Harvest Volatility Management, LLC

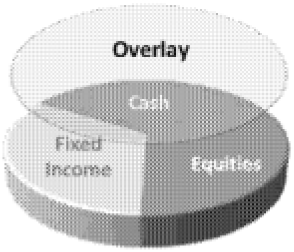
Collateral Yield Enhancement Strategy (CYES)

Investor Update – As of 12/31/2017

FIRM OVERVIEW

- **$12 billion AUM** investment manager founded in April 2008.
- **Vetted and approved** by numerous investment consulting firms, independent RIA platforms, and large broker-dealers.
- **Experienced team of 15 investment professionals** with deep trading, portfolio management, marketing, operational and technology backgrounds.
- **Demonstrated success through the global financial crisis** and other significant market events.
- **Robust infrastructure** that efficiently integrates proprietary systems and processes with third-party custodians.
- **Full service solutions** delivered with an emphasis on education, transparency and access.

HARVEST OVERLAYS



- ✓ No initial capital required
- ✓ No change to existing weightings
- ✓ No liquidation of holdings
- ✓ Maintain flexibility to change positions

CONSISTENT RETURNS
Deliver steady cash flows over time, market cycles and events

CONSERVATIVE RISK
Construct and manage to limit losses and drawdowns

COMPLEMENT PORTFOLIO
Low correlation of returns enhances portfolio

TAX ADVANTAGED
60% long term/40% short term capital gains (IRC Section 1256)

SIMPLE SETUP
Separately managed account opened at existing custodian

LIQUID & TRANSPARENT
Exchange listed securities, held and viewable at existing custodian

OPEN COMMUNICATION
Emphasis on information sharing and education with client and advisors

CENTRALLY CLEARED
All positions centrally cleared and guaranteed by the OCC

CYES – DESCRIPTION & HISTORICAL PERFORMANCE

CYES is an overlay that seeks to exploit the volatility risk premium and time decay properties of option premium by actively managing a portfolio of short-dated index option spreads on the S&P500 index (SPX). CYES sells options to generate premium while purchasing further out of the money options to contain risk. In a disciplined manner the strategy will seek to mitigate exposure to market directional or gap risk by defensively adjusting positions in response to a large move or reducing exposure ahead of specific market events.

Consistent Returns

- **Returned +3.34% during financial crisis (Sept 08-Feb 09)**
- **Positive returns in 7 of 9 years**
- **~70% of months positive**

Best month:	+3.51%
Best year:	+3.62%
Best trailing 12-month:	+7.71%

Conservative Risk

- **Only one drawdown exceeding 3% in 9 years (recovered in 2 months)**
- **Only 5 months exceeding a 1% loss; only 1 month exceeding a 2% loss**
- **Low correlation to S&P500 of 0.09**

Worst month:	-2.83%
Worst year:	-0.68%
Worst trailing 12-month:	-1.22%

Date	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Std. Dev.
2017	0.44%	-0.37%	0.24%	0.30%	0.24%	0.09%	0.14%	0.21%	0.06%	-0.33%	-0.31%	0.01%	0.71%	0.92%
2016	-0.39%	0.47%	-0.17%	0.14%	0.26%	-0.11%	-0.30%	0.41%	0.25%	0.24%	-0.04%	-0.13%	0.64%	0.97%
2015	0.12%	0.24%	0.27%	0.30%	0.33%	0.18%	0.26%	-1.12%	0.67%	-0.35%	0.38%	0.26%	1.54%	1.58%
2014	-0.23%	-0.25%	0.43%	0.18%	0.12%	0.08%	-0.07%	0.02%	0.27%	-0.59%	0.05%	-0.66%	-0.68%	1.14%
2013	-0.13%	0.16%	-0.23%	0.15%	-0.98%	0.20%	-0.02%	-0.13%	0.30%	-0.12%	0.11%	0.10%	-0.61%	1.17%
2012	0.13%	-0.01%	0.00%	0.27%	0.46%	0.14%	0.29%	0.33%	0.00%	0.27%	0.35%	0.06%	2.31%	0.55%
2011	0.30%	0.06%	0.56%	0.22%	0.15%	0.14%	-0.40%	-1.26%	0.88%	-1.46%	0.46%	0.98%	0.59%	2.64%
2010	-0.29%	0.89%	-0.12%	-0.18%	-0.67%	-0.36%	1.75%	-0.05%	0.08%	0.18%	0.36%	0.36%	1.95%	2.22%
2009	1.13%	0.85%	-0.67%	0.29%	0.76%	0.64%	-1.90%	0.59%	0.30%	0.39%	0.54%	0.67%	3.62%	2.86%
2008				0.42%	0.92%	-0.05%	0.06%	0.42%	-0.97%	-2.83%	1.65%	3.51%	3.06%	6.00%

- Composite returns are calculated using the notional value of each client's account and generated net of actual transactional costs and fees, per the terms of the client agreement.
- Composite returns are constructed in compliance with the CFA Institute's Global Investment Performance Standards (GIPS) – [illegible]

****Past performance is not an indicator of future results. Please see disclaimers on the following pages****