

*Upside capture in bull markets . . .*



*. . . Downside protection in bear markets*

## Now is the time to PROTECT YOUR RETIREMENT NEST

*You've grown it, now protect it, with a long only defensive strategy that will help preserve your investment capital base while you wait for future opportunities.*



### Is another market correction about to occur?

Don't wait until it's too late to protect your portfolio from such events. You've worked too hard to build wealth for your family to take a step backward now. Consider the sector and country tactical rotation strategies developed by Quantitative Investment Decisions, LLC's (QID) for a disciplined approach to downside protection.

QID was recently **recognized by Informa/PSN as the 3rd quarter 2015 Top Gun for strategic ETF managers.** (see attached announcement)

We believe a strategy that reduces large downside shocks, and makes the cash decision for investors is an attractive option for many clients. Experience has taught portfolio managers, advisors and clients alike, that staying fully invested in a traditionally diversified portfolio is great in theory to reduce risk, but observed investor behavior indicates investors are more **LOSS AVERSE** in practice, and therefore require strategies that address this investor behavioral dynamic. We believe investors want a strategy that has the ability to provide the diversification they need with the downside protection they desire, through a disciplined, repeatable process. It is our belief that strategies such as ours, are critical to avoid potentially harmful emotional investing decisions that are often later regretted.

In December, our equity strategies began raising levels of portfolio cash. Our fixed-income and alternative asset strategies also remain in a defensive posture. The following pages provide information regarding current portfolio allocations as of December 31, 2015.

Strategy	Identifier	Cash/Treasuries (%)	Invested (%)
QID U.S. Equity	QIDTUSRS	25%	75%
QID International Equity	QIDTIRS	100%	0%
QID Global Equity	QIDTGRS	70%	30%
QID Fixed Income	QIDTFIRS	100%	0%
QID Alternative Assets	QIDTAIRS	75%	25%

Source: Morningstar Direct®

Our firm, Quantitative Investment Decisions, LLC (QID), is compliant with the Global Investment Performance Standards (GIPS) and has been independently verified by Ashland Partners, LP, one of the industry leaders in manager performance evaluation. **Currently, we offer a Separately Managed Account accessible through the Schwab Marketplace platform** for U.S. Equity, International Equity, Global Equity, Fixed-Income and Alternative Investment asset class portfolios managed in a similar manner.

Schwab SMA Marketplace Offerings	Mthly Traded	Weekly Traded	OneSource Wkly
QID Tactical Global Rotation Strategy	X	Enhanced	Advantage
QID Tactical International Rotation Strategy	X	Enhanced	Advantage
QID Tactical U.S. Rotation Strategy	X	Enhanced	Advantage
QID Fixed-Income Rotation Strategy			
QID Tactical Alternative Investment Rotation Strategy			

Source: Charles Schwab & Co., Inc. Advisor Center Marketplace

As an example of how our strategy models have performed, we have provided two examples; the first is our fixed-income model that has been 100% defensive since October 3, 2014. The results are as follows:

Fixed Income Security	Ticker/Identifier	Returns (10/3/2014 to 12/31/2015)	One Year as of 12/31/2015
QID FI Model	QID TFIRS	5.01%	2.68%
Barclays Aggregate Bond ETF	AGG	2.01%	0.48%
Investment Grade Corp ETF	LQD	-0.03%	-1.26%
High Yield Corp ETF	HYG	-6.42%	-5.00%
Mortgage Bond ETF	MBB	2.64%	1.14%
Muni Bond ETF	BUB	4.41%	2.91%

Source: Yahoo Finance and Morningstar Direct®



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The second example is the alternative asset class model (Agriculture, Precious Metals, Energy, and REITs) that has been in a defensive posture as well. Oil turned off in September of 2014, natural gas has been off as well, with the exception of a brief period from April to July 2015. Gold turned off in February 2013 and silver in September of 2014. Agriculture products have been on for only six months since April of 2011. REITs turned off in June of 2015 and recently came back on. Given that all alternative asset classes have not turned off for the entire year we are reporting results as of December 31, 2015.

Alternative Assets	Ticker	Model 12 Months ended December 31, 2015	Composite (NET) 5/31/2015 to 12/31/2015
QID Alternative Asset Model	QID TAIRS	2.95%	+2.26%
Agriculture	DBA	-16.76%	-5.59%
Energy	USO	-45.30%	-45.84%
Energy	UNL	-28.98%	-21.07%
Precious Metals	IAU	-11.71%	-11.12%
Precious Metals	SLV	-13.87%	-17.51%
REITs	SCHH	+4.35%	+5.936%

Source: Yahoo Finance and Morningstar Direct®

Attached is our brochure explaining the rationale behind our strategy and an overview of each asset class SMA. You can contact us directly at 239.302.6003.

Look forward to hearing from you.

Ron Santangelo, CFA  
Senior Partner and CIO  
Quantitative Investment Decisions, LLC



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## Disclosures

Quantitative Investment Decisions, LLC (“QID”) claims compliance with the Global Investment Performance Standards (GIPS®).

### Firm Definition

Quantitative Investment Decisions, LLC (“QID” or the “Advisor”) is registered in the state of Florida as a registered investment adviser organized as a Limited Liability Company (“LLC”) under the laws of the State of Delaware, whose principle place of business is in Naples, FL. The entire investment team and critical operations staff became affiliated with QID on January 2, 2015. QID reviews a total firm AUM report broken out by account on a quarterly basis to ensure that only actual assets managed, or sub-advised, by QID are included. All accounts deemed to be advisory only, hypothetical, or model in nature are excluded from total firm AUM. Total firm assets are all discretionary (whether fee-paying or not) for which QID has investment management responsibility, including assets managed by sub-advisors that QID has authority to select.

### Obtaining a Compliant Presentation and the Firm’s List of Composite Descriptions

A compliant presentation, including the performance data for the composite, may be obtained by contacting Ron Santangelo, CFA at 239.529.2019 or by emailing Ron at [ron.santangelo@qidllc.com](mailto:ron.santangelo@qidllc.com).

The Tactical Rotation Strategy (TRS) Investment Program of Quantitative Investment Decisions (QID) is a long-term growth portfolio that invests in Exchange Traded Funds (ETF) as markets are rising and scales to cash as markets weaken using a trading algorithm. Its objective is capital appreciation. The TRS portfolio has three “sleeves” which represent United States Markets, International Markets and a Blend of the two sleeves (United States and International markets). The charts above show the total return, including reinvestment of all dividends. Returns are shown separately as gross (GR) and net (NR) of management fees and transaction fees for the composite account of the TGRS portfolio. QID is GIPS compliant and has been independently verified through the periods from January 2, 2015 through June 30, 2015. From April 30, 2012 through March 31, 2015 the performance shown is that of a composite of client accounts according to the dictates of the Program. The quantitative engine providing strategy signals was enhanced effective April 1, 2014. The portfolio weighting scheme was also enhanced effective September 1, 2014. A custom benchmark was used for comparison purposes to correlate to the portfolio of the TRS. This benchmark is 60% S&P 500 TR and 40% MSCI World ex USA GR. The returns for the Indexes shown include dividend reinvestment. Individual client accounts may have experienced investment results during the corresponding time periods that were materially different from those of the composite returns.

Performance data shown is past performance. Past performance is no guarantee of future results. Investments are subject to risk, and any of QID’s investment strategies may lose money. QID’s actively managed portfolios may underperform in bull or Bear markets. The investment strategy presented is not appropriate for every investor and individual clients should review the terms, conditions and risk involved with specific products or services. The portfolio is constructed with either First Trust AlphaDEX® Exchange Traded Funds (ETFs) or similar U.S. sector and international ETFs listed on the Charles Schwab OneSource™ list of ETFs. First Trust AlphaDEX® Exchange Traded Funds seek investment results that, before expenses, generally correspond to the price and yield of a particular index. There is no guarantee that the price and yield performance of the index can be fully matched.

### Risks

No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment. Asset allocation, nor diversification, does not guarantee a profit or protect against loss. Investment returns may fluctuate and are subject to market volatility, so that an investor’s shares, when redeemed or sold, may be worth more or less than their original cost. All investments include a risk of loss that clients should be prepared to endure. Quantitative Investment Decision’s actively managed portfolio may underperform in bull or Bear markets.

Hypothetical Back-Tested Performance or Model Performance and Analytics Backtested performance is NOT an indicator of future actual results. There are limitations inherent in hypothetical results particularly that the performance results do not represent the results of actual trading using client assets, but were achieved by means of retroactive application of a backtested model that was designed with the benefit of hindsight. The results reflect the performance of a strategy not historically offered to investors and do NOT represent returns that any investor actually attained. Backtested results are calculated by the retroactive application of a model constructed on the basis of historical data and based on assumptions integral to the model which may or may not be testable and are subject to losses. Backtested performance is developed with the benefit of hindsight and has inherent limitations. Specifically, backtested results do not reflect actual trading, or the effect of material economic and market factors on the decision making process, or the skill of the adviser. Since trades have not actually been executed, results may have under-or-over-compensated for the impact, if any, of certain market factors, such as lack of liquidity, and may not reflect the impact that certain economic or market factors may have had on the decision-making process. Further, backtesting allows the security selection methodology to be adjusted until past returns are maximized. Actual performance may differ significantly from backtested performance.