

Employment Trends Strategy

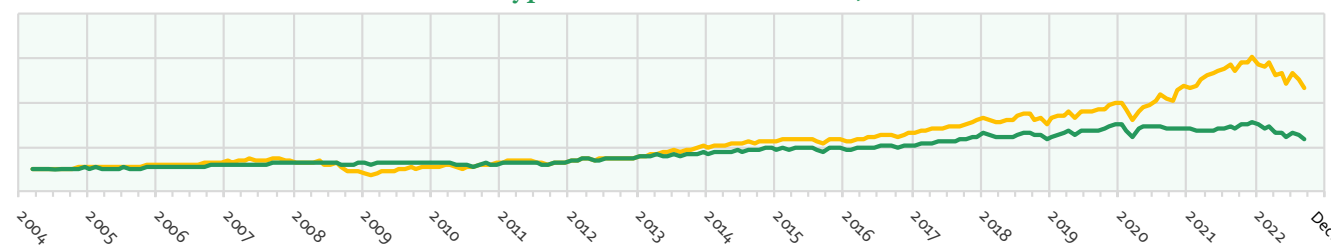
For period ending September, 30 2022



Description

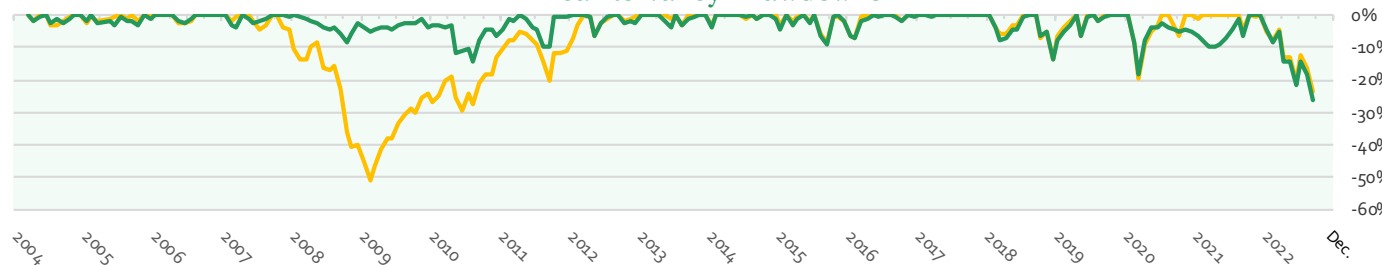
Employment Trends Strategy: The Employment Trends Strategy is a proprietary investment model that utilizes employment indicators to determine the composition of the strategy. The goal of the Strategy is to mitigate downside risk associated with investing in the equity market. Therefore, when employment indicator is bullish, the Strategy holds investment vehicles designed to track the S&P 500. When employment indicators are bearish, the Strategy holds investments designed to track the Barclays Aggregate Bond Index.

Hypothetical Growth of \$100,000



Trailing Returns	ETS	S&P 500
2022 year to date	-26.23%	-23.87%
3 Year Annualized	-5.55%	8.16%
5 Year Annualized	-0.04%	9.24%
7 Year Annualized	3.63%	11.40%
10 Year Annualized	4.26%	11.70%
Since 3/2004	4.59%	6.00%

Peak to Valley Drawdowns



Portfolio Statistics	ETS	S&P 500
Standard Deviation	11.69%	14.72%
Months Positive	59.46%	68.18%
Maximum Drawdown	-26.23%	-50.95%
Median Return	0.51%	1.37%

— S&P 500
— ETS

Historical Quarterly Performance

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Q1		0.00%	-2.34%	3.17%	-3.09%	0.30%	-1.49%	0.03%	4.86%	12.33%	9.05%	0.60%	-0.65%	0.30%	5.56%	-2.19%	12.41%	-17.71%	-4.77%	-5.08%
Q2		0.46%	-0.67%	-1.34%	2.23%	-2.85%	0.06%	-7.24%	-0.89%	-2.52%	-2.04%	4.57%	0.74%	1.75%	2.13%	3.23%	3.72%	17.26%	3.35%	-17.38%
Q3		-2.40%	1.57%	7.06%	4.85%	-1.96%	1.93%	3.47%	-6.37%	6.52%	3.91%	1.87%	-6.55%	3.37%	4.23%	8.37%	1.41%	-0.81%	0.47%	-5.93%
Q4		7.58%	0.63%	6.59%	1.18%	2.91%	-1.58%	1.35%	10.30%	-2.42%	5.63%	3.13%	7.53%	0.91%	6.41%	-13.94%	9.68%	-0.70%	10.81%	
Annual		5.48%	-0.86%	16.15%	5.10%	-1.69%	-1.12%	-2.69%	7.33%	13.81%	17.25%	10.51%	0.56%	6.45%	19.57%	-5.84%	29.68%	-4.96%	9.57%	-26.23%

Disclosure: Past Performance is not a guarantee of future returns. Returns are hypothetical. For performance reporting purposes results presented are net of annual advisory fee of 2.00%. See following page for important disclosures. © 2022 Financial & Tax Architects, Inc. All Rights Reserved.

Description

The Employment Trends Strategy is a FTAWA proprietary investment model that utilizes the ratio of the difference between the rate of change in full time employment and part time for economic reasons employment data to create an indicator which determines the composition of the Strategy. The goal of the Strategy is to mitigate the downside risk associated with investing in the equity market. Therefore, when the employment strategy indicator is bullish, the Strategy holds investment vehicles designed to approximate the the S&P 100 equity index. When employment and housing indicators are bearish, the Strategy holds investments designed to track the Barclays Aggregate Bond Index.

Disclosure

Performance presented is hypothetical (back-tested). Prospective application of the methodology used to manage the strategy may not actually result in a performance commensurate with the hypothetical returns as shown. The hypothetical period does not necessarily correspond to the entire available history of the back-test or any individual instrument. The actual strategy invests in index and bond funds and/or ETF's which may be similar but different from the instruments used in the model. Model results have inherent limitations due to the fact that they do not reflect actual trading and may not reflect the impact that material economic and market factors might have had on the advisor's decision-making if actual client funds had been invested in the strategy. No matter how positive the model returns have been over any time period, the potential for loss is always present due to factors in the future which may not be account for in the model.

The investment strategy that the results were based upon can theoretically be changed at any time with the benefit of hindsight in order to show better results. Therefore, hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline. There is no assurance that these results could, or would have been achieved by Financial & Tax Architects (FTA) during the periods presented.

Calculation Methodologies

The performance is prepared using the following methodologies: (i) by a hypothetical model portfolio to which an investment methodology is applied on a current and on-going basis; (ii) at the beginning of each annual period, the model begins with \$100,000 invested in exchange traded funds (iii) all securities are priced at month's end and all securities held are valued at the closing price as of the last business day for each month; (iv) the cost basis and proceeds for individual security purchases and sales are based on the day and time a trade was entered into and the price is recorded as of the time the decision was made; (v) on a monthly basis, performance is calculated using a holding-period return; (vi) annual performance for the model is computed by linking the monthly performance results for the indicated number of months; (vii) the total investment performance includes both realized and unrealized gains and losses, as well as dividends but does not take into consideration any interest on cash; (viii) all performance results are net of management fees; (ix) net of fee performance has been reduced by the management fee but is gross of all other fees and transaction costs; (x) net of fee performance is calculated using an annual management fee of 2.00% applied quarterly, in arrears; and (xi) the U.S. Dollar is the currency used to express performance.

Limitations of Hypothetical Model Performance

The performance represents hypothetical model results for EMPLOYMENT TRENDS STRATEGY during the measurement time period. As such, these results have limitations, including, but not limited to, the following: (i) EMPLOYMENT TRENDS STRATEGY results do not reflect actual trading by specific FINANCIAL AND TAX ARCHITECTS clients, but were achieved by means of the calculation methodologies described above; (ii) model performance may not reflect the impact that all or any material market or economic conditions would had on use of EMPLOYMENT TRENDS STRATEGY by an individual client; (iii) for differing reasons FINANCIAL AND TAX ARCHITECTS clients would have experienced investment results, either positive or negative, during the measurement period that were or may have been materially different from those reflected by the EMPLOYMENT TRENDS STRATEGY model performance. For Example, variances in client account holdings, investment management fees incurred, the date on which a client began using EMPLOYMENT TRENDS STRATEGY, client account contributions or withdrawals and general market conditions, would have caused the performance of a specific client's portfolio to vary substantially from the EMPLOYMENT TRENDS STRATEGY model performance results; and (iv) different types of investments and investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or strategy will be either suitable or profitable for a prospective client.

The model performance does not reflect other earnings, brokerage commissions, and custodian expenses. It is important to note that actual portfolios would be charged other fees and transaction costs and performance would be lower. Hypothetical past performance is not indicative of future results. Therefore, no client should assume that future performance will be profitable, equal the hypothetical performance reflected for EMPLOYMENT TRENDS STRATEGY, or equal the corresponding historical benchmark index. The historical index performance results for the index reflect reinvested dividends, but do not reflect the deduction of transaction and custodial charges, or the deduction of an advisor fee, the incurrence of which would have the effect of decreasing the historical index performance results. The historical index performance results are provided for comparison purposes only, so as to provide general information to assist a prospective client in determining whether the index performance meets the client's investment objectives. Historical index performance results do not reflect the impact of taxes. It should not be assumed that portfolios will correspond directly to any such comparative benchmark index. Further, the comparative index may be more or less volatile than EMPLOYMENT TRENDS STRATEGY.

NEITHER HYPOTHETICAL NOR PAST PERFORMANCE IS INDICATIVE OF FUTURE PERFORMANCE