

VERITY CONSERVATIVE TOTAL RETURN STRATEGY

A multi-asset strategy designed to dampen risk and provide income

Income, Capital Growth and Real Assets

Strategy Details

Portfolio Manager: Brad Corbett

Targeted Yield: 3.25%

Targeted Beta¹ (vs. S&P500): 0.35

Contribution Period: Daily

Liquidity: Daily

Key Considerations

- **Equity Diversifier:** A disciplined investment process designed to mitigate equity market volatility
- **Limit Drawdowns:** Engineered to potentially limit losses during down market cycles
- **Systematic Approach:** Designed to potentially deliver superior risk adjusted returns
- **Experienced Team:** The investment team has a long history of managing risk with a focus on capital preservation, effectively navigating turbulent markets and compounding investor capital.

Flexible Investment Strategy

Verity Conservative Total Return Strategy: An actively managed strategy offers investors a solution to invest in equities and income producing securities while reducing their downside risk. The multi-asset strategy is designed to provide risk averse investors less volatile way to gain equity exposure.

Rethinking Your Portfolio

- The aftermath of the global financial crisis of 2007-09 has created unprecedented challenges for asset owners as fixed income is no longer able to provide capital preservation, yield and liquidity all at the same time.
- These challenges are forcing investors to rethink how they build their portfolios. This includes searching for a new core strategy that can provide liquidity, stable returns and capital protection¹
- We believe a multi-asset strategy can meet investors' core objectives provided certain principles are followed. These center around maximizing diversification and actively managing drawdowns.

The key principles:

1. Invest in multiple asset classes
2. Take advantage of market inefficiencies and behavioral biases
3. Keep a balanced risk exposure at all times
4. Control the downside by dynamically sizing the portfolio
5. Implement the portfolio in a liquid format.

Disciplined Investment Process

1. Establish Market Exposure

- Provide exposure to equity and fixed income markets

2. Portfolio Construction

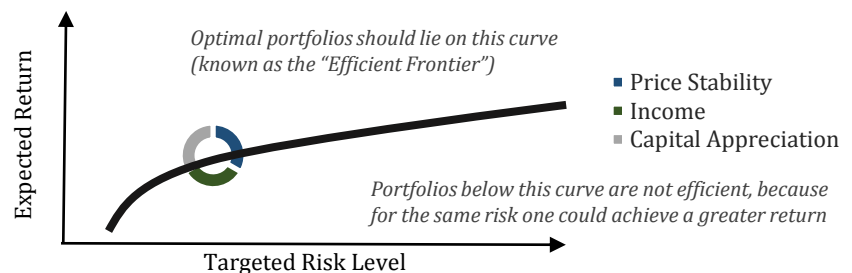
- Portfolio optimization
- Qualitative portfolio analysis
- Tactical allocation

3. Risk Management

- The disciplined investment process remains consistent regardless of the market environment

Portfolio Construction

Conservative Total Return Strategy invests across a wide possible range of asset classes, seeking to maximize the sources of returns and diversification. It aims to take the appropriate balance of risks all times – the mix we believe is most likely to deliver stable long-term growth – while respecting our overall risk budget.



¹Target performance/risk represents a portfolio construction goal. It does not represent past performance/risk and may not be representative of actual future performance/risk.



IMPORTANT DISCLOSURE

The Strategy will be primarily invested in diversified sectors in the equity and fixed income markets (including government securities, corporate bonds, high yield bonds, and mortgage and asset-backed securities) and income producing stocks. The portfolios may also at various times own positions in other publicly traded securities, including convertible bonds and preferred securities. The resulting portfolios will be subject to market risk. Fixed income securities will also be subject to credit, liquidity, and interest rate risk. Diversification does not assure a profit or protect against loss in a declining market.

The S&P 500 Total Return Index is a commonly recognized, market-capitalization-weighted index of 500 widely held equity securities, designed to measure broad U.S. equity performance. The S&P 500 Total Return index does not include fixed income, preferred securities, or money market securities, whereas the Verity Conservative Total Return Strategy may include these types of securities. The S&P 500 Total Return Index returns reflect the reinvestment of dividends and other earnings, however, it does not reflect the deduction of transaction costs, or investment management fees, all of which would reduce the returns of the benchmark index. The S&P 500 Total Return Index has not been selected to represent the most appropriate or comparable benchmark index with which to compare the performance or targeted beta of the Verity Conservative Total Return Strategy, but rather to allow for comparison of the performance and targeted beta of the Verity Conservative Total Return Strategy with a well-known and widely recognized benchmark index for informational and illustrative purposes only. The securities held in the Verity Conservative Total Return Strategy will differ significantly from the securities included in the benchmark index, and the volatility of the strategy may differ significantly from that of the benchmark index.

All investing involves risk of loss. Portfolio values will fluctuate with changing market conditions, and there is no guarantee that strategies that have been successful in the past will be similarly successful in the future. This material may contain forward looking statements. There is no guarantee that these outcomes will be achieved.

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Before investing, see Verity's Form ADV Part 2 for additional description and fees.

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