

Objective:

The AR1005I Absolute Income Plus Portfolio seeks an annualized return of 10% over four years regardless of market direction, using proprietary bond timing, options, credit spreads and dividend income strategies, with a focus on risk-management and downside protection to achieve a conservative-to-moderate risk profile.

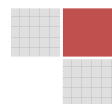
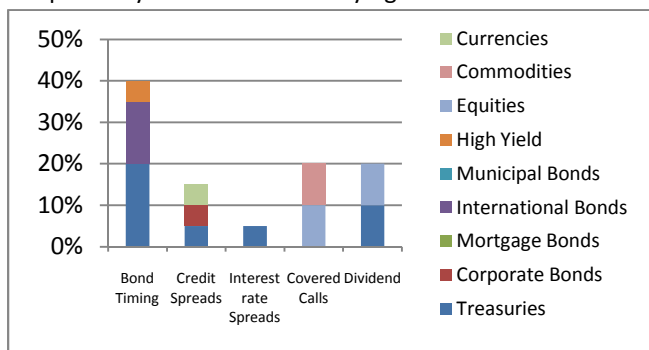
Investment Strategy:

The portfolio pursues positive returns employing five distinct intermediate-term income strategies

1. Bond Timing: Long Bond ETF's – US Treasuries, High Quality Corporates, Muni's, Junk, International and Emerging Market. Short Bond ETF's – US Treasuries
2. Credit Spreads/Iron Condors on US and international indices, sectors, bonds, commodities, currencies
3. Interest Rate spreads using Treasury futures
4. Covered calls using ETF's (Exchange Traded Funds) with a unique timing and technical overlay to identify sideways trends and minimize risk of drops in portfolio value.
5. Higher Dividend liquid Stocks in a long term uptrend – with hedging using futures or protective puts for secondary corrections to maximize tax efficiency.

Example Model Allocation

Allocations between strategies and within a strategy are actively managed using all asset classes globally to reflect changing market conditions and the expected relative strength of the strategy. ETF's (Exchange Traded Funds) are primarily used as the underlying instruments.



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Past performance does not guarantee future results. Absolute return does not imply that the strategy will always deliver positive returns at any point in time during an investment period. Absolute return strategies are subject to many of the same risks associated with any other type of investment strategy. There is no guarantee that this strategy will prevent a loss or be profitable. Read our full risk disclosures at www.theabsolutereturn.com/disclosures.

Target Performance, Risk, Investor Profile

RETURN 10% annualized over 4 years, net of fees
DRAWDOWN 5% Peak-to-trough for month-end values

Absolute Income Plus				
Capital Preservation	Conservative	Moderate	Growth	Aggressive Growth
TYPICAL INVESTOR	Retired, Seeking financial independence			
IDEAL INVESTMENT	Retirement or Investment Capital			
TAX MANAGED	Partial (Full tax mgmt in AR1005I-T version of portfolio)			
LEVERAGE	No (100%)			

The AR1005I portfolio targets an annualized return of 10% net of all fees with a maximum drawdown of 5% while generating consistent income. Contact us to learn more about the historical and back-tested performance of the portfolio and its strategies.

This portfolio can be employed by all investors seeking income without sacrificing opportunities for growth and low volatility in portfolio value. The portfolio is geared towards investors with a 4+ year investment horizon and seeking income, with a moderate risk profile.

What is Absolute Return?

The term "absolute return", distinguishes the portfolio's goal and investment strategies from those of "relative return" strategies, which are managed with a goal of outperforming an index of securities. An absolute return strategy seeks to earn a positive total return over a period of four years or more regardless of market conditions or direction.

Team Experience

Our investment management team comprises over 40 years of trading, investment management, systems development and executive experience.

Fees and Minimum Investment

Tiered annual fees from 2.5% for assets < \$250K down to 1.75% for portion of assets > \$2M. Minimum Investment is \$50K (\$100K for tax managed version AR1050I-T).