Brinker Capital

ideas. discipline. outcomes.™

Destinations portfolios

DECEMBER 31, 2016

Quarterly update

Market review, portfolio performance and positioning commentary for the quarter.

Table of contents

Portfolio Management Team

Jeff Raupp, CFA
Senior Vice President
19 years industry experience
B.S. University of Delaware
M.B.A. Villanova University

Amy Magnotta, CFA
Senior Investment Manager
15 years industry experience
B.S. Lehigh University

Leigh Lowman
Investment Manager
11 years industry experience
B.A. Wittenberg University

Summary

Portfolio performance for the fourth quarter was negative to flat with returns ranging from -1.3% (Conservative taxable) to 0.1% (Aggressive Equity). Moderate qualified was down -0.1% for the fourth quarter. For the year, all portfolios generated positive returns, ranging from 3.6% (Conservative taxable) to 7.5% (Aggressive Equity). Moderate qualified was up 6.7%.

A number of factors drove performance in 2016:

Positives:

- Absolute return
- Global natural resources
- Credit and emerging markets debt (EMD) bias
- International equity underweight

Detractors:

- US equity manager selection (large cap growth)
- International equity manager selection
- Mortgage-backed security (MBS) fixed income

Performance review

Risk assets were up for the fourth quarter to finish the year in strong positive territory. Although 2016 began with a steep double-digit market decline, markets rallied after hitting a bottom on February 11, 2016 and credit conditions steadily improved. Trump's surprise victory further served as a springboard for positive momentum due to anticipation of pro-growth policy initiatives such as increases in infrastructure spending and a more benign regulatory environment. Low unemployment and positive economic growth spurred the Fed to resume its interest rate normalization policy, raising interest rates by 25bps on December 14, 2016. Both inflation expectations and interest rates are likely poised higher as we enter into 2017.

The S&P 500 Index was up 3.8% for the fourth quarter and finished the year with a gain of 11.9%, the 8th straight year the index has generated a positive return. Despite its rough start, energy (+27.2%) was the best performing sector for 2016. Cyclicals ex-consumer discretionary posted double digit returns for the year. Consumer discretionary (+6.0%), although positive, was unable to repeat the strong returns achieved in 2015. Telecom (+23.4%) and utilities (+16.2%), finished the year strong as income-focused stocks rallied amidst decreasing interest rates in the first half of the year. Healthcare was down -2.7% for the year, the only sector to post a negative return. Value outperformed growth by a large margin. Small cap outperformed both large cap and mid cap, fueled by a fourth quarter rally.

Developed international equity markets were down -0.7% for the fourth quarter but posted a modest 1.5% return for the year, breaking a two year streak of negative returns. Uncertainty surrounding European Central Bank (ECB) and Bank of Japan (BOJ) central bank policy and the unexpected outcome of the Brexit vote weighed heavy on international markets. A swift strengthening of the U.S. dollar during the fourth quarter further muted returns. Conversely, emerging markets were up 11.6% for the year, their first positive year since 2012. Despite a pullback during the fourth quarter stemming from anticipation of more protectionist trade policies under the Trump administration and political turmoil in various emerging markets countries, export heavy countries benefited from the rebound in oil prices after reaching a bottom earlier this year.

The Bloomberg Barclays U.S. Aggregate Index was flat for the fourth quarter and up 2.6% for the year. Although rates spiked during the fourth quarter, the 10-year Treasury yield ended the year only slightly higher from where it started in 2016. All taxable sectors finished the year positive, with high yield posting notable returns in the mid-teens. High yield credit spreads narrowed from a high of 839bps on February 11, 2016 to end the year at 409bps, a contraction of over 50%. Municipal bonds underperformed their taxable counterparts, ending the year flat to negative, as the potential for lower future taxes under the Trump administration served as a headwind for tax-exempt bonds.

Portfolio performance for the fourth quarter was negative to flat with returns ranging from -1.3% (Conservative taxable) to 0.1% (Aggressive Equity). Moderate qualified was down -0.1% for the fourth quarter. For the year, all portfolios generated positive returns, ranging from 3.6% (Conservative taxable) to 7.5% (Aggressive Equity). Moderate qualified was up 6.7%

Strategies recap

Contributing to performance for the year were allocations to absolute return; most notable being RiverNorth Core Opportunity (+12.2%) in higher volatility absolute return and JPMorgan Strategic Income (+8.9%) in lower volatility absolute return. In fixed income, a bias to high yield credit contributed to returns as credit spreads sharply contracted from the February 11, 2016 market bottom. Shorter duration fixed income positioning contributed to returns

Performance review (con't)

in the fourth quarter as interest rates surged. A bias to emerging market debt through a position to DoubleLine Low Duration Emerging Markets was a positive for the year. An allocation to Victory Global Natural Resources in real assets contributed to returns; the strategy was up 53.1% for the year. An underweight allocation to international equity was also a positive contributor.

The largest detractor for both the quarter and year were allocations to large cap growth managers in domestic equity. Specifically, Columbia Select Large Cap Growth was down -8.7% for the year as poor performance within healthcare and technology names was further exacerbated by the highly concentrated nature of the fund. International equity manager selection was also a negative. Although 4 out of 5 international equity managers generated positive returns for the year, they were unable to keep pace with the stronger performance of the broader international market index. Within fixed income, DoubleLine Total Return was a strong positive for the quarter but a negative for the year.

Defensive strategies were down -0.6% (qualified) and -1.1% (taxable) for the fourth quarter, but generated positive returns for the year of 3.7% (qualified) and 2.5% (taxable). In periods of sharp higher moves in interest rates, as we experienced in the last eight weeks of the year, we expect Defensive strategies, which maintain a sizeable allocation to fixed income, to experience a modest drawdown. However, our positioning within fixed income and allocations to absolute return and equity, minimized the drawdown and helped the strategy fully achieve its mandate in 2016. In fixed income an allocation to emerging markets debt and a bias to high yield credit contributed to returns. Shorter duration fixed income positioning was a positive for the quarter. Allocations to both lower volatility and higher volatility absolute return were also positives for the year. A value bias in domestic equity contributed to returns as value outperformed growth for the year. Detracting from returns was an allocation to Victory Global Natural Resources in real assets. A position was initiated in Defensive strategies during the November reallocation and the fund experienced a small pullback in performance.

Balanced Income strategies were slightly down for the quarter with returns of -0.1% (qualified) and -0.5% (taxable). Strategies ended the year solidly in positive territory with returns of 7.7% (qualified) and 7.1% (taxable), and despite a more difficult second half of the year, income-oriented strategies led more traditional strategies in 2016. In fixed income, allocations to preferred securities and emerging markets debt as well as a bias to high yield credit contributed to returns. Shorter duration fixed income positioning was a positive for the quarter. Allocations to both higher volatility absolute return and lower volatility absolute contributed to performance as all managers outperformed the HFRX Global Hedge Fund Index for the year. Conversely, an allocation to Federated Strategic Value Dividend in domestic equity was a negative as higher yielding equity strategies came under pressure with the surge in interest rates during the fourth quarter. Manager selection in international equity detracted from returns but an underweight allocation contributed to returns for the year. An allocation to T. Rowe Price Growth Stock in domestic equity was also a negative as growth experienced headwinds during the fourth quarter.

Key themes

Theme	Primary implementation	Rationale
Reflationary policies	• Increased equity allocation • Real assets	• Expect fiscal policy expansion in 2017 from a Trump administration (tax cuts, repatriation, infrastructure spending, more benign regulation), which will serve to boost growth and inflation
The road to interest rate normalization	• Shorter duration • Yield cushion • Lower volatility absolute return	• Long-term bias is rates to move higher; road to rate normalization will be choppy and protracted • Favor credit risk over interest rate risk
Inefficient and/or undiscovered markets	• Micro-cap • Event driven	• Active management can add significant value in inefficient asset classes
Focus on income	• High-yield credit • High-dividend equity	• Investors will place a premium on yield producing assets in a low nominal yield environment

Asset class commentary

Domestic equity

Our domestic equity allocation detracted from performance for both the fourth quarter and year. Allocations to large cap growth managers, T. Rowe Price Growth Stock and Columbia Select Large Cap Growth were negative as growth largely underperformed value for the year. Columbia Select Large Cap Growth, in particular, was down -8.7% for the year as poor performance within healthcare and technology names was further exacerbated by the highly concentrated nature of the fund. Contributing to returns were allocations to value managers, TCW Relative Value Dividend, Delaware Value and Ridgeworth Ceredex Mid-Cap Value. Within moderate to aggressive equity portfolios, allocations to Driehaus Micro Cap Growth and Touchstone Small Cap Value were also strong positives for the year. Touchstone Small Cap Value, added to portfolios in July, gained 12.5% for the fourth quarter benefiting from the rally in small cap equities.

International equity

Our underweight positioning to international equity was a positive for both the quarter and year but manager selection was a negative. Wasatch Frontier Emerging Small Cap, held in moderate to aggressive equity portfolios, was the largest detractor; down -9.2% for the year. Baron Emerging Markets was up 3.8% for the year but unable to keep pace with the strong 11.6% returns of the MSCI Emerging Markets Index. Likewise, MFS International Value and T Rowe Price International Stock ended the year in positive territory but lagged the MSCI All Country World Index ex US. Wasatch International Opportunities performed in line with the MSCI All Country World Index ex US Small Cap Index.

Fixed income

Our fixed income allocation was a positive for both the year and quarter as all active taxable fixed income managers outperformed the broad market index. A bias to high yield credit was a strong positive as credit spreads contracted over 50% since the Feb. 11th market bottom; RiverPark Strategic Income was up 9.9% and Avenue Credit was up 4.3% for the year. Shorter duration positioning versus the broad market index was also a strong positive in the fourth quarter as interest rates surged in the post-election market. An allocation to MBS through DoubleLine Total Return contributed to returns for the quarter but slightly detracted for the year as the shorter duration and higher quality positioning of the strategy lagged earlier in the year when lower quality issues outperformed and interest rates fell. An allocation to DoubleLine Low Duration Emerging Markets contributed to returns, up 6.9% for the year.

Taxable portfolios finished both the quarter and year behind qualified portfolios as municipal bonds lagged their taxable fixed income counterparts. Fidelity Intermediate Municipal Bond and Northern Intermediate Tax-Exempt was both flat for the year, slightly outperforming the intermediate municipal bond peer group.

Absolute return

Allocations to lower volatility absolute return were a strong positive for the quarter and year. JPMorgan Strategic Income Opportunities was up 8.9% for the year due in part to its positioning to US high yield credit. Driehaus Active Income gained 5.6% as its event focused positioning and interest rate hedges fared well in a volatile rising rate market environment. Legg Mason Brandywine Opportunities was a positive for the year. However, the fund slightly lagged the HFRX Global Hedge Fund index in the fourth quarter due in part to the strategy's exposure to Mexico, a region negatively impacted by the Trump victory.

Allocations to higher volatility absolute return also contributed to returns for both the year and quarter. RiverNorth Core Opportunity Fund was up 12.2% for the year due the sharp contraction of closed-end fund discounts. Driehaus Event Driven was also a positive, up 6.3%, as many of the strategy's event driven theses played out favorably in the volatile market environment.

Real assets

Victory Global Natural Resources, which focuses on low cost producers across the commodity space, was up 6.4% for the fourth quarter. Anticipation of reduced production barriers to entry under the new Trump administration served as an additional positive catalyst for the strategy. The fund is up an astounding 53.1% for the year as it benefited greatly from the stabilization oil prices and improved investor sentiment.

Portfolio positioning summary

Allocation decision	Current bias
Overall risk	Neutral in more conservative portfolios amd overweight in moderate to aggressive portfolios
Global equity	Underweight international equity
U.S. equity	Neutral growth/value; slight overweight to small at the expense of mid cap
Int'l equity	Overweight emerging markets, smaller cap bias
Fixed income	Shorter duration with a yield advantage, emphasize MBS, U.S. high yield credit, EMD
Absolute return	Favor relative value fixed income, closed-end funds
Real assets	Global natural resource equities

Market outlook

We remain positive on risk assets over the intermediate-term, although we acknowledge we are in the later innings of the bull market and the second half of the business cycle. While our macro outlook is biased in favor of the positives and recession is not our base case, especially considering the potential of reflationary policies from the new administration, the risks must not be ignored.

Reflationary fiscal policies: With the new administration and an all-Republican government, we expect fiscal policy expansion in 2017, including tax cuts, repatriation of foreign sourced profits, increased infrastructure and defense spending, and a more benign regulatory environment.

Global growth improving: U.S. economic growth is ticking higher and there are signs growth outside of the U.S., in both developed and emerging markets, are improving.

Global monetary policy remains accommodative: The Federal Reserve is taking a careful approach to policy normalization. ECB and BOJ balance sheets expanded in 2016 and central banks remain supportive of growth.

However, risks facing the economy and markets remain, including:

Administration unknowns: While the upcoming administration's policies are currently being viewed favorably, uncertainties remain. The market may be too optimistic that all of the pro-growth policies anticipated will come to fruition. We are unsure how Trump's trade policies will develop, and there is the possibility for geopolitical missteps.

Risk of policy mistake: The Federal Reserve has begun to slowly normalize monetary policy, but the future path of rates is still unclear. Should inflation move significantly higher, there is also the risk that the Fed falls behind the curve. The ECB and the BOJ could also disappoint market participants, bringing the credibility of central banks into question.

The technical backdrop of the market is favorable, credit conditions are supportive, and we have started to see some acceleration in economic growth. So far Trump's policies are being seen as pro-growth, and investor confidence has improved. We expect higher volatility to continue as we digest the onset of the Trump administration and the actions of central banks, but our view on risk assets remains positive over the intermediate term. Higher volatility can lead to attractive pockets of opportunity we can take advantage of as active managers.

Destinations

DECEMBER 31, 2016

Annual portfolio performance (%)*

	QTD	YTD	1 year	3 year	5 year	10 year	Since inception	5 year std. dev.	5 year beta
Defensive (Q)	-0.63	3.67	3.67	1.96	2.73	N/A	3.11 (10-09)	2.21	0.13
Defensive (T)	-1.13	2.51	2.51	2.26	2.62	N/A	2.82 (10-09)	2.22	0.12
Conservative (Q)	-0.68	5.22	5.22	2.78	4.64	3.23	5.59 (06-95)	3.69	0.30
Conservative (T)	-1.34	3.64	3.64	3.18	4.57	3.46	5.79 (01-95)	3.64	0.28
Moderately Conservative (Q)	-0.45	5.65	5.65	3.02	5.72	3.57	6.22 (02-95)	4.70	0.41
Moderately Conservative (T)	-1.02	4.35	4.35	3.40	5.68	3.80	6.19 (02-95)	4.60	0.39
Balanced Income (Q)	-0.09	7.70	7.70	4.40	7.03	3.97	5.46 (07-04)	5.31	0.46
Balanced Income (T)	-0.51	7.05	7.05	4.62	6.97	3.97	4.60 (08-06)	5.30	0.45
Moderate (Q)	-0.08	6.71	6.71	3.53	7.67	4.18	7.17 (01-95)	6.81	0.63
Moderate (T)	-0.42	5.88	5.88	3.90	7.70	4.20	6.97 (03-95)	6.67	0.61
Moderately Aggressive (Q)	0.06	7.08	7.08	3.85	8.66	4.40	7.16 (01-95)	7.90	0.73
Moderately Aggressive (T)	-0.22	6.48	6.48	4.15	8.71	4.39	6.97 (04-95)	7.81	0.72
Aggressive (Q)	0.13	7.38	7.38	4.06	9.61	4.50	7.44 (01-95)	9.03	0.84
Aggressive (T)	0.01	7.04	7.04	4.36	9.70	4.52	6.83 (07-95)	8.96	0.83
Aggressive Equity (Q)	0.09	7.49	7.49	4.91	11.46	4.87	6.23 (01-97)	10.73	1.00
Aggressive Equity (T)	0.09	7.50	7.50	5.03	11.54	4.85	6.22 (01-97)	10.71	1.00
Major Market Indices									
S&P 500	3.82	11.96	11.96	8.87	14.66	6.95		10.28	
MSCI AC World Index ex USA	-1.20	5.01	5.01	-1.32	5.48	1.42		13.23	
Barclays US Aggregate	-2.98	2.65	2.65	3.03	2.23	4.34		2.89	
Lipper Intermediate Municipal	-3.30	-0.16	-0.16	2.91	2.42	3.51		3.15	
HFRX Global Hedge Fund	1.15	2.50	2.50	-0.60	1.64	-0.58		3.56	
Bloomberg Commodity Index	2.55	11.40	11.40	-11.38	-9.06	-6.23		13.32	
FTSE/EPRA NAREIT Global Real Estate	-5.39	4.99	4.99	6.78	10.33	2.23		12.78	

*Please see last page for important performance disclosure.

Calendar year performance (%)*

	Defensive		Conservative		Moderately Conservative		Balanced Income		Moderate		Moderately Aggressive		Aggressive		Aggressive Equity	
	Qual	Tax	Qual	Tax	Qual	Tax	Qual	Tax	Qual	Tax	Qual	Tax	Qual	Tax	Qual	Tax
Inception Date	Oct 09	Oct 09	Jun 95	Jan 95	Feb 95	Feb 95	Jul 04	Aug 06	Jan 95	Mar 95	Jan 95	Apr 95	Jan 95	Jul 95	Jan 97	Jan 97
Beta[1]			0.33	0.29	0.46	0.41	0.46	0.44	0.65	0.63	0.76	0.75	0.87	0.86	1.03	1.03
1995				15.50					22.28		25.34		28.57			
1996			8.79	9.39	10.47	10.72			12.71	12.86	12.18	13.21	14.49	14.48		
1997			11.85	11.73	13.02	12.74			17.06	16.68	15.82	16.01	17.30	16.92	15.89	15.89
1998			6.55	6.59	7.27	6.95			10.84	10.77	8.56	9.31	10.00	9.51	10.73	10.73
1999			12.04	10.33	15.57	15.32			18.87	18.59	19.91	19.14	21.59	21.06	27.67	27.67
2000			4.75	5.22	0.50	0.54			-1.59	-1.68	-4.69	-4.22	-5.90	-6.05	-8.78	-8.78
2001			2.17	1.86	-0.03	-0.19			-2.26	-2.28	-2.43	-2.69	-4.35	-4.49	-6.92	-6.92
2002			-4.10	-2.39	-5.80	-5.35			-10.95	-10.49	-12.72	-12.19	-16.01	-15.29	-20.43	-20.43
2003			16.46	14.01	18.42	16.75			24.86	23.17	26.37	24.99	28.14	26.77	31.64	31.64
2004			8.60	8.28	9.44	9.21			10.84	10.71	11.82	11.66	12.41	12.31	12.90	12.90
2005			5.08	5.20	5.67	5.86	3.82		6.88	7.11	7.41	7.51	8.05	8.15	8.90	8.90
2006			10.10	8.93	11.08	10.05	15.95		13.01	12.37	14.03	13.52	14.99	14.72	16.15	16.15
2007			6.38	6.08	7.28	7.07	1.97	0.97	8.94	8.82	9.87	9.70	10.30	10.27	11.26	11.26
2008			-19.72	-17.13	-23.11	-20.97	-26.88	-25.66	-31.60	-31.01	-35.14	-34.77	-38.59	-38.28	-43.42	-43.42
2009			17.03	17.38	19.31	19.37	22.65	22.43	27.56	26.96	30.03	29.19	32.46	31.20	34.87	34.20
2010	5.95	3.37	8.79	6.27	9.92	7.80	12.22	10.77	12.46	10.96	13.39	12.47	14.23	13.84	16.04	16.04
2011	2.04	3.78	0.72	2.45	-0.53	1.18	2.38	3.49	-2.58	-1.57	-3.41	-2.65	-4.25	-3.63	-5.07	-5.06
2012	6.29	5.06	9.06	7.92	10.31	9.36	11.40	10.75	12.31	11.69	13.44	12.94	14.48	14.20	15.88	15.89
2013	1.53	1.29	5.94	5.49	9.48	8.99	10.81	10.44	16.10	15.67	19.24	19.00	22.68	22.41	28.57	28.57
2014	3.22	4.25	4.30	5.73	4.43	5.72	6.61	7.21	4.89	5.83	5.24	5.94	5.50	6.03	6.74	6.95
2015	-0.93	0.06	-1.06	0.25	-0.91	0.22	-0.90	-0.24	-0.86	0.10	-0.59	0.15	-0.55	0.15	0.63	0.79
2016	3.67	2.51	5.22	3.64	5.65	4.35	7.70	7.05	6.71	5.88	7.08	6.48	7.38	7.04	7.49	7.50

*Please see last page for important performance disclosure.
[1] Beta calculated since portfolio inception date.

Major market indices calendar year performance (%)*

	Standard & Poor's 500 Total Return	MSCI AC World Index ex US	Barclays US Aggregate	Barclays Municipal Bond	HFRX Global Hedge Fund (USD)	Bloomberg Commodity Index	FTSE/EPRA NAREIT Global Real Estate
1995	37.58	9.94	18.47	17.46		15.21	14.56
1996	22.96	6.68	3.63	4.43		23.17	34.58
1997	33.36	2.04	9.65	9.19		-3.39	4.91
1998	28.58	14.46	8.69	6.48	12.94	-27.03	-13.88
1999	21.04	30.91	-0.82	-2.06	26.66	24.35	8.17
2000	-9.10	-15.09	11.63	11.68	14.29	31.84	17.58
2001	-11.89	-19.50	8.44	5.13	8.67	-19.51	-2.41
2002	-22.10	-14.67	10.25	9.60	4.72	25.91	1.96
2003	28.68	41.41	4.10	5.31	13.39	23.93	40.69
2004	10.88	21.36	4.34	4.48	2.69	9.15	37.97
2005	4.91	17.11	2.43	3.51	2.72	21.36	15.35
2006	15.79	27.16	4.33	4.84	9.26	2.07	42.35
2007	5.49	17.12	6.97	3.36	4.23	16.23	-6.96
2008	-37.00	-45.24	5.24	-2.47	-23.25	-35.65	-47.72
2009	26.46	42.14	5.93	12.91	13.40	18.91	38.26
2010	15.06	11.60	6.54	2.38	5.19	16.83	20.41
2011	2.11	-13.33	7.84	10.70	-8.87	-13.32	-5.82
2012	16.00	17.39	4.21	6.78	3.51	-1.06	28.65
2013	32.39	15.78	-2.02	-2.55	6.72	-9.52	4.39
2014	13.69	-3.44	5.97	9.05	-0.58	-17.01	15.89
2015	1.38	-5.25	0.55	3.30	-3.64	-24.66	0.05
2016	11.96	5.01	2.65	0.25	2.50	11.77	6.51

*Please see last page for important performance disclosure.

ideas.

At Brinker Capital, we look beyond the traditional methods of investing to help grow real purchasing power for our clients over the long term.

discipline.

We help protect and build wealth through a multi-asset class approach.

outcomes.

This diversification gives investors the potential to see reduced risk and increased returns over the long term.

Brinker Capital

BrinkerCapital.com

1055 Westlakes Drive, Suite 250
Berwyn, PA 19312
800.333.4573

Connect With Us

BLOG

Returns are calculated gross (before the deduction) of advisory fees payable to Brinker Capital and any other expenses for services not covered by the advisory fee including administrative costs, which would reduce your return.

Brinker Capital's fee does not include the internal management fees and operating expenses of mutual funds in which a client's account is invested, which are reflected in the performance information contained herein. Brinker Capital's fees are disclosed in Part 2A of its Form ADV. The net effect of the deduction of Brinker Capital's fees on annualized performance, including the compounded effect over time, is determined by the relative size of the fee and the account's investment performance. The chart to the right depicts the effect of a 1% management fee on the growth of one dollar over a ten year period at 10% (9% after fees), 5% (4% after fees) and 3% (2% after fees) assumed rates of return. Looked at another way, $10,000.00 invested at 10% for ten years would grow to $25,937.42; at 9% it would grow to $23,673.64.

Year	1	2	3	4	5	6	7	8	9	10
10%	1.10	1.21	1.33	1.46	1.61	1.77	1.95	2.14	2.36	2.59
9%	1.09	1.19	1.30	1.41	1.54	1.68	1.83	1.99	2.17	2.37
5%	1.05	1.10	1.16	1.22	1.28	1.34	1.41	1.48	1.55	1.63
4%	1.04	1.08	1.12	1.17	1.22	1.27	1.32	1.37	1.42	1.48
3%	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
2%	1.02	1.04	1.06	1.08	1.10	1.13	1.15	1.17	1.20	1.22

Beta calculated against the S&P 500 Index, using monthly frequency, over the most recent 5 year time period, unless otherwise noted. Investing in any investment vehicle carries risk, including the possible loss of principal, and there can be no assurance that any investment strategy will provide positive performance over a period of time. Fixed income investments are subject to interest rate and credit risk. Foreign securities involve additional risks, including foreign currency changes, political risks, foreign taxes, and different methods of accounting and financial reporting. Alternative strategies involve magnified risks, are speculative, are not suitable for clients, and intended for experienced and sophisticated investors who are willing to bear the high enconomic risks of the investment. The asset classes and/or investment strategies described in this publication may not be suitable for all investors. Investment decisions should be made based on the investor's specific financial needs and objectives, goals, time horizon, tax liability, and risk tolerance. When investing in managed accounts and wrap accounts, there may be additional fees and expenses added onto the fees of the underlying investment products. For more information about Brinker Capital and our investment philosophy, including information on fees, you may request a copy of our Form ADV Part 2A from a Brinker Capital Client Services representative at 800.333.4573 or at clientservice@brinkercapital.com. Brinker Capital does not render tax, accounting, or legal advice.

Brinker Capital, Inc., a registered investment advisor. For one-on-one use by Financial Advisors whom have existing clients in the Brinker Capital Destinations Mutual Fund Program. Not for distribution with the public.