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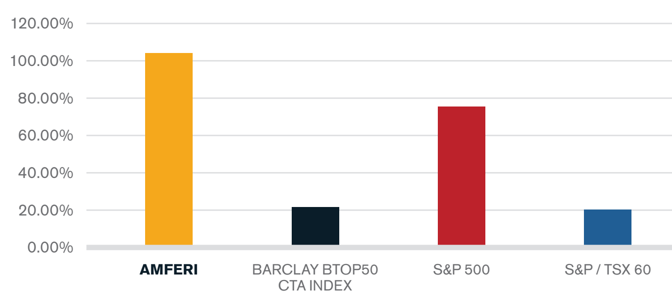
MANAGED FUTURES INDEX

COMMENTARY + STRATEGY FACTS

AUGUST 2017

CUMULATIVE PERFORMANCE

(SINCE JANUARY 2007*)



Correlation	0.68	-0.24	-0.19

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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

Stock markets stagnated in August with the S&P gaining a mere 0.05% while the MSCI World lost -0.07% for reference. While there were some month end commodity gains, the resource tilted Canadian TSX/S&P60 was also pressured softening -0.08% and remains one of the few stock markets negative on the year.

Interest Rate futures moved higher throughout the month extending July's gains. After months of weakness, the US Dollar rallied into mid-month but failed to sustain and fell back in the end.

While commodity benchmarks are lower for the month, there were some strong gains. Precious and Base metals continued higher while some Energies followed suit led by refined products due to the damage to important energy infrastructure in Texas. The energy tilted GSCI fell 3.11% while the more diverse Bloomberg Commodity Index lost only 1.39%. We note new commodity trends emerging and volatility coming back and anticipate further opportunity throughout the fall.

The AMFERI gained 3.08% surpassing the benchmarks. The Barclay BTOP50 CTA benchmark gained an estimated 1.53% (per Table 1) while the SG CTA Index gained 1.76% for reference.

Chart 1 **HISTORICAL GROWTH SINCE 2007**

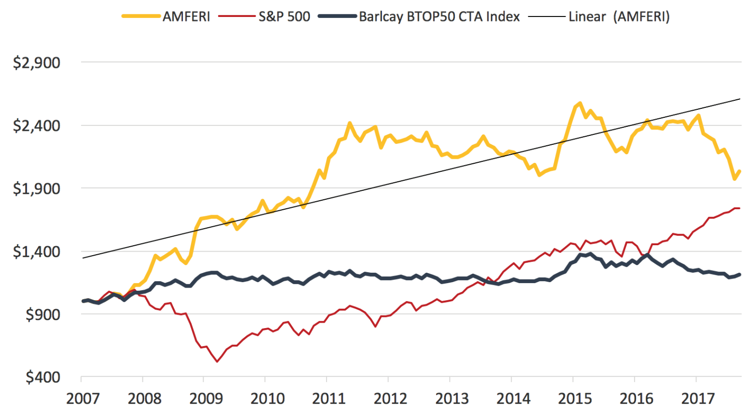

Table 1 **ABSOLUTE PERFORMANCE**

	AMFERI	Barclay BTOP50 CTA Index	S&P 500	TSX 60
1 Month	**3.08%**	1.53%	0.05%	-0.08%
2017 YTD	**-17.83%**	-2.74%	10.40%	-1.06%
1 yr (Sep 16)	**-16.06%**	-6.84%	13.85%	4.60%
3 yr (Sep 14)	**-1.11%**	0.99%	23.37%	-0.86%
5 yr (Sep 12)	**-9.09%**	1.57%	75.72%	30.29%
10 yr (Sep 07)	**99.96%**	20.13%	67.68%	12.24%
Annualized (Jan 07)				
Return	**6.88%**	1.82%	5.35%	1.72%
Std Deviation	**12.08%**	6.40%	14.85%	12.99%
Sharpe Ratio	**0.67**	0.32	0.47	0.24
MAR Ratio	**0.30**	0.13	0.10	0.04
Worst Drawdown	**-23.32%**	-14.10%	-52.56%	-44.27%

OUTLOOK

While the year has started off soft, the strategy is capturing opportunities specifically when equity stagnates as witnessed this month. We view the opportunity as great for the strategy and consider the current environment a statistically good entry point given the long history of performance versus peer benchmarks and the equity market (see Chart 1). Since the beginning of 2007 and on a 10 year basis, the annualized and cumulative returns outstrip both CTA and equity benchmarks on both an absolute and risk-adjusted basis (see Table 1).

To reiterate: We believe the heavy equity weighting and correlation in most portfolios is a significant risk given the 9 year period of outperformance. Moreover, traditional alternatives such as private equity and infrastructure are also highly correlated. Given commodity volatility and price movement has underperformed for the bulk of this period, we feel the strategy, a commodity tilted CTA without equity exposure, is ideally positioned to provide returns in the next phase. (We encourage you to check out the Auspice Blog for more info on investment strategies being "On Sale").

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ATTRIBUTIONS AND TRADES

There were only a few changes to the commodity assets in the portfolio. Financial futures remained unchanged.

Performance was positive in 4 of the 5 index sectors with commodities leading performance while financials were also a net positive (see Chart 2). Gains were made across commodity sectors, both long and short. Rates made gains while a small loss in Currencies was a modest drag on the portfolio.

For the month the top performing positions in the portfolio were all commodities and led by long gains in the Metals. Both Gold and Copper moved higher. Adding to this, weakness in Ags added significant value led by Soybeans and Sugar. Energies had a small gain on the back of a short in WTI Crude Oil. The worst performing components were Silver and Natural Gas which remained short as those markets moved up against long term trends.

The portfolio increased its short commodity exposures to 9 of 12 commodity components (or 75%) and still includes all 3 sectors – Energy, Metals, and Ags (see Chart 3).

In financial markets, strength in Rates continues to add value while Currencies paused after a strong July.

SECTOR HIGHLIGHTS

ENERGY

While the sector was generally softer after a strong July, the storm hitting the US gulf states caused a renewed push at month end. While Crude made gains remaining short, natural gas rallied throughout the month. Additional upside hit the products which caused Gasoline to shift long at month end with Heating Oil close behind. We anticipate this sector to be volatile this fall for many reasons.

METALS

Metals led portfolio gains. Both Base and Precious metals were strong once again. While Copper and Gold led this in July and were shifted to long, Silver also made gains yet remains short given the strength of the long term trend.

AGRICULTURE

After a challenging couple months in this sector, Ags made a solid contribution on the back of existing and new shorts. Corn and Wheat were shifted early in the month to take all Grains short adding to existing shorts in Soft commodities. With the exception of Cotton, weakness was universal.

INTEREST RATES

The portfolio remains long across the curve for a solid gain across the curve (5 and 10 year Notes, and 30 year Bonds).

Chart 2 INDEX RETURN ATTRIBUTION

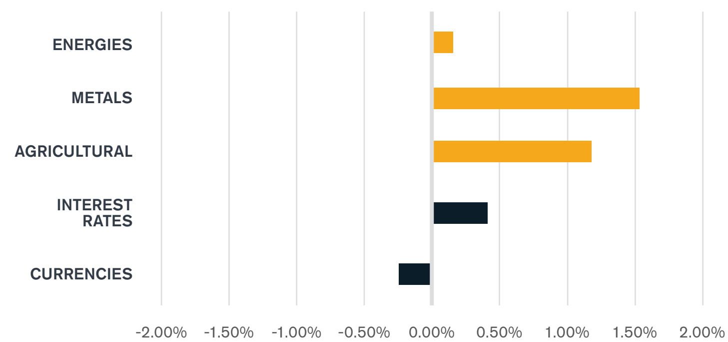
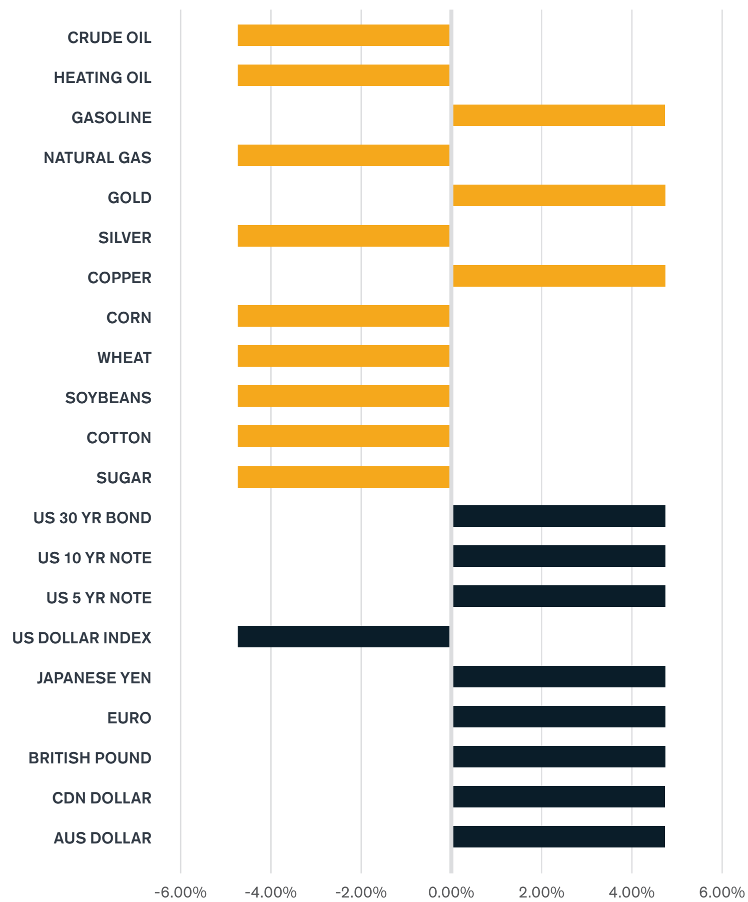


Chart 3 COMPONENT EXPOSURE: SHORT/LONG



CURRENCIES

Currencies corrected slightly as the US Dollar showed some brief signs of upside movement. This caused volatility in currencies and we reduced exposure, taking some profits in the Canadian and Aussie dollars as well as the Euro. However, by month end, it appears the trends are intact and position directions are unchanged.

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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:

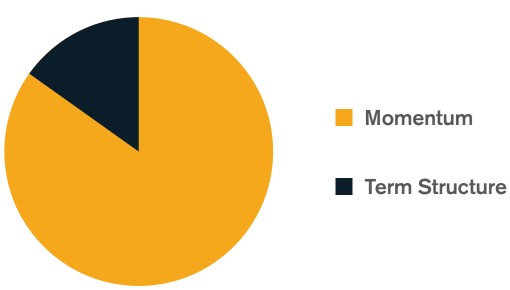
STRATEGY DESCRIPTION

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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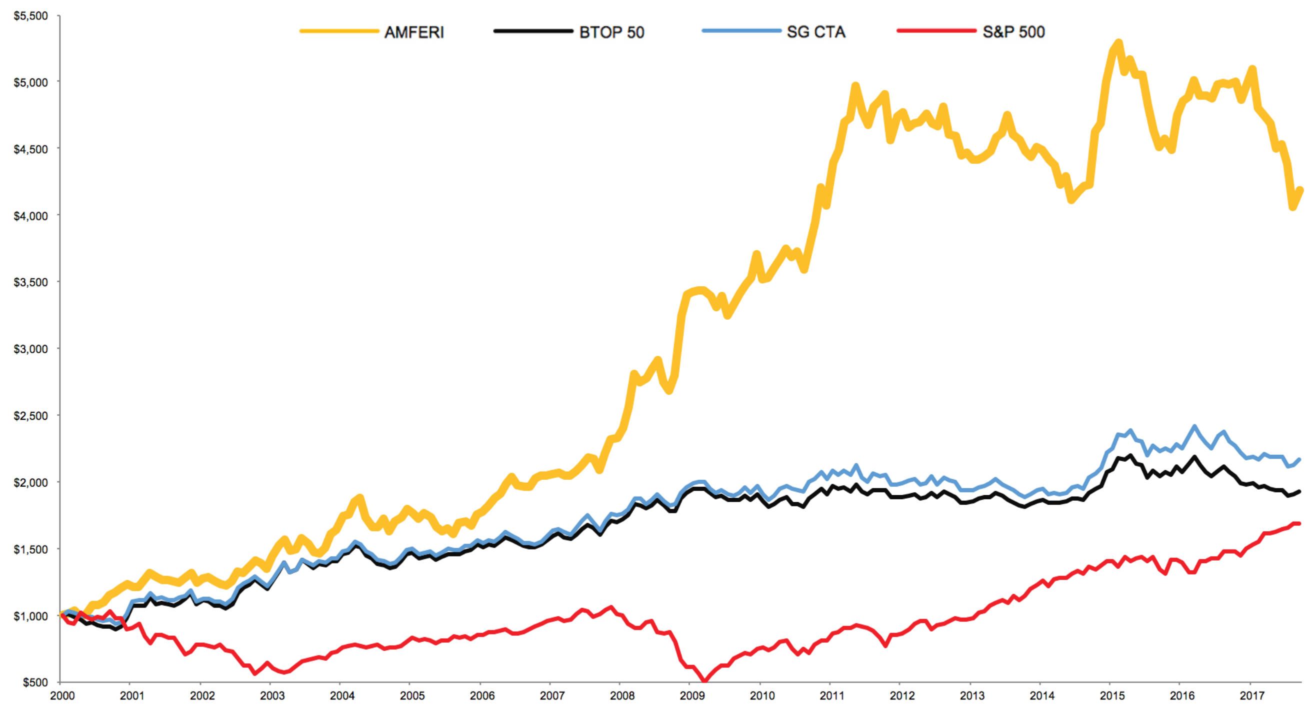
COMPARATIVE MANAGED FUTURES INDEX PERFORMANCE



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%	0.84%	-3.43%	-7.36%	3.08%					**-17.83%**
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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