

Nations[®] Core

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INDEXES

Index Description

The Nations Core[™] Index maximizes the benefits of large cap equity ownership coupled with alternative risk premia in a mainstream financial product that should be a core holding for many investors. The Index measures the return of an Enhanced Covered Call methodology applied to the S&P 500. By combining the S&P 500 and covered options in a unique way, the Nations Core[™] Index seeks to generate returns superior to the S&P 500 with less risk as defined by standard deviation of returns.

The Index is a significant improvement over existing S&P 500 vehicles. The Nations Core[™] Index superiority relies on the advantage of alternative risk premia which are economically robust with persistent excess return. It is completely rules-based and attractive over a range of market return regimes.

The Nations Core[™] Index is protected by patents pending.

Option Premium Data¹

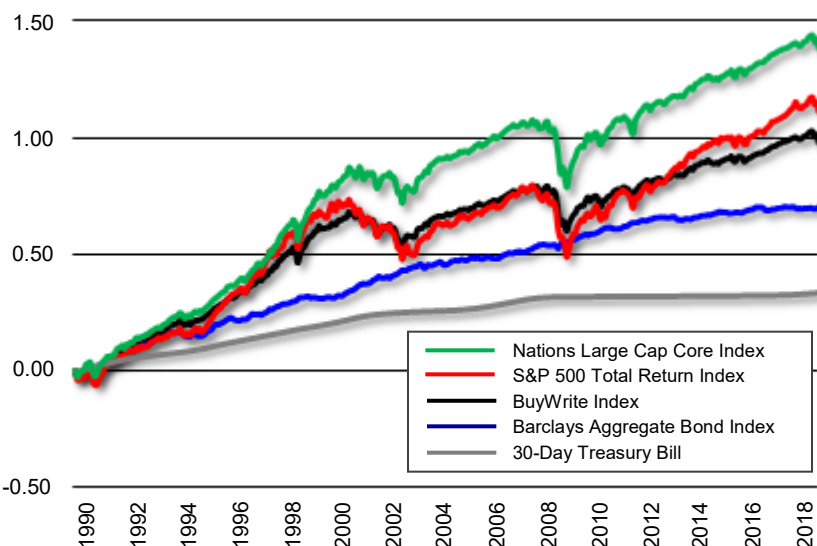
Nations Monthly Premium Generated as % of S&P 2.312%

Nations Percentage of Option Premium Retained 3.013%

BXM Monthly Premium Generated as % of S&P 1.736%

BXM Percentage of Option Premium Retained -1.462%

Comparative Historical Performance



	Nations Core Index	S&P 500 Total Return	BuyWrite Index	Barclays Aggreg. Bond	30 Day T-Bill
Compound Annual Return					
2018	-4.198%	-4.384%	-4.766%	0.011%	1.845%
3 Year	7.192%	9.257%	4.836%	2.056%	0.974%
5 Year	7.985%	8.494%	5.077%	2.521%	0.638%
10 Year	12.453%	13.119%	7.959%	3.477%	0.351%
Since Inception ²	11.617%	9.287%	8.143%	5.816%	2.728%
Average Annualized Standard Deviation of Monthly Returns					
2018	13.660%	15.329%	11.225%	3.116%	0.094%
3 Year	7.766%	9.850%	6.417%	2.783%	0.059%
5 Year	8.474%	10.294%	6.763%	2.716%	0.074%
10 Year	11.776%	12.795%	8.724%	2.738%	0.052%
Since Inception ²	11.399%	12.889%	8.707%	3.358%	0.101%
Average Annual Sharpe Ratio					
2018	-0.44	-0.41	-0.59	-0.59	-
3 Year	2.47	2.02	2.07	0.61	-
5 Year	1.88	1.56	1.54	0.90	-
10 Year	1.61	1.52	1.38	1.32	-
Since Inception ²	1.54	1.14	1.36	1.07	-

Better Ideas. Better Indexes[®]

Sources of Superiority

Nations Core™ Index returns are superior to those of the S&P 500 and the Buy-Write Index (BXM) for several reasons including:

- Option Volatility Premium - Over time, prices received by option sellers (implied volatility) are greater than the subsequent value of those options (realized volatility). The Nations Core Index captures this source of additional return - the S&P captures none of it - and captures more than BXM;
- Options vs. Underlying Index - Returns from selling additional covered options are, over time, greater than returns from reinvesting call proceeds in the S&P 500;
- Option Quantity Modulation - The Nations Core Index sells more options when options are expensive and fewer options when options are cheap.

Nations Core Option Data¹

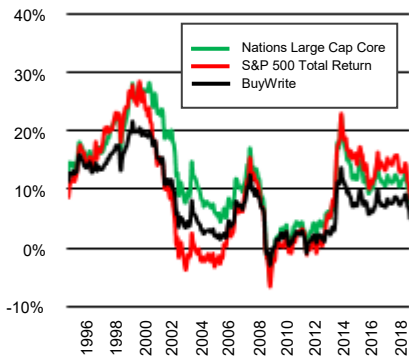
Implied Volatility of Call Option Sold	16.41%
Implied Volatility of Put Option Sold	16.79%
Realized Volatility	15.35%
Monthly Call Option Volatility Premium as % of the S&P	0.120%
Nations Monthly Return From Using Call Premium to Cover Puts	0.0995%
BXM Monthly Return From Reinvesting Call Premium In S&P 500	0.0189%
R ² of Number of Options Sold and VIX	91.01%

¹ Monthly averages since inception

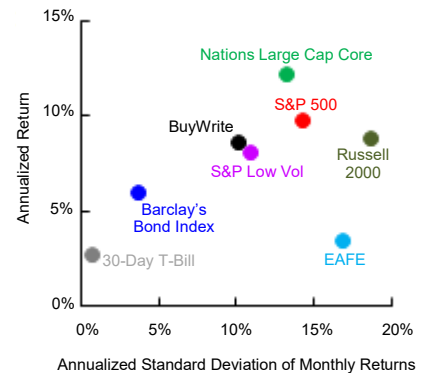
² Inception, 12/31/1989

³ All as of 12/31/2018

5-Year Rolling Annualized Returns



Risk vs. Reward



Historical Return Data

	Nations Core Index	S&P 500 Total Return	BuyWrite Index	Barclays Aggreg. Bond	30 Day T-Bill
Avg. Annual Return ³ (1990-2018)	12.715%	10.762%	8.824%	5.923%	2.753%
Median Annual Return ³ (1990-2018)	12.303%	11.960%	7.395%	5.931%	2.935%
Annualized Sortino Ratio	1.082	0.827	0.821	1.577	-
Annualized Stutzer Ratio	0.676	0.499	0.543	0.842	-
Value of \$1 Invested on 12/31/89	\$24.20	\$13.14	\$9.68	\$5.15	\$2.20
Beta	0.81	1.00	0.61	0.03	0.00
Alpha	4.08%	-	2.47%	5.82%	2.77%
Skew	-0.926	-0.595	-1.305	-0.220	0.259
Kurtosis	3.674	1.286	5.100	0.840	-1.192
R ² to S&P 500	77.31%	-	75.73%	0.88%	0.05%
Up Capture Ratio	89.54	100.00	65.22	17.03	7.27
Down Capture Ratio	70.08	100.00	52.76	-10.22	-6.36
Best Year Return	38.77% (1997)	37.58% (1995)	26.64% (1997)	18.47% (1995)	7.80% (1990)
Worst Year Return	-35.95% (2008)	-37.00% (2008)	-28.65% (2008)	-2.92% (1994)	0.00% (2011)
Maximum Drawdown	48.86%	50.95%	35.82%	15.22%	0.00%

Performance of an index is not illustrative of any particular investment. Index returns quoted represent past performance which is no guarantee of future results.

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