

STARSHIP

TURNKEY ASSET MANAGEMENT PROGRAM



BLEND CHANGES

SYNERGY
RELEASE

UPDATED SEP 27, 2024



SHERMAN
PORTFOLIOS

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STARSHIP TAMP | BLEND CHANGES SYNERGY RELEASE

FROM SPL DIRECTOR OF RESEARCH, TONY ROYLANCE

The Portfolio Toolkit used to create the original T, TA, and TAH investment blends has been completely overhauled with a major upgrade this past year. The change to a purely algorithmic platform brought to light some significant changes to the performance data that had been used in their construction.

As a result, those blends had to be updated to maintain their accuracy, reliability, and performance.

The research team at SPL is firmly committed to constant improvement. I have no doubt that there will be further upgrades as time goes on. New platform capabilities, such as improved machine learning algorithms, or access to more comprehensive datasets, may reveal new opportunities for refining model assumptions, recalibrating parameters, or incorporating additional variables. Without adapting to these advancements, legacy models will become obsolete, fail to capture new market dynamics, or under perform in the face of shifting investment landscapes.

Therefore, as a team we've incorporated a process of periodic review of all of our models and blends, ensuring our models remain aligned with the latest technology and data inputs and ultimately leading to better-informed decisions.

A handwritten signature in black ink, appearing to read 'Tony Roylance', with a stylized, cursive script.

FROM SPL MODEL CONSULTANT, DANIEL PINKERTON II

In this update we are excited to bring you new Hedge Fund Lite models that boast an incredible improvement across performance metrics, most notably in ITD, MDD, and MAR Ratio and reduction in loss years, as compared to the Harmony and Long/Short based models that have been used in the TAH models up until now.

These advances come through the synergistic layering of specialized groups of our existing indicators (including the recently developed STARFLUX_LS) to signal the current highest value market opportunity of four possible allocations: 1) ADVANCE with Equities or Leveraged Equities, 2) COUNTER with Inverse Equities or Leveraged Inverse Equities, 3) PROTECT or 4) EXIT with CALENDAR EFFECTS/CASH, allowing the new models to respond to changing market conditions with greatly improved accuracy and alacrity, and to exit to cash when market conditions are particularly uncertain.

This is a significant advance over the previous generation of Hedge Fund Lite models that used only a single set of general set of indicators to determine all positions. Another significant change is the reduction in the utilization of OEP in the Moderate Growth through Aggressive blends as it is more suited to capitalizing on strong broad market conditions, rather than scenarios where a few MEGA cap stocks are the driving factor in market gains.

TACTICAL ALTERNATIVE + HEDGE FUND LITE (TAH) CHANGES COMPARATIVE VIEW



Risk and returns have increased at the aggressive side of the scale with the determination to develop models that are truly aggressive at the furthest end of the aggressive approach.

The replacement of the harmony and Long/short HedgeFund Lite models with the new Synergy & Synergy GI models has substantially increased the MAR ratio and returns across the board, decreased the negative and low performing years, and substantially increased the minimum 3 year rolling average since inception in 2005.

The effect of reducing or removing OEP from the Moderate Growth to Aggressive models is noticeable. The new 1yr, 3yr, & 3yr rolling average minimums on the Moderate to Moderate Growth shows an increase in returns instead of the previous drop in returns.

Tactical + Alternative + Hedge Fund Lite Blend	Tactical + Alternatives + Hedge-Fund-Lite Conservative		Tactical + Alternatives + Hedge-Fund-Lite Defensive		Tactical + Alternatives + Hedge-Fund-Lite Moderately Defensive		Tactical + Alternatives + Hedge-Fund-Lite Moderate		Tactical + Alternatives + Hedge-Fund-Lite Moderate Growth		Tactical + Alternatives + Hedge-Fund-Lite Growth		Tactical + Alternatives + Hedge-Fund-Lite Moderately Aggressive		Tactical + Alternatives + Hedge-Fund-Lite Aggressive	
	Cons-Current	Cons-Updated	Def-Current	Def-Updated	ModDef-Current	ModDef-Updated	Moderate-Current	Moderate-Updated	ModGrow-Current	ModGrow-Updated	Grow-Current	Grow-Updated	ModAgg-Current	ModAgg-Updated	Agg-current	Agg-Updated
Allocation																
Breakaway S&P500										22%	18%	22%	20%	24%	20%	22%
Breakaway Russel 1000												20%		23%	13%	20%
Optimum Equity Portfolio									22%		24%		27%		28%	18%
Sector Rotation II			26%	26%	27%	27%	28%	28%	22%	22%	17%	17%	10%	10%	10%	
Harmony 3	7%		8%		12%		15%		15%		15%		19%		15%	
Sector Rotation II Long/Short w/Calendar+DELTA-V	14%		15%		16%		18%									
SECTOR II Long/Double Inverse+Calendar w/DELTA-V									18%		18%		18%		14%	
Synergy		7%		8%		12%		15%						19%		15%
Synergy 2										15%		15%				
Synergy-GI		14%		15%		16%		18%		18%		18%				
Synergy-GI 3														18%		25%
INCEPTION Date	6/24/2005	6/24/2005	6/24/2005	6/24/2005	6/24/2005	6/24/2005	6/24/2005	6/24/2005	6/24/2005	6/24/2005	6/24/2005	6/24/2005	6/24/2005	6/24/2005	1/1/2021	6/24/2005
As of Date	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024
ITD	9.45%	13.36%	12.14%	15.16%	13.24%	16.34%	14.76%	17.70%	17.28%	19.92%	18.11%	20.60%	18.40%	23.80%	17.07%	25.41%
MDD	-10.7%	-10.9%	-11.2%	-11.7%	-12.3%	-12.9%	-14.1%	-15.1%	-15.9%	-17.0%	-16.2%	-17.7%	-18.2%	-22.0%	-19.0%	-23.6%
MAR ratio	0.89	1.22	1.08	1.3	1.08	1.27	1.05	1.17	1.09	1.17	1.12	1.16	1.01	1.08	0.9	1.08
1yr	18.47%	24.58%	23.12%	26.39%	24.28%	27.05%	25.96%	27.94%	15.76%	35.41%	15.27%	34.71%	14.31%	42.19%	19.63%	40.57%
3yr	6.99%	11.81%	9.06%	12.36%	10.74%	13.84%	11.97%	14.61%	9.02%	17.87%	8.58%	17.02%	8.27%	19.78%	9.62%	19.62%
5yr	12.19%	16.49%	14.81%	17.55%	16.65%	19.15%	18.41%	20.35%	21.59%	24.07%	21.38%	24.31%	21.69%	28.05%	21.31%	29.65%
10yr	8.09%	11.90%	10.60%	13.09%	11.46%	13.95%	12.69%	14.81%	15.57%	17.66%	15.88%	18.27%	16.14%	21.41%	16.51%	22.64%
RISKALYZE	25	26	28	30	31	34	35	40	37	42	37	42	39	51	38	52
Years <0%	1	1	2	1	2	1	2	1	2	1	2	1	2	1	3	1
Years <5%	5	3	5	2	4	2	4	2	3	2	3	2	3	1	3	1
Rolling 3yr MIN	4.40%	7.55%	6.30%	8.70%	6.72%	8.90%	7.82%	9.67%	5.28%	11.70%	5.43%	11.70%	4.98%	13.07%	7.97%	13.45%
Minimum		\$50,000		\$50,000		\$50,000		\$50,000		\$100,000		\$100,000		\$100,000		\$100,000

TACTICAL ALTERNATIVE (TA) CHANGES COMPARATIVE VIEW



The only changes made to the TA models are a replacement of part or all of the Optimum Equity Portfolio (OEP) allocation with allocation to one or more of the breakaway models.

This has slightly decreased the inception-to-date (ITD) and 10yr CAGRs. However, these changes have substantially increased the one and three year returns in addition to the three year rolling average minimum. This brings these models in line expectations.

Additionally, both the Moderate Growth and Growth now only have one year since inception with a return that was less than 5%.

Allocation	Tactical + Alternatives Moderate Growth		Tactical + Alternatives Growth		Tactical + Alternatives Moderately Aggressive		Tactical + Alternatives Aggressive	
	ModGrow-Current	ModGrow-Updated	Grow-Current	Grow-Updated	ModAgg-Current	ModAgg-Updated	Agg-current	Agg-Updated
Breakaway S&P500			19%	22%	20%	22%	25%	28%
Breakaway Russel 1000		22%		22%	13%	22%	20%	27%
Optimum Equity Portfolio	22%		25%		27%	16%	30%	20%
INCEPTION Date	6/24/2005	6/24/2005	6/24/2005	6/24/2005	4/6/2001	4/6/2001	4/6/2001	4/6/2001
As of Date	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024
ITD	17.69%	16.70%	18.58%	17.56%	17.66%	17.84%	18.42%	18.56%
MDD	-14.2%	-16.1%	-15.5%	-17.5%	-19.3%	-19.9%	-20.2%	-20.7%
1yr	17.47%	28.17%	16.59%	26.49%	20.14%	22.88%	20.72%	22.79%
3yr	10.42%	12.60%	9.85%	11.77%	10.98%	11.49%	10.95%	11.33%
5yr	22.05%	20.22%	21.90%	19.91%	22.21%	21.76%	22.43%	22.00%
10yr	15.97%	15.13%	16.33%	15.41%	16.85%	16.72%	17.32%	17.15%
RISKALYZE	30	34	30	34	33	34	35	36
Years <0%	1	1	1	1	2	2	2	2
Years <5%	2	1	2	1	2	2	2	2
Rolling 3yr MIN	6.45%	9.71%	6.36%	11.20%	8.55%	10.04%	8.82%	9.93%
Minimum		\$100,000		\$100,000		\$100,000		\$100,000

TACTICAL (T) CHANGES COMPARATIVE VIEW



With the Tactical update, the OEP allocations have been either reduced or eliminated completely from the Moderate Growth to Aggressive blends.

This has rendered an improvement across the board in inception-to-date, ten year, 3yr, & 1yr CAGRs, as well as 3yr rolling average minimum.

Additionally it has improved the low performing years in the Moderate growth and Growth blends but with a slight reduction in the 5yr CAGR, as well as MAR ratio.

<i>Tactical Blend</i>	Tactical Moderate Growth		Tactical Growth		Tactical Moderately Aggressive		Tactical Aggressive	
Allocation	Moderate Growth Current	Moderate Growth Updated	Growth Current	Growth Updated	Moderately Aggressive Current	Moderately Aggressive Updated	Aggressive Current	Aggressive Updated
Breakaway S&P500	15%	15%	20%	22%	25%	25%	30%	30%
Breakaway Russel 1000		15%		23%	15%	25%	20%	30%
Optimum Equity Portfolio	15%		25%		30%	20%	35%	25%
INCEPTION Date	1/1/2001	1/1/2001	1/1/2001	1/1/2001	1/1/2001	1/1/2001	1/1/2001	1/1/2001
As of Date	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024
ITD	15.63%	15.89%	16.66%	17.02%	17.93%	18.09%	18.40%	18.54%
MDD	-17.3%	-18.1%	-18.4%	-19.4%	-19.7%	-20.1%	-19.9%	-20.3%
MAR ratio	0.91	0.89	0.91	0.88	0.92	0.91	0.93	0.92
1yr	22.09%	26.81%	20.72%	26.77%	21.52%	23.64%	20.93%	22.90%
3yr	11.41%	12.30%	11.09%	12.22%	10.91%	11.31%	10.56%	10.94%
5yr	20.10%	19.90%	20.80%	20.36%	21.58%	21.43%	21.76%	21.62%
10yr	15.19%	15.33%	15.77%	15.83%	16.85%	16.89%	17.18%	17.20%
RISKALYZE	29	31	32	36	34	35	35	36
Years <0%	2	2	2	2	2	2	2	2
Years <5%	3	2	3	2	2	2	2	2
Rolling 3yr MIN	9.27%	10.52%	8.70%	11.71%	9.07%	10.16%	8.84%	9.84%
Minimum		\$100,000		\$100,000		\$100,000		\$100,000

STARSHIP TAMP | MODEL CHANGES

SYNERGY RELEASE



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For comparison purposes the model portfolio is compared against a benchmark in which we believe best represents the portfolio being managed.

Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect the reinvestment of dividends and other income. Discretion to choose a particular benchmark is compared against can make the returns we show you appear to be better than if they were compared to a different and more appropriate benchmark.

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An investor’s personal goals, risk tolerance, income needs, portfolio size, asset allocation and securities preferences, income tax and estate planning strategy should be reviewed before committing to a specific investment program. Please consult with your financial advisor to discuss the appropriateness of any particular strategy prior to investing. All investments involve risk. Principal is subject to loss and actual returns may be negative. Returns are not guaranteed in any way and may vary widely from year to year.