MANAGED FUTURES INDEX

COMMENTARY + STRATEGY FACTS

APRIL 2017

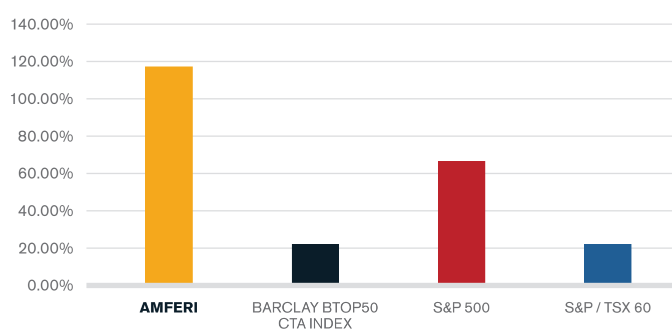
AUSPICE Capital Advisors

SUITE 510 - 1000 7TH AVE SW

CALGARY, ALBERTA CANADA T2P 5L5

CUMULATIVE PERFORMANCE

(SINCE JANUARY 2007*)



	AMFERI	BARCLAY BTOP50 CTA INDEX	S&P 500	S&P / TSX 60
	Correlation	0.70	-0.24	-0.20

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CTA Intelligence

Winner - 2016 & 2017
Best Investable CTA Index

The strategy was again named the Best Investable CTA Index by CTA Intelligence Magazine at the US Awards event in New York on February 16th.

SUMMARY

Global equity markets continued their trend higher: The S&P 500 gained 0.91%, the TSX/S&P60 gained 0.36% and the MSCI World gained 1.33% for reference. The VIX popped higher for a period of time but ended near 13 where it started, as the market grinds higher. It has been noted that the start of 2017 was one of the least volatile periods in decades (happy to pass along some information).

Interest Rate futures made a push higher (lower rates). This is the strongest move up since the US elections and a sell-off that began in mid 2016.

The US Dollar again weakened, a trend that started in January. As such global currencies were generally stronger vis-à-vis the Dollar.

While commodities showed some signs of stability in February, the weakness that renewed in March extended in April. The benchmarks, GSCI and Bloomberg Commodity, were both softer (-2.78% and -1.57% respectively). While 2017 has started on weak footing, the trend since early 2016 is still positive.

The AMFERI lost 4.02% in April which underperformed Barclay BTOP50 CTA benchmark per Table 1.

While the performance is similar on 1 year basis to the benchmark, it is longer term the value is illustrated not only versus peers in the benchmark but also to the equity market. On a 3 year basis the AMFERI is ahead of the benchmark despite challenging CTA environment. On a 10 year basis this performance significantly outstrips both the CTA and equity benchmarks on both an absolute and risk-adjusted basis.

OUTLOOK

In order to provide outperformance at critical times and when many CTAs are negative (e.g. AMFERI gained in 2016), it is inevitable that a strategy will correct. Moreover, it should be expected that this strategy will deviate from peers and both underperform and outperform at times highlighting its accretive value. Historically, the outperformance has come at critical times as illustrated in Chart 1: The strategy shows historic outperformance to the Barclay BTOP50 CTA Index in the critical times of 2008-2010, 2014 and most recently in 2016 when non-correlated returns are most valuable.

Chart 1 HISTORICAL GROWTH SINCE 2007

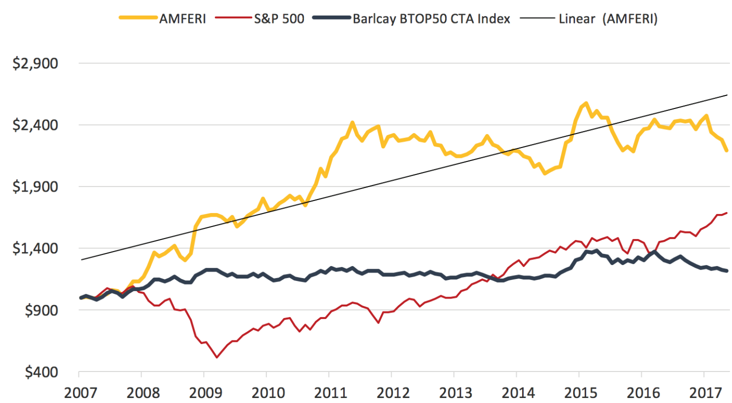


Table 1 ABSOLUTE PERFORMANCE

	AMFERI	Barclay BTOP50 CTA Index	S&P 500	TSX 60
1 Month	**-4.02%**	-0.61%	0.91%	0.36%
2017 YTD	**-11.64%**	-2.39%	6.49%	2.09%
1 yr (May 16)	**-8.14%**	-6.72%	15.44%	12.68%
3 yr (May 14)	**4.91%**	4.83%	26.55%	9.71%
10 yr (May 07)	**116.25%**	20.84%	60.84%	20.06%
Annualized (Jan 07)				
Return	**7.87%**	1.92%	5.11%	2.08%
Std Deviation	**11.92%**	6.43%	15.08%	13.18%
Sharpe Ratio	**0.75%**	0.33	0.45	0.26
MAR Ratio	**0.46%**	0.16	0.10	0.05
Worst Drawdown	**-17.17%**	-11.92%	-52.56%	-44.27%

Despite the correction in the performance to start 2017, the strategy is agile and adapting to realities of changing trends. While the long term trends that caused outperformance in 2016 were largely unchanged through Q1, it is notable that the portfolio made a number position changes in April. While patience is critical in trend-following, the most important aspect is accepting the reality of changes in momentum agonistically and adjusting.

2017 remains full of unknowns and we anticipate this will provide a number of market moving catalysts. As such, we anticipate volatility may increase from these very low levels. From this volatility we can expect a reasonable amount of trends to develop and thus an optimistic opportunity set for the strategy.

ATTRIBUTIONS AND TRADES

The month was dominated by shifts in long term trends encompassing both commodity and financial assets. As such, position changes were made across a large part of the portfolio.

Performance was negative in all 5 of the index sectors with Metals markets most challenging (See Chart 2).

For the month, the top performing positions in the portfolio were gains from short positions in Sugar along with both the Canadian and Aussie Dollars.

The worst performing components were Gold and Silver which shifted from short in long term down trends to long positions. At the same time, the opposite occurred for Gasoline and Wheat which shifted to short positions on continued weakness.

Despite the numerous commodity portfolio changes, the portfolio remains long 7 of 12 commodity components (or 58%) and includes all 3 sectors – Energy, Metals, and Ags (See Chart 3).

In the Financial markets, a similar series of changes occurred as US Dollar weakness and strength in currencies caused numerous shifts in trends. In Interest Rate futures, after moving to short across the curve in late October, the strategy transitioned to long weights.

Chart 2 INDEX RETURN ATTRIBUTION

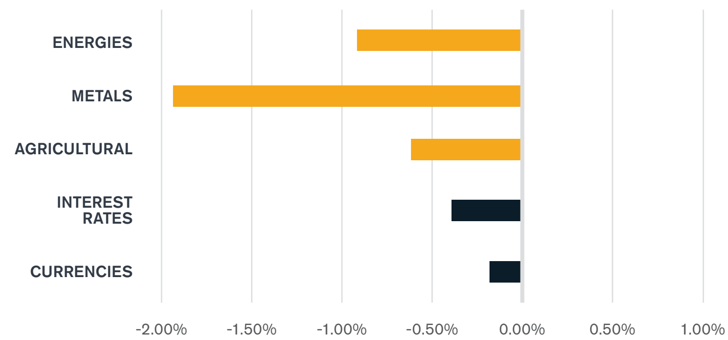
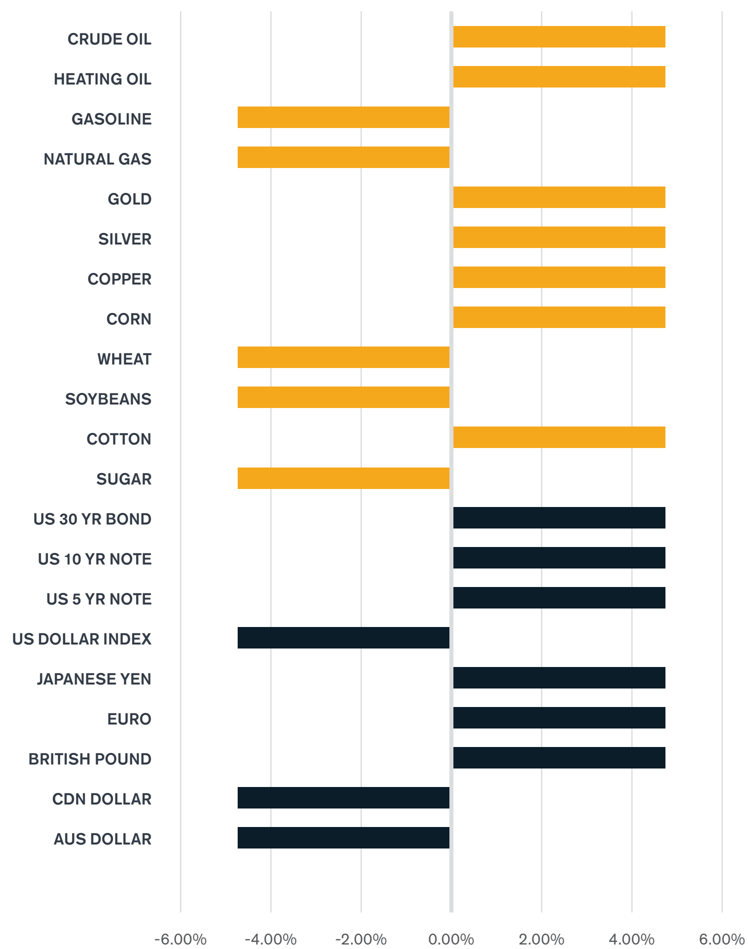


Chart 3 COMPONENT EXPOSURE: SHORT/LONG



SECTOR HIGHLIGHTS

ENERGY
While most positions have been held despite weakness on the petroleum side of the energy market, Gasoline shifted to short alongside Natural Gas.

METALS
After a weak second half of 2016, both Gold and Silver have shown positive trend in 2017. The strategy is now long all components in the sector, both Base and Precious Metals.

AGRICULTURE
Both Soft Commodities and Grains were weak in the Ag sector. While Cotton and Corn remain long, Wheat moved to short alongside Soybeans and Sugar.

INTEREST RATES
The portfolio moved to a long exposure across the curve for a small sector loss.

CURRENCIES
The strategy shifted to short the US Dollar Index along with long positions the British Pound, Euro and Yen.

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WHY AUSPICE INDICES

The Auspice Indices are designed to meet the needs of investors that are looking to participate in liquid alternatives through a disciplined approach without sacrificing performance, diversification, and transparency. We believe Auspice Indices encompass everything from alpha to beta, across a return continuum. The indices blend elements of active management and indexing into a transparent, published, single strategy rules-based approach.

THE MAIN POINTS OF DIFFERENTIATION INCLUDE:

Auspice has addressed typical concerns with the valuable Managed Futures/CTA sector:

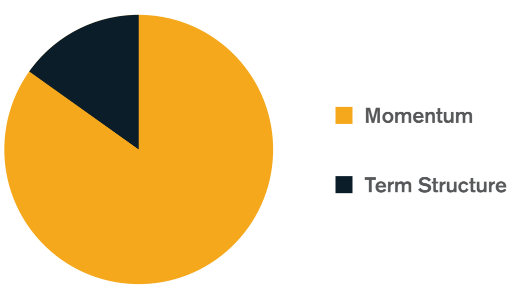
STRATEGY DESCRIPTION

The Auspice Managed Futures Index aims to capture upward and downward trends in the commodity and financial markets while carefully managing risk.

The strategy focuses on Momentum and Term Structure strategies and uses a quantitative methodology to track either long or short positions in a diversified portfolio of exchange traded futures, which cover the energy, metal, agricultural, interest rate, and currency sectors. The index incorporates dynamic risk management and contract rolling methods. The index is available in total return (collateralized) and excess (non-collateralized) return versions.

CHALLENGE	SOLUTION
Transparency	Rules-based index published approach that is completely transparent
Liquidity	Daily available (40 act Mutual Funds, ETFs)
High Fees	Low cost, management fee-only provider. No underlying or hidden fees typically associated with sub-advisory
Ability to perform in bear market	Outperformance in critical times
All Managed Futures the same	Compliments many single or multi-manager Managed Futures strategies
Financial markets concentration resulting in high correlation to equities	More balance of commodities and financials with no stock indicies exposure results in lower correlation to equity and peers
Lack of long term track record	Proven long term track record is published by NYSE
Brand recognition	Strategy used by public pensions, institutional investors and retail distributors in US and Canada

RETURN DRIVERS



OTHER DETAILS

Calculated and published by NYSE since 2010.
Tickers: Bloomberg AMFERI, Reuters AMFERI

PRODUCT AVAILABILITY

Licensing and/or sub-advisory of the strategy
Bespoke product design
ETFs: through partner firms
40 Act Mutual Funds: US investors through partner firms
Separately Managed Accounts

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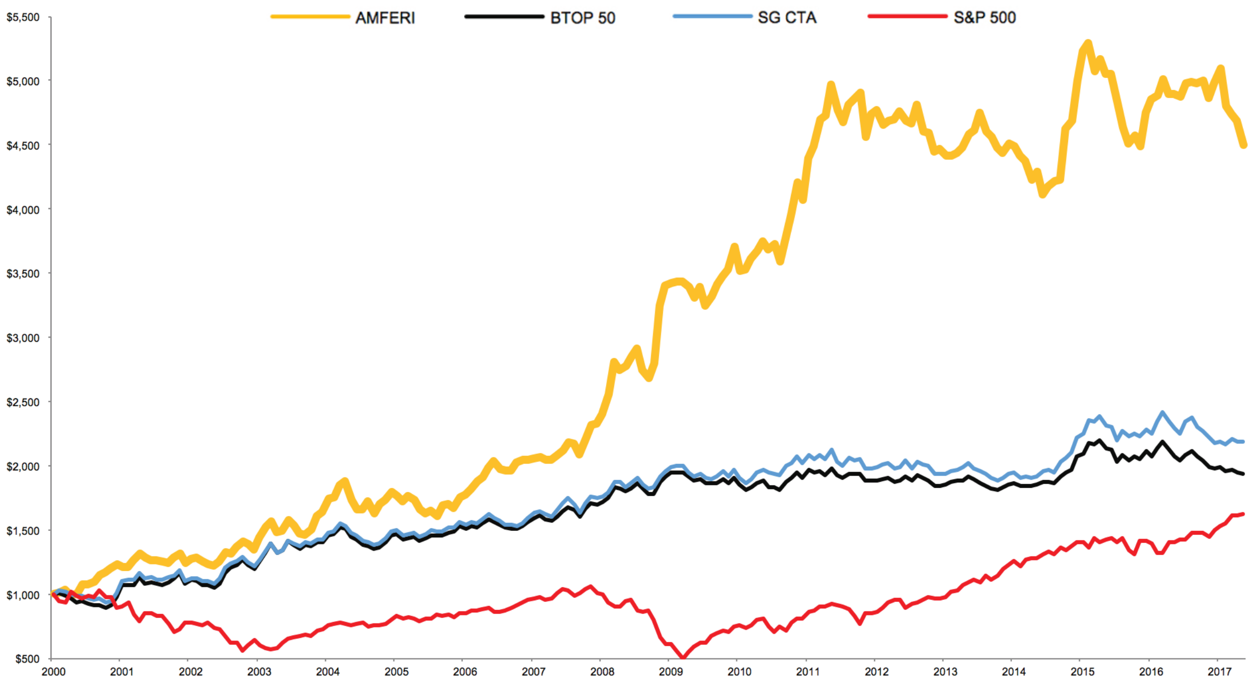
COMPARATIVE MANAGED FUTURES INDEX PERFORMANCE



MONTHLY PERFORMANCE TABLE*

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	RETURN
2017	-5.56%	-1.48%	-1.05%	-4.02%									**-11.64%**
2016	0.57%	2.67%	-2.25%	-0.07%	-0.51%	2.29%	0.26%	-0.25%	0.31%	-2.70%	2.44%	2.17%	**4.87%**
2015	1.11%	-4.22%	1.89%	-2.14%	-0.04%	-4.59%	-3.79%	-2.78%	1.40%	-1.92%	5.85%	2.26%	**-7.26%**
2014	-1.67%	-0.86%	-3.50%	1.47%	-3.79%	1.38%	0.96%	0.38%	9.45%	1.26%	6.70%	4.64%	**16.55%**
2013	0.08%	0.55%	1.01%	2.27%	0.55%	3.09%	-3.05%	-0.96%	-1.87%	-0.86%	1.47%	-0.31%	**1.82%**
2012	-2.20%	0.46%	0.40%	1.21%	-1.48%	-0.41%	3.11%	-4.44%	-0.22%	-3.16%	0.60%	-1.38%	**-7.45%**
2011	2.23%	4.62%	0.54%	5.20%	-4.05%	-2.00%	2.91%	0.98%	1.08%	-7.07%	3.85%	0.60%	**8.48%**
2010	0.31%	2.47%	1.50%	2.09%	-1.55%	1.14%	-3.74%	4.92%	4.81%	6.42%	-3.14%	7.91%	**24.87%**
2009	0.41%	-0.14%	-1.02%	-2.52%	2.51%	-4.43%	2.46%	2.86%	1.70%	1.52%	4.97%	-5.03%	**2.80%**
2008	6.80%	9.39%	-2.14%	1.42%	2.58%	2.12%	-5.75%	-2.49%	4.42%	16.05%	4.92%	0.50%	**42.65%**
2007	0.75%	-1.02%	-0.45%	1.90%	2.05%	2.94%	-0.82%	-3.48%	5.56%	5.18%	0.12%	3.19%	**16.68%**
2006	2.34%	3.43%	2.02%	3.61%	2.71%	-3.20%	-0.30%	0.09%	3.24%	0.62%	0.25%	0.41%	**16.06%**
2005	-2.46%	2.45%	-1.94%	-3.87%	-2.36%	1.70%	-2.48%	4.80%	1.03%	-2.03%	5.04%	0.90%	**0.35%**
2004	0.76%	5.16%	1.70%	-7.67%	-4.21%	0.12%	3.53%	-5.24%	4.32%	2.20%	3.33%	-1.56%	**1.52%**
2003	5.61%	2.95%	-5.34%	0.93%	5.66%	-2.64%	-4.26%	-0.92%	2.93%	7.09%	2.28%	5.80%	**20.92%**
2002	0.65%	-1.93%	-1.81%	-1.12%	2.66%	5.99%	-0.72%	3.94%	2.96%	-1.54%	-2.51%	6.40%	**13.15%**
2001	0.50%	3.90%	3.87%	-2.30%	-1.13%	-0.53%	-0.65%	-1.01%	3.72%	2.35%	-5.23%	2.00%	**5.18%**
2000	1.43%	1.78%	-3.61%	1.19%	6.54%	0.03%	2.32%	4.74%	1.85%	3.01%	2.27%	-1.81%	**21.17%**

Represents index data simulated prior to third party publishing as calculated by the NYSE

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COMPARABLE INDICES

*Returns for **Auspice Managed Futures Excess Return Index (AMFERI)** represent returns calculated and published by the NYSE. The index does not have commissions, management/incentive fees, or operating expenses.

The Bloomberg Commodity (Excess Return) Index **(BCOM ER)**, is a broadly diversified index that allows investors to track 19 commodity futures through a single, simple measure.

The **S&P/TSX 60 Index** is designed to represent leading companies in leading industries. Its 60 stocks make it ideal for coverage of companies with large market capitalizations and a cost-efficient way to achieve Canadian equity exposure. Price Return data is used (not including dividends).

The **S&P 500** is an index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe. Price Return data is used (not including dividends).

The **(MSCI) World Index**, Morgan Stanley Capital International, is designed to measure equity market performance large and mid-cap equity performance across 23 developed markets countries, covering approximately 85% of the free float-adjusted market capitalization in each. This index offers a broad global equity benchmark, without emerging markets exposure.

Excess Return (ER) Indexes do not include collateral return.

The S&P Goldman Sachs Commodity Excess Return Index **(S&P GSCI ER)**, is a composite index of commodity sector returns representing an unleveraged, long-only investment in commodity futures that is broadly diversified across the spectrum of commodities.

The **SG CTA Index** provides the market with a reliable daily performance benchmark of major commodity trading advisors (CTAs). The SG CTA Index calculates the daily rate of return for a pool of CTAs selected from the larger managers that are open to new investment.

The **Barclay BTOP50 CTA Index** seeks to replicate the overall composition of the managed futures industry with regard to trading style and overall market exposure. The BTOP50 employs a top-down approach in selecting its constituents. The largest investable trading advisor programs, as measured by assets under management, are selected for inclusion in the BTOP50.

PERFORMANCE NOTES

The Equity benchmarks used in this material are intended to reflect the general equity market performance. They are shown to illustrate the non-correlated attributes versus other assets. Adding non-correlated assets within a portfolio has the potential to reduce portfolio volatility and drawdowns.

The performance of Auspice Managed Futures Index prior to 11/17/2010 is simulated and hypothetical as published by the NYSE. All performance data for all indices assumes the reinvestment of all distributions. To the extent information for the index for the period prior to its initial calculation date is made available, any such information will be simulated (i.e., calculations of how the index might have performed during that time period if the index had existed). Any comparisons, assertions and conclusions regarding the performance of the index during the time period prior to the initial calculation date will be based on back-testing.

These results are based on simulated or hypothetical performance results that have certain inherent limitations. Unlike the results shown in an actual performance record, these results do not represent actual trading. Also, because these trades have not actually been executed, these results may have under-or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to these being shown. The index does not have commissions, management/incentive fees, or operating expenses.

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