



SWAN GLOBAL
INVESTMENTS

Investing for Income

The Defined Risk Strategy – Seeking Consistency and Sustainability

Investing for Income

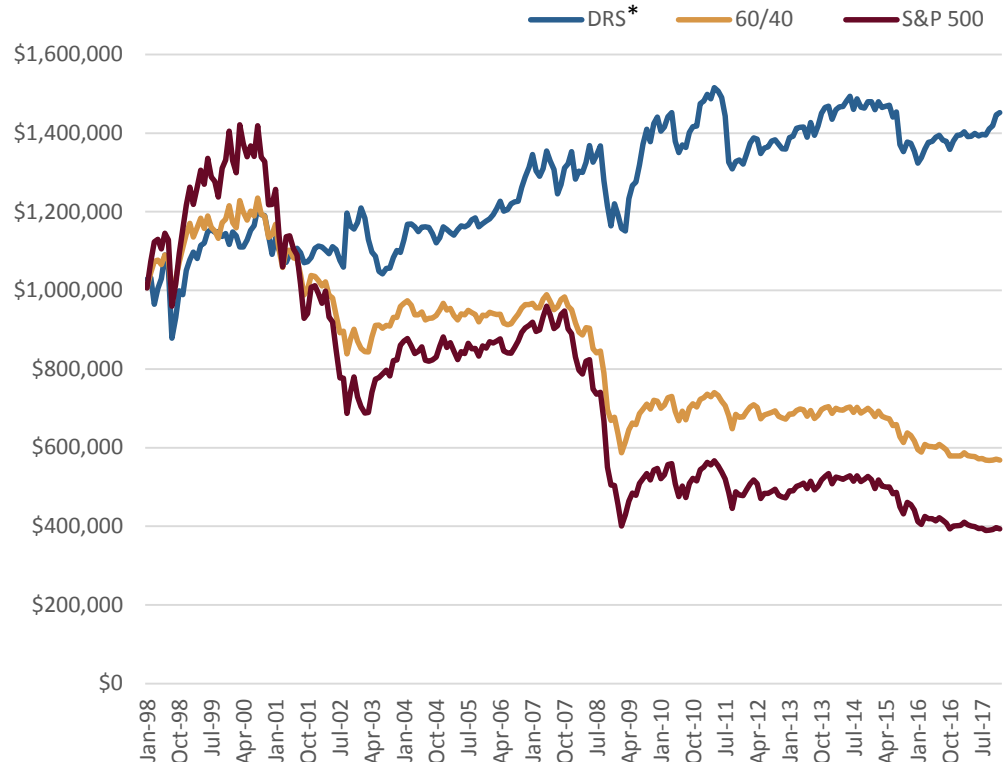
Retirees need their money to last. Outliving retirement income is a fear of every retiree, and an outcome every advisor seeks to prevent.

The Swan Defined Risk Strategy (DRS) may provide staying power and growth for your assets in retirement, even while taking monthly withdrawals from your account.

Scenario	Starting Value	Amount Withdrawn	Ending Value
Swan Defined Risk Strategy (Net)*	\$1,000,000	\$1,457,842	\$1,452,335
60% S&P 500 Index / 40% Barclays U.S. Aggregate Bond Index	\$1,000,000	\$1,457,842	\$568,369
S&P 500 Index	\$1,000,000	\$1,457,842	\$393,447

Assumptions	
Starting Value	\$1,000,000
Withdrawals**	\$5,000 / Month
Growth Rate	Supplied
Annual % Inflation	2.0%
Date Range	1/1/1998 to 12/31/2017

Annualized Account Value (Net of Withdrawals)



	Swan Defined Risk Strategy (Net)	60% S&P 500 Index / 40% Barclays Aggregate Bond	S&P 500 Index
Geo Compound Return	7.9%	6.6%	7.2%
Arith Average Return	8.1%	6.8%	8.1%
Standard Deviation*	9.2%	8.9%	14.9%
Cumulative Return	358.9%	260.4%	301.3%
Starting Value	\$1,000,000	\$1,000,000	\$1,000,000
Portfolio Change	\$1,910,177	\$1,026,211	\$851,289
Total Withdrawal	(\$1,457,842)	(\$1,457,842)	(\$1,457,842)
Ending Value	\$1,452,335	\$568,369	\$393,447

* Standard Deviation Based on Monthly Returns

Year	Swan Defined Risk Strategy (Net)				60% S&P 500 Index / 40% Barclays Aggregate Bond				S&P 500 Index			
	Returns %	Returns \$	Withdrawal \$	Ending Value	Returns %	Returns \$	Withdrawal \$	Ending Value	Returns %	Returns \$	Withdrawal \$	Ending Value
Initial Value				\$1,000,000				\$1,000,000				\$1,000,000
1998	11.6%	\$110,794	-\$60,000	\$1,050,794	21.0%	\$203,567	-\$60,000	\$1,143,567	28.6%	\$277,169	-\$60,000	\$1,217,169
1999	12.3%	\$127,598	-\$61,200	\$1,117,193	12.0%	\$133,092	-\$61,200	\$1,215,458	21.0%	\$249,237	-\$61,200	\$1,405,206
2000	3.2%	\$36,949	-\$62,424	\$1,091,717	-1.0%	-\$11,304	-\$62,424	\$1,141,730	-9.1%	-\$123,986	-\$62,424	\$1,218,797
2001	7.5%	\$78,930	-\$63,672	\$1,106,975	-3.7%	-\$42,380	-\$63,672	\$1,035,677	-11.9%	-\$143,543	-\$63,672	\$1,011,581
2002	12.2%	\$130,380	-\$64,946	\$1,172,409	-9.8%	-\$99,435	-\$64,946	\$871,296	-22.1%	-\$217,569	-\$64,946	\$729,066
2003	-0.6%	-\$9,452	-\$66,245	\$1,096,712	18.5%	\$154,038	-\$66,245	\$959,090	28.7%	\$198,009	-\$66,245	\$860,831
2004	12.3%	\$132,260	-\$67,570	\$1,161,402	8.3%	\$75,801	-\$67,570	\$967,321	10.9%	\$88,382	-\$67,570	\$881,643
2005	7.5%	\$84,033	-\$68,921	\$1,176,514	4.0%	\$36,651	-\$68,921	\$935,051	4.9%	\$40,326	-\$68,921	\$853,048
2006	18.1%	\$206,543	-\$70,300	\$1,312,757	11.1%	\$99,432	-\$70,300	\$964,183	15.8%	\$128,603	-\$70,300	\$911,352
2007	8.8%	\$111,511	-\$71,706	\$1,352,563	6.2%	\$58,680	-\$71,706	\$951,157	5.5%	\$49,833	-\$71,706	\$889,479
2008	-4.5%	-\$58,826	-\$73,140	\$1,220,597	-22.1%	-\$200,285	-\$73,140	\$677,732	-37.0%	-\$312,352	-\$73,140	\$503,987
2009	25.0%	\$294,484	-\$74,602	\$1,440,478	18.4%	\$114,732	-\$74,602	\$717,861	26.5%	\$117,841	-\$74,602	\$547,225
2010	8.1%	\$110,891	-\$76,095	\$1,475,275	12.1%	\$80,790	-\$76,095	\$722,557	15.1%	\$72,802	-\$76,095	\$543,933
2011	-5.4%	-\$76,154	-\$77,616	\$1,321,505	4.7%	\$32,848	-\$77,616	\$677,789	2.1%	\$11,929	-\$77,616	\$478,245
2012	9.0%	\$117,404	-\$79,169	\$1,359,740	11.3%	\$74,215	-\$79,169	\$672,835	16.0%	\$73,292	-\$79,169	\$472,368
2013	14.3%	\$189,885	-\$80,752	\$1,468,873	17.6%	\$112,034	-\$80,752	\$704,117	32.4%	\$142,117	-\$80,752	\$533,733
2014	6.5%	\$93,105	-\$82,367	\$1,479,611	10.6%	\$70,558	-\$82,367	\$692,307	13.7%	\$67,193	-\$82,367	\$518,559
2015	-2.9%	-\$41,564	-\$84,014	\$1,354,032	1.3%	\$8,611	-\$84,014	\$616,903	1.4%	\$6,595	-\$84,014	\$441,140
2016	9.6%	\$125,836	-\$85,695	\$1,394,173	8.3%	\$47,759	-\$85,695	\$578,967	12.0%	\$46,219	-\$85,695	\$401,664
2017	10.8%	\$145,571	-\$87,409	\$1,452,335	14.2%	\$76,810	-\$87,409	\$568,369	21.8%	\$79,192	-\$87,409	\$393,447

Source: Zephyr StyleADVISOR and Swan Global Investments. All data based on historic performance of the Swan DRS Select Composite.

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