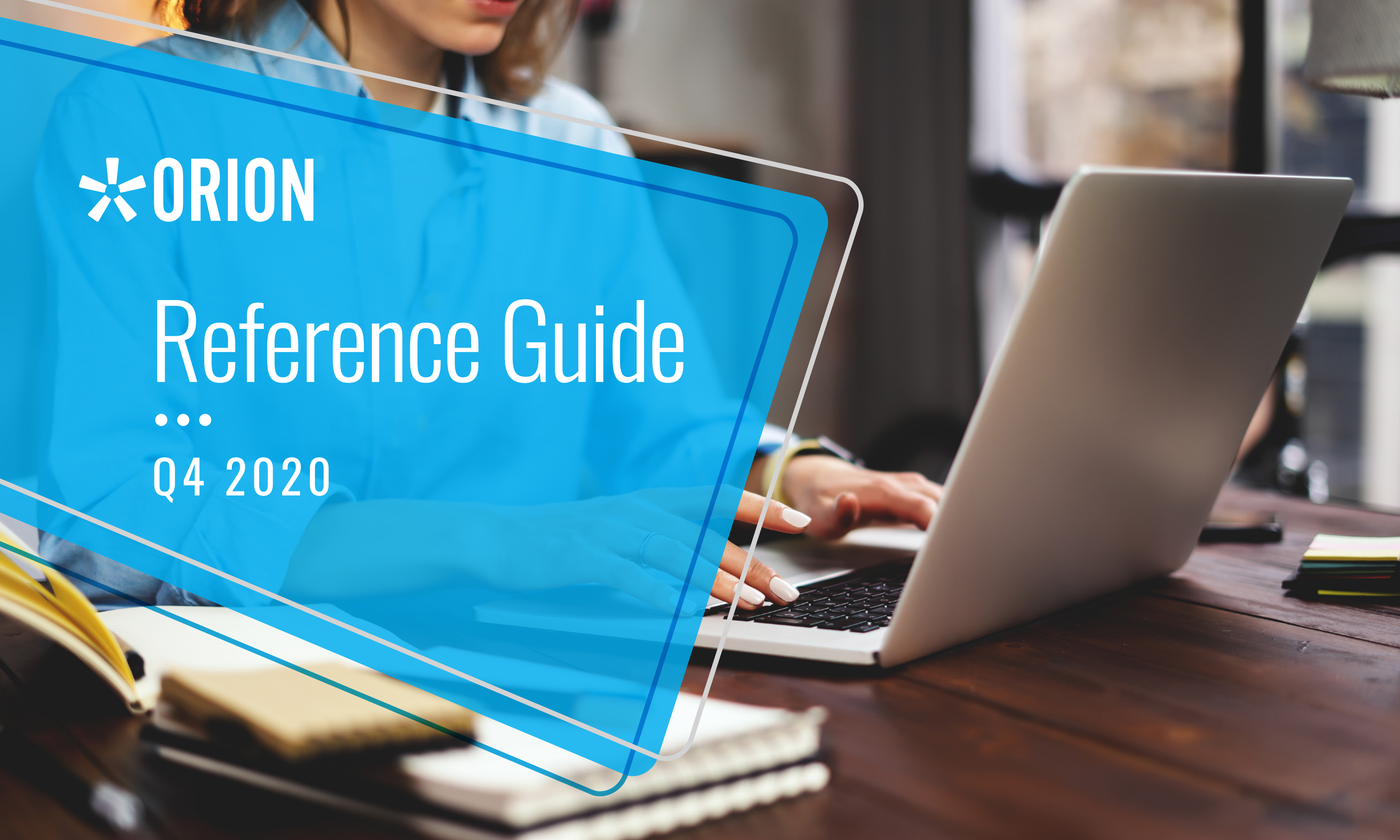

Reference Guide

Q4 2020

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ORION
portfolio accounting technology

CLS INVESTMENTS
asset management

ORION PORTFOLIO SOLUTIONS
advisor services

*as of 1/16/2020

About Orion

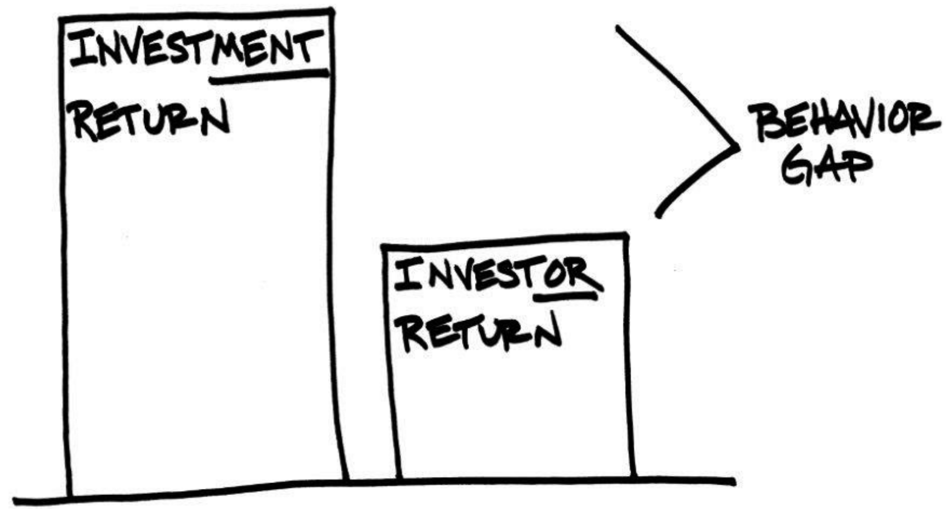
Orion was formed to provide investment advisors access to a wide range of financial services – including fund servicing, portfolio accounting, third party asset management,and advisor services – under one roof.

2003 Founded	$1T+* AUM & Admin	9 Subsidiaries & Affiliates	Omaha, NE Corporate Office

Professional Money Management:

Bridging the Behavior Gap

The behavior gap - the difference between investment and investor returns - occurs due to human behavior and emotion. Professional money management can help prevent emotion-driven investing and performance chasing, which can help lessen this gap.



Professional Money Management:

Value Added by Investment Advisors

Though much of an advisor's added value may seem intangible, research shows that advisors can potentially add about 3% in net returns as a result of their services. Fortunately, when advisors work with Orion, they receive peace of mind that Orion is addressing these key factors to achieving optimal portfolio returns.

Advisor Behavior	Potential Value Added
Helping investors stay disciplined and providing guidance to do so	1.50%
Placing assets in tax-efficient or tax-managed investments	up to 0.75%
Providing guidance on asset withdrawal order	up to 1.10%
Utilizing low-cost funds	0.40%
Rebalancing the portfolio	0.35%
Allocating assets among broadly diversified investments/ETFs	Potential slight value add, depending on investor's time horizon, risk tolerance, and financial goals
Providing guidance on total return versus income-only investing	Potential slight value add, depending on investor's desired level of spending and portfolio composition

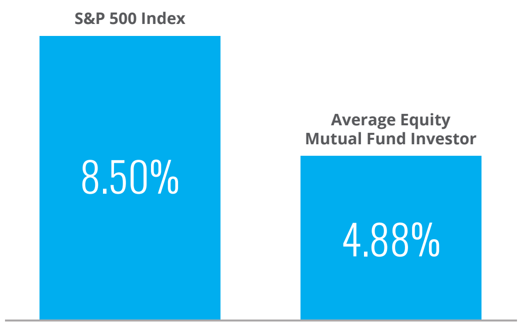
Source: Vanguard - Putting a Value on your Value: Quantifying Vanguard Advisor's Alpha

Professional Money Management:

Reducing Investor Emotion

Research has shown that most investors do not invest optimally on their own. In fact, a Dalbar, Inc. study showed that between 2007 and 2017, individual equity mutual fund investors achieved an average return of 4.88%, while the S&P 500 returned 8.50%. Investors often go through a severe cycle of emotions with their investments. Professional money managers can help investors identify points of risk and opportunity, and avoid making costly investment mistakes that are based on emotion.

Average Annual Returns 2007 - 2017



The Cycle of Investor Emotions

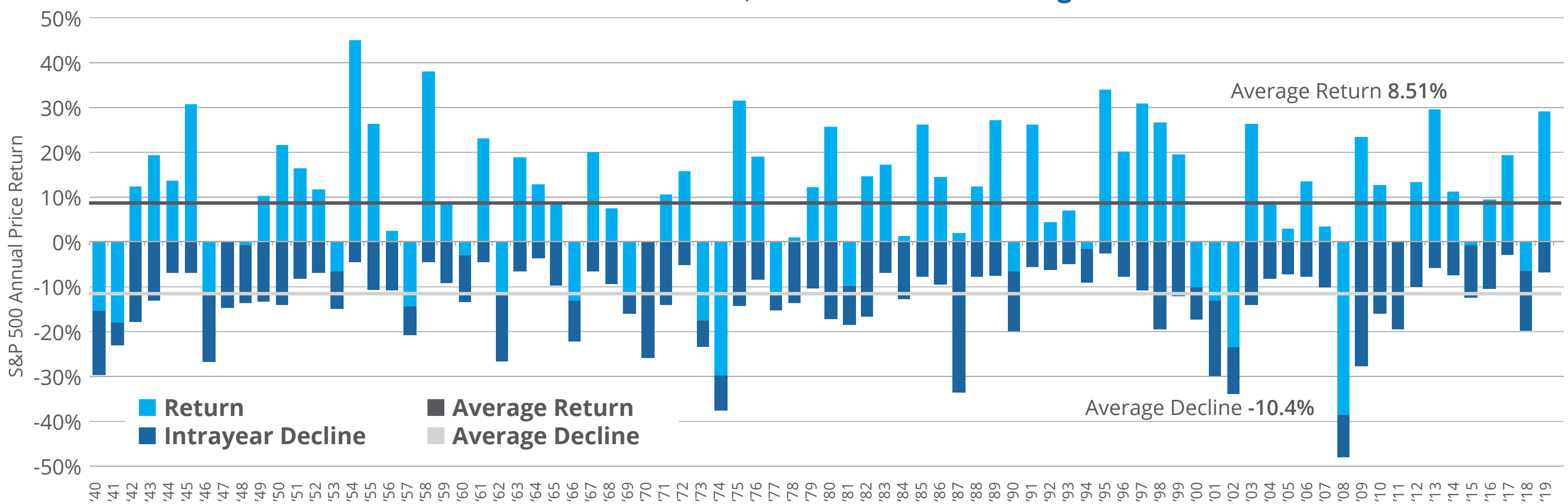
Source: "Quantitative Analysis of Investor Behavior, 2018," DALBAR, Inc. www.dalbar.com Equity performance is represented by the Standard & Poor's 500 Composite Index, an unmanaged index of 500 common stocks generally representative of the U.S. stock market. The average investor refers to the universe of all mutual fund investors whose actions and financial results are restated to represent a single investor. This approach allows the entire universe of mutual fund investors to be used as the statistical sample, ensuring ultimate reliability. QAIB calculates investor return as the change in assets, after excluding sales, redemptions and exchanges. This method of calculation captures realized and unrealized capital gains, dividends, interest, trading costs, sales charges, fees, expenses and any other costs. You cannot invest directly in an index. Past Performance is not necessarily indicative of future results.

Professional Money Management:

Helping Investors Stay Disciplined

Professional money managers can help investors stay disciplined. This chart shows the importance of staying invested in order to participate in market gains and remain focused on long-term goals. For example, in 2014 the market low during the year was -7.4%; however, the market ended the year up 11.4%. Investors who exited the market during the lows would have missed out on a large upside gain.

S&P 500 Annual Return, with Market Low During Year



Source: Morningstar Direct 12/31/2019. Returns are based on price index only and do not include dividends. Blue bars represent intra-year drops which refers to the largest market drops from a peak to a trough during the year. Returns are calendar year returns from 1940 to 2019.

Qualities of a Good Active Manager

Emphasis on Low Costs

All else being equal, lower costs win.

- To keep costs low, we emphasize ETFs, which typically have lower expense ratios than mutual funds and lower tax costs.

Stewardship

What is the corporate culture like? Fund board quality? Portfolio manager incentives? Bottom line: does the firm responsibly oversee and protect investor assets?

- Stewardship has been ingrained in our culture since the beginning.

Portfolio Managers Who "Eat Their Own Cooking"

Managers who invest in the funds they manage show conviction in their process and alignment with investors.

- We encourage all portfolio managers on our platform to own shares in the mutual funds they manage.

Low Portfolio Turnover

Often considered a sign of a disciplined investment process, lower turnover also suggests more investment conviction, in addition to lower transaction costs.

- We monitor fund managers portfolio turnover on our platform.

For Long-Term Investors, It's Always a Good Time to Invest

This chart compares an S&P 500 portfolio with a cash portfolio, in which an investor made a $1 contribution at the peak price point every year. Did the investments fare better than simply putting money in the bank? Yes, **investing generated significantly higher returns than cash** over the full time period, **even through two brutal bear market declines**! Further:

- Investing at the worst day each year would have produced an annualized return of nearly 8.2%, while staying in cash would have returned 1.48% per year.
- The market has not had historically good returns this century, including two market crashes of over 50% and one of the worst economic downturns in history. However, a long-term investor still beat the bank.

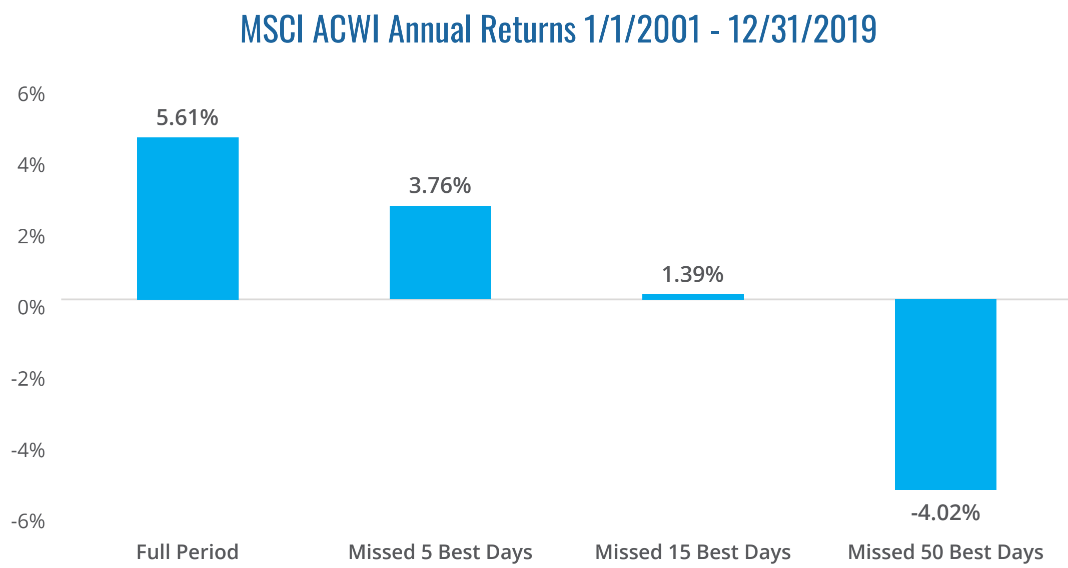
Growth of $1 Contribution at Each Year's Peak Price

	S&P 500	Cash
1999	$1.00	$1.00
2000	$1.78	$2.06
2001	$2.41	$3.14
2002	$2.64	$4.20
2003	$4.40	$5.24
2004	$5.88	$6.31
2005	$7.15	$7.50
2006	$9.27	$8.85
2007	$10.72	$10.28
2008	$7.39	$11.46
2009	$10.33	$12.48
2010	$12.88	$13.49
2011	$14.09	$14.50
2012	$17.33	$15.51
2013	$23.94	$16.52
2014	$28.20	$17.53
2015	$29.56	$18.53
2016	$34.09	$19.58
2017	$42.52	$20.74
2018	$41.52	$22.12
2019	$55.59	$23.61
Rate of Return	**8.2%**	**1.48%**

Source: Morningstar Direct as of 12/31/2019

Timing the Market Hurts More Than it Helps

- If an investor stayed invested the entire 18 year period shown in the chart to the right, they would have achieved about a 5.6% market return.
- If they tried to market time and missed the best 5 days then their return would drop by close to 2%.
- If they missed the best 15 days then they would be up 1.4% – not even keeping up with inflation.
- What's tough about market timing is knowing that some of the best days of the market occur within weeks to the worst days.



Source: Morningstar Direct as of 12/31/2019

Balanced Portfolios Help Smooth Out Returns

Take a look at the extreme highs and lows of emerging markets over this time period, as compared to the much smoother returns for a global, balanced portfolio. Having exposure to a variety of asset classes limits the liability of a significant drop in any one asset class and provides a smoother ride for investors. Staying invested long-term can also help to smooth out returns.

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Cumulative	Annual	Std. Dev
			53.7	31.5	34.7	35.9			82.1	28.5						23.6	32.1		34.9		21.2		
			42.6	27.6	21.4	32.8			43.0	27.8		17.8				20.8	29.5		31.5		19.7	472.1	9.2
			38.6	23.6	13.5	26.3			39.9	19.6		17.6		30.4		13.1	25.0		29.6		19.3	444.0	9.0
			36.7	20.2	12.1	24.1	39.4		31.8	17.1		17.3	36.3	13.7		12.0	21.8		25.8		18.9	391.6	8.4
31.8			34.1	16.9	7.8	21.2	16.2		28.6	16.8	8.7	17.3	33.3	12.7		11.8	15.2		25.1		16.5	276.6	6.9
26.8	14.6		29.8	11.1	7.2	15.8	13.8		26.5	16.6	7.8	16.7	32.4	9.7		8.6	14.2		22.0		16.0	274.2	6.9
23.2	12.8		28.7	10.9	6.4	13.7	11.2		23.1	15.1	2.1	16.0	32.0	8.2	5.5	7.0	13.2		20.1	28.4	15.2	231.7	6.3
11.6	11.9	25.9	23.9	9.1	6.3	6.8	9.0		18.9	11.9	0.9	14.2	22.8	6.0	2.5	3.2	5.1		19.7	6.8	15.1	230.8	6.2
10.1	8.4	10.3	22.2	4.4	4.9	4.8	7.0		17.9	7.8	0.8	11.8	14.2	6.0	1.4	2.6	3.5	1.8	8.7	5.6	9.4	155.3	4.9
6.1	4.1	3.6	4.1	4.3	3.0	4.3	5.5	5.2	5.9	6.5	0.7	4.2	2.5	1.2	0.5	1.0	1.7	0.8	7.7	4.7	3.4	107.8	3.8
0.0	2.3	1.7	1.0	1.2	2.4	2.1	4.8	1.8	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.3	0.8	0.0	2.2	0.5	0.5	32.5	1.4
-1.6	-0.7	-6.2					-1.9	-23.4			-4.7	-1.1	-2.0	-4.9	-0.6			-4.4		-2.1		-18.2	-1.0
-9.1	-5.6	-7.4					-5.4	-35.6			-12.1		-3.8	-17.0	-0.8			-4.6		-7.1			
-14.2	-11.9	-13.7					-16.8	-35.8			-13.3		-9.5		-2.2			-5.1		-12.1			
-28.4	-21.4	-14.2						-36.2			-19.1				-5.5			-7.5		-15.9			
	-26.3	-15.9						-37.0							-15.5			-11.2		-15.9			
		-22.1						-38.0							-24.7			-13.3		-17.1			
								-42.6										-13.7					
								-43.4										-13.8					
								-53.0															

■ Cash ■ Commodities ■ Bonds ■ Emerging Markets ■ Global Balanced ■ Growth ■ Intl. Stocks ■ Large Cap ■ Real Estate ■ Small-Cap Stocks ■ Value

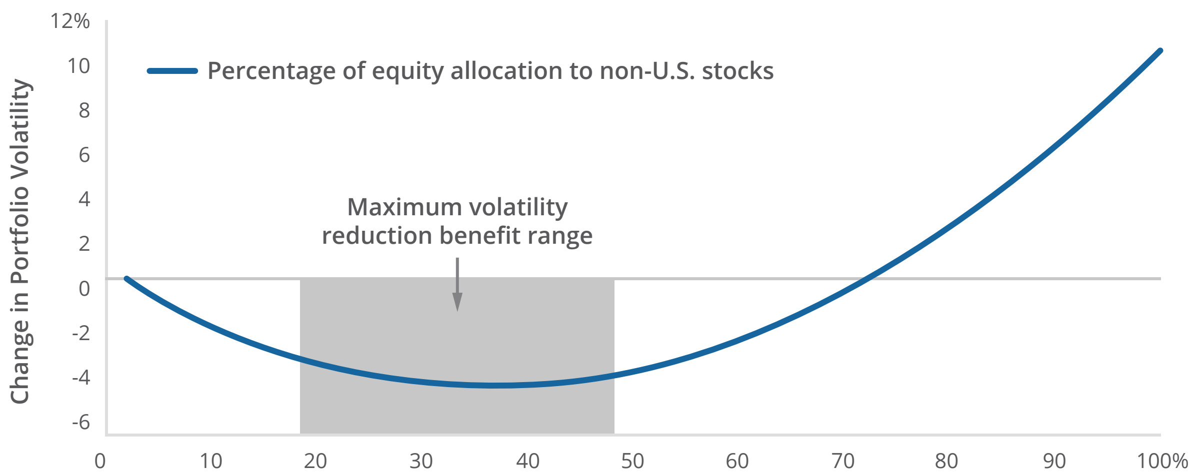
Global Balanced is represented by 60% stock and 40% bond with the stock portion being 60% domestic and 40% international. Domestic equities are represented by Russell 3000 Index, international equities represented by MSCI ACWI ex U.S. Index, and bonds represented by the Barclays Aggregate Index.
Source: Morningstar Direct as of 9/30/2020.

Benefits of Global Diversification:

Reduced Portfolio Volatility

Maximum risk reduction benefits are gained from an international allocation between 40% and 50%. This benefit continues until approximately 95% of the portfolio is allocated to international investments.

Average Annualized Change in Portfolio Volatility When Adding Non-U.S. Stocks to a U.S. Portfolio, 1970–2020



Source: Vanguard

Notes: Non-U.S. equities represented by MSCI World Index ex USA and U.S. stocks are represented by the MSCI USA Index from March 31, 1970, through March 31, 2020. Past performance is no guarantee of future results. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.
Sources: Derived from data provided by Vanguard and MSCI as of March 31, 2020.

Retirement: The Magic Number

- "Am I saving enough for retirement?" This is the million dollar question.
- There is no magic number – that number will depend on each individual's unique circumstances.
- However, below is a helpful guide to address this important question.

At This Income

	$30,000	$40,000	$50,000	$60,000	$70,000	$80,000	$90,000	$100,000	$125,000	$150,000	$175,000	$200,000
At This Age:	To maintain an equivalent lifestyle in retirement you'd need this multiple of your household income by these milestones.											
35	1.0	1.1	1.2	1.4	1.6	1.8	2.0	1.3	1.5	1.8	2.0	2.2
40	1.5	1.6	1.7	1.9	2.2	2.5	2.7	2.1	2.3	2.7	3.0	3.2
45	2.1	2.3	2.4	2.6	3.0	3.3	3.5	3.0	3.3	3.8	4.2	4.4
50	2.8	3.0	3.1	3.4	3.9	4.3	4.6	4.2	4.6	5.1	5.6	5.9
55	3.7	3.9	4.1	4.4	5.0	5.4	5.8	5.6	6.1	6.7	7.3	7.7
60	4.7	5.0	5.2	5.6	6.3	6.8	7.3	7.3	7.9	8.7	9.4	9.8
65	6.1	6.4	6.7	7.1	8.0	8.7	9.3	9.6	10.3	11.3	12.1	12.7

How to use:

- Household income is assumed to be gross income (before tax and savings).
- Go to the intersection of your current age and your closest current household income.
- Multiply your salary by the checkpoint shown. This is the amount you should have saved today, assuming you continue contributions of 5% going forward.

Model Assumptions:

- Annual Gross Savings: **5% for $30-90k, 10% for $100-200k**
- Pre-retirement investment return: **6%**
- Post-retirement investment return: **5%**
- Inflation rate: **2.0%**
- Years in Retirement: **30**
- Retirement age – **65**

J.P. Morgan: Guide to Retirement. Page 14. This chart is for illustrative purposes only and must not be relied upon to make investment decisions. J.P. Morgan's model is based on J.P. Morgan Asset Management's (JPMAM) proprietary long-term capital market assumptions (10-15 years) and an 80% confidence level. Household income replacement rates are derived from an inflation-adjusted analysis of: Consumer Expenditure Survey (BLS) data (2013-2016); Social Security benefits using modified scaled earnings in 2019 for a single wage earner at age 65 and a spousal benefit at age 62 reduced by Medicare Part B premiums.

Focus on What You Can Control

- **Investors have many things under their control:**
  - How much they save, the amount they spend, when they want to pay taxes, and the types of investments they select (expensive or cheap).
- However, investors tend to focus on market returns. Returns are important, but out of the control of the investor.

Focus on what you can control.

What Investors Can Control:

Risk

Cost

Time

Emotion

When Taxes Are Paid

Valuation

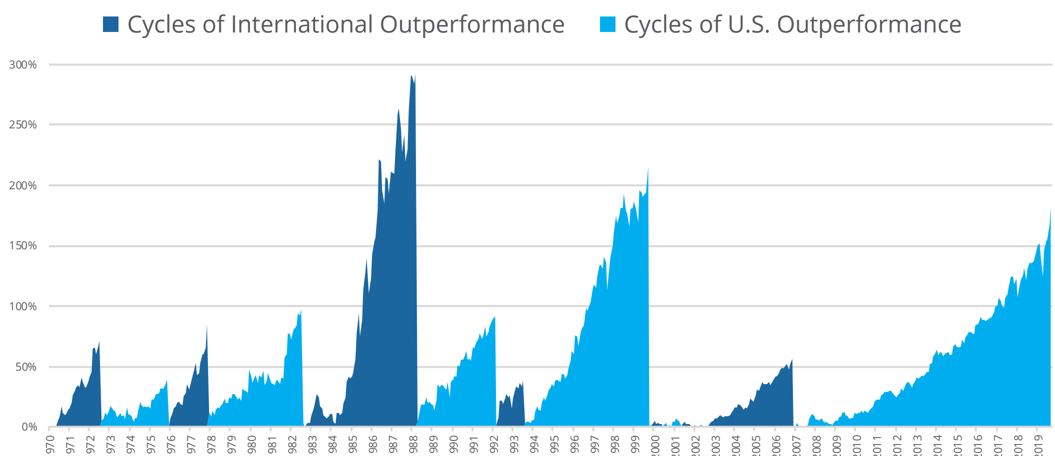
What Investors Can't Control:

Return

Reversion to the Mean

U.S. market returns versus those of international markets tend to be cyclical in nature. The current cycle length of U.S. outperformance is the longest since 1970 and it's almost double the historic average of 74 months. The 154% outperformance is more than the historic performance average of 125%. Due to the stretched period of U.S. outperformance, there is a higher likelihood of a reversal in performance in favor of international markets due to the historic tendency of reversion to the mean.

Cumulative Relative Performance of the MSCI EAFE Index Relative to the S&P 500 Index



Cycles of International Outperformance			
Start Date	End Date	# of Months	Performance
1971	1973	31	71%
1976	1978	24	85%
1983	1989	68	292%
1993	1994	17	39%
2000	2007	86	57%
	Average	**45**	**109%**

Cycles of U.S. Outperformance			
Start Date	End Date	# of Months	Performance
1973	1976	40	39%
1978	1983	57	98%
1989	1993	47	91%
1994	2000	74	215%
2007	2020	155	182%
	Average	**75**	**125%**

Source: Morningstar Direct data from 1/1/1970 to 8/31/2020

Where Do You Want To Be Invested Now?

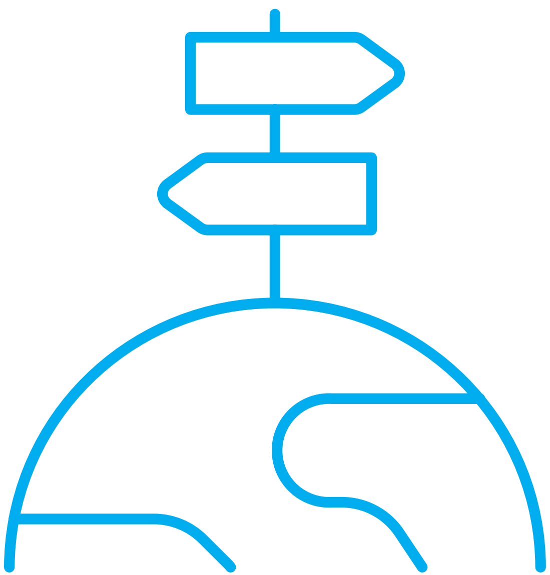
Markets are generally cyclical because they are driven by investor emotions and eventually an investment gets too expensive, creating a regime change. The table below shows the last couple decades of regional performance. Prior to 2009, emerging markets (EM) outperformed the U.S. by 171%. But after 2009, the U.S. has been the top performer, beating EM by 192%. This outperformance makes the U.S. appear expensive relative to EM. What do you think the next decade will bring?

10 Year Performance Ranks				
Region	**Rank**	**1999-2009**	**Rank**	**2009-2019**
MSCI USA	10	-17%	1	235%
MSCI Pacific	9	-5%	3	85%
MSCI ACWI	8	4%	2	132%
MSCI EAFE	7	12%	4	71%
MSCI Europe	6	22%	5	66%
MSCI ACWI ex USA	5	31%	6	62%
MSCI EM Asia Index	4	61%	8	41%
MSCI EM Europe	3	125%	9	11%
MSCI Emerging Markets	2	154%	7	44%
MSCI Emerging Latin America	1	396%	10	-6%

Source: Bloomberg using MSCI indices from 12/31/1999 to 12/31/2019

A World of Opportunities

International markets account for almost three-fourths of global GDP and 96% of the global population; yet, the international market capitalization represents less than half of the global stock market. Such weights suggest that the U.S. is overvalued relative to the rest of the world and there are opportunities for growth within international markets. Additionally, there are over 40,000 listed stocks abroad (compared to about 4,000 domestically), which is an opportunity set that should not be overlooked.



Vast Opportunities Exist Outside U.S. Borders

Share of Global Market Capitalization	
U.S.	Countries Outside the U.S.
53%	47%

Share of Global GDP	
U.S.	Countries Outside the U.S.
24%	76%

Share of Listed Stocks	
U.S.	Countries Outside the U.S.
10%	90%

Share of Global Population	
U.S.	Countries Outside the U.S.
4%	96%

Source: World Bank as of 7/2/2018

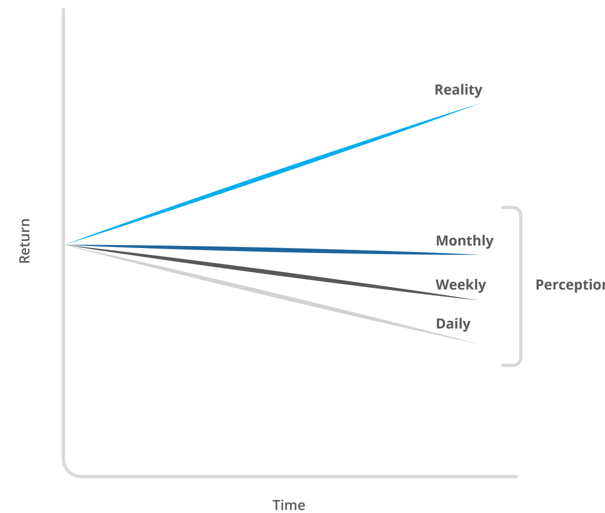
Reality Versus Perception of Investment Performance

In behavioral finance, there is an emotional experience known as "prospect theory," which states that losses hurt more than gains of the same amount. In other words, investors are more loss averse than risk averse. In fact, they may take on more risk to recoup some of their losses, hold onto losers too long, or get out of the market altogether – generally making bad investing choices. But, as the table on the next page shows, it is important to focus on the long term, as staying invested tends to be rewarding.

The key points the table makes are:

- The more investors look at their accounts, the worse their emotional investor experience will be.
- The more investors look at their accounts, the more disruptive and volatile their performance is perceived to be.

Stock Market Performance

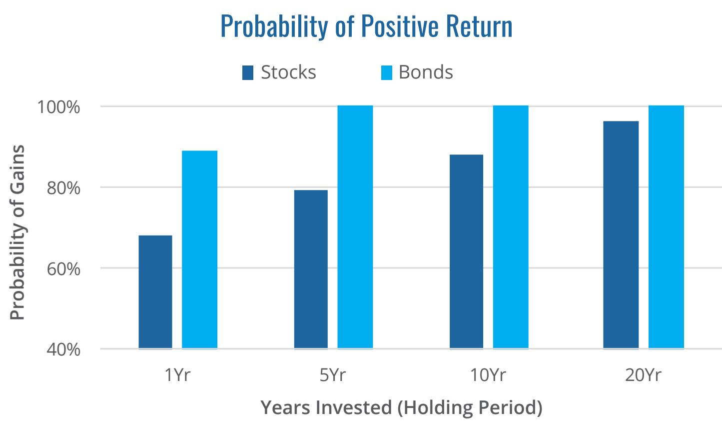


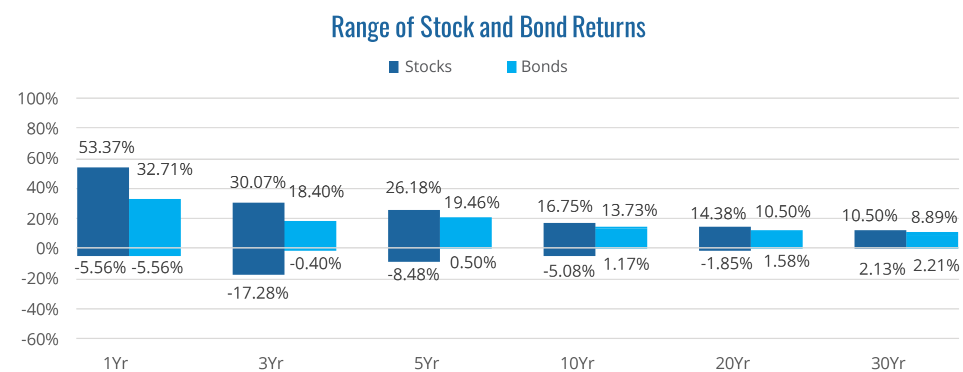
S&P 500 Percent of Positive Return (Since 1927)										
Frequency Return	Daily	Weekly	Monthly	Quarterly	Yearly	3-Year	5-Year	10-Year	20-Year	30-Year
% Positive	52%	56%	60%	63%	68%	78%	79%	88%	96%	100%

"S&P 500 Percent of Positive Return (Since 1927)" chart source: Bloomberg data from 12/30/1927 - 6/30/2020

Time and the Dispersion of Returns

The dispersion of stock and bond returns can vary given the time horizon an investor has to invest. Stock and bond returns can be wide ranging in a one-year time frame. However, the longer an investor stays invested, the less volatile the range of stock and bond returns and the higher the probability of a positive return.





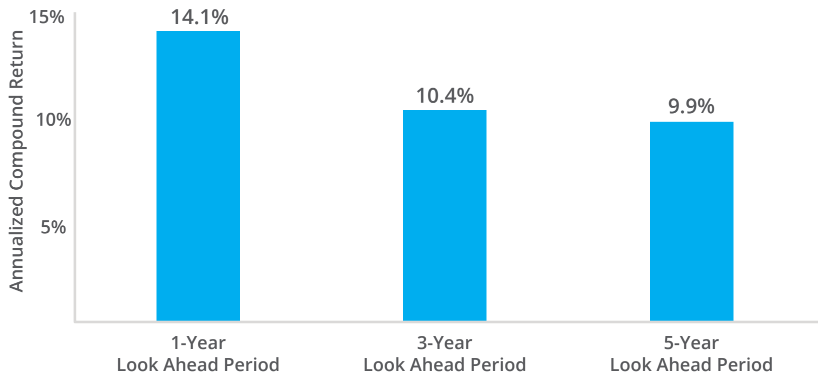
"Probability of Positive Return" and "Range of Stock and Bond Returns" chart sources:
Monthly data from Jan 1950 – Mar 2020 S&P 500 data from Bloomberg, IA SBBI US IT Govt TR data from Morningstar Direct.

Is it Wise to Invest at Market Peaks or After a 10% Drop?

In 2018, the S&P 500 hit an all-time high and experienced a 10% decline. This increased volatility left investors wondering, is this a good time to invest? The left chart below shows that after reaching new market highs, the average return over the following year is nearly 14%. The chart on the right shows that after a market decline of 10% or more, the average return over the following year is about 11%. Despite market positioning – whether at all-time highs or following a pullback – history suggests that it is always a good time to invest.

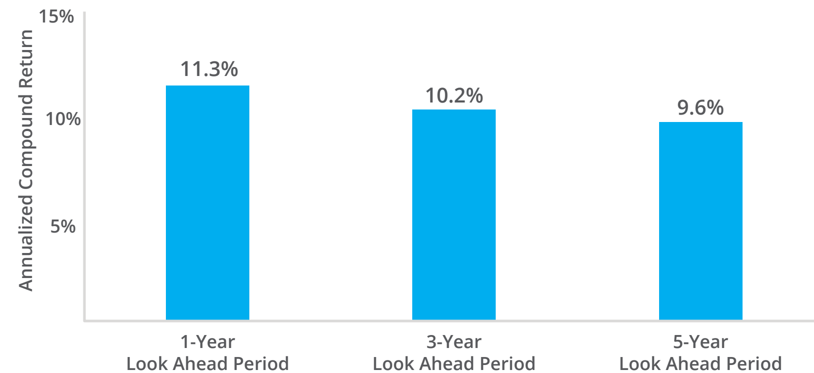
Average Annualized Returns After New Market Highs

S&P 500, 1/1926 - 12/2018



Average Annualized Returns After Market Decline of More Than 10%

S&P 500, 1/1926 - 12/2018



Source: Dimensional Advisors
*Market decline of 10% is defined as a month in which cumulative return from peak is -10% or lower. Annualized compound returns are computed for the 1-, 3-and 5-year periods subsequent to a market decline of at least 10%. 1,093 observations for 1-year look-ahead. 1,069 observations for 3-year look-ahead, and 1,045 for 5-year look-ahead. 1-year, 3-year, and 5-year periods are overlapping periods. The bar chart shows the average returns for the 1-, 3-, and 5-year period following a market decline of at least 10%. January 1990-12/31/2017: S&P 500 Total Returns Index. S&P data © 2016 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. January 1926-December 1989; S&P 500 Total Return Index, Stocks, Bonds, Bills and Inflation Yearbook™, Ibbotson Associates, Chicago. For illustrative purposes only. Index is not available for direct investment; therefore, its performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is no guarantee of future results. There is always a risk that an investor may lose money.

CLS uses ETFs to build Risk-Budgeted or focused portfolios for investors seeking to build capital, generate income, protect wealth, or minimize tax consequences.

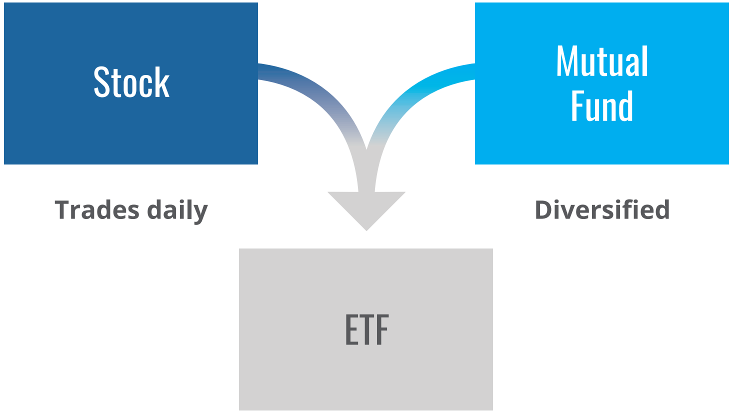
ETFs: Combining the Best of Both Worlds

Like a Stock:

- Flexible, intra-day trading
- Long or short
- Options frequently available

Like a Mutual Fund:

- Tracks benchmark indexes
- Lower expense ratios
- Low turnover



Diversified fund that trades like a stock

ETF Benefits

Because ETFs do not have minimums, front-end loads, or redemption fees, they can offer significant cost savings.

Lower Cost

ETFs are designed to track market indexes that may contain hundreds or thousands of securities.

Diversification

Most ETFs report exact holdings daily, so investors can verify that the ETF is closely tracking its benchmark.

Transparency

Tax Efficiency

ETFs typically distribute fewer capital gains to shareholders than traditional mutual funds.

Stable Market & Risk Exposure

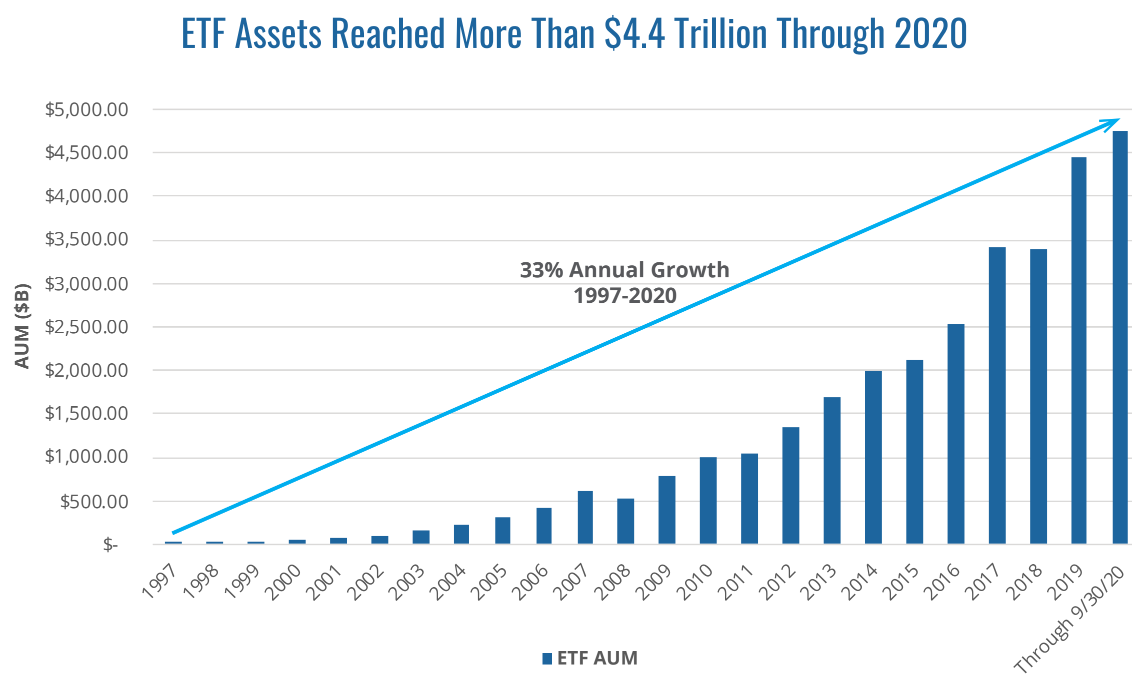
ETFs can provide much more stable market exposure than mutual funds, minimizing style drift.

Intra-Day Trading

Like stocks, ETFs trade throughout the day, so their price fluctuates with market supply and demand.

Since they were launched in 1993, ETFs have gained tremendous popularity. There are now more than 2,300 ETFs available, representing over $4.25 trillion in assets through May 2020.

ETF Growth



Source: Morningstar, as of 9/30/2020

Why Smart Beta?

Smart Beta seeks to incorporate the best attributes of passive and active investing to create a more innovative way to manage money.

Market Capitalization Weighting	+	Unmanaged Implementation	=	**Passive**
Rules-Based Active Screening/Weighting	+	Unmanaged Implementation	=	**Smart Beta**
Rules-Based and/or Discretionary Active Screening/Weighting	+	Managed Implementation	=	**Active**

Source: Morningstar

Market Review | Third Quarter 2020

Market Review: Q3 2020 Performance

Fixed Income	10 Year	5 Year	3 Year	1 Year	YTD	QTD
Cash Equivalent Morningstar Cash Index	0.58	1.12	1.58	0.89	0.62	0.12
U.S. Bonds Bloomberg Barclays Capital U.S. Aggregate Bond Index	3.63	4.18	5.24	6.97	9.16	2.48
Stock Market	**10 Year**	**5 Year**	**3 Year**	**1 Year**	**YTD**	**QTD**
Global Equity Market Morningstar GblMkt Large-Mid Index	8.63	10.23	7.03	10.14	1.49	8.11
Total U.S. Market Morningstar U.S. Market Index	13.63	13.87	11.97	15.32	7.87	9.24
Domestic Large-Cap Equity Morningstar U.S. Large Cap Index	14.30	15.27	14.01	19.73	12.54	10.02
Domestic Small-Cap Equity Morningstar U.S. Small Cap Index	9.76	7.28	1.46	-2.16	-13.06	4.90
International Equity Morningstar Gbl xU.S. Large-Mid Index	4.30	6.45	1.52	3.41	-6.84	6.47
Developed International Equity Morningstar DM xUS Large-Mid Index	4.66	5.66	1.00	1.22	-8.42	5.53
Emerging Market Equity Morningstar EM Large-Mid Index	2.95	9.08	3.00	9.71	-2.56	8.97
Diversifiers	**10 Year**	**5 Year**	**3 Year**	**1 Year**	**YTD**	**QTD**
Real Estate Morningstar Gbl Real Estate	5.45	4.16	0.27	-11.43	-18.89	3.17
Diversified Alternatives Morningstar Diversified Alternatives Index	-6.03	-3.09	-4.18	-8.18	-15.78	9.07
Commodities Bloomberg Commodity Index	1.62	0.36	-1.23	-5.27	-10.02	0.67

Source: Morningstar Direct Performance as of 9/30/2020

Market Review: What Worked & What Didn't Work

What Worked 3Q 2020 ↑

For the Markets

Equities

- Consumer Cyclicals
- Asian Emerging Market Stocks
- Basic Materials

Fixed Income

- Preferred Securities
- Senior Loans
- High Yield

Alternative / Real Assets

- Commodities / Agriculture

What Didn't Work 3Q 2020 ↓

For the Markets

Equities

- Energy Sector
- Latin America
- United Kingdom

Fixed Income

- Treasuries
- Mortgage-Backed Securities
- Investment Grade Corporate

Alternative / Real Assets

- Exposure to REITs

Top Investment Reasons that Orion Believes Could Cause Markets to Rise or Fall

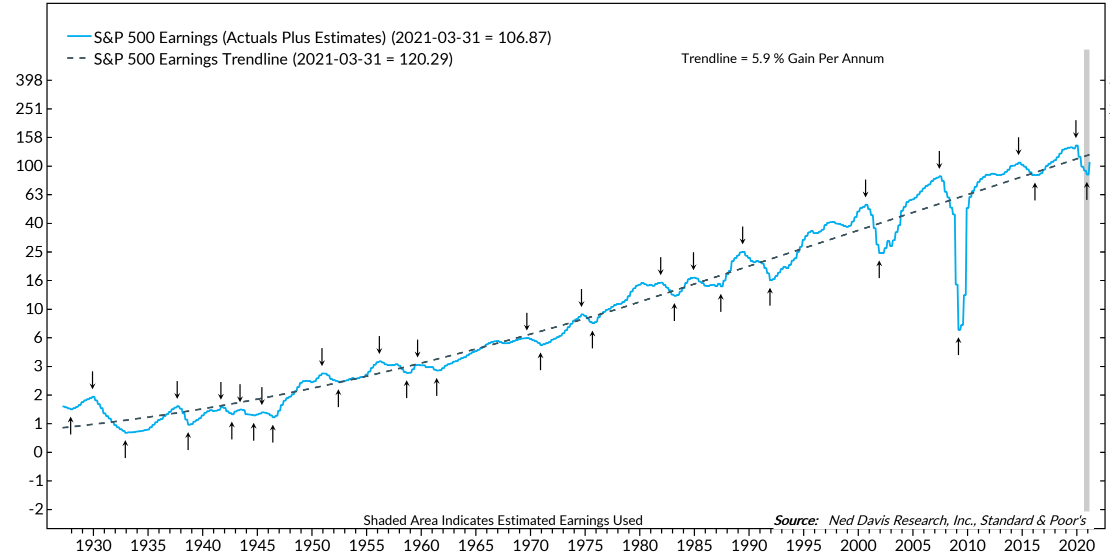
Reasons Markets Could Rise ↑	Reasons Markets Could Fall ↓
• Viable Vaccine Found • Rebound of Consumer Spending • World Government Fiscal Stimulus • Fundamentally Sound International Companies Outperform Expectations • Continued Low rates	• U.S. Companies with Excessive Valuations (think FANMAG stocks) Miss Wall Street's High Expectations • New Wave of Coronavirus • Coronavirus Severity is Greater than Expected • Defaults and Evictions Rise • With the stimulus from the CAREs Act to end at the end of July, and unemployment still in double digits, the economy could see a significant increase in defaults in credit payments and tenants evicted from their homes. If this scenario comes to pass, the rapid influx could hamper the economy's recovery. Return of Inflation

Stock and Bond Market Outlook | Fourth Quarter 2020

Stock Market Outlook: U.S. Earnings Growth

The coronavirus has hurt corporate earnings for 2020, bringing earnings well below the trendline. It is expected that corporate earnings will start to rebound through the end of 2020 and into 2021. As can be seen, earnings tend to trend upward over the long term, though short-term periods my move above and below the trend line.

S&P 500 Earnings Growth - Monthly Data 03/31/1927 to 3/31/2021



Date	4Q EPS (3rd Clip)	Y/Y % Change (2nd Clip)
03/31/2020 (A)	$116.33	-13.4
06/30/2020 (E)	$99.23	-26.6
09/30/2020 (E)	$93.02	-30.0
12/31/2020 (E)	$87.33	-37.4
03/31/2021 (E)	$106.87	-8.1

Average P/E at Earnings Peaks (Down Arrows) = 13.88
Average P/E at Earnings Troughs (Up Arrows) = 24.85
Based on Earnings Reversals of 10%

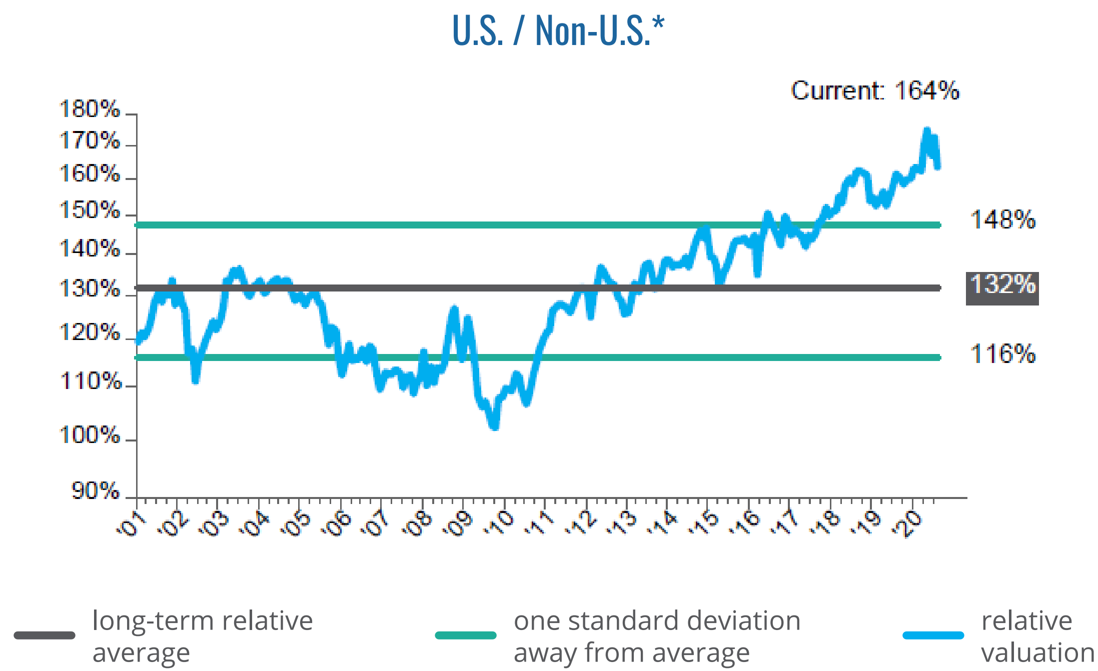
S&P 500 Index Performance
Full History: 1927-03-31 to 2020-09-30

Y/Y Earnings Growth (Latest Actual):	% Gain/ Annum	% of Time
Above 20	2.44	23.01
Between 5 and 20	6.27	31.26
Between -20 and 5	12.74	37.44
-20 and Below	-12.25	8.29

Buy/Hold = 6.04% Gain/Annum

Stock Market Outlook: U.S. Valuations Not on Sale

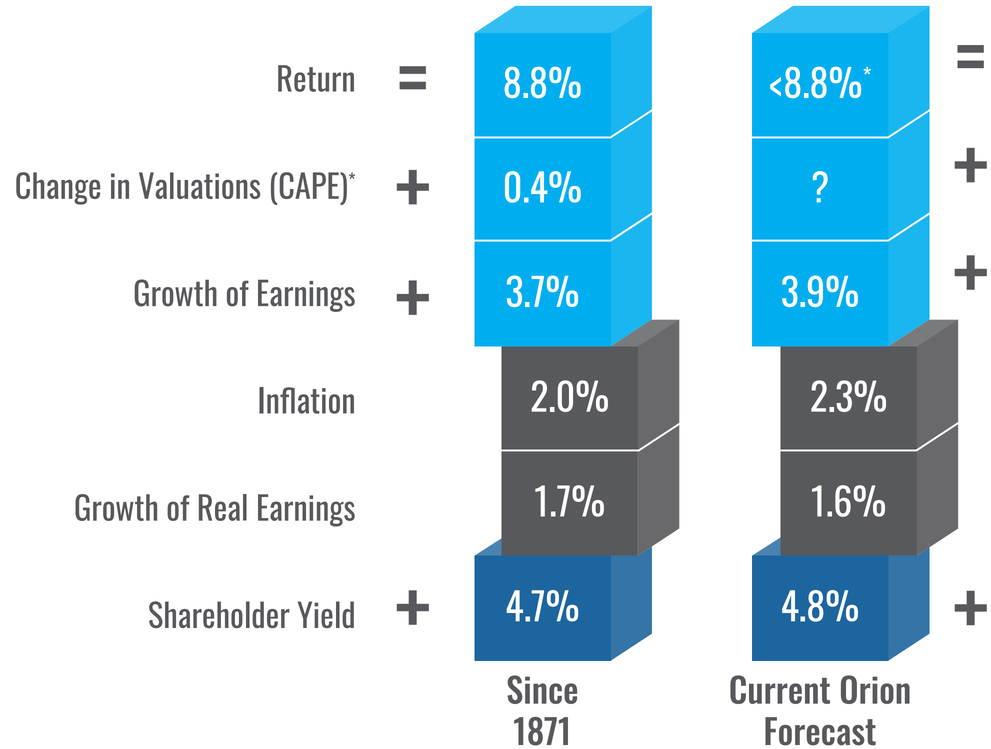
The U.S. market is at high relative valuations as compared to most international markets. The U.S market is currently expensive compared to most international markets. The chart shows it trades at a 17% premium relative to the world.



* ETFs used where index data is unavailable
Source: Factset, as of 9/30/2020

Stock Market Outlook: The Building Blocks of Return

All investments, including those in the stock market, get their returns from three sources: yield, growth of earnings, and change in valuations. The data for historical returns since 1871 and forward-looking estimates are shown below. At Orion, we expect a downward move in valuations, and our expected U.S. stock market return is therefore less than the long-term historic average.

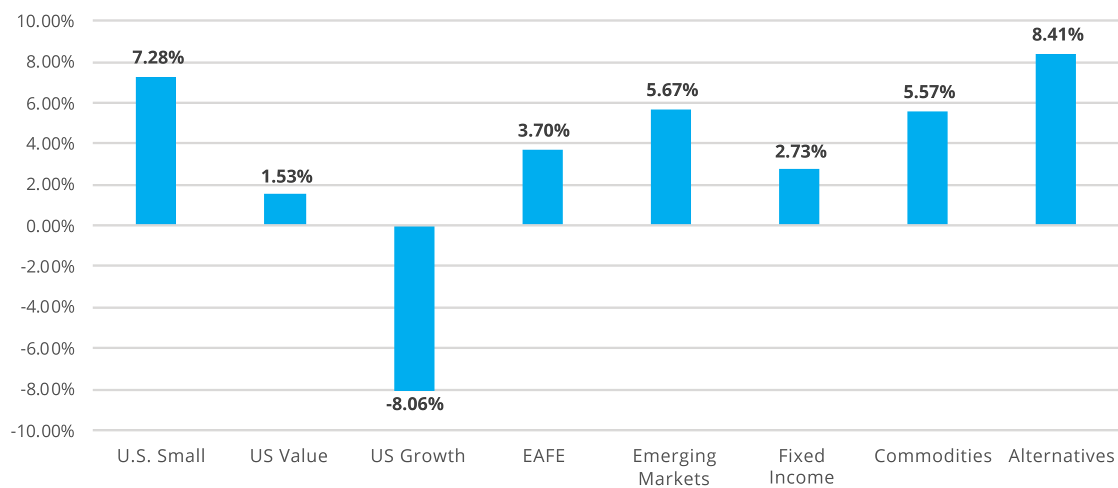


*Speculative
As of 9/30/2020 & Stock Market Data is from Yale Professor of Economics, Robert Schiller's | http://www.econ.yale.edu/~shiller/data.htm

Stock Market Outlook: Orion Forecast

This chart shows Our 10 Year Expected Returns for Broad Asset Classes Relative to the U.S. Market of broad asset classes. As shown below, expected returns for international markets are higher than those for the U.S. On average, it is our expectation that international markets will return up to 6.9%.

Our 10 Year Expected Returns for Broad Asset Classes Relative to the U.S. Market

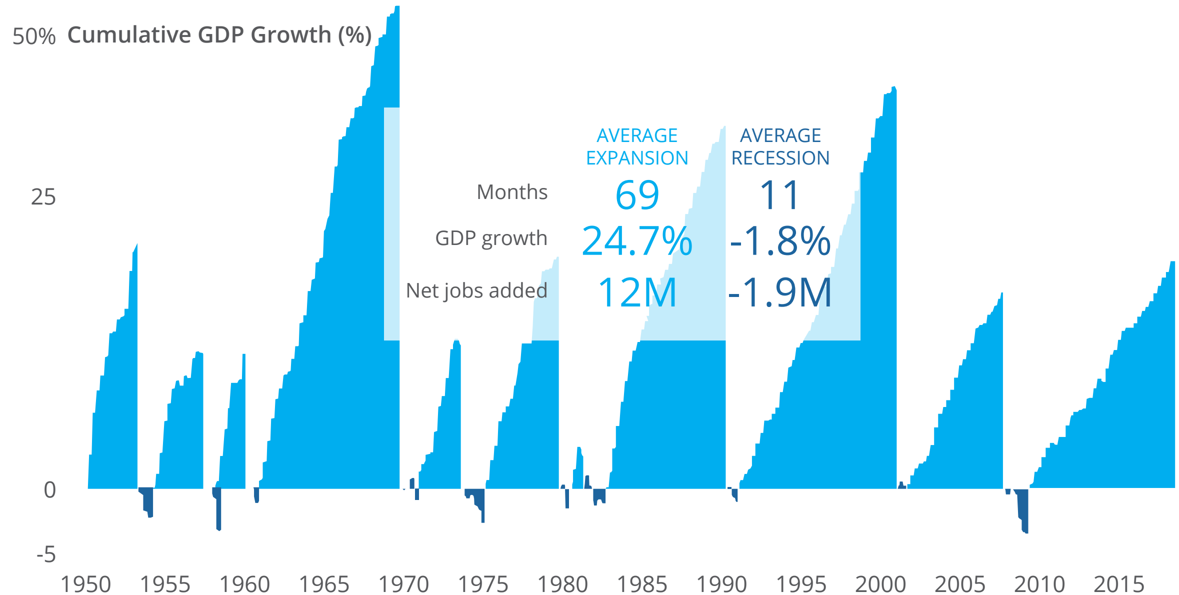


Source: Morningstar, Bloomberg, Ned Davis Research, Research Affiliates, and MSCI, as of 9/30/20. Past performance is not a guide to future results.

Stock Market Outlook: Market Impact of a Recession

While current economic data does not suggest a recession is coming any time soon, there are some signs of weakness in the economy. But even if a recession does happen, what is the impact on the markets? Recessions certainly don't appear as bad when you compare them to the strength and length of historic expansions. A key takeaway is that average market performance during recessions has actually been positive.

Recessions Are Painful but Expansions Have Been Powerful



Sources: Capital Group, National Bureau of Economic Research, Thomson Reuters. As of 12/31/19. Since NBER announces recession start and end months rather than exact dates, we have used month-end dates as a proxy for calculations of S&P 500 returns and jobs added. Nearest quarter-end values used for GDP growth rates. GDP growth shown on a logarithmic scale.

Average Bull Market
4.99 years

Average Cumulative Return
175%

Average Bear Market
1.73 years

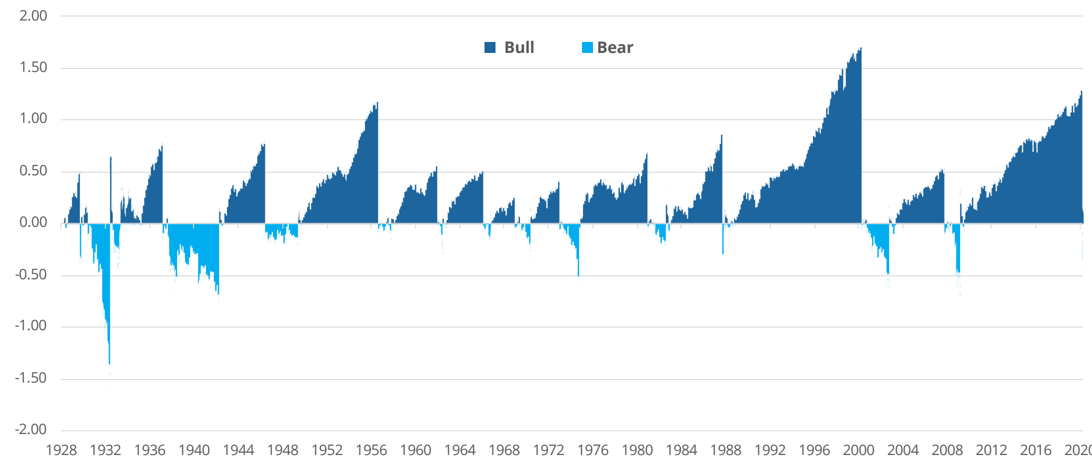
Average Cumulative Loss
-41%

Since 1928

History of Bull & Bear Markets

Markets generally move up slower than they drop, but the “up” periods are overwhelmingly longer and stronger than those that are “down.” This further reinforces the benefits of staying invested for the long term.

S&P 500 Index Bull and Bear Markets Since 1928



Source: S&P 500 price data is from Morningstar, Recession data is from nber.org, 1/3/1928 – 9/30/2020

Orion 12-Month U.S. Market Outlook

12-MONTH EQUITY MARKET OUTLOOK

We currently believe that returns for the equity market will be **below** the long-term average over the next 12 months.

In summary, we believe there is a **59%** probability that the U.S. equity markets will produce a positive return in the next 12 months, with a **38%** chance of a double-digit return.

12-Month Rolling Returns	Current Orion Outlook	Long-Term Average
Returns > 20%	20%	34%
Returns between 10% and 20%	17%	23%
Returns between 5% and 10%	13%	11%
Returns between 0% and 5%	8%	8%
Returns between 0% and -5%	11%	6%
Returns between -5% and -10%	13%	6%
Returns < -10%	17%	13%

12-MONTH BOND MARKET OUTLOOK

We currently believe that returns for the bond market will be **below** the long-term average over the next 12 months.

In summary, we believe there is a **55%** probability that the U.S. bond markets will produce a positive return in the next 12 months, with a **41%** chance of return between 0% and 5%.

12-Month Rolling Returns	Current Orion Outlook	Long-Term Average
Returns > 20%	1%	2%
Returns between 10% and 20%	4%	15%
Returns between 5% and 10%	9%	25%
Returns between 0% and 5%	41%	48%
Returns between 0% and -5%	33%	10%
Returns between -5% and -10%	10%	0%
Returns < -10%	2%	0%

Numbers as of 1926 - 9/30/2020
Past performance is not a guide to future performance. Individual client accounts may vary. Probabilities are based on calculations from Orion portfolio managers and research analysts. The Orion outlook is comprised of equal-weighted portfolio manager forecasts in five different return categories. The analyst team is equal weighted to count as a single portfolio manager vote. Historical probabilities for the seven categories are also researched. Overall views which are presented have been adjusted based on perceived value by each portfolio manager and analyst.
*Source: Robert Shiller. The sum of the figures may be lesser or greater than 100% due to rounding.

Factors Deliver More Diversified Risk-Adjusted Returns

Factor investing, like all kinds of investing, has a cyclical nature. But despite the cyclical nature, factor investing usually wins in calendar year performance returns. Factor investing does well in all environments, but particularly so in down markets. We believe that a strategic emphasis on factor investing will add value over time. In addition, diversification among the factors in a multi-factor approach provides smoother returns over time.

Excess Returns vs. MSCI ACWI

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Ann. Excess Return	Down Yrs.	% Years Beat
Positive Excess Return							+13.2%																			+4.5%	0%	80%
					+14.0%	+9.5%	+12.0%		+8.5%									+5.7%		+5.2%						+3.4%	+0.1%	76%
	+13.7%				+9.1%	+6.2%	+7.6%		+6.6%	+15.5%	+4.1%				+13.5%	+12.9%		+4.0%	+6.9%	+4.2%			+8.0%			+2.1%	0%	68%
	+5.0%	+15.2%			+4.7%	+6.1%	+7.5%	+16.6%	+6.2%	+4.5%	+2.7%	+12.6%	+16.8%	+15.9%	+3.4%	+9.3%	+1.8%	+1.0%	+4.1%	+3.8%	+4.7%	+9.4%	+4.4%		+18.4%	+1.2%	+0.1%	52%
	+3.5%	+11.8%	+16.2%	+18.2%	+3.7%	+5.0%	+2.8%	+6.8%	+4.4%	+3.0%	+1.8%	+7.9%	+5.9%	+4.4%	+3.1%	+9.0%	+1.3%	+0.5%	+1.7%	+2.2%	+3.6%	+4.4%	+2.0%	+8.4%	+10.4%	+0.6%	0%	48%
	+2.1%	+1.4%	+13.6%	+3.1%	+2.9%	+3.9%	+2.3%	+0.2%	+3.2%	+0.6%	+1.2%	+1.6%	+3.1%	+1.4%	+1.8%	+4.8%	+0.5%	+0.4%	+1.4%	+1.2%	+0.5%	+1.2%	+1.3%	+0.8%	+0.1%	0%	0%	44%
Negative Excess Return	-5.2%	-0.8%	-2.6%	-0.4%	-7.1%	-1.3%		-3.3%	-2.4%	-1.8%	-0.1%	-2.6%	-1.5%	-2.5%	-0.6%	-2.6%	-0.6%	-5.8%	-2.5%	-3.7%	-0.4%	-0.3%	-2.5%	-0.4%	-4.8%			
	-5.6%	-1.2%	-7.4%	-3.7%				-6.2%		-3.1%	-2.8%	-4.6%	-1.6%	-15.5%	-1.1%	-4.1%	-1.3%		-3.1%		-2.4%	-1.2%	-5.1%	-2.1%	-7.4%			
		-16.4%	-12.5%	-8.7%				-11.6%				-5.0%	-2.8%	-17.4%			-6.0%				-3.7%	-6.0%		-3.8%	-14.2%			
			-19.6%	-19.1%																				-5.5%				
	+13.2%	+15.0%	+22.0%	+26.7%	-13.9%	-15.9%	-19.0%	+34.6%	+15.8%	+11.4%	+21.5%	+12.2%	-41.9%	+35.4%	+13.2%	-6.9%	+16.8%	+23.4%	+4.7%	-1.8%	+8.5%	+24.6%	-8.9%	+27.3%	-1.8%	+7.1%		

MSCI ACWI INDEX · QUALITY · MOMENTUM · VALUE · MULTI-FACTOR · SIZE · MINIMUM VOLATILITY

Source: Morningstar Direct as of 9/30/2020. MSCI All Country World Factor Indexes relative to the MSCI All Country World Index (Gross Returns).

Factors Deliver More Diversified Risk-Adjusted Returns

Similar to equity factors, cyclicality is present in the performance of fixed income factors. The key point is that factor returns have a strong positive bias. Credit and duration have typically outperformed cash on a calendar year basis, and the probability of outperformance has increased historically when combining both factors in a portfolio.

Excess Returns vs. Cash

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Ann. Return	% Years Beat
Positive Excess Return		+10.5%						+27.1%	+9.6%						+15.1%	+27.0%	+15.5%		+24.7%		+17.2%	+6.7%		+12.2%		+5.4%	+76%
		+9.2%	+7.9%		+15.4%	+0.4%	+16.1%	+13.8%	+8.5%	+4.8%	+7.0%	+5.1%		+57.4%	+12.5%	+15.7%	+9.4%		+13.6%		+9.4%	+6.0%		+11.1%	+19.3%	+5.0%	+68%
	+6.0%	+7.9%	+2.9%		+2.1%	+0.0%	+6.3%	+0.4%	+7.3%	+2.3%	+1.7%	+1.3%	+24.1%	+21.2%	+10.0%	+4.3%	+3.4%	+7.4%	+2.5%		+1.5%	+5.4%		+10.0%	+9.2%	+4.6%	+60%
Negative Excess Return	-0.1%		-2.2%	-2.3%	-11.2%	-0.4%	-3.6%			-0.3%	-3.6%	-2.6%	-2.0%	-15.0%				-2.7%		-0.7%			-2.4%		-0.8%		
	-6.2%			-8.0%									-28.2%					-12.8%		-2.7%			-3.2%				
				-13.8%																-4.7%			-4.1%				
	+5.3%	+5.3%	+5.1%	+4.8%	+6.1%	+4.1%	+1.7%	+1.0%	+1.2%	+3.0%	+4.8%	+4.8%	+1.8%	+0.1%	+0.1%	+0.1%	+0.1%	0.0%	0.0%	0.0%	+0.3%	+0.8%	+1.8%	+2.2%	+0.5%	+2.2%	

CASH CREDIT DURATION MULTI-FACTOR

Source: Morningstar Direct as of 9/30/2020. IA SBBI US LT Govt TR USD Index and BofAML US HY Master II TR USD Index relative to the BBgBarc US Treasury Bill 1-3 Mon TR USD Index.

Anatomy of Market Declines

	Type of Decline			
	Dip (5% or more)	**Moderate Correction (10% or more)**	**Severe Correction (15% or more)**	**"Bear" Market (20% or more)**
Number of Occurrences	314	99	45	25
Mean Number of Occurrences Per Year	3.4	1.1	0.5	0.3
Mean Number of Days	36	100	186	299
Mean Decline (%)	10.9	19.5	28.2	35.7
Chances of Decline Moving to Next Stage (%)*	32	45	56	N/A
Last Occurrence	3/17/2020	2/19/2020	2/19/2020	2/19/2020

A 5% dip is even more common, averaging over three occurrences per year.

A 15% correction happens about every other year, and a “Bear” market (drop of 20% or more) happens about once every three years.

The issue is that since the financial crisis, we have been in one of the longest and strongest bull markets in history.

Volatility is a perfectly natural, normal thing in the stock market. Investors need to remain calm, and stay the course based on their long-term investment plan to have a better chance to reach their financial goals.

Investor Emotions After Select Crisis Events

Event	Reaction Date	Reaction Date % Gain / Loss	DJIA Percentage Gain Days after Reaction Dates			
			1M	3M	6M	1Yr
Market Crash of 1929	10/11/1929 - 11/13/1929	-43.7	27.3	34.1	46	11.8
Pearl Harbor	12/06/1941 - 12/10/1941	-6.5	3.8	-2.9	-9.6	5.4
Cuban Missile Crisis	10/19/1962 - 10/27/1962	1.1	12.1	17.1	24.2	30.4
JFK Assassinated	11/21/1963 - 11/22/1963	-2.9	7.2	12.4	15.1	24
Nixon Resigns	8/07/1974 - 8/29/1974	-17.6	-7.9	-5.7	12.5	27.2
Financial Panic '87	10/02/1987 - 10/19/1987	-34.2	11.5	11.4	15	24.2
Oklahoma City Bombing	4/18/1995 - 4/20/1995	1.2	3.9	9.7	12.9	30.8
WTC and Pentagon Terrorist Attacks	9/10/2001 - 9/21/2001	-14.3	13.4	21.2	24.8	-6.7
Iraq War	3/19/2003 - 5/1/2003	2.3	5.5	9.2	15.6	22
Lehman Brothers Collapse	9/15/2008 - 9/16/2008	1.3	-18.8	-22.6	-32.3	-11.5
U.K. Votes to Leave E.U.	6/23/2016 - 6/27/2016	-4.8	7.7	5.6	16.3	25.2
	Mean	**-6.6**	**3.8**	**5.4**	**9.0**	**14.2**
	Median	**-3.0**	**4.6**	**6.1**	**9.3**	**17.0**

Investor emotions (fear) resulted in a negative 6.6% average return during the crisis events. However, over the following month, three months, six months, and year, the returns were positive. The loss of the initial reaction netted out near the six-month mark, and there was a staggering positive 14.2% average return in the year following a crisis.

*Probability of moving to next stage; e.g. 10% decline turning into a 15% decline.

Stocks vs. Bond Performance in a Bear Market

Bear markets are a natural outcome of a stock market. While on average stocks were down roughly 37%, bonds were up 5.75%.

US Stock Bear Markets Since 1926

Start Date	End Date	Length in Months	US Stock Market Returns	Intermediate-Term Treasury Returns
1929-9	1929-11	3	-33.08%	3.37%
1930-4	1932-6	27	-79.56%	6.03%
1932-9	1933-2	6	-29.82%	2.06%
1937-3	1938-3	13	-50.04%	3.07%
1939-10	1940-5	8	-25.72%	3.93%
1941-9	1942-4	8	-22.38%	0.50%
1946-6	1946-11	6	-21.76%	0.33%
1962-1	1962-6	6	-22.28%	2.46%
1968-12	1970-6	19	-29.25%	2.63%
1973-1	1974-9	21	-42.63%	4.90%
1987-9	1987-11	3	-29.53%	2.38%
2000-9	2002-9	25	-44.73%	27.48%
2007-11	2009-2	16	-50.95%	15.60%
2020-2	2020-3	1	-19.57%	5.07%
Averages		**12**	**-37.06%**	**5.75%**

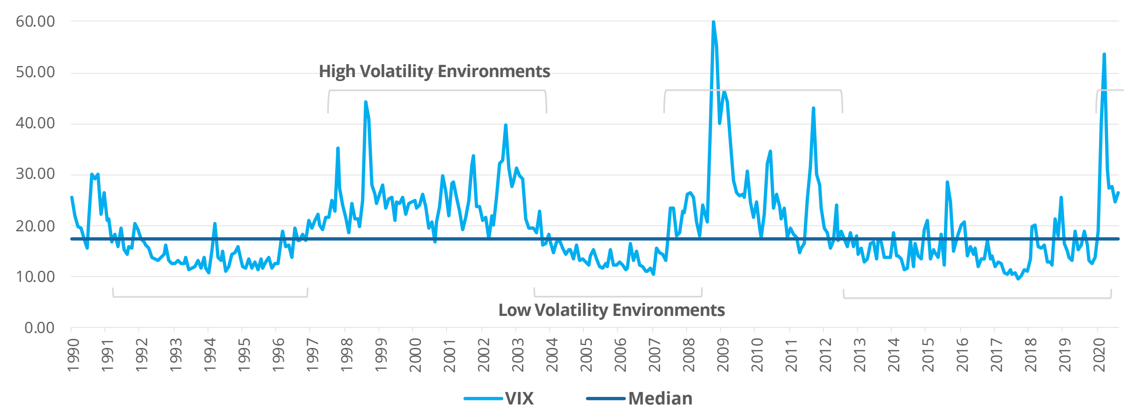
Source: Monthly returns data from Morningstar Direct from 1/1926 to 9/30/20. Bear market defined as a drop of 20% or more in the US stock market. US stock market represented by Ibbotson SBBI US Large Stock TR USD index and intermediate-term Treasuries represented by IA SBBI US IT Govt TR USD index.

Volatility Ranges and Forward Returns

Volatility has historically moved in cycles and we have transitioned into a higher-volatility environment. The VIX, commonly referred to as the "Fear Gauge" or volatility index; measures the amount of variability implied by options contacts on the S&P 500. Above-average returns are typically observed (close to 30% on average) over the following year when the VIX is in any range greater than 40. Increased volatility also tends to negatively impact investor behavior, making it increasingly important to stay balanced, diversified, and invested.

Range	% Of Time	Fwd Stock Ret	Fwd Bond Ret
>50	0.93%	27.32%	11.07%
45-50	0.44%	35.69%	7.28%
40-45	1.07%	33.17%	5.77%
35-40	1.74%	22.52%	5.98%
30-35	4.27%	18.06%	6.41%
25-30	9.36%	6.33%	6.76%
20-25	19.42%	4.67%	7.51%
15-20	28.15%	12.63%	6.82%
10-15	33.75%	12.72%	4.48%
5-10	0.88%	7.84%	-0.66%
0-5	0.00%	N/A	N/A

VIX Index Monthly Data from 1/31/1990 to 8/31/2020



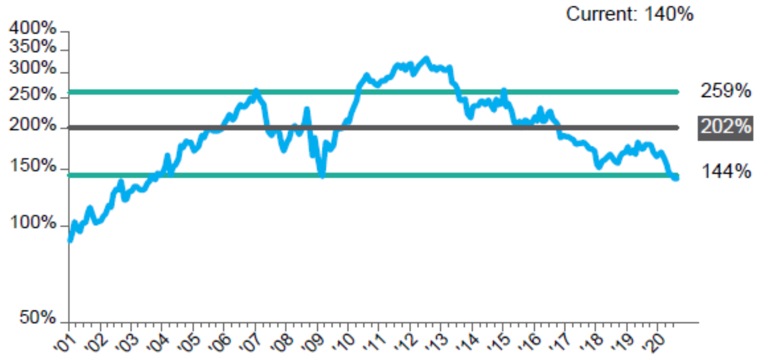
U.S. Stock markets represented by the S&P 500 Total Return. Data from 1/2/1990 - 8/31/20
Source: Bloomberg as of 8/31/20

10-Year Correlations with U.S. Stocks and Bonds
(Monthly Data 10/2010 – 9/2020)

	1	2	3	4	5	6
1. Stocks						
2. Bonds	-0.10					
3. Commodities	0.55	-0.10				
4. Natural Resources	0.81	-0.08	0.69			
5. Infrastructure	0.57	0.28	0.38	0.51		
6. Real Estate	0.70	0.35	0.39	0.58	0.71	
7. Alternatives	0.82	-0.01	0.56	0.81	0.61	0.73

■ 1.00 to 0.80 ■ 0.80 to 0.60 ■ 0.60 to 0.40 ■ 0.40 to 0.20 ■ 0.20 to 0.00 □ 0.00 to -0.20

Real Estate/U.S. Market*



long-term relative average

one standard deviation away from average

relative valuation

*ETFs used where index data is unavailable
Factset, as of 8/31/2020

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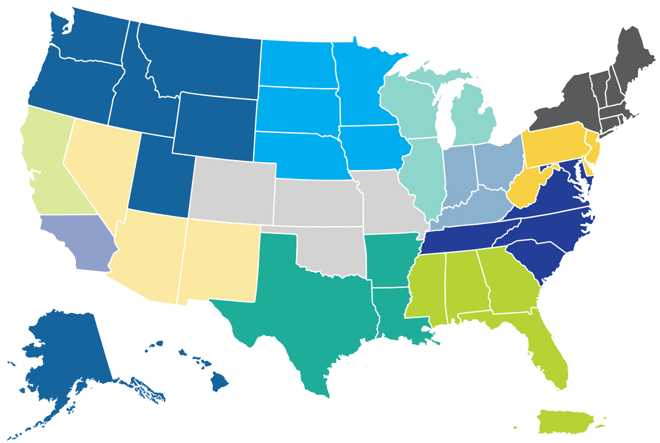

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Glossary - Indexes

- **Bloomberg Barclays Capital U.S. Aggregate Bond Index:** An index used by bond funds as a benchmark to measure relative performance. This index includes government, mortgage-backed, asset-backed, and corporate securities.
- **MSCI Emerging Markets Index:** Seeks to track the investment results of an index composed of large- and mid-cap emerging market equities.
- **Bloomberg Commodity Index:** The Index is made up of 22 exchange-traded futures on physical commodities and represents 20 commodities that are weighted to account for economic significant and market liquidity.
- **MSCI ACWI ex-U.S. Index:** An index considered representative of stock markets of developed and emerging markets, excluding those of the U.S.
- **MSCI EAFE Index:** Measures international equity performance. It comprises the MSCI country indexes capturing large- and mid-cap equities across developed markets in Europe, Australasia, and the Far East, excluding the U.S. and Canada.
- **Russell 3000 Index:** An index composed of the 3,000 largest U.S. stocks and considered representative of the U.S. stock market.
- **S&P 500 Index:** A stock market index based on the market capitalizations of 500 large companies having common stock listed on the NYSE or NASDAQ. This index is representative of large-cap stocks.
- **Morningstar Global Market Large-Mid Index:** An index that measures the performance of the global market's equity markets targeting the top 90% of stocks by market capitalization.
- **Morningstar U.S. Market Index:** An index that measures the performance of U.S. securities and targets 97% market capitalization coverage of the investable universe. It is a diversified broad market index.
- **Morningstar U.S. Large Cap Index:** An index that measures the performance of U.S. large-cap stocks. These stocks represent the largest 70% capitalization of the investable universe.
- **Morningstar U.S. Small Cap Index:** An index that measures the performance of U.S. small-cap stocks. These stocks fall between the 90th and 97th percentile in market capitalization of the investable universe. In aggregate, the Small Cap Index represents 7% of the investable universe.
- **Morningstar Global ex U.S. Large-Mid Index:** An index that measures the performance of Global Markets (ex-U.S.) equity markets targeting the top 90% of stocks by market capitalization.
- **Morningstar DM ex U.S. Large-Mid Index**: An index that measures the performance of developed markets ex-U.S. equity markets targeting the top 90% of stocks by market capitalization.
- **Morningstar EM Large-Mid Index:** An index that measures the performance of emerging markets targeting the top 90% of stocks by market capitalization. The Barclay's Capital U.S. Aggregate Bond® Index measures the performance of the total United States investment-grade bond market.
- **Morningstar Cash Index:** An index that measures the performance of a Treasury Bill with six to eight weeks until maturity in the U.S. market.

An index is an unmanaged group of stocks considered to be representative of different segments of the stock market in general. You cannot invest directly in an index.

Glossary - Indexes

- **Bloomberg Commodity Index:** is made up of exchange-traded futures on physical commodities and represents commodities that are weighted to account for economic significant and market liquidity. This index provides investors with a means of understanding the performance of commodity futures markets and serves as a benchmark for investment performance of commodities as an asset class.
- **Morningstar Gbl Real Estate NR USA Index:** measures the performance of mortgage companies, property management companies and REITs.

The volatility of the indexes may be materially different from the individual performance attained by a specific investor. In addition, portfolio holdings of investors may differ significantly from the securities that comprise the indexes. You cannot invest directly in an index.

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Glossary - Miscellaneous

- **Beta:** A measure of volatility, or systematic risk of a security or a portfolio in comparison to the market as a whole. A beta of 1 indicates that the portfolio will likely move with the market. Anything less than 1 indicates that the security or the portfolio is typically less volatile than the market.
- **Dividend Yield:** Calculated by annual dividends per share divided by price per share. This ratio indicates how much a company pays out in dividends each year relative to its share price.
- **Downside Capture Ratio:** A measure of performance in down markets. The ratio is calculated by dividing the manager's returns by the returns of the index during the down-market and multiplying that factor by 100.
- **Earnings Growth:** The annual rate of growth of earnings from investments.
- **Earnings Yield:** Calculated by earnings per share divided by price per share. This ratio shows the percentage of each dollar invested in the stock that was earned by the company.
- **Exchange Traded Fund (ETF):** An exchange traded fund (ETF) is an investment fund that is priced and traded on an exchange throughout the day just like a stock. ETFs hold a basket of securities (stocks, commodities, or bonds), and most track an index.
- **Standard Deviation:** A statistical measurement of volatility risk based on historical returns. This risk measure shows how much the return of the fund or security is deviating from its historical mean return. The larger the standard deviation, the more volatile the fund or security.
- **Strategic Investment Style:** Sets target allocations that are long term in nature. Strategic does not mean buy-and-hold or passive. Strategic can still be active, such as making active decisions in response to changes in risk and opportunities around the world.
- **Tactical Investment Style:** An unconstrained investment approach that can quickly and abruptly change its allocation and risk profile from 100% stocks to 100% cash, and vice versa. Tactical money managers try to move in and out of the market and asset classes in an attempt to time and achieve outperformance over a stated benchmark that may not be representative of their true portfolio over time.

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