-adviser to the EMF. The credit generated from 100% investment in EMF ranged between approximately forty-five (45) and sixty (60) basis points per annum.

After August, 2013, "Proprietary Funds" means the Quantified Funds and The Gold Bullion Strategy Fund (collectively 'sub-advised funds' or 'SAF') as to which Advisors Preferred LLC (see below) serves as investment adviser and Flexible Plan Investments serves as sub-adviser to the SAF.

From August 2013 to the inception of the Quantified STF Fund on November 13, 2015, fee credits were fifty (50) to sixty-five (65) basis points per annum.

Following November 2015, fee credits ranged from fifty (50) to ninety (90) basis points per annum dependent upon platform and fund.

As of September 1, 2019, under a new agreement, the Quantified Fee credits were increased to a range from (55) basis points to (105) basis points per annum dependent upon platform, funds, and aggregate QFC funds' AUM.

Advisors Preferred, LLC serves as the Quantified Funds Investment Adviser and Flexible Plan Investments, Ltd., serves as the sub-adviser. Read the Quantified Funds Prospectus and Flexible Plan Investments' Brochure Form ADV Part 2A carefully before investing. You should carefully consider the investment objectives, risks and the charges and expenses of the Quantified Funds before investing. The Quantified Funds SAI and Prospectus contain information regarding the above considerations and more. You may obtain a Prospectus by calling Advisors Preferred LLC at (888) 572-8868 or writing Advisors Preferred, LLC 1445 Research Boulevard, Ste. 530, Rockville, MD 20850 or download the PDF from: www.goldbullionstrategyfund.com or www.quantifiedfunds.com.

Returns and portfolio values are provided for information purposes only and should not be used or construed as an indicator of future performance, an offer to sell, a solicitation of an offer to buy, or a recommendation for any security. Flexible Plan Investments, Ltd. cannot guarantee the suitability or potential value of any particular investment.

ADDITIONAL DISCLOSURES

Because Flexible Plan strategies make use of publically traded mutual funds and exchange traded funds, investors should consider carefully information contained in the prospectus of these investments, including investment objectives, risks, charges and expenses. You can request a prospectus from your financial advisor. Please read the prospectus carefully before investing. Investment value will fluctuate, and shares, when redeemed, may be worth more or less than the original cost.

Important Risks: Flexible Plan's strategies are actively managed and their characteristics will vary among strategies. As a manager utilizing publically traded mutual funds and exchange traded funds, the strategy is subject to the risks associated with the funds in which it invests. Mutual fund and exchange traded fund values fluctuate in price so the value of your investment can go down depending on market conditions. International investing involves risks, including risks related to foreign currency, limited liquidity, less government regulation, and the possibility of substantial volatility due to adverse political, economic or other developments. These risks are often heightened for investments in emerging/developing markets or smaller capital markets. The two main risks related to fixed income investing are interest-rate risk and credit risk. Typically, when interest rates rise, there is a corresponding decline in the market value of bonds. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. Asset allocation strategies do not assure profit and do not protect against loss. Non-diversification of investments means that more assets are potentially invested in fewer securities than if investments were diversified, so risk is increased because each investment has a greater effect on performance and there may be more correlation of the fewer investments used. Investing in leveraged or inverse funds entail specific risks relating to liquidity, leverage and credit of the derivatives invested in by such funds, which may reduce returns and/or increase volatility.

Active investment management may involve more frequent buying and selling of assets. The majority of FPI's strategies utilize no load mutual funds with no transaction charge. Best efforts are employed to avoid short-term redemption charges, however, active managed strategies can still result in charges, especially when entering or exiting a strategy. Additionally, any commissioned investments will reflect the impact of more frequent buying and/or selling of assets. If investing within a non-tax-deferred investment, Investors should consider the tax consequences of moving positions more frequently. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification cannot protect against all market risk.

Reference to popular market indexes are included to demonstrate the market environment during the period shown and are not intended as 'benchmarks.' Index returns are after dividends. Since Index dividends are posted after the end of each month, they are retroactively prorated on a daily basis (which tends to understate returns if the end date range is inclusive of the current partial month). The Dow Jones Corporate Bond Index includes fixed rate debt issues rated investment grade or higher by national rating services. Investments by bond funds utilized in generating the above returns may not be similarly rated. The investment program for the accounts included in the profiles includes trading and investment in securities in addition to those that may be included in the S&P 500. Such indexes may not be comparable to the identified investment strategies due to the differences between the indexes' and the strategies' objectives, diversification, represented industries, number and type of component investments, their volatility and the weight ascribed to them. No index is a directly tradable investment.

ASSET CLASS RISK CONSIDERATIONS

US and Global Bonds: All investments involve risk. Special risks associated with investing in bonds include fluctuations in interest rates, inflation, declining markets, duration, call and credit risk. Special risks are associated with foreign investing, including currency fluctuations, economic instability and political developments. Investments in developing markets involve heightened risks related to the same factors, in addition to those associated with these markets' smaller size and lesser liquidity. **Commodities:** Concentrating investments in natural resources industries can be affected significantly by events relating to those industries, such as variations in the commodities markets, weather, disease, embargoes, international, political and economic developments, the success of exploration projects, tax and other government regulations and other factors. **US and Global Real Estate:** Investments in Real Estate are subject to changes in economic conditions, credit risk and interest rate fluctuations. **Global Currencies:** Foreign currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by supply and demand in the foreign exchange markets and relative merits of investments in different countries, actual or perceived changes in interest rates, and other complex factors. Currency exchange rates also can be affected unpredictably by intervention (or the failure to intervene) by U.S. or foreign governments or central banks, or by currency controls or political developments. **Long / Short Directional:** Portfolio may invest in derivative investments such as futures, contracts, options, swaps, and forward currency exchange contracts that may be illiquid or increase losses due to the use of leveraged positions. **US and Global Equities:** In addition to the foreign investment risks noted above, the principal risks associated with equities include market, portfolio management, and sector risks.

Historical performance information should not be relied upon as representative of investment performance of any strategy to the current date nor be extrapolated into expectations for the future. Inquiry for current results is advised.

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