



cm

Cumulare Asset Management

POWER | ONE™

A compelling investment strategy for total return in today's market and the rest of your life.

Delivering peace of mind

Peace of mind is a state of mental and emotional calmness, happiness and freedom, with no worries, fears or stress.

POWER|ONE™ PREFERRED STRATEGY

A strategy that seeks to provide a high level of current income and total return by investing in preferred securities. The focus of the strategy is to find and exploit opportunities in the inefficiency of the preferred market. Dividends are reinvested, which compounds returns and leads to exponential growth over time



*Because financial well-being
and life come together.*

Who Should Invest?

Investors Seeking:

- 1 Potential for high current income and capital appreciation
- 2 Additional diversification benefits to a traditional portfolio of stocks and bonds
- 3 Attractive risk/reward characteristics
- 4 Lower volatility and greater capital security than equities

**Active
management to
benefit investors
in the long run**

**Nimble and
differentiated
from our
competitors**

PREFERRED STOCK

Income and Diversification

- Inefficiency in the space leads to meaningful valuation differentials
- Opportunities for alpha generation exist from mispricing in the preferred market
- Preferred securities tend to have low correlation to broad fixed income and equity markets
- From a diversification perspective, a preferred allocation may help enhance risk-adjusted returns

POWER | ONE™



OBJECTIVE

Achieve total returns with a relatively low correlation to the US fixed income and equity markets, while mitigating the impact of downside market volatility. To provide income and capital appreciation with the benefit of preferred securities' priority over common stocks for dividend payments and liquidation proceeds, along with greater price stability.



A long-term investor could see their portfolio value increase more and more with each passing year.



The strategy is designed to bring together the attractive features of preferred investing with the power of compounding.

POWER|ONE™
PREFERRED STRATEGY

Value Proposition

Putting your Money to Work:

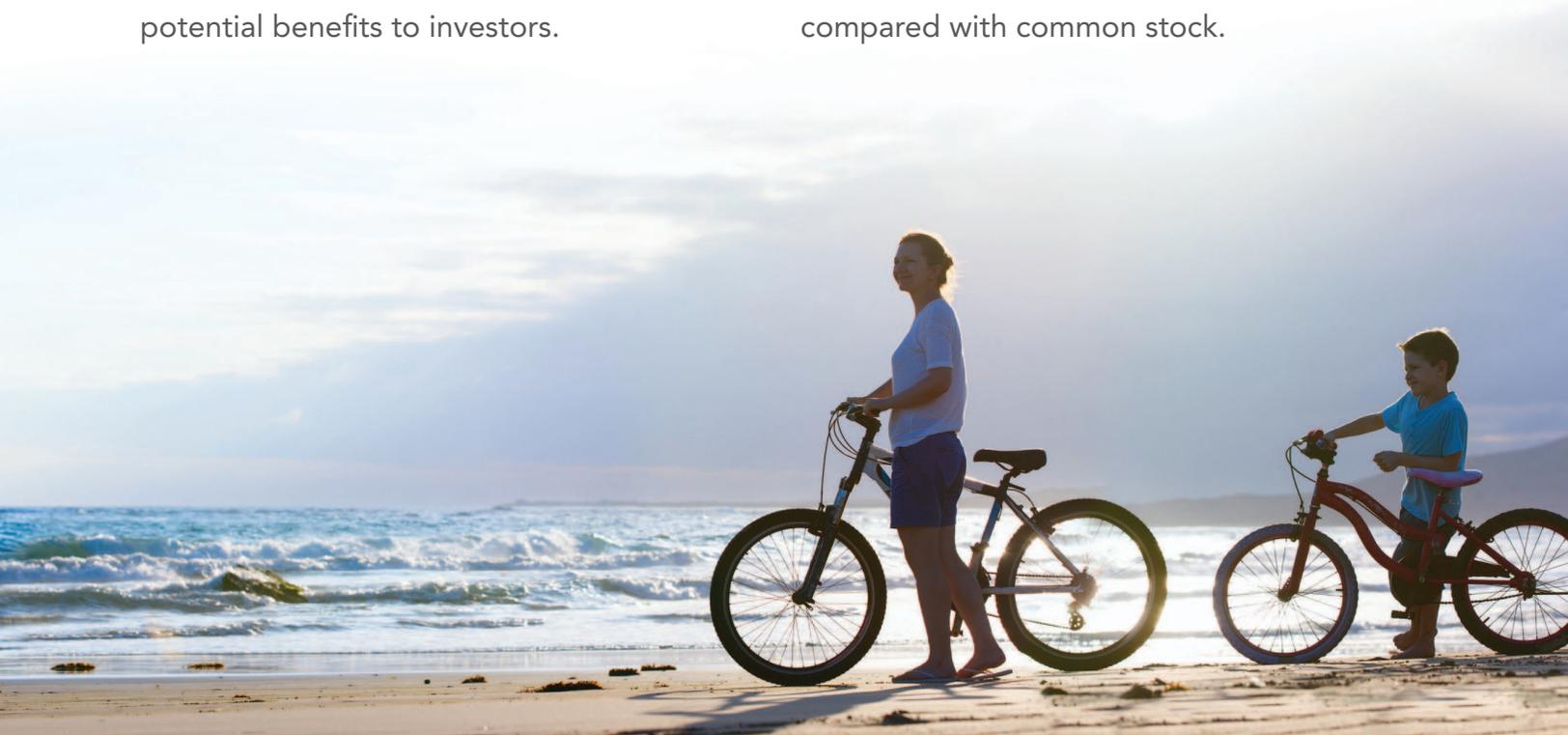
Bringing together the attractive feature of preferred stock for the potential it offers for high current income combined with one of the most powerful investment tools, the power of compounding. Central to the strategy is the exponential effect of receiving interest not only on the original principal, but also on any interest and capital gains that accumulate.

POWER | ONE™

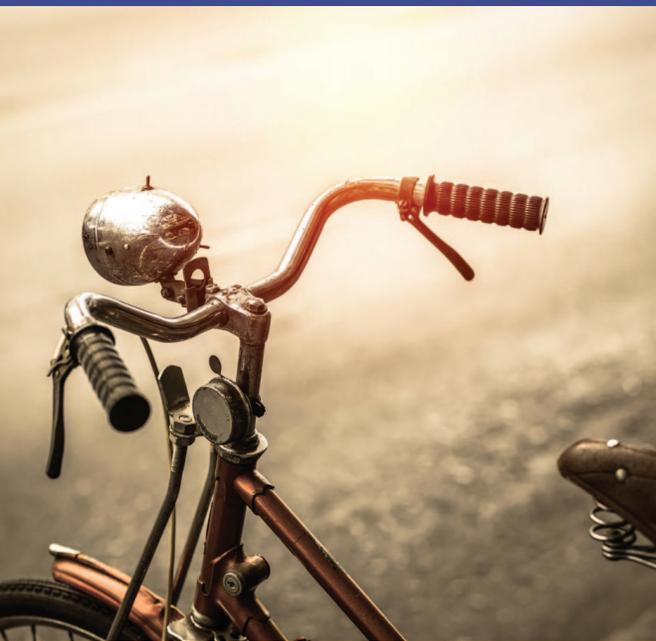
Investment Philosophy

The philosophy underlying our approach is the belief that preferred securities are a very attractive choice for investors, offering the potential for higher reward with lower risk. Preferred securities are compelling investments which can offer equity-like returns with fixed income predictability. We believe that a well-managed portfolio of high-quality preferred stocks offers potential benefits to investors.

Preferred securities sit above common stock (equity) and below bonds with respect to seniority. They trade on the exchange like stock, but typically pay much higher dividends than common stock. Preferred securities have a defined dollar value of principal, known as the par or nominal value. While this limits the potential upside of preferred securities, it greatly reduces their downside risk when compared with common stock.



POWER | ONE™



APPROACH

We employ an active approach to portfolio management and feel that the best way to achieve consistently superior investment results is a combination of rigorous credit research and quantitative analysis, dynamically adjusting for volatility. Our success is the result of our expertise and experience in preferred security selection as well as strong risk management principles, including prudent management of duration to reduce interest rate risk.

POWER|ONE™

Investment Approach Detail

Portfolios are constructed of high quality preferred securities: primarily in investment-grade issues, with the flexibility to invest opportunistically in other securities with attractive risk-reward characteristics.

Consistent monthly income is generated from the portfolio. While preferred securities pay a quarterly dividend, the portfolio of preferred stock-pay is diverse, with different dividend dates. As such, income generation is spread throughout the year and may be used to purchase additional preferred stock.

The strategy seeks to take advantage of market price disparities which tend to occur during periods of rising or falling interest rates. For instance in rising rate environments we can sell lower paying preferred stock owned by the portfolio and using the proceeds to buy another higher paying preferred at lower prices. This approach can provide a layer of principal protection to the portfolio through increased coupon income.

Our disciplined approach exploits the price patterns of preferred securities in attempt to generate capital gains. For example, a preferred stock can tend to go up or down by the amount of the quarterly dividend, where we can trade opportunistically around this pattern to capture returns.

The issuing company has the right to pay the redeemed value per share (the “par” value) at the call date.

Our investment process analyzes which securities are likely to be called, as well as to estimate when it is not favorable for an issue to be called.

A disciplined quantitative approach is employed, both at the portfolio level and at the security level. We measure the risk-reward of each preferred security within the portfolio.

The cornerstone of our preferred strategy is stringent risk management to help ensure the portfolio is prepared for changing market conditions



POWER | ONE™

Remaining disciplined to provide you with the risk oversight you deserve

POWER | ONE™ PREFERRED STRATEGY

Risk Management Capabilities

Comprehensive and Continuous

The strategy integrates comprehensive risk management with a disciplined investment process

Risk control guidelines are maintained around credit quality, duration, and sector exposure

- Research and analysis is conducted to position the portfolio for expected yield movements
- Rigorous and disciplined security analysis serves to identify attractive issuers on a risk-adjusted basis
- Active management is a tool to optimally position the portfolio for opportunities as they unfold in the market
- Dollar cost averaging and modified duration are employed for position building and to provide relative price stability in volatile markets
- Continuous assessment of credit metrics at the position level mitigates risk at the portfolio level

General Disclaimer

THE INFORMATION FURNISHED IN THIS MARKETING MATERIAL IS IN ALL RESPECTS **CONFIDENTIAL** IN NATURE.

A prospective investor should only commit to an investment in the strategy if such prospective investor understands the nature of the investment and can bear the economic risk of such investment. The strategy is speculative and involves a high degree of risk. The strategy may lack diversification, thereby increasing the risk of loss. The strategy's performance may be volatile. There can be no guarantee that the strategy's investment objectives will be achieved, and the investment results may vary substantially from year to year or even from month to month. As a result, an investor could lose all or a substantial amount of its investment. In addition, the strategy's fees and expenses may offset its profits. In making an investment decision, you must rely on your own examination of the strategy and the terms of the investment agreement. The information herein is not intended to provide, and should not be relied upon for, accounting, legal, or tax advice or investment recommendations. You should consult your tax, legal, accounting, or other advisors about the matters discussed herein. The strategy's ability to achieve its investment objectives may be affected by a variety of risks not discussed herein.

No representations or warranties of any kind are made or intended, and none should be inferred, with respect to the economic return or the tax consequences from an investment in the strategy. No assurance can be given that existing laws will not be changed or interpreted adversely. Prospective investors are not to construe this presentation as legal or tax advice. Each investor should consult his or its own counsel and accountant for advice concerning the various legal, tax, ERISA and economic matters concerning his or its investment.

This presentation is being furnished to you on a confidential basis to provide preliminary summary information regarding an investment in the strategy and may not be used for any other purpose. Any reproduction or distribution of this presentation or accompanying materials, if any, in whole or in part, or the divulgence of any of its contents is prohibited. An investment in the strategy has not been approved by any U.S. federal or state securities commission or any other governmental or regulatory authority.



POWER | ONE™ PREFERRED STRATEGY

3389 Sheridan Street | Suite 270 | Hollywood, Florida | 33021
Toll Free 888.237.9971

WWW.CUMULAREASSETMANAGEMENT.COM