Camelot Protected Participation Strategy US10

December 31, 2018 | www.camelotportfolios.com

DESIRED OUTCOME

The Protected Participation Strategy seeks to provide a structured return that offers controlled exposure to the S&P 500 Price Return Index.

The Strategy's investment objective seeks to generate returns that provide enhanced upside while limiting downside market movements.

PRIMARY GOALS

Buffer First Losses

Seeks to limit losses with a 10% buffer to the downside.

Reduced Volatility and Downside

Seeks to provide returns that are less volatile and highly correlated to the S&P 500 PR Index. The 10% buffer limits losses when the S&P 500 PR Index declines.

Enhanced Upside

Uses option strategies to offer outperformance in an expansive market environment.

INVESTMENT STRATEGY

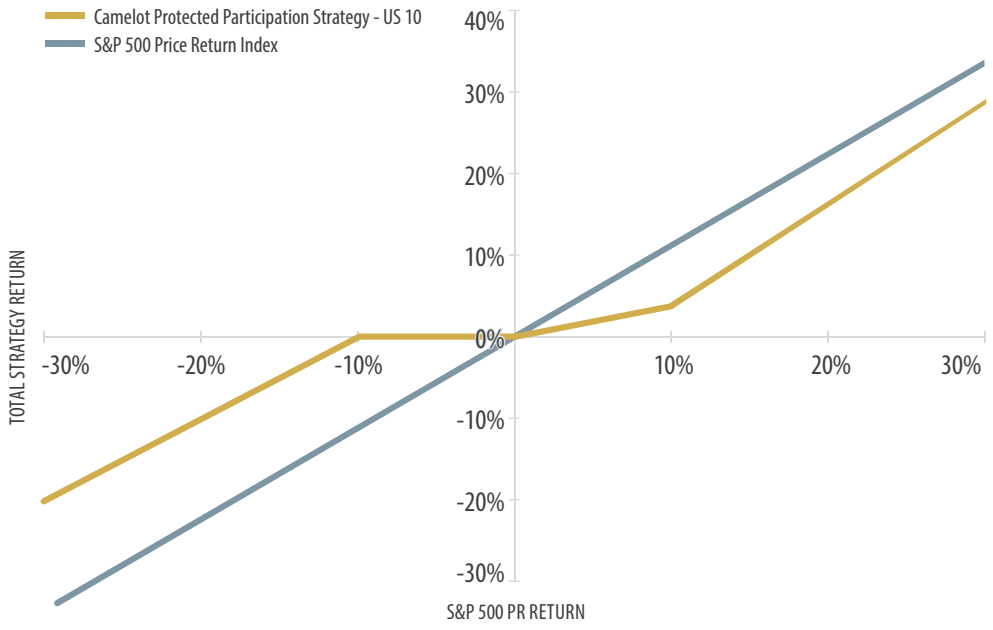
At strategy implementation the downside and upside participation is set.

- Fully liquid and transparent.
- Seeks to provide a risk/return profile in which the risks are limited and the potential rewards are enhanced.
- A potentially good solution for any client who may be concerned with downside risk, but wants to participate in the equity market.
- Invests in treasury bonds, put options, and call options to achieve objectives.

CAMELOT PORTFOLIOS

STRATEGY TARGET PARTICIPATION RATES COMPARED TO S&P 500 PR AT STRATEGY EXPIRATION

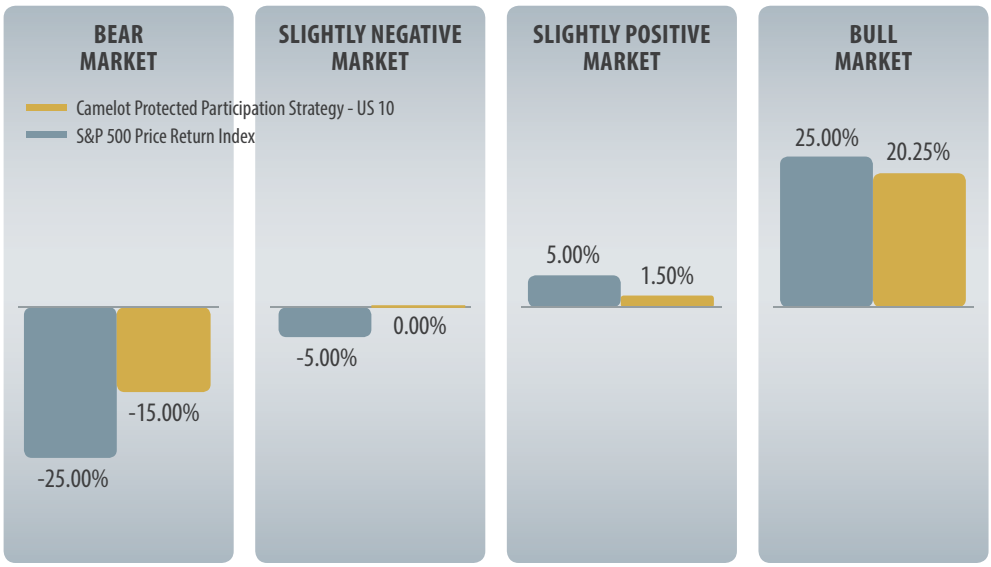
The chart below illustrates the investment objective where the downside buffer is 10%. The upside participation rate is 30% on the first 10% movement on the S&P 500 Price Return Index followed by 115% participation on everything above 10%.



This illustration is hypothetical in nature. It is shown for informational purposes only and is not reflective of any investment results, nor does it represent performance of the strategy discussed. There is no guarantee the strategy will achieve its objectives, generate profits or avoid losses. The S&P 500 stated return line is based upon actual return data of the S&P 500. It is shown as a straight line as the illustration is intended to show the relationship between the performance of the S&P 500 and the targeted strategy return. This means that the illustration assumes the strategy works completely as intended. There is no guarantee that this will be the case. There are numerous factors and risks that will affect and individual investor's actual performance. These include frequency and timing of withdrawals, amount of fees and expenses actually incurred and date of investment. There are risks associated with the sale and purchase of call and put options. As the buyer of a put option, the investor assumes the risk of a rise in the market price of the underlying security above the exercise price of the option which will cause a loss of the premium paid for the option. As a seller (writer) of a put option, the investor will lose money if the value of the security falls below the strike price. Fixed income securities will fluctuate with changes in interest rates. These factors will affect the value of the investment.

HYPOTHETICAL STRATEGY RETURN COMPARED TO ILLUSTRATIVE S&P PR RETURNS (-25%, -5%, +5%, +25%)

The chart below illustrates hypothetical initiation to expiration.



Camelot Protected Participation Strategy US10

December 31, 2018

Throughout history, the S&P 500 has averaged approximately 10%, but it has done so in a chaotic manner.

YEARLY RETURNS OF S&P 500 PRICE RETURN INDEX (1969 - 2018)

0 to 10%	10 to 20%	20 to 40%	0% to -40%
10 Times	*14 Times*	*12 Times*	*14 Times*
9.54%(2016)	19.53%(1999)	34.11%(1995)	-38.49%(2008)
8.995%(2004)	19.42%(2017)	31.55%(1975)	-29.72%(1974)
7.06%(1993)	19.15%(1976)	31.01%(1997)	-23.37%(2002)
4.46%(1992)	17.27%(1983)	29.60%(2013)	-17.37%(1973)
3.53%(2007)	15.63%(1972)	27.25%(1989)	-13.04%(2001)
3.00%(2005)	14.76%(1982)	26.67%(1998)	-11.50%(1977)
2.03%(1987)	14.62%(2006)	26.38%(2003)	-11.36%(1969)
1.40%(1984)	13.62%(2006)	26.38%(1985)	-10.14%(2000)
1.06%(1978)	13.41%(2012)	26.31%(1991)	-9.73%(1981)
0.10%(1970)	12.78%(2010)	25.77%(1980)	-6.56%(1990)
	12.40%(1988)	23.45%(2009)	-6.24%(2018)
	12.31%(1979)	20.26%(1996)	-1.54%(1994)
	11.39%(2014)		-0.73%(2015)
	10.79%(1971)		-0.01%(2011)
0 to 3.0% Targeted Model Return US10	**3.0 to 14.5% Targeted Model Return US10**	**14.5 to 37.5% Targeted Model Return US10**	**0 to -30.0% Targeted Model Return US10**

OBSERVATIONS

- S&P 500 Price Return returned greater than 20% 12 times but only lost more than 20% 3 times. 4 to 1 ratio.
- S&P 500 Price return was negative 28% of the calendar years.
- S&P 500 Price return was greater than 10%, 52% of the time.
- Historical asymmetry of equity returns is favored toward positive returns in the market place.
- Asymmetry of options pricing (or skew) conveys greater amounts of bearish investor sentiment compared to bullish investor sentiment.

STRATEGY MANAGERS

Thomas F. Kirchner, CFA

Mr. Kirchner is managing member of Camelot Event-Driven Advisors. He has managed of the Camelot Event-Driven Fund since its 2003 inception. He previously managed the fund for Quaker Funds and was the founder of Pennsylvania Avenue Advisers LLC and the portfolio manager of the Pennsylvania Avenue Event-Driven Fund. Mr. Kirchner is a graduate of Kings College, University of London, and Institut d'Etudes Politiques de Paris, and received his MBA from the University of Chicago Booth School of Business.

Paul Hoffmeister

Mr. Hoffmeister is managing member of Camelot Event-Driven Advisors, and chief economist and portfolio manager at Camelot Portfolios. He previously managed the Camelot Event-Driven Fund at Quaker Funds, and was chief economist at Bretton Woods Research and Polyconomics. Mr. Hoffmeister is a graduate of Georgetown University, and received his MBA from Northwestern University's Kellogg School of Business.

INVESTMENT INFORMATION

Min. Initial Investment:	$100,000
Subsequent Investment: *(at series expiration)*	$100,000
Benchmark:	S&P 500 Price Return Index
Spring Series Expiration:	3rd Friday Mar. 2020

Automatic Reinvestment at Series Expiration

AVAILABLE PLATFORMS

- Schwab
- TD Ameritrade

Participation rates can fluctuate lower or higher depending upon option pricing at strategy initiation. Participation rates* are not guaranteed and will vary based on market conditions. Investments fluctuate daily. Returns and participation are shown for investments at maturity/expiration and may differ during the life of the investment from end-of-period projections. Stated participation rates* assume investment is held through expiration of series. Manager makes no assurances that the strategy will achieve its investment objective. Participation rates* are not inclusive of fees charged by financial advisors.*

The downside buffer refers to the amount of negative performance an investment would avoid before it begins to simulate the negative returns of an index. For example, if an investment based on the S&P 500 has a downside buffer of 20%, and the S&P 500 was down 30%, the investment would be down 10% because it would not participate in the first 20% downside.

Past performance may not be indicative of future results. Therefore, no current or prospective client should assume that the future performance of any specific investment, or investment strategy (including the investments and/or investment strategies recommended by the adviser), will be profitable or equal to past performance levels. This material is intended to be educational in nature, and not as a recommendation of any particular strategy, approach, product or concept for any particular advisor or client. These materials are not intended as any form of substitute for individualized investment advice. The discussion is general in nature, and therefore not intended to recommend or endorse any asset class, security, or technical aspect of any security for the purpose of allowing a reader to use the approach on their own. Before participating in any investment program or making any investment, clients as well as all other readers are encouraged to consult with their own professional advisers, including investment advisers and tax advisors. Camelot Portfolios LLC can assist in determining a suitable investment approach for a given individual, which may or may not closely resemble the strategies outlined herein. Any charts, graphs, or visual aids presented herein are intended to demonstrate concepts more fully discussed in the text of this presentation, and which cannot be fully explained without the assistance of a professional from Camelot Portfolios LLC. Readers should not in any way interpret these visual aids as a device with which to ascertain investment decisions or an investment approach. Only your professional adviser should interpret this information. The S&P 500 is an unmanaged index used as a general measure of market performance. You cannot invest directly in an index. Accordingly, performance results for investment indexes do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment-management fee, the incurrence of which would have the effect of decreasing historical performance results.

There is no assurance that the strategy will achieve its investment objective. Investment return and principal value fluctuate with changing market conditions. Investing in the strategy carries certain risks. The strategies' assets may be invested in the securities of a limited number of companies that could be in the same or related economic sectors. Therefore, the strategy may be more susceptible to any single economic, technological or regulatory occurrence than the portfolio of a diversified fund.

There are risks associated with the sale and purchase of call and put options. As the seller (writer) of a covered call option, the seller assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise option price. The strategy intends to write (sell) options on a significant portion of its portfolio. The options will generally have terms of three to six months resulting in proceeds being reinvested several times during the year. This will result in a higher level of portfolio turnover. Investors should carefully consider the investment objectives, risks, charges and expenses of the strategy.

**The participation rate refers to the proportional amount of positive performance an investment will experience relative to an index. For example, if the an investment based on the S&P 500 has a 30% participation rate, and the S&P 500 increases 10% over a one year period, the investment return would be 3%.*

CAMELOT PORTFOLIOS