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The gross and net results of back-tested performance in CMM Content are based on simulated and hypothetical portfolios which have certain inherent limitations. Unlike the results shown in the performance record of an actual investment portfolio, back-tested results do not represent actual trading. Because the trades assumed in CMM’s presentations have not actually been executed, the results shown may have under- or over-compensated for the impact, if any, of certain market factors such as lack of liquidity or the ability to obtain the execution prices that have been assumed. The models developed and presented by CMM require an historical period of data for parameter estimation prior to the actual commencement of the period shown in the model and in the back-tested results; back-tested results are thus dependent on the availability of historical data which exceeds the period covered by the back-test.

The simulated and hypothetical performances of back-tested strategies using CMM Content are, to varying degrees, dependent on the historical performance of both the assets on which a strategy is

based as well as these assets' relationship to broader market returns, meaning that back-tested results should be viewed in relationship to broader market returns as well as to comparable strategies and assets. If CMM Content and back-tested results do not suggest a pertinent broader market comparison for the simulated and hypothetical back-tested returns, we strongly urge anyone considering the use of CMM Content to select a broader market benchmark to which to compare our back-tested results.

Inherent in all simulated historical return calculations is the fact that unequal growth in the values of a portfolio's components will cause the asset-weights to differ from their assumed theoretical weights. To counteract this effect would require daily adjustments and the net impact on the simulated returns would be either a small incremental gain or loss. Similarly, the same effect applies to constant weight performance indices such as the traditional 60% equity/40% fixed income benchmark. We do not model this effect for either our simulated strategy return or the performance indices

The results for simulated or hypothetical trading should also be considered with the understanding that a back-tested strategy is designed with the benefit of hindsight, and it is therefore likely that any actual strategy or program, had it existed during the period for which results are shown in CMM Content, would have been different from the assumed strategy. No representation is being made that any account will, or is likely to, achieve profits or losses similar to these being shown.

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