RiverShares Moderate Tactical Income as of 12/31/2022

Inception Date: 2/1/2022

Investment Objective

Seeks total return through ETFs that generate income in order to protect against downside risk.

Composite Benchmark:

40% S&P 500 High Dividend Index, 60% Bloomberg US Aggregate Bond Index

Product Description:

The RiverShares Moderate Tactical Income model attempts to achieve a floating yield target of three month United States Treasury bills' yield + 400 basis points ("bp" = 1/100 of 1%) (or higher) in normal yield, spread and volatility environments. In abnormal yield, spread and volatility environments, the portfolio may target a yield lower than the three month United States Treasury bills' yield + 400 basis points. The mix between assets in the portfolio is determined through a fundamental selection process, a tactical overlay and a risk management discipline. The primary objective of the composite is to achieve a yield target and thus the composite's total return is expected to have high tracking error to its stated performance benchmark.

Portfolio Risk

All investments in securities, including this portfolio, include a risk of loss of the amount invested and any profits that have not been realized. Performance of any investment is not guaranteed. Markets fluctuate substantially over time, and have experienced increased volatility in recent years due to global and economic events. Fixed income securities carry inflation risk, liquidity risk, call risk and credit and default risks for both issuers and counterparties. In a rising interest rate environment, the value of fixed-income securities generally declines. Dividends are not guaranteed and are subject to change or elimination. Some of the ETFs used in this portfolio invest in securities that carry specific risks, for example: REITs, Master Limited Partnerships (MLPs), high yield securities and covered call strategies. Please see the end of this publication for more information on these types of securities and the risks associated with them.

Investor Outcome:

Distribute - More Conservative

Goal : Spend | Outcome : Income

RiverShares Moderate Tactical Income is designed to seek total return through a balance of income-oriented equity and fixed income investments. The principal value of the portfolio should be expected to regularly fluctuate due to the presence of higher risk asset classes and more limited liquidity. The portfolio's benchmark is comprised of 40% S&P 500 High Dividend Index and 60% Bloomberg Aggregate Bond Index, and RiverFront will use its discretion to raise and lower weightings based on our strategic and tactical view of stocks and bonds.

RiverShares Moderate Tactical Income

Important Disclosure Information:

Opinions expressed are current as of the date shown and are subject to change

An investment cannot be made directly in an index.

This report does not provide recipients with information or advice that is sufficient on which to base an investment decision. This report does not take into account the specific investment objectives, financial situation or need of any particular client and may not be suitable for all types of investors. Recipients should consider the contents of this report as a single factor in making an investment decision. Additional fundamental and other analyses would be required to make an investment decision about any individual security identified in this report.

Information or data shown or used in this material was received from sources believed to be reliable, but accuracy is not guaranteed.

RiverFront primarily uses RiverFront ETFs in this portfolio unless there is no RiverFront ETF that is consistent with the desired allocation or portfolio strategy. To the extent an appropriate RiverFront ETF is not available for this RiverShares portfolio, RiverFront will select from ETFs managed by third parties. As a result, RiverShares portfolios typically include RiverFront ETFs notwithstanding the fact that there may be a similar third-party ETF with a higher rating, lower fees and expenses, or substantially better performance. Additionally, RiverFront will indirectly benefit from investments in RiverFront ETFs within the RiverShares portfolios through fees paid by the RiverFront ETFs to RiverFront for advisory (and other) services. RiverFront is thus subject to conflicts of interest in selecting RiverFront ETFs for the RiverShares portfolios. In addition, because the fees payable to RiverFront by some of the RiverFront ETFs may be higher than the fees payable by other RiverFront ETFs, RiverFront has a conflict of interest when choosing the RiverFront ETFs that pay higher fees to RiverFront. However, RiverFront has adopted policies and procedures designed to prevent these conflicts of interest from adversely impacting a RiverShares portfolio or any RiverShares ETF. In each case where a RiverFront ETF is selected for incorporation in a model portfolio, RiverFront has determined that each specific RiverFront ETF to be used is an appropriate security to implement the applicable model portfolio strategy.

RiverFront does not earn an account-level fee, including from a Sponsor Firm, with respect to accounts that employ a RiverShares model portfolio, in an effort to prevent a client from paying more than once for the investment advice provided by RiverFront. Clients who access RiverShares portfolios through a Sponsor Firm, however, will typically pay fees to the Sponsor Firm. Clients should speak to their Financial Advisor for more information on such fees, as they may vary among Sponsor Firms.

RiverFront ETFs could be considered “start-up” or early stage funds with low assets under management. RiverFront has discretionary control of a significant amount of RiverFront client assets invested in its Sub-Advised ETFs. Withdrawing RiverFront client assets from the Sub-Advised ETFs could disadvantage the Funds and, as a result, other investors in the Funds, including other RiverFront clients.

For each outcome category (accumulate, sustain and distribute) RiverFront’s portfolio management team has assigned one or more RiverFront product(s) based on their assessment of the product’s investment objective as it relates to a typical client’s return and risk objectives when seeking investment outcomes of accumulating wealth, sustaining wealth and distributing wealth. The team has also designated RiverFront product alternatives for those clients looking to take more or less risk with the outcome category. The ‘more aggressive’ (or more risk) alternatives will generally have greater equity and international exposure as well as longer time horizon targets, while those designated as ‘more conservative’ (or less risk) will have fewer equities, a lower exposure to international and shorter time horizon targets. Since the risk assessments are dependent on the outcome category selected, RiverFront products may fall in multiple categories. All investments carry a risk of loss and there is no guarantee that an investment product or strategy will meet its stated objectives.

COMPOSITE CHARACTERISTICS:

RiverShares Moderate Tactical Income Composite was created February 1, 2022. The Composite Benchmark is 40% S&P 500 High Dividend Index, and 60% Bloomberg US Aggregate Bond Index that is rebalanced monthly. The S&P 500 High Dividend Index is designed to measure the performance of 80 high yield companies within the S&P 500 and is equally weighted to best represent the performance of this group, regardless of constituent size. The Bloomberg US Aggregate Bond Index TR is an unmanaged index that covers the investment grade fixed rate bond market index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

The RiverShares Moderate Tactical Income composite seeks to provide total return primarily through investments in ETFs that seek income including equity securities, equity income securities, covered call writing, master limited partnerships, real estate investment trusts, fixed income instruments (including high yield) and other income producing assets. The portfolio may invest in US and International (both developed and emerging market) securities. The portfolio consists of a balanced investment strategy, with income opportunities in higher risk assets somewhat muted by risk reducing, lower volatility investments. The portfolio attempts to achieve a floating yield target of three month United States Treasury bills’ yield + 400 basis points (or higher) in normal yield, spread and volatility environments. In abnormal yield, spread and volatility environments, the portfolio may target a yield lower than three-month United States Treasury bills’ yield + 400 basis points. The mix between assets in the portfolio is determined through a fundamental selection process, a tactical overlay and a risk management discipline. The primary objective of the composite is to achieve a yield target and thus the composite’s total return is expected to have high tracking error to its stated performance benchmark.

PRINCIPAL RISKS:

Actively managed funds are subject to management risk. In managing a fund’s investment portfolio, the sub-advisor will apply investment techniques and risk analysis that may not have the desired result.

Stocks represent partial ownership of a corporation. If the corporation does well, its value increases, and investors share in the appreciation. However, if it goes bankrupt, or performs poorly, investors can lose their entire initial investment (i.e., the stock price can go to zero). Bonds represent a loan made by an investor to a corporation or government. As such, the investor gets a guaranteed interest rate for a specific period of time and expects to get their original investment back at the end of that time period, along with the interest earned. Investment risk is repayment of the principal (amount invested). In the event of a bankruptcy or other corporate disruption, bonds are senior to stocks. Investors should be aware of these differences prior to investing.

In a rising interest rate environment, the value of fixed-income securities generally declines.

High-yield securities (including junk bonds) are subject to greater risk of loss of principal and interest, including default risk, than higher-rated securities.

There are special risks associated with an investment in real estate and Real Estate Investment Trusts (REITs), including credit risk, interest rate fluctuations and the impact of varied economic conditions.

Dividends are not guaranteed and are subject to change or elimination.

A master limited partnership (MLP) is a business venture in the form of a publicly-traded limited partnership. It combines the tax benefits of a private partnership with the liquidity of a publicly-traded company. Master Limited Partnership (MLP) investing includes risks such as equity- and commodity-like volatility. Also, distribution payouts sometimes include the return of principal and, in these instances, references to these payouts as "dividends" or "yields" may be inaccurate and may overstate the profitability/success of the MLP. Additionally, there are potentially complex and adverse tax consequences associated with investing in MLPs. This is largely dependent on how the MLPs are structured and the vehicle used to invest in the MLPs. It is strongly recommended that an investor consider and understand these characteristics of MLPs and consult with a financial and tax professional prior to investment.

Covered Call - An option is a contract sold by one party to another that gives the buyer the right, but not the obligation, to buy (call) or sell (put) a stock at an agreed upon price within a certain period or on a specific date. A covered call option involves holding a long position in a particular asset, in this case US common equities, and writing a call option on that same asset with the goal of realizing additional income from the option premium. Certain ETFs use a covered call strategy. By selling covered call options, the fund limits its opportunity to profit from an increase in the price of the underlying index above the exercise price but continues to bear the risk of a decline in the index.

ETFs are subject to substantially the same risks as those associated with the direct ownership of the underlying securities owned by the ETF. Additionally, the value of the investment will fluctuate in response to the performance of the underlying index or securities. ETFs typically charge and/or incur fees in addition to those fees charged by RiverFront. Therefore, investments in ETFs will result in the layering of expenses.

RiverFront Investment Group, LLC ("RiverFront"), is a registered investment adviser with the Securities and Exchange Commission. Registration as an investment adviser does not imply any level of skill or expertise. Any discussion of specific securities is provided for informational purposes only and should not be deemed as investment advice or a recommendation to buy or sell any individual security mentioned. RiverFront is affiliated with Robert W. Baird & Co. Incorporated ("Baird"), member FINRA/SIPC, from its minority ownership interest in RiverFront. RiverFront is owned primarily by its employees through RiverFront Investment Holding Group, LLC, the holding company for RiverFront. Baird Financial Corporation (BFC) is a minority owner of RiverFront Investment Holding Group, LLC and therefore an indirect owner of RiverFront. BFC is the parent company of Robert W. Baird & Co. Incorporated, a registered broker/dealer and investment adviser.

To review other risks and more information about RiverFront, please visit the website at riverfrontig.com and the Form ADV, Part 2A. ID 2659860