

# Measured Risk Portfolio Strategy

## Separately Managed Account

Each separately managed account (SMA) strives to reduce exposure from severe market risks by strategically maintaining an optimal mix of options, fixed income and cash.

## Our Investment Strategy

MRP Conservative Strategy (MRP Lite) attempts to capture market gains through synthetic long exposure using exchange traded fund (ETF) or index options on the S&P 500 Index.

At inception, approximately 7-10% of the portfolio will be used to purchase these call options with a duration near 1 year. This allocation is subject to the potential for total loss at expiration. Ideally, these initial option contracts will increase as the index rises, affording an opportunity to sell them for a profit and roll all or a portion of the profit into the fixed income allocation seeking to protect the profits from subsequent index declines.

The balance and majority of the portfolio will be deployed into short duration fixed income securities. These are typically US Treasuries with short duration, although we may utilize fixed income mutual funds, ETFs and individual corporate bonds, both domestic and foreign, to achieve our objective of principal protection for this fixed income allocation.

In down markets the portfolio is designed to limit large losses. However, smaller market losses may be exaggerated. In rising markets, the portfolio may lag. The net effect is dependent on the rate at which the market is increasing or decreasing.

## Investment Performance

| Year               | MRP Lite Gross | MRP Lite Net | Benchmark |
|--------------------|----------------|--------------|-----------|
| <b>2025 YTD</b>    | 6.76%          | 5.35%        | 8.29%     |
| <b>2024</b>        | 18.35%         | 15.57%       | 12.75%    |
| <b>2023</b>        | 13.79%         | 11.53%       | 15.73%    |
| <b>2022</b>        | -9.69%         | -11.48%      | -15.03%   |
| <b>2021</b>        | 18.75%         | 16.40%       | 12.84%    |
| <b>2020</b>        | 15.67%         | 13.38%       | 14.64%    |
| <b>2019</b>        | 21.72%         | 19.31%       | 19.87%    |
| <b>2018</b>        | -3.39%         | -5.30%       | -1.82%    |
| <b>2017</b>        | 13.75%         | 11.50%       | 12.41%    |
| <b>2016</b>        | 7.83%          | 5.70%        | 7.48%     |
| <b>2015</b>        | -4.30%         | -6.20%       | 1.33%     |
| <b>2014</b>        | 6.60%          | 4.49%        | 9.98%     |
| <b>2013*</b>       | 14.08%         | 12.95%       | 8.15%     |
| <b>Best Month</b>  | 7.75%          | 7.57%        | 7.35%     |
| <b>Worst Month</b> | -5.65%         | -5.81%       | -6.75%    |

\*Partial period starting July 1, 2013.

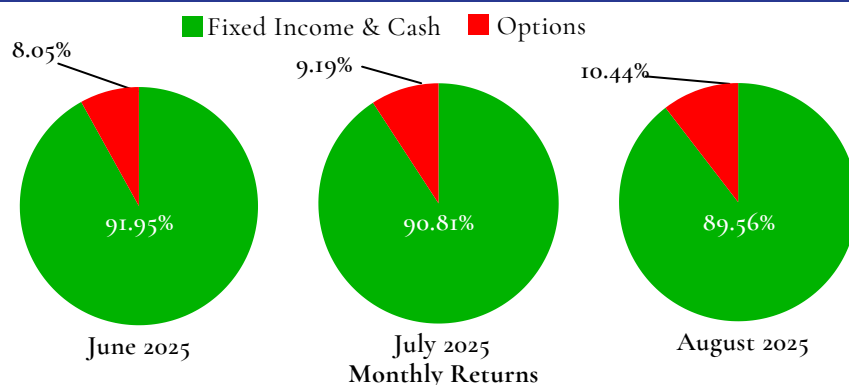
The Benchmark listed in the tables on this page is a custom blended benchmark comprised of 50% S&P 500 Index / 50% Bloomberg US Aggregate Index. Please see disclosures on page 2 for more information.

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**NOT BANK GUARANTEED**

## Our Investment Philosophy

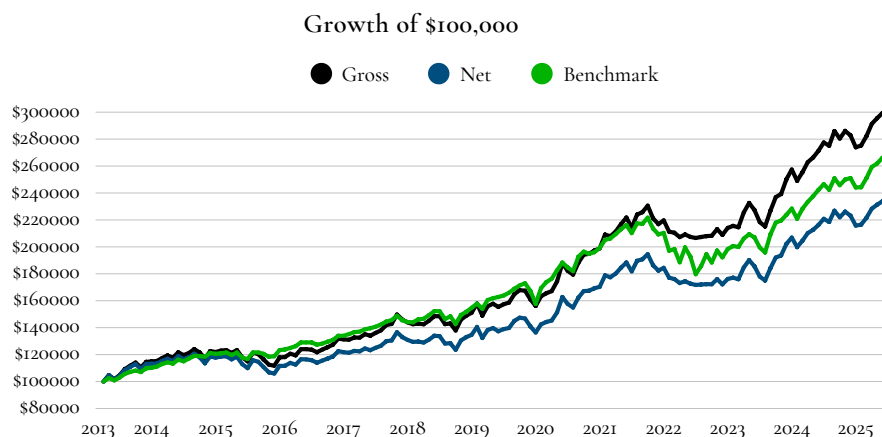
We all know how rewarding investing can be over the long term. But the main problem is, long term equity returns come with short term volatility that can have a devastating effect on our emotions, and as a result, our capital. When things get rough in the markets, it can rattle our commitment to our long-term goals.

## 90 Day Trailing Risk Allocations & Performance



|                       | June 2025 | July 2025 | August 2025 |
|-----------------------|-----------|-----------|-------------|
| <b>MRP Lite Gross</b> | 3.23%     | 1.46%     | 1.28%       |
| <b>MRP Lite Net</b>   | 3.06%     | 1.29%     | 1.11%       |
| <b>Benchmark</b>      | 3.31%     | 0.99%     | 1.63%       |

## Performance & Statistical Data



|                                  | 1-Year | 3-Year | 5-Year  | 10-Year |
|----------------------------------|--------|--------|---------|---------|
| <b>Gross Return - MRP Lite</b>   | 10.34% | 13.02% | 9.78%   | 9.77%   |
| <b>Net Return - MRP Lite</b>     | 8.16%  | 10.64% | 7.52%   | 7.56%   |
| <b>Return - Benchmark</b>        | 9.85%  | 11.37% | 7.17%   | 8.50%   |
| <b>Beta</b>                      | 1.01   | 0.67   | 0.69    | 0.84    |
| <b>Alpha</b>                     | -1.76% | 1.50%  | 1.68%   | 0.12%   |
| <b>R Squared</b>                 | 91.46  | 62.57  | 66.61   | 67.25   |
| <b>Max Draw Down - MRP Lite</b>  | -4.86% | -7.95% | -11.73% | -11.73% |
| <b>Max Draw Down - Benchmark</b> | -2.79% | -6.75% | -18.95% | -18.95% |

\*Inception Date: July 1, 2013. Risk Statistics presented are net of fees.

Please see next page for important disclosures.

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## Separately Managed Account

MRP Lite

### Measured Risk Portfolios, Inc.

A registered investment advisor (RIA) since 2007, Measured Risk Portfolios, Inc. uses non-conventional portfolio construction methods and options to manage risk.



#### Larry Kriesmer

##### Co-Portfolio Manager, Since Inception

Larry grew up in the middle east, moved to the US when he was 18 and earned his degree from the University of Redlands, in southern California in 1985. Larry began his career in financial services in 1987 and earned the CLU and ChFC designations in 1992 and 1993 respectively.



#### Bernard Surovsky

##### Co-Portfolio Manager, Since Inception

Bernard has more than 20 years' experience as an advisor as well as trading and using options strategies. Bernard graduated from the University of Cape Town then emigrated to the US from South Africa in 1992.

### Disclosures

Measured Risk Portfolios, Inc. (MRPI) is a Registered Investment Advisor with the Securities Exchange Commission and Program Manager (PM). SEC registration does not denote any special training or qualification conferred by the SEC to the registrant. Information regarding this investment program including investment management fees, as well as important information regarding MRPI, its services, compensation, and conflicts of interest is contained in its Form ADV, Part II or substitute disclosure document, available from MRPI upon request.

**Strategies Related to MRP:** MRPI employs various strategies to achieve the objective of growth with limited losses in severe conditions. One tool to achieve this objective is the purchase of call options. Options involve risk and are not suitable for all investors. Purchased options may expire worthless at expiration resulting in significant, but controlled losses to the portfolio. Other MRP strategies with more risk are available. The program is not limited to any asset class and the PM retains discretionary trading authority on all accounts. In no event will the PM engage in "naked" option trading, which is the most speculative form of trading.

**Performance and Fee Information:** Performance reflects the composite returns of discretionary accounts managed by MRPI, including those that are no longer in the strategy or the firm. MRPI utilized various hedging strategies during the reporting period due to market conditions. Gross-of-fee returns are reduced by trading costs. If applicable, net-of-fee returns of accounts paying performance-based fees are reduced by trading costs and each portfolio's actual investment management fee. Net-of-fee returns are calculated for all other accounts by applying a model fee of 2%. The model fee represents the highest tier of the composite fee schedule. The annual model management fee is applied on a monthly basis, by deducting 1/12th of the model fee from the monthly gross returns. MRPI's maximum annual investment management fee is 2.00% although not all clients paid the maximum fee. Fees are currently billed in advance.

**Limitations of Past Performance:** Possibility of Losses: Past performance does not guarantee future results. Prospective clients should not assume that future performance will be profitable. Participation in this program carries the potential for profit as well as the probability of loss, especially over shorter time periods. Total loss of the option component should be expected from time to time, based on market conditions that are beyond the control of the PM. Price fluctuations in the fixed income component, although less severe, should also be expected, particularly in rising interest rate environments.

**Other Fees and Expenses; Impact of Taxes:** The investment management fee paid to MRPI is separate and distinct from the internal fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus, and will generally include a management fee, internal investment, custodial, and other expenses, and a possible distribution fee. Prospective clients should consider all of these fees and charges when deciding whether to invest in the program. Performance results for this program do not reflect the impact of taxes. Program accounts may engage in a significant amount of trading. Gains or losses will generally be short-term in nature; consequently, this program may not be suitable for clients seeking tax efficiency.

**Comparisons to Indices:** The Measured Risk Portfolio Conservative strategy is compared against a custom blended benchmark comprised of 50% S&P 500 / 50% Bloomberg U.S. Aggregate Index. The custom benchmark is calculated by weighting the respective index returns on a daily basis. The S&P 500 Composite Index is a market capitalization-weighted index of 500 widely held stocks often used as a proxy for the broader stock market, and includes the common stocks of industrial, financial, utility, and transportation companies. The Bloomberg Barclays US Aggregate Bond Index is a broad base, market capitalization-weighted bond market index representing intermediate term investment grade bonds traded in the United States. The historical performance results of either Index do not reflect the deduction of transaction or custodial charges, nor the deduction of an investment management fees, which would decrease historical performance results. Investors cannot invest directly in either Index. Although accounts participating in this program will be invested, in part, in securities which are consistent with securities in these indices, participating accounts will also be invested in other securities which are not part of either index. Investments in these other securities and differences in allocation to cash of accounts participating in this program will cause the performance of client accounts to differ materially from the performance of either index and the presented performance. Performance of the custom blended benchmark is provided solely for comparison purposes and does not imply that the program seeks to match or outperform the index over time.

**Other Considerations:** The PM reserves the right to accept smaller accounts. Because accounts are managed separately, smaller accounts may not be able to benefit from all option strategies. This may result in significant performance distortion, both positive and negative, during strong market moves in either direction.

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