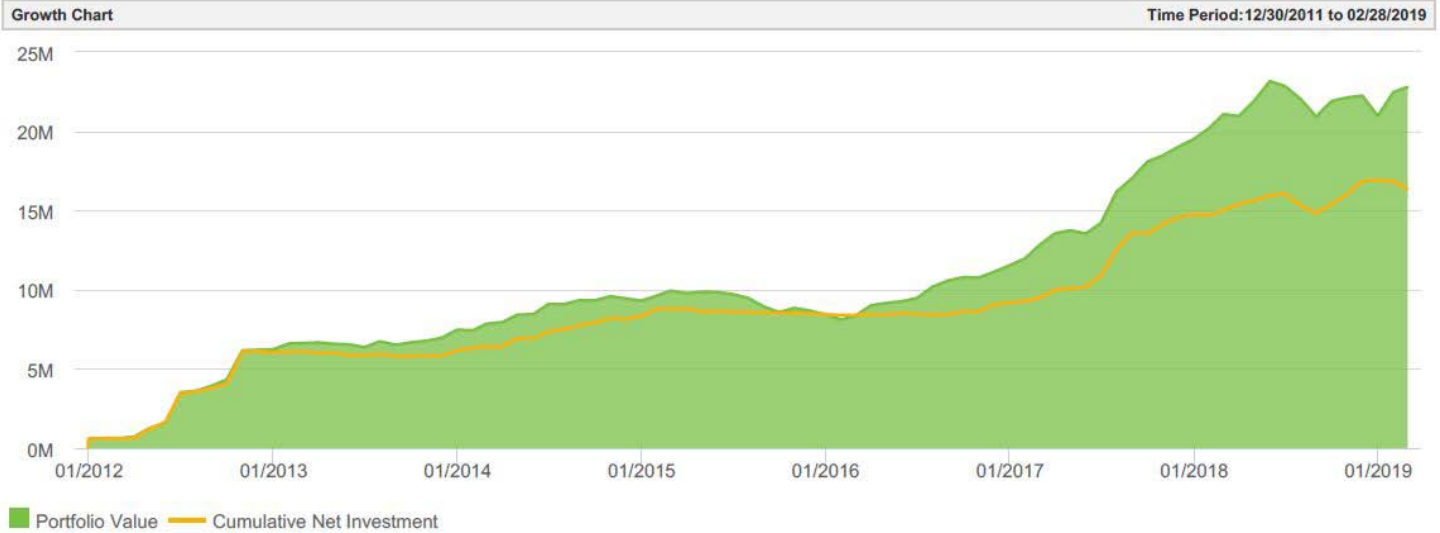


**Want Higher Alpha? Find it in Durig's FX2 Bond Portfolio**  
**Fixed Income Historical Performance**

- ❖ Trailing 1 Yr of **1.55%**
  - ❖ Trailing 3 Yr of **17.98%**
  - ❖ Trailing 5 Yr of **6.82%**
  - ❖ Return Since Inception (*Annualized*) of **8.85%**
- ❖ Alpha of **8.67** (*vs. the S&P 500*)
  - ❖ Beta of **0.58** (*vs. the S&P 500*)
  - ❖ Excess Return of **2.69%** (*vs. the S&P 500*)
  - ❖ YTD Return of **11.12%**



**Outperformance of FX2 – Validated by Independent Third Parties**

**Morningstar** (*High Yield Fixed Income*)

- ❖ Ranked 1<sup>st</sup> in Trailing 1 Year Return, Q1, Q2, Q3, 2018
- ❖ Ranked 1<sup>st</sup> in Trailing 3 Year Return, Q1, Q2, Q3, Q4, 2018
- ❖ Ranked 1<sup>st</sup> in Trailing 5 Year Return, Q1, Q2, Q3, Q4, 2018

**Informa** (*Short Term Fixed Income*)

- ❖ Ranked 1<sup>st</sup> in Trailing 1 Year Return, Q3, 2018
- ❖ Ranked 1<sup>st</sup> in Trailing 2 Year Return, Q3, Q4 2018
- ❖ Ranked 1<sup>st</sup> in Trailing 3 Year Return, Q3, Q4, 2018
- ❖ Ranked 1<sup>st</sup> in Trailing 5 Year Return, Q3, Q4, 2018
- ❖ Ranked 1<sup>st</sup> in Return Since Inception, Q3, Q4, 2018

**The FX2 Strategy Has Outperformed in Rising Rate Environments**

- ❖ Q4 2016, the US 10-Year Treasury Rate rises from a low of around 1.6% to a high of about 2.6%, an increase of roughly 62%, one of the largest percentage increases in interest rates in 50 years
- ❖ Morningstar ranked FX2 the #1 performer in its peer group during this historic period of rate hikes (*shaded portion of graph, "Q4 2016 Rate Spike"*)
- ❖ A portfolio of maturity certain assets is preferred by most in a rising rate environment, and short average maturities help to mitigate interest rate risk
- ❖ FX2 has outperformed the S&P 500 in cumulative return since Q2 2016 when interest rates began to rise from their most recent lows

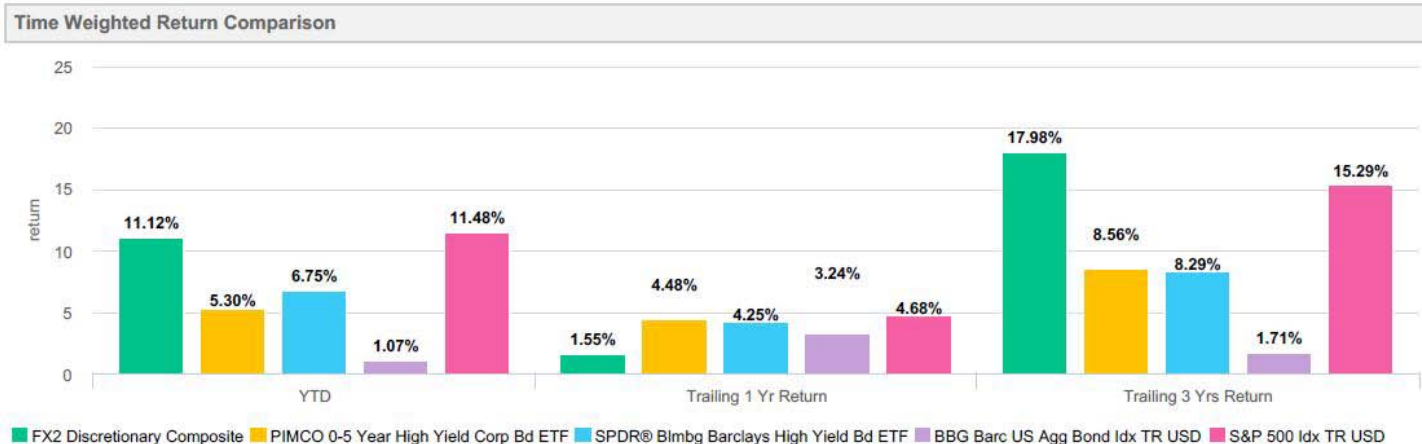


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## FX2 Has Outperformed the S&P 500 in Cumulative Return Since Q2, 2016 when the Cycle of Rising Interest Rates Began, and has Done so with *Less Volatility*



### Top Holdings

Security Name/Description	Symbol
GRAN COLOMBIA GOLD CORP 1:15 R/S 4...	TPRFF
INTELSAT BERMUDA LTD SENIOR NO TE...	458204AP9
LEGACY RESERVES LP/ LEGACY FI SEN...	52471TAB3
FDIC INSURED DEPOSIT ACCOUNT IDA12...	MMDA12

- ❖ The majority of our FX2 accounts are overweight in domestic corporate bond issues that have met our stringent investment criteria
- ❖ We try to maintain average bond maturities in most portfolios at 2-3 years to minimize interest rate volatility and benefit from laddered maturities

### Benefits

- ❖ Historically, FX2 has offered investors an outstanding Alpha (active return) of 8.67 (vs. the S&P 500)
- ❖ A Low Beta of 0.58 (vs. the S&P 500) means FX2 has very minimal volatility vs. the overall stock market
- ❖ Historically, FX2 has provided an excess return of 2.69% (vs. the S&P 500)
- ❖ Historically, FX2 has provided Superior Income & Outstanding Performance in Fixed Income
- ❖ Low Annual Management Cost of 0.50% allows for higher net returns to the investor
- ❖ Historically, FX2 has offered exposure to a wide diversity of issuers and industries
- ❖ Low average maturities help to mitigate interest rate risk and keep investments liquid

### Bond Portfolio Structure

- ❖ Low average cost + Higher Returns = Higher Net Returns to Clients
- ❖ Discretion allows for active management of investments and enables proactive management
- ❖ Segregated accounts; no pooled funding, so tax implications of the account match that of the investor
- ❖ Investors may access their account online, allowing for 3rd party validation (TD Ameritrade offers comprehensive, 24/7 account access online to their custodial clients)
- ❖ We leverage over 50 years of professional investment experience with an emphasis on personalized service
- ❖ Short maturities allow us to keep investments liquid & help to minimize the effects of interest rate volatility

### Getting Started with FX2

- ❖ Minimum Investment of 125k
- ❖ Discretionary Management only
- ❖ Low Annual fee of 0.5%
- ❖ No minimum investment period
- ❖ Custodied at TD Ameritrade Institutional
- ❖ Begin with an Introductory Conversation
- ❖ Review/return a signed Discretionary Management Agreement
- ❖ We send you the appropriate forms with clear instructions for completion, send the forms back to us and relax, we will take care of the rest of the set-up
- ❖ We are just a call or email away should you need any assistance

### About John "Randy" Durig – Principal, Portfolio Manager, Founder, Durig Capital, Inc.

John "Randy" Durig has over 30 years of professional investment experience, having achieved senior vice president of a firm now called RBC Dain Rauscher Corp. Mr. Durig's portfolios have achieved extremely high levels of performance. Mr. Durig now manages his own firm, and has assembled a talented team of professionals that work tirelessly to provide you with premier Fixed Income services.