A NEWSLETTER FOR OUR CLIENTS

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Investment Overview

As the second quarter came to a close, U.S. stock markets overall have continued to rise despite the global economic downturn caused by the President's trade war. Major U.S. indices have reached near all-time highs, however certain market sectors affected by the tariffs remain deep in bear market territory. This split screen reality is both a strange phenomena of modern market cap weighted indices, but also shows that the uneven application of tariffs have hammered some industries while thus far barely affecting others. If not for the tariffs and trade uncertainty, it seems very likely every sector of the market would have continued the strong performance that ended just before the 2018 bear market.

Case in point, the S&P 500 rose 17.34% through June 30, but just 10 companies make up 22% of the market capitalization (market value) of the index. So a small number of highly valued stocks is responsible for most of the returns of the S&P 500, while a majority of S&P stocks have declined this year. The rise of passive index funds has exacerbated this effect over the last few years and has led to a relatively small number of companies being responsible for index returns. Despite the trade war, the U.S. economy overall remains relatively strong outside of the market sectors targeted with the first rounds of tariffs such as Energy, Materials, Agriculture and Manufacturing. (S&P: https://us.spindices.com/indices/equity/sp-500)

Despite the positive GDP and low unemployment, the level of the S&P 500 and other major large cap indices does not really show the overall market impact the trade war has had on publicly traded companies. In fact the growth the economy saw in the first two years of President Trump's first two years from his tax cuts and deregulatory moves now seem like a distant memory. Now that the tax cuts immediate impact has been overcome by trade uncertainty, cracks in the economy and market are surfacing. For example, the Small Cap segment of the stock market has vastly underperformed the Large Cap segment in what has become a historically high divergence between the two market segments over the last year.

If we drill down by market sector, it becomes more clear how the tariffs imposed in 2018 and 2019 have affected specific sectors and spared others...so far. The tariffs imposed on Chinese imports for example represent roughly 50% of all imported products from that country. However, the tariffs to this point have almost exclusively been targeted to and affected the Energy, Materials, Industrials and Agriculture sectors - leading to widespread stock price declines in those market sectors.

Stock Highlights

See Page 3 for Stock Highlights on the following company

Company	Market Cap	Portfolio	Country	Industry
United States Steel Corp	$2.2 Billion	Fundamental Value, Value Stock Score®	USA	Steel Producer
Gulfport Energy Corp	$550 Million	Fundamental Value, Value Stock Score®	USA	Energy Exploration & Production

This information is provided to existing and prospective clients to assist investors in understanding their own results. Detailed performance reports are updated on a quarterly basis and made available on our website www.ebertcapital.com. GIPS® compliant performance reports are included on the following pages. This report is for informational purposes only and should not be taken as instruction or solicitation to buy or sell any security. Investing in securities involves risks that may lead to financial losses. Past performance does not guarantee future results.

Now every Small Cap sector is negative over the last 12 months as growth has slowed down from the tariffs and uncertainty about trade in the future, the Small Cap Energy sector has declined more than 50% in the last year. That is by far the worst performing sector, but the Small Cap Materials, Industrials and Consumer Discretionary Sectors are also in bear markets (as defined by a drop of 20% or more). Alternatively, in the Large Cap S&P sectors, 7 of the 11 sectors are in the positive. But again that performance has been driven by a relatively small number of Large Cap stocks as only the Real Estate and Utilities sectors are up more than 15% in the last year and a small number of Tech stocks of the FAANG (Facebook Amazon, Apple, Netflix, Google) variety have driven the index forward. (Fidelity: https://eresearch.fidelity.com/eresearch/markets_sectors/sectors/sectors_in_market.jhtml)

Outside the thin market leadership by these stocks, the market is showing us that the escalated trade war is starting to produce serious consequences. The President now faces an awkward choice. He can either escalate the trade war further by imposing more tariffs and other actions as he tries to force China and other nations into bending to his requests. Or he can end the trade war by removing the tariffs and coming to some sort of trade deal with

China that likely doesn't produce meaningful results. At this point it's clear that China and other countries we've hit with tariffs are unlikely to bend, likely trying to wait out the President in hopes of making a resolution with a new President after the election. In either situation, the President may have painted himself into a corner with a recession now a more likely result each passing day.

As I wrote about in my May article titled "Update On The Trade War And The Disinformation Campaign About It", what makes the current situation so dangerous is that the current Administration continues to show little understanding of basic trade principles and continues to offer lies about how tariffs function. In no particular order, here are several lies and false statements the Administration has offered us:

- **"Trade wars are easy to win"** - It is painfully obvious now that not only are trade wars not easy to "win", but in fact they produce no winners. Everyone loses in a trade war as retaliatory measures and the fact that the globally economy is irreversibly interconnected ensure every country feels the economic pain that starts with tariffs.
- **"China pays the tariffs"** - This is probably the most frustrating lie retold by the current Administration. The President repeatedly tells his supporters and the media that the Chinese government literally pays tariff monies to the Treasury. This is a massive lie, a disturbingly detailed fabrication. In fact, companies pay tariffs when they bring products to the U.S. from outside the Country. For example, an electronics company that makes widgets in China must pay tariffs when those products arrive in the U.S. to be sold to American consumers. Consumers then pay higher prices when the electronics company raises prices to pass along the higher costs from tariffs. So in fact, U.S. companies and U.S. consumers pay the tariffs - not the Chinese or any other foreign government.
- **Trade deficits are the result of unfair trade practices –** This is another major misunderstanding of basic economics by the current U.S. administration. We have trade deficits with China for instance because their low wage economy creates more manufacturing & production whereas our economy is a consumer-focused economy. With the case of China, the trade deficit doesn't matter, doesn't mean one side is abusing another, but is simply a function of the relationship between two very different economies. Also, the President's trade practices thus far have only widened the trade deficit…the opposite of his policy goals.
- **China will fold to "tariff" pressure** – China likely will not fold to U.S. tariff pressure for a variety of reasons. For one, "President" Xi Jinping is not really a President using the definition we use. He's a lifelong dictator of a communist regime. He cannot be voted out of office, which gives him an extremely long time horizon to wait out President Trump.

The Fed can combat the economic impact of the tariffs to a degree by reducing interest rates, which will likely happen in a new downward interest cycle soon. However, interest rate reductions have a limited impact. Lower interest rates spur economic activity, make debt financing easier, but can also creates bubbles and encourage low quality borrowers to become overleveraged. But even if interest rates decline, tariffs still crush corporate profits, lead to supply chain disruptions, increase consumer costs and lead to declining economic activity and investment.

What Happens Next?
It appears that the President has little room to maneuver to improve the state of the economy, other than removing the tariffs and ending the trade war. However, to retreat from what he sees as a pivotal and central policy element of his Presidency, in his eyes, is likely an unforgivable sin. The entire global economy would improve immediately with the end of the trade war and the tariffs, but since the President sees the tariffs themselves as central to his platform and therefore his reelection prospects, it seems increasingly unlikely the tariffs are removed before the 2020 election.

The tariffs in fact could easily escalate given the President's self-imposed "tariff man" title and his penchant for doubling down on negotiating tactics even if it appears that the tactics are not producing the intended results. Most economists and large money managers agree that if the tariffs increased in percentage or scope, the U.S. and many trading partner countries will go into a recession soon.

It is possible that the President will view a brewing recession as a greater threat to his reelection prospects than the removal of the tariffs. If that becomes the case, he could come to a token trade agreement with China and the other trading partners we've imposed tariffs upon. I doubt such an agreement would achieve his stated policy goals or do much to change the global trading relationships that functioned before the trade war began. However, that move would likely improve market confidence, investor sentiment and of course a removal of tariffs immediately improves the potential for corporate profits to rebound. For now, we expect more uncertainty and a potential recession if the trade war gets worse. The President could end it with a Twitter post, but that seems more unlikely by the day.

Stock Highlights

Company: U.S. Steel Corp	**Ticker: X**
Market Cap: $2.2 Billion	**Country of Origin: USA**
Industries: Steel Production	**Portfolio: Fundamental Value, Value Stock Score®**
Current Price: $12.73	**DCF Value: $25.81**

Company Overview - U.S. Steel produces steel components for use in many industries and is one of the oldest U.S. companies. U.S. Steel manufactures many types of steel including hot rolled, cold rolled, and tubular steel and supports the military by building battleships, aircraft carriers, submarines and other military craft.

Financial Highlights – U.S. Steel is extremely undervalued using any financial metric. For example, the S&P 500 PE ratio commonly ranges between 15 and 25 in the modern era. X's PE ratio is currently 2! U.S. Steel's earnings have been strong the last few years, debt levels are low and the company pays a dividend. The stock price dropped recently from $45 in 2018, to less than $12 today. U.S. Steel can withstand poor economic cycles and management has dutifully paid down debt over the last 5 years.

Investment Thesis – As always, this stock was selected because our Value Stock Score® program helps us identify sound businesses selling at big discounts to true value. Because the trade war has affected certain industries vs other so far, we're seeing a large number of profitable companies with PE ratios below 5 – including X. Although U.S. Steel is in a cyclical industry, buying healthy companies during cyclical lows can often lead to big gains. We strongly feel the stock price of X will jump as we purchased the shares near multi-year lows. Until the share price rebounds, we own a company with low debt, a good dividend and that has nearly 120 years of operating.

Company: Gulfport Energy Corp	**Ticker: GPOR**
Market Cap: $550 Million	**Country of Origin: USA**
Industries: Energy Exploration & Production	**Portfolio: Fundamental Value, Value Stock Score®**
Current Price: $3.34	**DCF Value:**

Company Overview- Gulfport Energy is a natural gas and oil company with wells primarily in the Utica Shale region of Appalachia and SCOOP, in Oklahoma. Gulfport also has equity interests in a variety of different oil producing regions, including the Marcellus Shale in Pennsylvania and the Permian Basin in west Texas and New Mexico. Gulfport produced 993.6 million cubic feet of natural gas during the first quarter of 2019 from the Utica Shale and an additional 259.9 million cubic feet of natural gas from their Oklahoma (SCOOP) oil interests.

Financial Highlights- Gulfport achieved $1.4 billion in revenues in the last twelve months and about $350 million in organic earnings after taxes. This gives Gulfport $2.04 in organic Earnings per Share (EPS) which equates to a P/E ratio of 1.65. GPOR stock is among the cheapest stocks we've ever owned when we compare the stock price to the business' actual value. We calculate GPOR shares are worth about $35 per share, a massive discount to the current share price around $3.50.

Investment Thesis - We chose Gulfport Energy because the shares are extremely undervalued. GPOR had no trouble growing revenues and earnings in recent years yet the stock declined from $66 in 2014 to $3.36 as of the time of this writing. The revenue has grown 200% higher since that time and the company is stronger than it was in 2014. We've never seen this many energy stocks selling at unreasonably low prices. As most energy stocks are at or near all-time lows this presents opportunities that propel our portfolios for years.

Global Investment Performance Standard (GIPS®) Disclaimer
Based upon an internal audit conducted in 2019, ECM discovered a small difference between our reported performance statistics and our actual performance statistics. The statistic, the beginning value monthly TWR (time weighted return) was in some months incorrectly used instead of the Average TWR. The differences in reported performance were found to be extremely minor. All Quarterly Investment Reports, and the GIPS performance disclosures shown within, were updated and corrected.

Disclaimer/Disclosure
The purpose of this newsletter is to explain what is happening with our investment strategies and our current views on the markets. We do not sell our investment report and it is intended only as a communication device. The information in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance or guarantee that the securities discussed herein will remain in an account's portfolio at the time this report is received. The securities discussed do not represent an account's entire portfolio and may only represent a small percentage of an account's portfolio. It should not be assumed that any of the securities discussed were or will prove to be profitable, or that the investment recommendations or decisions ECM makes in the future will be profitable or will equal the investment performance of the securities discussed herein.

ECM uses certain proprietary databases, formulas and devices in its investment decision process. Such devices, such as our Value Stock Score® program have limitations with respect to their use. The use of these devices does not change the possibility of loss inherent in all investment decisions

ECM claims compliance with Global Investment Performance Standards (GIPS®) and has been independently verified. According to Alpha Performance Verification Services' Independent Verifier's Report on GIPS® Compliance, dated January 23, 2014, ECM:

- Complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the periods December 1, 2010 through December 31, 2013, and
- Designed its policies and procedures to calculate and present performance results in compliance with the GIPS standards as of December, 2013

Contact Us
For questions regarding fees, risks, or other questions, please visit our website at www.ebertcapital.com or contact us directly and we will be happy to assist you.

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Ebert Capital Management Inc.

Value Stock Score® Strategy Composite

As of June 30, 2019

Strategy/Index Name	Inception Date	1 Year Annualized	3 Year Annualized	3 Year Cumulative	5 Year Annualized	5 Year Cumulative	Annualized Since Inception	Cumulative Since Inception	Annualized Standard Deviation
Value Stock Score® Strategy - Net of Fees	12/01/10	-27.40%	-0.96%	-2.85%	-0.48%	-2.39%	5.50%	57.58%	20.93%
Value Stock Score® Strategy - Gross of Fees	12/01/10	-26.53%	0.28%	0.85%	0.53%	2.66%	6.46%	70.32%	20.94%
Russell 2000 Value Index*	N/A	-6.55%	9.30%	30.59%	5.09%	28.20%	9.55%	117.04%	16.08%

Year	Composite Net Return (%)	Benchmark Return (%)	Composite 3-Yr Std. Dev	Benchmark 3-Yr Std. Dev	Internal Dispersion	Number of Portfolios	Composite Assets ($)	Firm Assets ($)
2010	11.70%	8.31%	N/A	N/A	N/A	1	$10,294	$740,775
2011	-2.44%	-5.52%	N/A	N/A	N/A	4	$186,748	$3,000,000
2012	28.91%	18.05%	N/A	N/A	5.70%	40	$1,473,088	$5,500,000
2013	31.32%	34.50%	18.49%	16.05%	3.69%	60	$2,370,525	$14,025,000
2014	-11.32%	4.22%	17.03%	12.98%	4.82%	70	$2,375,917	$17,000,000
2015	-4.76%	-7.47%	14.69%	13.65%	9.99%	99	$2,810,852	$18,123,181
2016	28.43%	31.74%	17.21%	15.72%	5.94%	124	$4,920,646	$22,000,000
2017	3.15%	7.82%	15.68%	14.17%	3.45%	144	$5,646,227	$27,801,856
2018	-21.62%	-13.75%	21.21%	15.97%	7.97%	140	$5,086,145	$31,000,000

This strategy generally maintains 24 positions. This strategy consists of U.S. stocks only and the benchmark is the Russell 2000 Value Index. The strategy holds positions in what we consider to be undervalued, safe and profitable companies. The Value Stock Score® Strategy consists of all accounts that hold U.S. stocks of any market capitalization above $50 million selected by using the Value Stock Score® Program. The strategy identifies undervalued companies by using ECM's Value Stock Score® Program to score different financial variables of each company. The composite returns represent the total returns as of December 1st, 2010 -- of all fully discretionary, management fee-paying and non-management fee-paying accounts including those accounts no longer with the firm.

Returns are presented net and gross of actual management fees paid. Fees are described in the firm's *ADV Part 2*. ECM's account inclusion policy is the first full month or the end of the month in which the account is fully invested. The composite contains both taxable and nontaxable accounts. The returns of the individual portfolios within the composite are time-weighted, use trade date accounting, are based upon monthly portfolio valuations, and include the reinvestment of all earnings as of the payment date. The composite returns are asset-weighted based upon the beginning period market values calculated in U.S. dollars. The Benchmark for the composite is the Russell 2000 Value Index, presented in U.S. dollars. Three-year ex post standard deviation for composite and benchmark is not present if 36 monthly returns are unavailable. A dispersion measure is not shown when there are five or fewer accounts in the composite for the entire year. The internal dispersion is calculated using the asset-weighted standard deviation of annual net returns of those portfolios that were included in the composite.

Ebert Capital Management Inc. (ECM) is an independent, fee-only registered investment adviser. We provide investment management and financial planning for individual investors, retirement plans, other financial advisers and institutions. ECM claims compliance with the Global Investment Performance Standards (GIPS®) and has been independently verified. The verification report is available upon request. Performance of the Value Stock Score® Strategy is as of December 1, 2010. To receive a complete description of the policies and procedures for this composite and a list and description of all firm composites, please contact us at (707) 407-3813 or info@ebertcapital.com.

Past performance does not guarantee future results. Performance data quoted represents past performance. Current performance may be lower or higher than the performance data quoted. Past performance of markets, strategies, composites, or any individual securities is no guarantee of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client's portfolio. Investment in the above referenced model composite is subject to investment risks, including, without limitation: market risk, interest rate risk, management style risk, business risk, sector risk, and other risks related to equity securities. There are no assurances that a portfolio will match or outperform any particular benchmark. Historical performance results for benchmarks, such as investment indices and/or categories, generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment-management fee, which would have the effect of decreasing historical performance results.

Ebert Capital Management Inc.
Global Stock Score Strategy Composite
As of June 30, 2019

Strategy/Index Name	Inception Date	1 Year Annualized	3 Year Annualized	3 Year Cumulative	5 Year Annualized	5 Year Cumulative	Annualized Since Inception	Cumulative Since Inception	Annualized Standard Deviation
Global Stock Score Strategy - Net of Fees	11/1/12	-32.73%	-1.52%	-4.48%	-8.31%	-35.19%	-0.67%	-4.34%	23.06%
Global Stock Score Strategy - Gross of Fees	11/1/12	-31.90%	-0.29%	-0.87%	-7.13%	-30.93%	0.62%	4.15%	23.13%
MSCI ACWI Index Ex-US	N/A	1.64%	9.39%	30.89%	2.16%	11.30%	5.94%	46.17%	12.16%

Year	Composite Net Return (%)	Benchmark Return (%)	Composite 3-Yr Std. Dev	Benchmark 3-Yr Std. Dev	Internal Dispersion	Number of Portfolios	Composite Assets ($)	Firm Assets ($)
2012	16.21%	5.45%	N/A	N/A	N/A	8	$501,888	$5,500,000
2013	16.68%	15.29%	N/A	N/A	4.45%	67	$2,417,424	$14,025,000
2014	-9.82%	-1.63%	N/A	N/A	4.37%	78	$2,507,669	$17,000,000
2015	-26.38%	-5.66%	19.41%	12.58%	10.55%	93	$2,090,977	$18,123,181
2016	47.99%	4.49%	20.79%	12.78%	5.33%	99	$3,780,061	$22,000,000
2017	0.15%	27.02%	21.10%	12.04%	4.88%	116	$4,308,358	$27,801,856
2018	-31.62%	-13.89%	25.95%	11.46%	8.98%	110	$3,708,375	$31,000,000

A strategy that generally maintains 24 positions built and managed with our Value Stock Score® program. This strategy is benchmarked to the MSCI All Country World Index Ex-U.S. and holds positions in what we consider to be undervalued, safe and profitable companies in both foreign stocks and U.S. listed companies with a majority of revenues or operations abroad.

The Global Stock Score Strategy consists of all accounts that hold international stocks of any market capitalization above $50 million, selected by using the Value Stock Score® Program. The strategy identifies undervalued companies by using ECM's Value Stock Score® Program to score different financial variables of each company. The composite returns represent the total returns as of November 1st, 2012 of all fully discretionary, management fee-paying and non-management fee-paying accounts including those accounts no longer with the firm.

Returns are presented net and gross of actual management fees paid. Fees are described in the firm's *ADV Part 2*. ECM's account inclusion policy is the first full month or the end of the month in which the account is fully invested. The composite contains both taxable and nontaxable accounts. The returns of the individual portfolios within the composite are time-weighted, use trade date accounting, are based upon monthly portfolio valuations, and include the reinvestment of all earnings as of the payment date. The composite returns are asset-weighted based upon the beginning period market values calculated in U.S. dollars. The Benchmark for the composite is the MSCI Emerging Market Index and MSCI ACWI Index Ex U.S., presented in U.S. dollars.

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Ebert Capital Management Inc.
Fundamental Value Strategy Composite
As of June 30, 2019

Strategy/Index Name	Inception Date	1 Year Annualized	3 Year Annualized	3 Year Cumulative	5 Year Annualized	5 Year Cumulative	Annualized Since Inception	Cumulative Since Inception	Annualized Standard Deviation
Fundamental Value Strategy – Net of Fees	4/1/13	-40.34%	-3.59%	-10.39%	-7.96%	-33.94%	-1.15%	-6.91%	26.99%
Fundamental Value Strategy – Gross of Fees	4/1/13	-39.72%	-2.59%	-7.57%	-6.97%	-30.34%	-0.07%	-0.41%	27.07%
MSCI ACWI Index	N/A	5.86%	11.47%	38.51%	6.08%	34.31%	8.40%	64.47%	11.47%

Year	Composite Net Return (%)	Benchmark Return (%)	Composite 3-Yr Std. Dev	Benchmark 3-Yr Std. Dev	Internal Dispersion	Number of Portfolios	Composite Assets ($)	Firm Assets ($)
2013	28.31%	15.34%	N/A	N/A	N/A	32	$258,223	$14,025,000
2014	-2.17%	4.15%	N/A	N/A	2.72%	43	$645,341	$17,000,000
2015	-19.57%	-2.36%	N/A	N/A	6.69%	58	$724,038	$18,123,181
2016	40.36%	6.82%	21.21%	11.23%	7.37%	60	$1,286,419	$22,000,000
2017	-1.60%	24.33%	23.41%	10.55%	5.85%	90	$2,932,255	$27,801,856
2018	-32.07%	-9.25%	32.61%	10.80%	11.40%	128	$4,031,139	$31,000,000

This strategy combines the strategies of our stock scoring and ETF scoring strategies to maintain a portfolio of value-oriented stocks and ETFs. The portfolio may also use ETFs from fixed income, commodity and other sectors of the investable market. The goal of the strategy is capital appreciation and it is indexed to the MSCI All Country World Index.

The Fundamental Value Strategy consists of all accounts that hold domestic stocks with market capitalizations above $50 million and international stocks of any market capitalization above $50 million, selected by using the Value Stock Score® Program and MSCI global ETFs, selecting using our proprietary ETF scoring method. The strategy combines the methodologies of both our stock scoring and ETF scoring strategies to maintain a portfolio of undervalued securities from multiple geographic areas. The composite returns represent the total returns as of April 1st, 2013 of all fully discretionary, management fee-paying and non-management fee-paying accounts including those accounts no longer with the firm.

Returns are presented net and gross of actual management fees paid. Fees are described in the firm's *ADV Part 2*. ECM's account inclusion policy is the first full month or the end of the month in which the account is fully invested. The composite contains both taxable and nontaxable accounts. The returns of the individual portfolios within the composite are time-weighted, use trade date accounting, are based upon monthly portfolio valuations, and include the reinvestment of all earnings as of the payment date. The composite returns are asset-weighted based upon the beginning period market values calculated in U.S. dollars. The Benchmark for the composite is the MSCI ACWI Index, presented in U.S. dollars.

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Ebert Capital Management Inc.
Conservative Income Strategy Composite
As of June 30, 2019

Strategy/Index Name	Inception Date	1 Year Annualized	3 Year Annualized	3 Year Cumulative	5 Year Annualized	5 Year Cumulative	Annualized Since Inception	Cumulative Since Inception	Annualized Standard Deviation
Conservative Income Strategy - Net	8/1/11	4.28%	3.34%	10.37%	2.76%	14.56%	2.79%	24.02%	5.57%
Conservative Income Strategy - Gross	8/1/11	5.48%	4.40%	13.80%	3.89%	21.00%	3.79%	33.83%	5.62%
BarCap US Aggregate Bond Index	N/A	7.69%	2.25%	6.89%	2.91%	15.44%	3.06%	26.62%	2.87%

Year	Composite Net Return (%)	Benchmark Return (%)	Composite 3-Yr Std. Dev	Benchmark 3-Yr Std. Dev	Internal Dispersion	Number of Portfolios	Composite Assets ($)	Firm Assets ($)
2011	1.48%	3.35%	N/A	N/A	N/A	2	$33,485	$740,775
2012	2.33%	4.23%	N/A	N/A	.71%	19	$1,433,199	$5,500,000
2013	-2.27%	-2.02%	N/A	N/A	1.64%	36	$1,275,057	$14,025,000
2014	5.03%	5.95%	5.05%	2.89%	1.55%	48	$1,712,661	$17,000,000
2015	-5.58%	0.57%	5.26%	2.73%	1.39%	77	$2,276,207	$18,123,181
2016	8.92%	2.66%	5.96%	3.03%	1.85%	84	$1,854,702	$22,000,000
2017	7.92%	3.55%	5.25%	2.82%	0.53%	132	$3,644,450	$27,801,856
2018	-7.41%	0.06%	6.08%	2.86%	1.68%	111	$3,974,910	$31,000,000

The Conservative Income Strategy consists of all accounts that hold bond ETFs selected with the aim of providing principal protection and income using low-cost bond index ETFs of varying maturity and bond quality. The composite returns represent the total returns as of August 1, 2011 of all fully discretionary, management fee-paying and non-management fee-paying accounts including those accounts no longer with the firm.

Returns are presented net and gross of actual management fees paid. Fees are described in the firm's *ADV Part 2*. ECM's account inclusion policy is the first full month or the end of the month in which the account is fully invested. The composite contains both taxable and nontaxable accounts. The returns of the individual portfolios within the composite are time-weighted, use trade date accounting, are based upon monthly portfolio valuations, and include the reinvestment of all earnings as of the payment date. The composite returns are asset-weighted based upon the beginning period market values calculated in U.S. dollars. The Benchmark for the composite is the MSCI ACWI Index, presented in U.S. dollars.

Ebert Capital Management Inc. (ECM) is an independent, fee-only registered investment adviser. We provide investment management and financial planning for individual investors, retirement plans, other financial advisers and institutions. ECM claims compliance with the Global Investment Performance Standards (GIPS®) and has been independently verified. The verification report is available upon request. Performance of the Conservative Income Strategy is as of August 1, 2011. To receive a complete description of the policies and procedures for this composite and a list and description of all firm composites, please contact us at (707) 407-3813 or info@ebertcapital.com.

Past performance does not guarantee future results. Performance data quoted represents past performance. Current performance may be lower or higher than the performance data quoted. Past performance of markets, strategies, composites, or any individual securities is no guarantee of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client's portfolio. Investment in the above referenced model composite is subject to investment risks, including, without limitation: market risk, interest rate risk, management style risk, business risk, sector risk, and other risks related to equity securities. There are no assurances that a portfolio will match or outperform any particular benchmark. Historical performance results for benchmarks, such as investment indices and/or categories, generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment-management fee, which would have the effect of decreasing historical performance results.