

GRADIENT PORTFOLIO TILT SERIES

ACTIVELY MANAGED ASSET ALLOCATIONS UTILIZING GRADIENT PORTFOLIO TILTS

The Gradient Portfolio Tilt Series is an actively managed and diversified set of portfolio models that correspond to varying levels of risk. Portfolio model construction begins with broad asset allocation that aligns with four different levels of risk tolerance. The portfolio is then populated with Gradient Strategic Portfolios using “tilts” that are based on the analysis of the Gradient Investment Committee. The Tilt Series will shift strategic portfolio weightings based upon market conditions and the outlook of the investment team. In addition, the overall models will be periodically rebalanced to maintain risk consistency.

PORTFOLIO ALLOCATION PROCESS

The objective of an asset allocation model is to create a portfolio that is aligned with a client’s individualized risk and return objectives. To accommodate varying levels of risk suitable for client needs, the Gradient Portfolio Tilt Series will have four separate asset allocation models:

Conservative:

Allocated with a greater emphasis on capital preservation and income that corresponds with approximately 25 percent risk of the stock market

Balanced:

A mixture of growth and conservative assets that corresponds with approximately 50 percent risk of the stock market

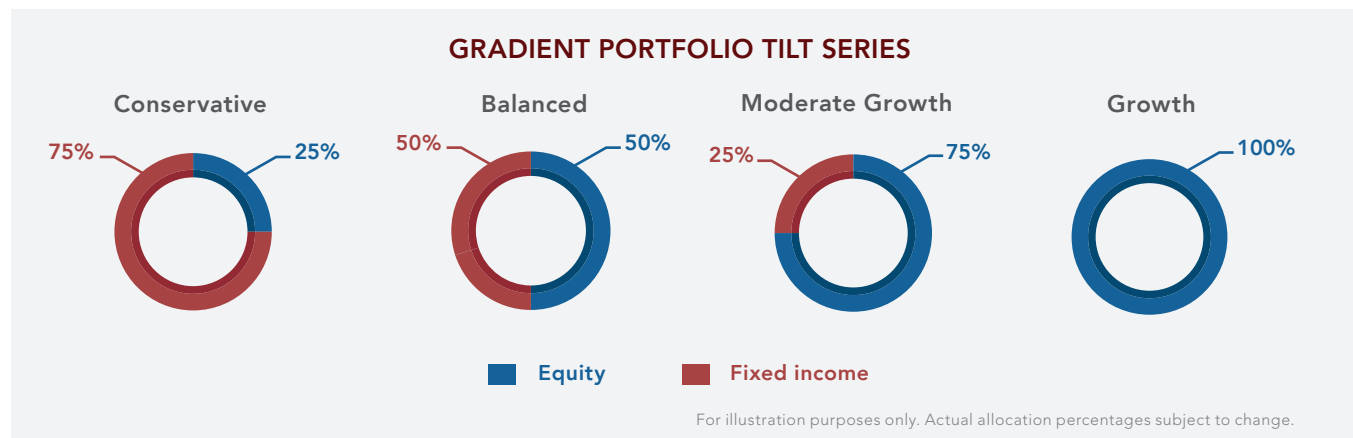
Moderate Growth:

Focused toward growth but incorporates bond assets that corresponds with approximately 75 percent risk of the stock market

Growth:

A full stock allocation that corresponds with approximately 100 percent risk of the stock market

By establishing portfolios that align with a specified level of risk, and diversifying within these asset classes with strategic portfolios, the Gradient Tilt Series can be suitable for a variety of investors with differing risk and return objectives.



GRADIENT “TILT” PROCESS

After establishing the four initial broad allocation models, the Gradient Portfolio Tilt Series adds a layer of active management by selecting the underlying strategic portfolios within these allocations. The “tilt” of the portfolios will be based on the analysis of the Gradient Investment Committee. The process will allocate greater percentages to portfolios considered “more attractive” by the committee based upon current market conditions, fundamental research and future outlook.

The portfolio selections in the various broad asset classes include, but are not limited to, the following examples:

Bonds: Primary purpose is capital preservation, lower volatility, and income generation

- ▶ **Fixed Income Total Return** – A broad allocation of fixed income ETFs
- ▶ **Laddered Income** – A diversified group of targeted maturity bond ETFs
- ▶ **National Muni** – A diversified municipal bond ETF portfolio

Income Maximization: Primary purpose is premium income generation

- ▶ **Absolute Yield** – A multi-asset class portfolio of premium income ETFs (stocks/bonds/alternatives)

Stocks: Primary purpose is long term capital appreciation through price return and dividends

- ▶ **Core Select** – A broadly diversified US stock portfolio
- ▶ **G50** – US based, dividend focused stock portfolio
- ▶ **G40i** – International based, dividend focused stock portfolio
- ▶ **G33** – A multi-capitalization stock portfolio of high growth companies
- ▶ **GTR** – A tactical, rules-based strategy that invests in one global stock market sub-sector ETF
- ▶ **Energy Sector Focus / Precious Metals** – Sector portfolios designed for a specific exposure

SAMPLE ALLOCATION FOR BALANCED PORTFOLIO TILT

Bonds

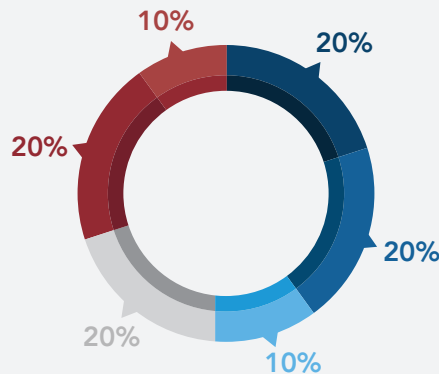
- ▶ Fixed Income Total Return
- ▶ Laddered Income 2-Year

Income Maximization

- ▶ Absolute Yield

Stocks

- ▶ G50
- ▶ G40i
- ▶ GTR



For illustration purposes only. Actual allocation percentages subject to change.

An investment in the Gradient Portfolio Tilt Series aligns investors with model allocations based on their individualized risk and return objectives. Each model is populated with strategic portfolios (similar to the fund of funds approach) that are subject to their own distinct investment process and actively tilted by the Gradient Investment Committee. The Tilt Series provides investors with risk adjusted models, active management and periodic model rebalancing to maintain consistent levels of risk.

Please consult your independent investment advisor before making any investment decisions. The information herein is for informational purposes only and should not be used as the sole basis for making an investment decision. Investing involves risk including the potential loss of principal. For more information, please request a copy of Gradient Investments' ADV Part 2A. Gradient Investments, LLC is an SEC Registered Investment Advisor.

725143 2024-11-27 GI