AUSPICE

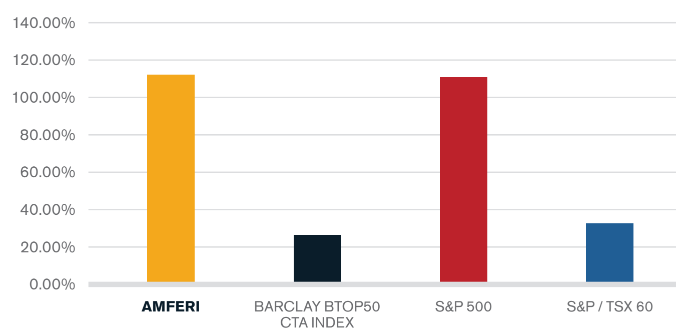
MANAGED FUTURES INDEX

COMMENTARY + STRATEGY FACTS

JULY 2019

CUMULATIVE PERFORMANCE

(SINCE JANUARY 2007*)



Correlation	0.63	-0.19	-0.16

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CTA Intelligence

Winner - 2016 & 2017
Best Investable CTA Index

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SUMMARY

Global markets equity markets moderated after June gains as US-China trade tensions escalated and we got closer to the month-end US Federal Reserve meeting. The S&P gained 1.31%, Nasdaq 2.11% while the MSCI World added only 0.42% and the resource tilted Canadian TSX/S&P60 was flat. The struggling Energy sub-index continued to fall 3.18% despite a strong heavy-oil market versus WTI.

Commodities softened given uncertainty of trade and Fed. Gold and WTI Oil moderated with Gold gaining 0.80% and WTI Oil flat while Grains struggled with Wheat and Corn falling over 5%. The energy weighted GSCI was off 0.41% while the more diverse Bloomberg Commodity index lost 0.87%.

On July 31st, the US Fed cut rates for the first time since the 2008 financial crisis. While anticipated, the policy statements highlighted future concerns in the global economy creating a volatile difference of opinions. As such US bond futures were neutral into the close on the 31st while the US dollar strengthened vis-à-vis most global currencies.

We note that in the first few days of August, equities sold off sharply while rates rallied.

RESULTS

The AMFERI added 0.50% in July continuing to moderate the first half of 2019 correction after such a strong 2018 campaign which saw the strategy gain over 13%. The strategy lagged the sector benchmarks for the month (per Table 1): Barclay BTOP50 CTA gained 2.87% for the month while the SocGen CTA Index added an estimated 3.61%.

While the strategy lags benchmarks most recently, it also illustrates long term outperformance and at critical times per Chart 1 and given long term performance 10, 12 year and since early 2007 in Table 1.

OUTLOOK

We continue to believe that actual risk in the equity markets is not being given due consideration given a number of factors. Most importantly for Auspice, we observe the actual price behavior containing sharp reversals in both directions and the lack of reflection in the VIX level.

While CTA benchmarks are up on the year, we believe that much of this comes from a heavy weight towards financial markets and creates the risk of poor CTA performance for many should the market begin to correct and experience volatility and trends from commodities.

Chart 1 HISTORICAL GROWTH SINCE 2007

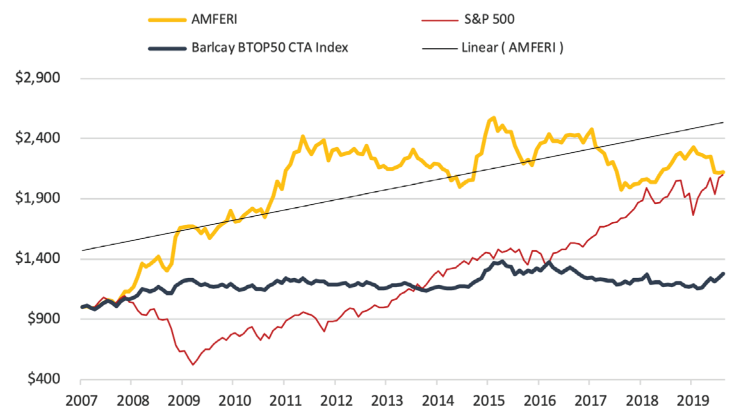

Table 1 ABSOLUTE PERFORMANCE

	AMFERI	Barclay BTOP50 CTA Index	S&P 500	TSX 60
1 Month	**0.50%**	2.87%	1.31%	0.01%
2019 YTD	**-8.63%**	8.32%	18.89%	14.01%
1 yr (Aug 18)	**-3.43%**	7.93%	5.83%	0.04%
3 yr (Aug 16)	**-12.52%**	-3.91%	37.12%	15.62%
5 yr (Aug 14)	**3.71%**	9.23%	54.37%	10.79%
10 yr (Aug 09)	**31.49%**	9.38%	201.82%	49.68%
12 yr (Aug 07)	**101.66%**	23.06%	104.80%	22.55%
Annualized (Jan 07)				
Return	**6.18%**	1.97%	6.08%	2.23%
Std Deviation	**11.44%**	6.57%	14.79%	12.68%
Sharpe Ratio	**0.64**	0.33	0.52	0.28
MAR Ratio	**0.27**	0.12	0.12	0.05
Worst Drawdown	**-23.32%**	-16.11%	-52.56%	-44.27%

To reiterate: we believe the key to outsized returns in this area is a commodity tilted risk budget complimented with an agile investment and risk management approach. This approach may logically lag while others perform alongside equities.

It is challenging to not let the post month-end volatility play into these comments as the strategy has performed very well as equities sold off.

We believe corrections as experienced to start 2019 may be a historic opportunity for entry and remind investors Auspice outperformed in 2018 at a time of critical need as equities retreated.

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ATTRIBUTIONS AND TRADES

Within commodities, the portfolio held existing long weights in Grains and the strongest Energies while adding Silver to the Metals sector. Within financial markets positions were stable while the Canadian dollar was shifted to long.

The portfolio is now long commodity exposures in 5 of 12 components (or 42%) and includes all 3 sectors – Energies, Metals and Ags (see Chart 3).

Performance was positive in 2 of the 5 index sectors, both commodity and financial, led by Currencies while the Ag sector contributed (Chart 2).

The strongest performing commodity components include long Gold while short Soybeans, Cotton and Sugar. Financially, gains came from long the US Dollar and short most currencies.

The weakest performing components came from shifting Silver to long and sell-offs in Corn and Wheat.

SECTOR HIGHLIGHTS

ENERGY

The Energy sector had a small loss as gains from long Gasoline and short Natural Gas were offset by slightly stronger Heating Oil. Generally, the petroleum market was muted by trade tensions and upcoming central bank actions.

METALS

Precious metals had a strong month on the back of Gold. Conversely, gains from short Copper added value but did not offset the resulting shift to long Silver. Small sector loss.

AGRICULTURE

Long Grains reversed with Wheat and Corn falling near 8% and 6% respectively. Short Soybeans provided a strong offset to this with gains alongside Soft commodity markets of Cotton and Sugar for a sector gain.

INTEREST RATES

US Rate futures softened slightly into the Fed meeting for a small sector loss across the curve.

CURRENCIES

Currencies led the program gains as the US Dollar strengthened with short gains from the British Pound, Aussie Dollar and the Euro. The strongest of currencies in the Canadian dollar was shifted to long exposure but will be one to watch as oil volatility and an upcoming Federal election in Canada are relevant.

Chart 2 INDEX RETURN ATTRIBUTION

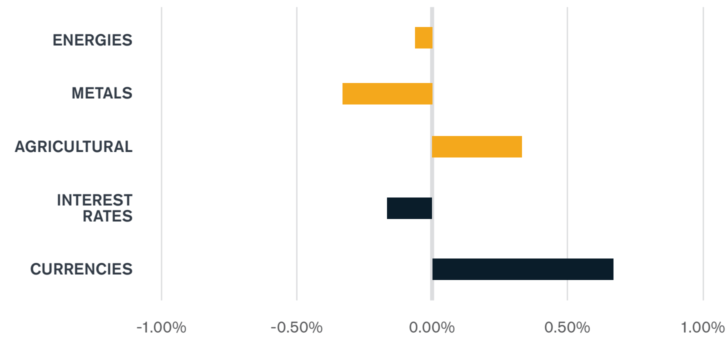
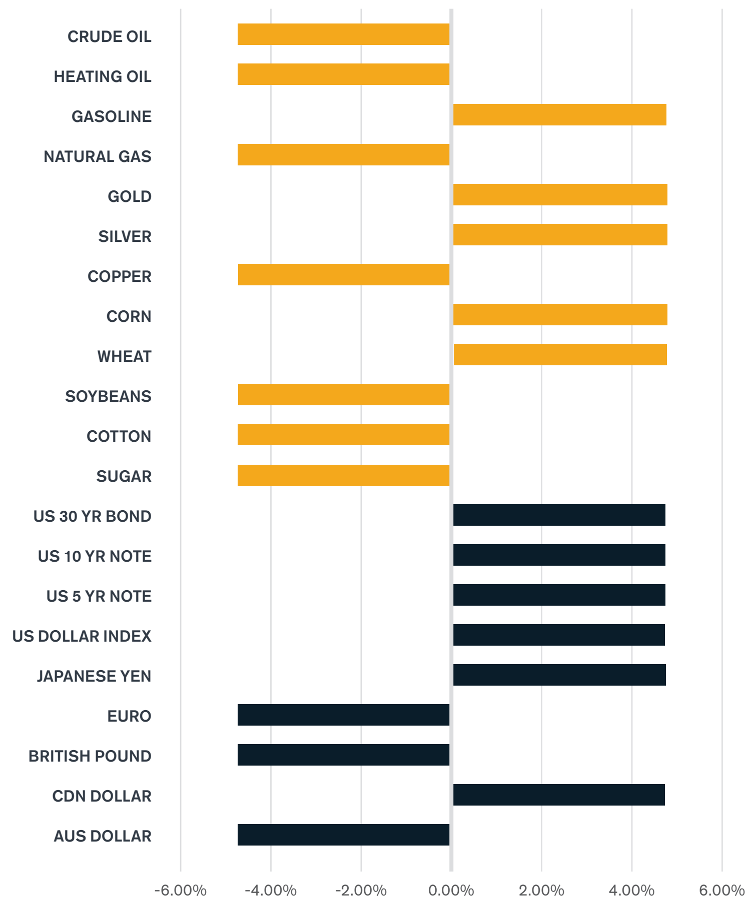


Chart 3 COMPONENT EXPOSURE: SHORT/LONG



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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:

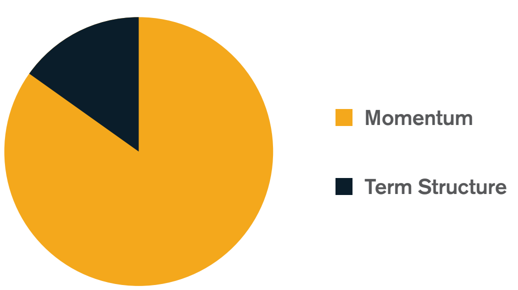
STRATEGY DESCRIPTION

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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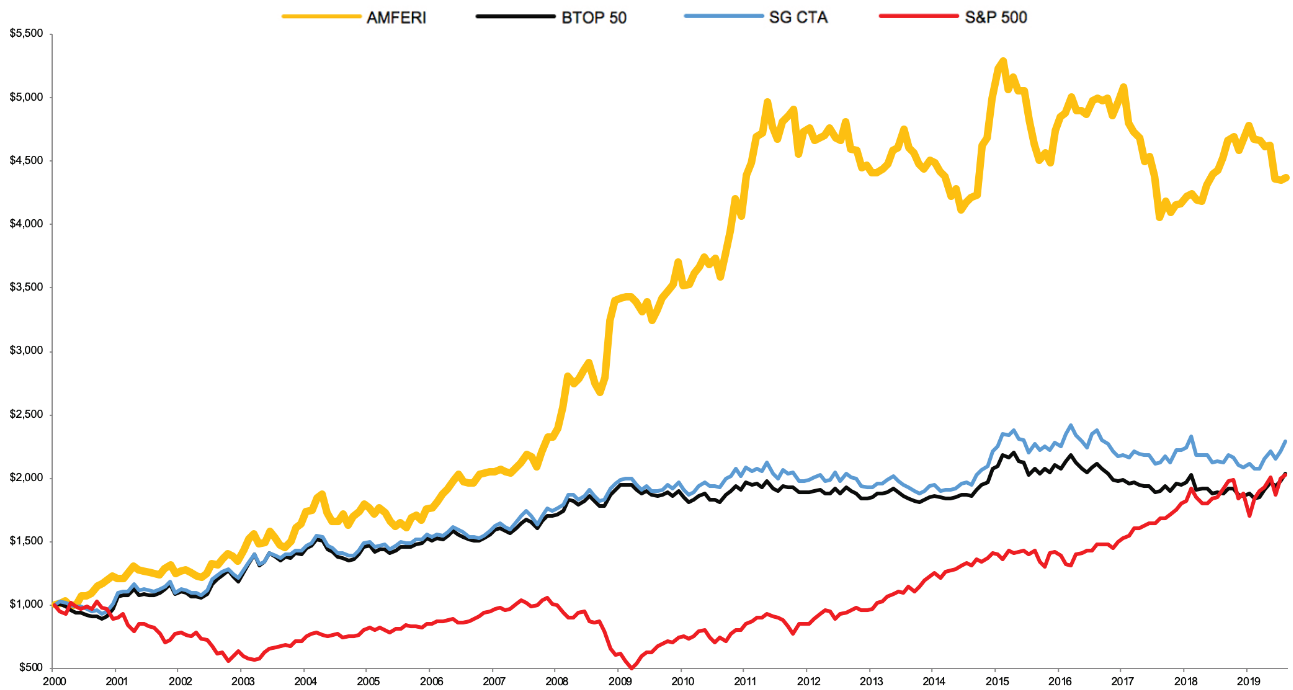
COMPARATIVE MANAGED FUTURES INDEX PERFORMANCE



MONTHLY PERFORMANCE TABLE*

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	RETURN
2019	-2.20%	-0.35%	-0.97%	0.32%	-5.76%	-0.36%	0.50%						**-8.63%**
2018	0.43%	-1.25%	-0.10%	2.99%	1.99%	0.74%	2.09%	3.03%	0.75%	-2.25%	1.93%	2.18%	**13.12%**
2017	-5.56%	-1.48%	-1.05%	-4.02%	0.84%	-3.43%	-7.36%	3.08%	-1.95%	1.32%	0.20%	1.54%	**-16.94%**
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.

The CTA indexes do not encompass the whole universe of CTAs. The CTAs that comprise the indices have submitted their information voluntarily and the performance has not been verified by the index publisher.

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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