SYNCHRONY | CAPITAL

2017 Quarterly Investment Report

April 3, 2017

Dear Synchrony Capital Shareholders,

We are pleased to report a gain of 15.61% for the quarter ending March, 31 2017. This performance is one of the strongest quarters on record for the Fund. We have generated these results while maintaining 20% of the value of the portfolio in cash equivalents and maintaining a lower risk profile as is reflected in our risk management statistics.

Such returns reflect our commitment and discipline to our strategy; to identify macroeconomic themes through the use of fundamental and quantitative analysis. We analyze large amounts of data to identify patterns, trends, imbalances, and inflection points across the financial markets to forecast market movements.

Synchrony Capital has enjoyed a very flexible investment charter. This flexibility allows us to move into areas of temporary and compelling opportunities. Examples include the drastic drop in U.S. equity prices at the beginning of 2016 which lead to a 17% gain for Synchrony Capital while the S&P 500 was down 11%, as well as the opportunity set we capitalized upon in the oil market during the first quarter of 2017 which contributed to a 15.61% investment return for our investors.

Profitable results were achieved across the Fund's portfolio, led by gains in U.S. equities and energy investments.

Portfolio Review

Synchrony Capital

Breakdown of Investment Results for the Three Months Ending March, 30 2017.

U.S. Public Equities	10.49%
Energy Sector (Crude Oil)	3.04%
Arbitrage or Spread Trades	1.56%
Interest on Cash Equivalents Less Management Fees and Other	0.52%
	15.61%

U.S. Equity Markets

President Trump's victory sparked a large shift into U.S. equities. This shift, fueled by hope and optimism of deregulations and corporate tax cuts, was the event that unleashed large-scale investments into the U.S. equity space. Our research in late December pointed to continued momentum within the equity markets in the U.S.

As we applied our research to the global markets, our sights were continually drawn back to the U.S. equity markets. The U.S. economic outlook was exceedingly healthy going into 2017.

U.S. GDP growth was revised up from 1.9 percent to 2.1 percent. This forecast, released by the Federal Open Market Committee considers the impact of Trump's policies. The unemployment rate is predicted to drop to ~ 4.5 percent in 2017. The increase in real GDP reflects an increase in consumer spending, private inventory spending, residential investment, business investment, and state and local government spending. Corporate profits also rose 22.3 percent year-on-year in the fourth-quarter of 2016. Additionally, for Q1 of 2017, the estimated earnings growth rate for the S&P 500 is 9.1%. If this growth rate stands, it will be the highest year-over-year earnings growth rate for the index since Q4 of 2011.

Energy Sector

Commodity prices continue to rise from their low point of 2016 as the oil market begins to rebalance. Crude oil prices are forecasted to rise to ~ $55 per barrel by the end of 2017. This rise from 2016's averages of $43/bbl is due to OPEC lowering their output and a return to a sustained equilibrium of supply and demand.

Our oil investment began just weeks before oil capped its biggest weekly gain of 2017. Our thesis going into this investment was twofold. First, according to a World Bank report, the consumption of oil is expected to begin exceeding production in 2017. This stabilization of supply and demand is what drove oil prices from a low of $26/bbl to last week's close of $50/bbl. Secondly, crude stockpiles are starting to decline in a sign that the production cuts implemented are bringing the market to balance.

After the price of oil stabilized during the end of 2016, we had more confidence in the continued stabilization of oil prices. We executed our investment in oil at $46/bbl, and with our near to mid-term price target for $53/bbl, this would deliver a compelling investment for Synchrony Capital.

Outlook

Our forecast for 2017 is global growth will continue to strengthen. This thesis is rooted in data which signals a rise in consensus growth estimates in the months ahead. Additionally, expectations of regulatory easing under a Trump administration have strengthened the market mindset. U.S. equity markets have hit record highs since the election, and global macro outlook supports continued growth for the S&P 500. Capital flow into risker assets relative to safe assets is still low. We see investor optimism lifting equities and other asset classes further into 2017.

As with all investments, short-term market movements are influenced by technical or reactionary qualities, whereas mid to long-term movements are impacted by more fundamental data. The greatest investments are often long-term and driven by fundamentals. This philosophy is rooted in all our investment decisions.

We believe the values within our current portfolio are extremely compelling and that we are well-positioned for any market environment. We remain grateful for your confidence and support and please do not hesitate to contact us if you have any questions or comments.

Very truly yours,

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Average Annual Total Returns For Periods Ending 3/31/2017	**1 Year**	**3 Year**	**Life of Fund (since 1/1/2013)**
Synchrony Capital	22.19%	148%	198.4%

GROWTH OF AN ASSUMED $100,000 INVESTMENT IN SYNCHRONY CAPITAL FROM 1/1/2013 THROUGH 3/31/2017

Synchrony Capital

	Fund	S&P 500
12/31/2012	$100,000.00	$100,000.00
12/31/2013	$111,390.00	$132,430.00
12/31/2014	$162,629.00	$150,718.00
12/31/2015	$204,912.00	$152,692.00
12/31/2016	$258,189.00	$170,892.00
03/31/2017	$298,492.00	$180,974.00