Equity Armor Investments

Managing Wealth Outsource CIO

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Investment Adviser Disclosure

There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses. Domestic economic growth and market conditions, interest rate levels and political events are among the factors affecting the securities markets. A higher portfolio turnover due to active and frequent trading will result in higher transactional and brokerage costs. Large-capitalization companies usually cannot respond as quickly as smaller companies to competitive challenges, and their growth tends to lag the growth of well-managed smaller companies during strong economic periods.

When the adviser purchases a call option on a security or index it may lose the entire premium paid if the underlying security or index does not increase in value. When the adviser purchases a put option on a security or index it may lose the entire premium if the underlying security or index does not decrease in value. Investments in futures involve leverage, which means a small percentage of assets invested in futures can have a disproportionately large impact on the client's investments. Futures contracts may become mispriced or improperly valued when compared to the adviser's expectation and may not produce the desired investment results.

Investments linked to equity volatility indexes can be highly volatile compared to investments in traditional securities and the client may experience large losses. In general, the price of a fixed income security falls when interest rates rise. Hedging is a strategy which uses a derivative to offset the risks associated with other holdings. There can be no assurance the hedging strategy will reduce risk or that hedging transactions will be either available or cost effective. ETF's are subject to specific risks, depending on the nature of the underlying strategy of the fund. These risks could include liquidity risk, sector risk, as well as risks associated with fixed income securities, real estate investments, and commodities, to name a few. ETNs are subject to credit risk and their value will be influenced by time to maturity, supply and demand, volatility and lack of liquidity in underlying commodities markets, changes in interest rates, changes in the issuer's credit rating, and economic, legal, or political events. To the extent the adviser invests in ETFs that seek to provide investment results that are the inverse of the performance of an underlying index, the client will indirectly be subject to the risk that the performance of such ETF will fall as the performance of that ETF's benchmark rises. The use of leverage to acquire underlying portfolio investments may exaggerate changes in an ETF's share price and the return on its investments. Investments by the adviser in inverse and leveraged ETFs may magnify changes in the client's net asset value and thus result in increased volatility of returns.

Derivative instruments involve risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. The use of leverage, such as borrowing money to purchase securities or the use of derivatives, will indirectly cause the client to incur additional expenses and magnify the client's gains or losses. Changes in the laws or regulations of the United States or other countries, including any changes to the applicable tax laws and regulations, could impair the ability of the adviser to achieve its client's investment objective and could increase the operating expenses of the client's account.

No assurance can be given that the U.S. Government will provide financial support to its agencies and authorities if it is not obligated by law to do so. The value of U.S. Government securities may be affected by changes in the credit rating of the U.S. Government. There is no guarantee that the Portfolio's income will be exempt from federal or state income taxes. The client will incur a loss as a result of a sold option, also referred to as a short position, if the price of the sold option instrument increases in value between the date when the adviser sells the option and the date on which the adviser purchases an offsetting position. Similarly, the client will incur a loss as a result of a written option if the price of the written option instrument increases in value between the date when the adviser writes the option and the date on which the adviser purchases an offsetting position.

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