OCEAN PARK
ASSET MANAGEMENT

TACTICAL BOND STRATEGY

AS OF SEPTEMBER 30, 2019

Available on TAMP Platforms

INVESTMENT OBJECTIVES & STRATEGY

The Ocean Park Tactical Bond Strategy seeks to produce satisfying long-term returns while limiting downside risk. It uses a tactical approach to move between three uncorrelated asset classes: High Yield Corporate Bonds (HYCB), U.S. Treasuries, or Cash. Tactical Bond Strategy accounts are diversified among typically eight or more High Yield Corporate Bond mutual funds. When each underlying HYCB mutual fund hits its proprietary Sell level, we will move the relevant assets temporarily into a long-term Treasury bond fund (provided the Treasury fund is in an uptrend) until the next set of Buy signals in the HYCB funds. If the Treasury fund is not in an uptrend, we will instead move temporarily into a money-market fund until either the HYCB funds or Treasury fund gives a new Buy signal.

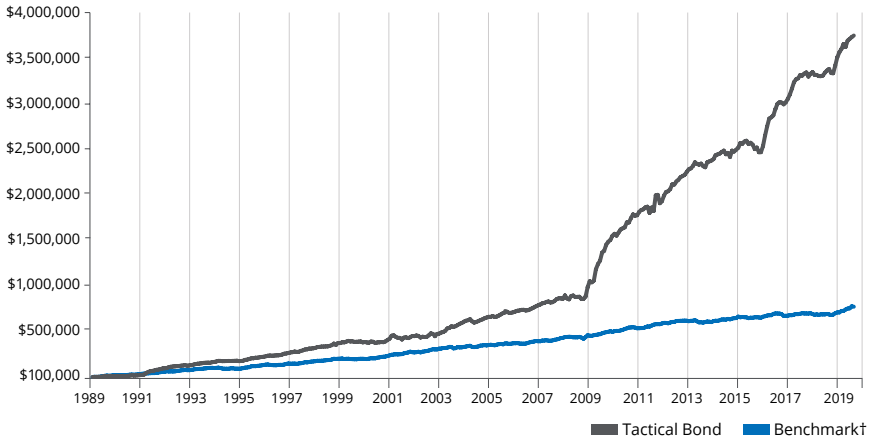
SENIOR INVESTMENT TEAM

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 – GROSS OF FEES



TOP HOLDINGS

FUND	WEIGHT
PIMCO High Yield Fund	10.2%
DWS High Income Fund	10.2%
BlackRock High Yield Bond Fund	10.2%
Neuberger Berman High Income Bond Fund	10.1%
Principal High Yield Fund	10.1%
Prudential Funds High Yield Fund	10.1%
AllianceBernstein High Income Fund	10.0%
BNY Mellon High Yield Fund	10.0%
JPMorgan High Yield Fund	9.9%
Rydex High Yield Strategy	9.1%
Subtotal	**99.9%**

Top Holdings are subject to change.

† The benchmark for the Ocean Park Tactical Bond Strategy is the Bloomberg Barclays U.S. Aggregate Bond Index, which is a broad-based 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.

QUARTERLY PERFORMANCE – GROSS OF FEES

	TACTICAL BOND						BENCHMARK†	
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FULL YEAR	CUMULATIVE RETURN	FULL YEAR	CUMULATIVE RETURN
1989	2.18%	4.73%	-0.63%	-0.05%	6.29%	6.29%	14.53%	14.53%
1990	2.17%	6.21%	1.60%	5.77%	16.61%	23.94%	8.96%	24.79%
1991	26.81%	10.17%	9.10%	6.35%	62.10%	100.91%	16.00%	44.76%
1992	8.60%	2.77%	3.68%	0.52%	16.31%	133.69%	7.40%	55.48%
1993	6.96%	3.70%	0.40%	5.43%	17.42%	174.39%	9.75%	70.64%
1994	1.42%	0.90%	0.43%	-0.68%	2.07%	180.08%	-2.92%	65.66%
1995	5.47%	5.11%	3.59%	3.62%	19.01%	233.32%	18.47%	96.26%
1996	2.03%	1.01%	5.64%	3.80%	13.00%	276.65%	3.63%	103.39%
1997	1.49%	4.73%	5.05%	1.77%	13.64%	328.02%	9.65%	123.02%
1998	3.52%	0.31%	7.27%	1.04%	12.55%	381.73%	8.69%	142.40%
1999	3.31%	0.82%	-0.63%	-0.85%	2.62%	394.35%	-0.82%	140.41%
2000	1.09%	-2.14%	0.59%	7.97%	7.44%	431.15%	11.63%	168.36%
2001	3.94%	-5.50%	3.12%	4.15%	5.48%	460.28%	8.44%	191.01%
2002	-2.89%	1.51%	5.96%	0.57%	5.05%	488.55%	10.26%	220.86%
2003	5.41%	8.23%	2.14%	5.40%	22.81%	622.83%	4.10%	234.03%
2004	4.06%	-4.24%	4.01%	3.85%	7.64%	678.08%	4.34%	248.52%
2005	-0.36%	3.94%	1.22%	-0.61%	4.19%	710.66%	2.43%	256.98%
2006	2.41%	-0.12%	2.88%	3.96%	9.40%	786.89%	4.33%	272.45%
2007	2.94%	0.47%	4.20%	0.26%	8.05%	858.29%	6.97%	298.40%
2008	-0.65%	2.74%	-2.22%	13.56%	13.34%	986.13%	5.24%	319.28%
2009	6.65%	19.02%	12.86%	6.31%	52.30%	1,554.16%	5.93%	344.14%
2010	2.18%	3.37%	5.86%	1.70%	13.70%	1,780.86%	6.54%	373.20%
2011	3.45%	-2.07%	10.28%	-3.16%	8.20%	1,935.02%	7.84%	410.31%
2012	5.43%	3.45%	3.66%	2.44%	15.82%	2,256.96%	4.21%	431.81%
2013	2.79%	0.66%	-1.17%	3.10%	5.42%	2,384.74%	-2.02%	421.05%
2014	2.73%	1.65%	-2.77%	3.23%	4.81%	2,504.31%	5.97%	452.14%
2015	2.18%	-0.11%	-2.08%	-1.30%	-1.07%	2,476.55%	0.55%	455.17%
2016	11.06%	4.23%	4.89%	-0.07%	21.33%	3,026.14%	2.65%	469.87%
2017	4.84%	3.48%	1.55%	-0.06%	10.11%	3,342.12%	3.54%	490.06%
2018	-0.37%	-0.22%	2.16%	1.05%	2.63%	3,432.75%	0.01%	490.12%
2019	5.17%	2.51%	1.47%	—	9.38%	3,764.25%	8.52%	540.41%
Average annualized compounded returns:					**12.61%**		**6.22%**	

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Data shown for the periods 1/1/1989 to 9/30/2017 represent hypothetical backtested data, but were derived using Ocean Park's actual Buy and Sell signals. From 10/1/2017 to 12/31/2017, the source of the performance data shown was from an SMA marker account invested in the same way as the Tactical Bond strategy and managed by Ocean Park. From 1/1/2018, the source of the performance data shown was from a composite of SMA accounts invested in the same way as the Tactical Bond strategy and managed by Ocean Park.

The data on the Growth of $100,000 chart, and the quarterly performance table above, for periods prior to October 1, 2017 are based on the backtests of a HYCB fund and a long-duration Treasury bond fund that we have used from time-to-time in client accounts during the period shown and that generated average performance relative to its peer group. The same funds were used for the entire period of the backtest using the same Buy and Sell signal disciplines that we have implemented for such funds in clients' accounts historically. In addition, we backtested several other HYCB funds that have been used from time-to-time in client accounts and using the same Buy and Sell signal disciplines with comparable results.

The growth of $100,000 and quarterly performance shown is that which was achieved in Ocean Park's Tactical Bond Program separate accounts managed in the same manner as the Ocean Park Tactical Bond Strategy.

Backtesting, and related cautions:
Please note the following cautions (based on SEC requirements): (a) backtested data does not represent actual account performance and should not be interpreted as an indication of such performance; (b) there is no assurance that the backtested result could, or would have, been achieved during the years shown; and (c) the backtested portion of the performance data does not represent the impact that material economic and market factors might have on an investment manager's decision-making if the manager were actually managing client money. In addition, the SEC mandates that we state: The investment strategy that the backtested data were based upon can (theoretically) be changed at any time without the benefit of hindsight in order to show better backtested performance, and (theoretically) the strategy can continue to be tested and adjusted until the desired results are achieved. Please note that at an affiliate of Ocean Park we have actually implemented the same Buy and Sell signals for High Yield Corporate Bond funds in client accounts since 1987, and no such "data fitting" adjustments have in fact been made in the data shown here.

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National Sales Desk: 1-844-727-1813
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