FAIR WEATHER STRATEGIES, LLC

Pioneering Long / Flat investing

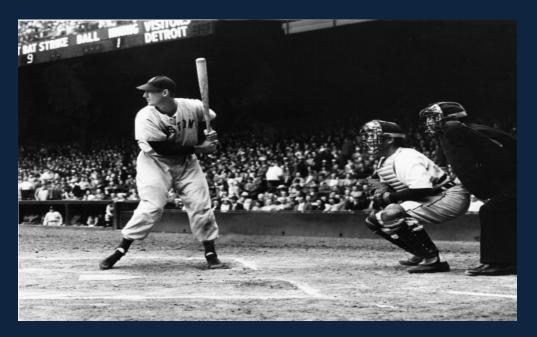


""After spending many years in Wall Street and after making and losing millions of dollars I want to tell you this: It never was my thinking that made the big money for me. It always was my sitting." - attributed to Jesse Livermore

"In his book The Science of Hitting, Ted (Williams) explains that he carved the strike zone into 77 cells, each the size of a baseball. Swinging only at balls in his 'best' cell, he knew, would allow him to bat .400; reaching for balls in his "worst" spot, the low outside corner of the strike zone, would reduce him to .230. In other words, waiting for the fat pitch would mean a trip to the Hall of Fame; swinging indiscriminately would mean a ticket to the minors" - From Warren Buffett's 1997 Berkshire Hathaway (BRKa) shareholder letter.

"The hard part is discipline, patience, and judgment. Investors need discipline to avoid the many unattractive pitches that are thrown, patience to wait for the right pitch, and judgment to know when it is time to swing." -Seth Klarman

"He thinks of cash differently than the conventional investors. This is one of the most important things I learned from him: the optionality of cash. He thinks of cash as a call option with no expiration date, an option on every asset class, with no strike price." – Alice Schroeder, Warren Buffett biographer



Ted Williams awaits "the fat pitch". Ted finished his career with a .482 on-base percentage, the highest of all time.

PATIENCE MAY BE THE MOST UNDER-RATED COMMODITY IN TODAY'S MARKETS. LEGENDARY INVESTORS OF THE PAST AND PRESENT HAVE OFTEN SPOKEN OF "WAITING FOR THE FAT PITCH" BEFORE INVESTING. HOWEVER, IMPLEMENTING THIS PHILOSOPHY HAS HISTORICALLY PROVEN BEYOND THE REACH OF MANY WELL-MEANING INVESTORS.

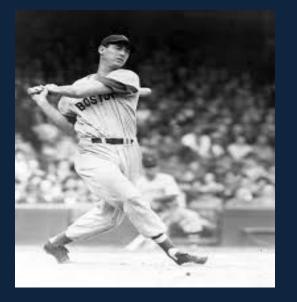
FAIR WEATHER STRATEGIES' ACTIVELY MANAGED PORTFOLIOS OFFER A DISCIPLINED, RULES-BASED METHODOLOGY THAT INGRAINS PATIENCE IN THE VERY FABRIC OF THE FIRM'S INVESTMENT DECISIONS. THIS METHODOLOGY INVOLVES ONLY INVESTING IN SECURITIES THAT ARE DEFINED BY OUR PROPRIETARY ALGORITIHM AS DISPLAYING UPWARD MOMENTUM. WHEN MOMETUM IS LACKING FOR CERTAIN SECURITIES, THE FIRM'S ACTIVE PORTFOLIOS WOULD MUCH RATHER MOVE MONEY TO THE SIDELINES AND SIT IT IN CASH OR CASH EQUIVALENTS RATHER THAN CHASE FALLING KNIVES, PICK BOTTOMS, OR OTHERWISE GET HEAVILY INVESTED AMIDST THE DRAMA OF PANICKING MARKETS.

ASIDE FROM THE PHILOSOPHY OF THIS APPROACH, IS THE MATHEMATICAL REALITY THAT FOR AN INVESTOR WHO HAS EXPERIENCED A LOSS OF EQUITY TO GET BACK TO EVEN, IT TAKES A GREATER PERCENTAGE GAIN THAN THE LOSS THE INVESTOR EXPERIENCED.

WHILE "THE FAT PITCH" MAY BE DEFINED DIFFERENTLY BY DIFFERENT INVESTORS, FAIR WEATHER STRATEGIES' EXTENSIVE RESEARCH* INDICATES THAT HISTORICALLY AT LEAST, IT HAS BEEN POSSIBLE TO ACHIEVE SUPERIOR RISK-ADJUSTED RETUNS BY CONFINING INVESTMENT HOLDINGS TO SECURITIES DISPLAYING UPWARD MOMENTUM.

FAIR WEATHER STRATEGIES IS PIONEERING LIQUID, EASILY ACCESSIBLE SOLUTIONS TO AVAIL OF THIS PERCIEVED ANOMOLY. THERE WOULD APPEAR TO BE VERY FEW "LONG / FLAT" INVESTMENT PROVIDERS COMPETING IN THIS SPACE, PERHAPS INDICATING THAT PATIENCE, ALBEIT A VIRTUE, IS IN SHORT SUPPLY.

* Testing the Simple Moving Average across Commodities, Global Stock Indices and Currencies, Kilgallen, Journal of Wealth Management 2012



DISCLOSURES

This brochures relates to Fair Weather Strategies active management strategies only, not to any passive strategy managed by the firm.

Past performance is no guarantee of future results. There are risks associated with any investment strategy, including the possible loss of principal. Diversification strategies do not ensure a profit and do not protect against losses in declining markets. There is no guarantee that any investment strategy will achieve its objectives. Fair Weather Strategies reliance on the strategy and its judgments about the value and potential appreciation of the securities in which the strategies invests may prove to be incorrect. Overall market risk, including volatility, may affect the strategy's performance. Fair Weather Strategies' risk-management process includes an effort to monitor and manage risk, but should not be confused with and does not imply low risk or the ability to control risk.

There are distinct risks associated with Fair Weather Strategies' tactical allocations, which can result in more concentration towards cash or cash-like securities. Holding cash as part of a portfolio may limit downside risk over time; however, the strategy may produce more modest gains in real or inflation-adjusted terms than riskier investments as a trade-off for this potentially lower risk.

Fair Weather Investing is a servicemark of Fair Weather Strategies, LLC.

This communication does not constitute an offer to sell or solicitation to purchase any security.

FAIR WEATHER STRATEGIES, LLC