

## MTA Strategies Overview

Our five primary strategies can be mixed and matched to deliver a custom portfolio that meets your investment objectives. They all incorporate our proprietary trend-following models. Here is a brief overview:

Strategy	MTA Index	MTA World Index	MTA Sector	MTA Wealth Builder
<b>Description</b>	Invests <u>long or short</u> in market index ETFs based on proprietary market signals	Same as MTA Index but uses 5 country-specific indexes when long and broad market indexes when short. Rebalanced monthly on long	Invests in up to 10 of the best-performing industry and international sectors. Invests using ETFs and, occasionally, closed-end funds.	Consistent, steady approach to building wealth. Combines asset class and sector rotation with our long/short technology. Employs active risk management.
<b>Investment Objective</b>  How does the strategy react in bull and bear market periods?	Capital protection in down-trending markets and market-or-better gains in up-trending markets (depends on level of aggressiveness)	Capital protection in down-trending markets and above-market gains in up-trending markets	Achieve above-market gains while minimizing losses during market downturns by moving quickly to defensive sectors.	Substantially outperform the market through focus on best-performing sectors in a bull market while hedging during a bear market by adding a short position.
<b>Broad Risk Profile</b>  What level of monthly draw-downs can I expect?	Strategy can be customized to be <u>conservative, moderate, or aggressive</u> . Monthly losses would rarely exceed 5% unless leverage is used to enhance returns.	Strategy is <u>aggressive</u> . Monthly losses can be between 5-10%.	Strategy is <u>moderate</u> . Monthly losses will occasionally be between 5-10%.	Strategy is <u>conservative to moderate</u> . On average, no more than one 5% monthly loss per year

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<p><b>Positions</b></p> <p>What does the portfolio look like in a bull or bear market?</p>	<p>May hold up to three broad index ETF positions, such as QQQQ. Uses leveraged ETFs to add aggressiveness upon client request. Portfolio will take short positions or hold cash during weak markets.</p>	<p>MTA World Index holds up to 5 country or broad U.S. index ETFs. In a weak market, portfolio will raise cash and/or take a broad inverse ETF position, such as shorting the Nasdaq.</p>	<p>MTA Sector holds up to 10 sector ETFs or closed-end funds. In a weak market, cash will be raised and defensive positions, such as bond ETFs, purchased.</p>	<p>MTA Wealth Builder can hold as many as 6 equity, bond, currency, or commodity ETF positions: 5 long ETFs + 1 short index position.</p>
<p><b>Position Universe and Selection</b></p> <p>What universe of ETFs is considered and How are Positions chosen?</p>	<p>Portfolio is chosen from universe of broad index ETFs, such as QQQQ, SPY, EFA, et al. We typically will use the Nasdaq, Russell 2000, and broad international (EFA) index ETFs.</p>	<p>Portfolio is chosen from universe of country ETFs including domestic indexes such as S&amp;P mid-cap, Nasdaq, and Russell 2000. Positions are chosen based on proprietary relative strength rankings.</p>	<p>MTA Sector reviews over 300 ETFs and closed-end funds building a portfolio of 10 of the strongest ETFs with an objective of moderate diversification.</p>	<p>MTA Wealth Builder reviews a universe of 100 equity, bond, currency, and commodity ETFs to determine the strongest areas of the market. We seek to hold 5 of the strongest ETFs.</p>
<p><b>Specific Risk Management</b></p> <p>How is risk managed tactically throughout the portfolio?</p>	<p>MTA Index utilizes market BUY, SELL, or CASH signals to determine posture. We might take partial positions during periods where market's trend is uncertain or extended.</p>	<p>MTA World Index uses the same BUY, SELL, CASH signals as MTA Index and may limit positions during periods of uncertainty.</p>	<p>MTA Sector risk is managed according to the discretion of the portfolio manager. Portfolio might become defensive in weak periods, and will exit positions as they weaken individually.</p>	<p>MTA Wealth Builder incorporates a significant short position during bear market periods. In addition, each portfolio position is managed using our proprietary technical tools to keep draw-downs very low.</p>