



# APPLETON GROUP, LLC

INVESTMENT SOLUTIONS · WEALTH MANAGEMENT  
EMPLOYER-SPONSORED PLANS

## Appleton Group - Tax Managed Growth Conservative Portfolio

GIPS® Inception: 4/1/2015  
Data as of 06/30/2018

**OBJECTIVE:** Tax efficient total return (capital appreciation plus income)

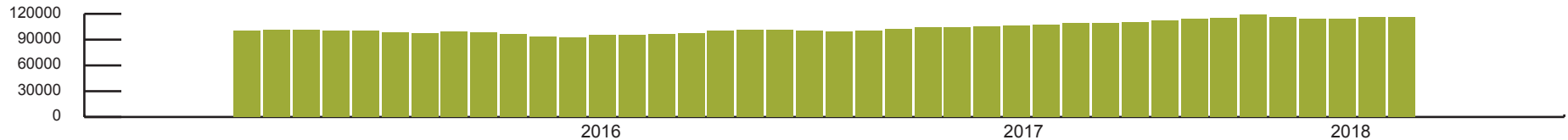
**INVESTMENT STRATEGY:** The Appleton Group Tax Managed Growth Conservative Portfolio combines an ETF trend-following discipline designed to systematically adjust the portfolio as market conditions change with a tax-advantaged strategy using high dividend paying exchange traded funds (ETFs). This strategy seeks to invest exclusively in exchange traded funds (ETFs) whose current price trend is rising, while eliminating exposure to ETFs whose current price trend is falling.

**SUITABILITY:** This risk-managed strategy is designed to be a core component for high income-earning investors with a longer-term time horizon. It is most frequently used in taxable accounts and trusts, and balances risk-managed growth, current income and tax efficiency..

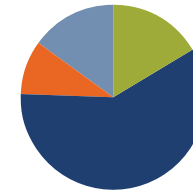
### PORTFOLIO STATISTICS:

Portfolio Weighted Average Expense	0.17%
Estimated Annual Trading Expense	\$85
Target Yield	2.40%
Best Calendar-Year Return	+13.41%
Worst 1-Year Average Return	+2.85%

### GROWTH OF \$100,000 SINCE GIPS® INCEPTION:



### ASSET ALLOCATION:



Asset Class	Aggregate%
Cash	16.4%
U.S. Equities	59.4%
Foreign Equities	0.0%
Fixed Income	9.3%
Bear Market	0.0%
Other	14.9%

### CURRENT HOLDINGS:

		Target	Actual
Schwab U.S. Large-Cap Growth ETF (SCHG)	●	18.0%	17.8%
SPDR S&P 500 (SPY)	●	14.0%	17.2%
iShares Russell 1000 Value (IWD)	●	13.0%	14.0%
Vanguard Short-Term Corporate Bond ETF (VCSH)	●	10.0%	9.3%
Schwab International Equity ETF (SCHF)	●	9.0%	0.0%
SPDR Barclays Convertable Secs ETF (CWB)	●	8.0%	8.1%
PowerShares Preferred ETF (PGX)	●	7.0%	6.8%
Schwab Emerging Markets Equity ETF (SCHE)	●	7.0%	0.0%
Schwab U.S. Small-Cap ETF (SCHA)	●	5.0%	5.5%
iShares Russell 2000 Value (IWN)	●	4.0%	4.9%
Bear Market Securities	●	-	0.0%
Cash & Cash Equivalents	●	5.0%	16.4%

HISTORIC CALENDAR-YEAR PERFORMANCE					
	2015*	2016	2017	Q2 2018	YTD 2018
Tax Managed Growth - Conservative Portfolio	-3.73%	+2.85%	+13.41%	+1.41%	+0.98%
Morningstar US Tactical Fund Category	-3.65%	+5.99%	+12.63%	+0.63%	-0.84%

\*Performance from 4/1/2015 - 12/31/2015

**Performance Information:**

1. Performance quoted represents past performance and is no guarantee of future results.
2. Performance statistics for 4/1/2015-present represents actual client performance calculated using the Global Investment Performance Standards (GIPS).
3. While performance is compared to the benchmark indicated, client accounts may be fully invested, partially invested in cash equivalents, invested in inverse ("bear market") funds and/or "short" the market, depending on the portfolio selected. The actual amount of time invested in the market will vary with market conditions.
4. The principal value and return of exchange traded funds and other mutual funds will fluctuate with changing market conditions, and may be worth more or less than your initial investment. All dividend, interest, and capital gain distributions assume reinvestment. Performance statistics do not consider potential tax liabilities as a result of management activity. Please consult your tax advisor for further information.
5. Deviation from the models has produced and will produce substantially different results. The Morningstar US Fund Tactical Allocation Category is a composite of global risk-managed strategies and represents a "best-fit" benchmark for the portfolio. You cannot invest directly in a category.
6. The Equal-Weighted Dispersion is 0.06. Performance quoted is net of management fees, trading costs and investment expenses.
7. There are 6 accounts in AG Tax Managed - Conservative Portfolio; Market Value of \$30.4 million which is 19.5% of Firm Assets which are \$156.016 million as of June 30, 2018.

**Principal Risks:**

*Loss of Money*

An investor may lose money when he or she buys or sells the investment, including part of the principal.

*Market Volatility*

The market value of the portfolio's securities may fall rapidly or unpredictably due to changing economic, political or market conditions.

*Active Management*

Performance is subject to the risk that the advisor's investment strategies are not suited to achieving the investment objective or do not perform as expected, which may cause the portfolio to lose value or underperform investments with similar objectives/strategies.

*Portfolio Turnover*

Active trading may create portfolio turnover of 100% or more, potentially resulting in increased transaction costs.

*Exchanged Traded Funds (ETFs)*

Assets invested in ETFs generally reflect the risks of owning the underlying securities they are designed to track, although they may be subject to greater liquidity risks and higher costs than owning the underlying securities directly due to their management fees.

*Fund of Funds*

A portfolio's risks are closely associated with the risks of the securities held by underlying funds. The ability of the portfolio to meet its investment objective depends on the ability of the underlying funds to meet theirs.

*Fixed Income*

The value of assets invested in fixed-income or debt securities may be susceptible to general movements in the bond market and are subject to increased interest rate and credit risk.

*Foreign Investments*

Investments in foreign securities may be subject to increased volatility than U.S. securities. Foreign securities are subject to increased issuer risk. In addition, foreign securities are subject to increased costs. Many foreign markets are relatively small, and securities issued in less developed countries face the risks of nationalization, expropriation or confiscatory taxation, and adverse changes in investment or exchange control regulations. Political changes or diplomatic developments can also negatively impact performance.

**General Disclosures:**

The investment's performance may be impacted by its concentration in a certain type of security, adherence to a particular investing strategy or unique aspect of its structure and costs.

The Appleton Group Portfolios are not mutual funds. As market conditions fluctuate, the investment return and principal value of any investment will change. Before investing in any investment portfolio, the client and financial advisor should carefully consider the client's investment objective, time horizon, risk tolerance, and fees. Diversification may not protect against market risk. There are risks involved with investing, including possible loss of principal. Appleton Group LLC utilizes ETFs as the primary underlying investment vehicle. Since each Appleton Group LLC portfolio is a "portfolio of funds" an investor will indirectly bear fees and expenses charged by the underlying ETFs and investment companies in which Appleton Group LLC invests in addition to the Appleton Group LLC's fees and expenses.

The cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings. Visit the Department of Labor's Website for an example showing the long-term effect of fees and expenses at [http://www.dol.gov/ebsa/publications/401k\\_employee.html](http://www.dol.gov/ebsa/publications/401k_employee.html). Fees and expenses are only one of the many factors to consider when you decide to invest in an option. Please consider whether an investment in a particular managed strategy, along with your other investments, will help you achieve your financial goals.