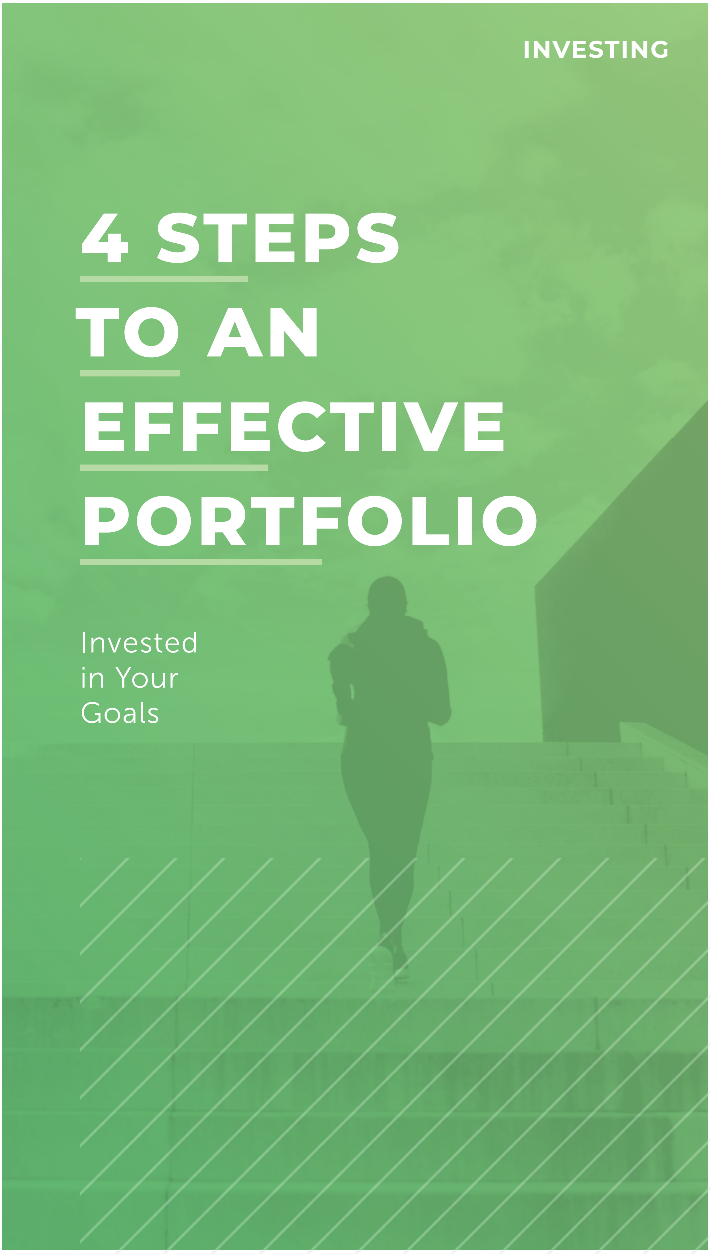
LORING WARD



INVESTING

4 STEPS TO AN EFFECTIVE PORTFOLIO

Invested
in Your
Goals

4 Steps to an Effective Portfolio

Investing makes it possible for many of us to achieve important lifetime goals, such as retirement. That's why we employ an investment approach based on more than nine decades of data, analysis and research, insights from behavioral finance, and close relationships with leading academics. There are four key concepts that play a vital role in the construction and management of our portfolios. Together, they add up to a distinctive, long-term approach we call Asset Class Investing.

We believe your portfolio should be designed to give you the highest probability of achieving your goals with a suitable amount of risk

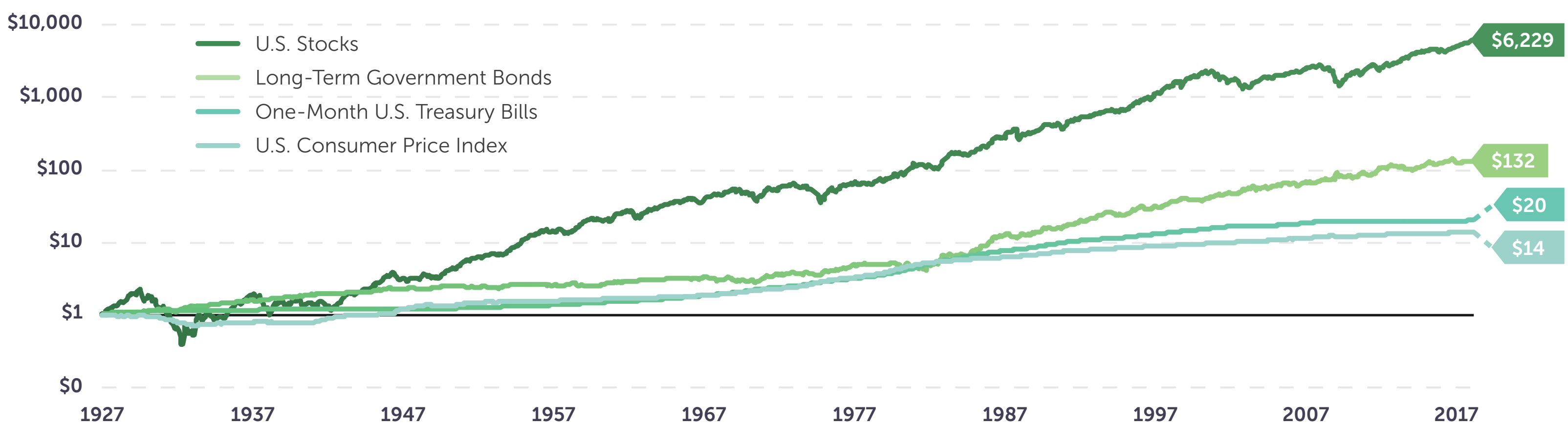
1. Let Markets Work for You

Instead of trying to beat the market, let the long-term growth potential of markets around the world work for you. Over time, markets have significantly outperformed inflation, yet most active money managers have consistently failed to outperform markets.[1] This is why we use strategic Asset Class investments, which let markets work for you by focusing on delivering market returns.

In the short term, markets go up and down all the time, but $1 invested in the U.S. stock market in 1927 grew to $6,229 by 2017. That's the power of free markets, powered by human innovation.

Markets have been significant generators of long-term wealth for investors

GROWTH OF $1 JAN. 1927-DEC. 2017



Source: DFA Returns 2.0. Hypothetical value of $1 invested at the beginning of 1927 and kept invested through December 31, 2017. Assumes reinvestment of income and no transaction costs or taxes. This is for illustrative purposes only and not indicative of any investment. Total returns in U.S. dollars. Past performance is no guarantee of future results. U.S. Stocks represented by the Fama/French Total U.S. Market Index Portfolio, which is an unmanaged index of stocks of all U.S. companies operating on the NYSE, AMEX, or NASDAQ. The Consumer Price Index (CPI) reflects monthly data on changes in the prices paid by urban consumers for a representative basket of goods and services. The Fama/French Total U.S. Market Index Portfolio Index, the Long-Term Government Bonds Index, the One-Month U.S. Treasury Bills Index, and the U.S. Consumer Price Index (inflation), are unmanaged baskets of securities that investors cannot directly invest in. Index performance does not reflect the fees or expenses associated with the management of an actual portfolio. Risks associated with investing in stocks potentially Include increased volatility (up and down movement in the value of your assets) and loss of principal. T Bills and government bonds are backed by the U.S. government and guaranteed as to the timely payment of principal and interest. T Bills and government bonds are subject to interest rate and inflation risk and their values will decline as interest rates rise.

2. Put Science on Your Side

Using the knowledge and tools provided by financial science, we build portfolios with focused exposure to key "factors" of returns, such as company size, relative price (value), profitability, and momentum. This exposure largely determines a portfolio's risk and return. Working together, we then decide how much exposure to such factors is right for your situation and long-term goals.

greater potential risk = greater expected long-term returns

3. Manage Risks

Risk can't be eliminated, but it can be managed — even potentially reduced — through our prudent approach:

- We diversify globally (almost 50% of world stock market value is non-U.S.)
- We invest in thousands of securities to reduce company-specific risk
- We invest in high-quality, short-term bonds to provide income and help smooth out dramatic ups and downs
- We combine asset classes that respond differently to various market conditions

The portfolios we build have 9 asset classes representing up to 10,000 securities in 42 countries and 30 currencies.

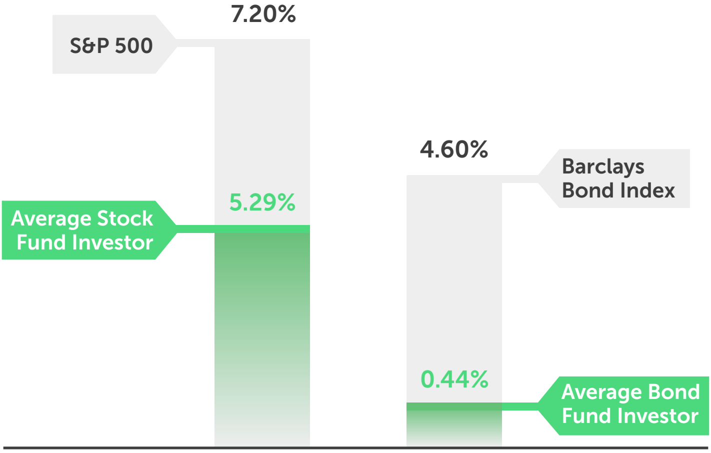
Smart diversification can help you stay on track

[1] SPIVA® U.S. Year-End 2017

4. Invest for the Long Term

A long-term perspective is one of the most important ingredients of portfolio success. But the powerful emotions we experience when markets move up and down can get in our way. That's why we use the latest behavioral research to help you make better decisions and stay on track. We also rebalance your portfolio periodically to keep it aligned with your goals.

AVERAGE INVESTORS UNDERPERFORM MAJOR INDICES 1998-2017



Average stock investor and average bond investor performances were used from a DALBAR study, Quantitative Analysis of Investor Behavior (QAIB), 04/2018. QAIB calculates investor returns as the change in assets after excluding sales, redemptions, and exchanges. This method of calculation captures realized and unrealized capital gains, dividends, interest, trading costs, sales charges, fees, expenses, and any other costs. After calculating investor returns in dollar terms (above), two percentages are calculated: Total investor return rate for the period and annualized investor return rate. Total return rate is determined by calculating the investor return dollars as a percentage of the net of the sales, redemptions, and exchanges for the period.

The fact that buy-and-hold has been a successful strategy in the past does not guarantee that it will continue to be successful in the future. Equities, bonds, and other asset classes have different risk profiles, which should be considered when investing. Bonds are subject to market and interest rate risk. Bond values will decline as interest rates rise and/or issuer's creditworthiness declines, and are subject to availability and changes in price. Stock investing involves risks, including increased volatility (up and down movement in the value of your assets) and loss of principal.

(Continued on back panel.)

You Don’t Have to Go It Alone

As an independent advisor we act as a valued partner who can help tie your investment plan to what matters most to you personally and financially. We work closely together to help you stay focused on the long term and achieving your goals.

In addition, we closely monitor your plan, update you regularly on your progress, and make any changes necessary to keep pace with where you are in life. We are dedicated to consistently delivering a better experience for our clients and believe strongly that our approach can make a real difference.

We can help you stay on track and invest with confidence

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. The Barclays Bond Index covers the USD-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The index includes bonds from the Treasury, Government-Related, Corporate, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS sectors. Indexes are unmanaged baskets of securities that investors cannot directly invest in. Index returns do not take into consideration any fees.
Past performance is not indicative of future results. Diversification does not guarantee a profit or protect against a loss. Investors with time horizons of less than five years should consider minimizing or avoiding investing in common stocks.
Investment advisory and administrative services provided by LWI Financial Inc. (“Loring Ward”). LWI Financial Inc. is an investment advisor registered with the Securities and Exchange Commission. Securities transactions are offered through its affiliate, Loring Ward Securities Inc., member FINRA/SIPC.
Loring Ward is considered to be an investment manager under §3(38) of the Employee Retirement Income Security Act of 1974 (ERISA) only for those portfolios administered by Loring Ward. Plan advisors and trustees may have other fiduciary obligations independent of those that are assumed by an ERISA §3(38) investment manager. B 16-014