OCEAN PARK
ASSET MANAGEMENT

MUNICIPAL BOND STRATEGY

AS OF DECEMBER 31, 2017

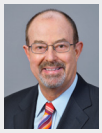
Available on TAMP Platforms

INVESTMENT OBJECTIVES & STRATEGY

The Ocean Park Municipal Bond Strategy seeks to produce satisfying long-term returns while limiting downside risk. Returns are created from interest income as well as increases in bond prices. The interest income from municipal bonds is tax-free at the federal level, providing a valuable benefit for clients in relatively high income tax brackets. The Strategy diversifies a client's account among at least four (often up to ten) municipal bond mutual funds. Each holding is monitored daily and during declines, a proprietary stop-loss discipline is implemented with the goal of limiting drawdowns. The Strategy will be fully invested when there are many Buy signals and will, at times, be fully in cash when the universe of municipal bond mutual funds are showing Sell signals.

SENIOR INVESTMENT TEAM

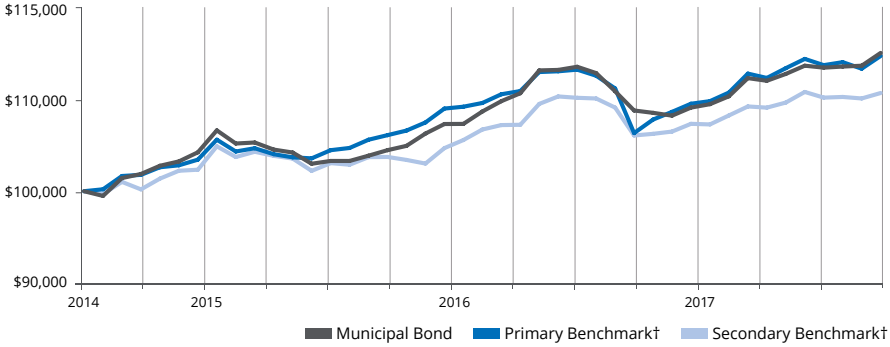
Kenneth L. Sleeper MBA, PhD
Co-Founder, Portfolio Manager
Started in Industry: 1984



David C. Wright, JD
Co-Founder, Portfolio Manager
Started in Industry: 1985

Terri Spath, CFA, CFP®
CIO, Portfolio Manager
Started in Industry: 1989

GROWTH OF $100,000 – AFTER FEES‡



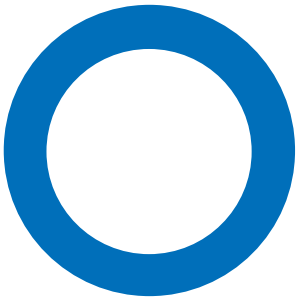
TOP HOLDINGS

FUND	WEIGHT
Nuveen High Yield Municipal Bond Fund	21.1%
BlackRock High Yield Municipal Fund	20.6%
AMG GW&K Municipal Enhanced Yield Fund	20.0%
Virtus Seix Investment Grade Tax-Exempt Bond Fund	19.1%
Sit Tax-Free Income Fund	19.1%
California Muni Money Market Fund	0.1%
Subtotal	**100.0%**

Top Holdings are subject to change.

ASSET ALLOCATION

■ Tax Free Municipal Bonds **100.0%**



Top Holdings and Asset Allocation are subject to change.

† Effective September 30, 2017 the primary benchmark for the Ocean Park Municipal Bond strategy has changed to the Bloomberg Barclays Municipal Bond Index, which is an unmanaged index that is considered representative of the broad market for investment grade, tax-exempt bonds with a maturity of at least one year. The secondary benchmark is the Bloomberg Barclays U.S. Aggregate Bond Index, which is a broad-based flagship benchmark that measures the investment grade, U.S. dollar-denominated fixed-rate taxable bond market. You cannot invest directly in an index or category and unmanaged index or category returns do not reflect any fees, expenses, or sales charges.

Not FDIC Insured • May Lose Value • No Bank Guarantee

QUARTERLY PERFORMANCE – AFTER FEES‡

	MUNICIPAL BOND						PRIMARY BENCHMARK†		SECONDARY BENCHMARK†	
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FULL YEAR	CUMULATIVE RETURN	FULL YEAR	CUMULATIVE RETURN	FULL YEAR	CUMULATIVE RETURN
2014*	—	—	1.57%	1.95%	**3.55%**	**3.55%**	2.88%	2.88%	1.96%	1.96%
2015	0.87%	-1.86%	0.72%	1.96%	**1.65%**	**5.26%**	3.30%	6.28%	0.55%	2.52%
2016	1.91%	3.50%	-0.22%	-3.27%	**1.80%**	**7.16%**	0.25%	6.54%	2.65%	5.24%
2017	0.74%	1.98%	1.09%	1.21%	**5.10%**	**12.63%**	5.45%	12.35%	3.54%	8.97%
Average annualized compounded returns:					**3.45%**		**3.38%**		**2.48%**	

Taxable-Equivalent Returns at 43.40% Federal Income Tax Rate
Beginning in 2018, the Highest Federal Income Tax Rate Is Expected to Be 40.80%

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FULL YEAR	CUMULATIVE RETURN
2014*	—	—	2.51%	3.01%	**5.59%**	**5.59%**
2015	1.82%	-0.98%	1.42%	2.82%	**5.14%**	**11.02%**
2016	2.79%	4.38%	0.61%	-2.88%	**4.84%**	**16.39%**
2017	1.38%	2.73%	1.87%	1.92%	**8.13%**	**25.86%**
Average annualized compounded returns:					**6.78%**	

**Indicates a partial year.*

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‡ The performance is shown net of an assumed fee of 2.40% annually, which is deducted on a quarterly basis. The actual total fees for a particular investor may be somewhat higher or lower, depending on the fees charged by the strategist (the firm that manages the portfolio), the custodian platform, any brokerage firm involved, and the Financial Advisor. Thus the net performance that an investor would have experienced over the period shown would have been somewhat higher or lower than that indicated in the table. Also, because clients may start or add money to the strategy at different times, and the fees applied to a client's account may either be higher or lower, the net performance for any individual client will vary slightly from the net performance shown herein.

The nominal performance shown for the period June 30, 2014 to December 31, 2015 reflects that achieved in a pilot account managed in this strategy.

The performance quoted herein represents past performance. The growth of $100,000 and quarterly performance shown is that which was achieved in Ocean Park's Municipal Bond Program separate accounts managed in the same manner as the Ocean Park Municipal Bond Strategy. ***The performance shown herein represents past performance. Past performance does not guarantee future results.***

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