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### Trading Program Investment Objective

The objective of the 300% Program is to seek absolute capital appreciation in the long run by investing principally in the actively traded G10 currencies using a maximum 3 times leverage. The program's design takes advantage of the low drawdown/ low leverage style as a low correlation portfolio of currency pairs that employs 'Triangulation'. We define triangulation in FX terms, not as a trigonometric operation. The model manages all pairs independent of each other, at times it will call for same currency to have long and short positions in different pairs.

### Fund Information

Fund Domicile	USA
Investment Manager	Overlay Capital LLC
Launch Date	Jan 3, 2017
Dealing Frequency	Daily
Base Currency	USD
NAV per share (Class A)	USD 101.21
Use of Leverage	Yes - Maximum 3 times
Average leverage used	Less than 1.5 times
Management Fee	0%
Incentive Fee	30%

## Monthly Performance Data from Jan 2012 through Jan 31 2017

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	**StDev	***Sharpe Ratio
2012*	0.08%	1.86%	1.16%	0.59%	-1.49%	3.26%	-1.69%	2.04%	-1.30%	2.25%	-0.33%	2.78%	<b>9.20%</b>	6.72%	1.2
2013*	3.54%	1.53%	-1.20%	1.55%	0.53%	4.07%	2.44%	1.58%	-1.28%	1.79%	-0.98%	1.24%	<b>14.81%</b>	5.73%	2.4
2014*	-0.33%	0.53%	2.16%	-0.84%	1.17%	0.92%	0.23%	-0.51%	3.80%	1.77%	3.27%	2.01%	<b>14.18%</b>	4.18%	3.2
2015*	9.30%	0.21%	0.67%	1.17%	3.18%	0.50%	2.69%	6.80%	-0.15%	0.67%	1.48%	4.99%	<b>31.51%</b>	6.75%	4.5
2016*	0.87%	1.99%	-0.41%	2.30%	2.43%	5.79%	1.12%	1.57%	0.24%	0.46%	1.09%	0.02%	<b>17.46%</b>	3.66%	4.5
2017	<b>1.21%</b>												<b>1.21%</b>		

2017 Live Trading Performance (net of 30% incentive fee)

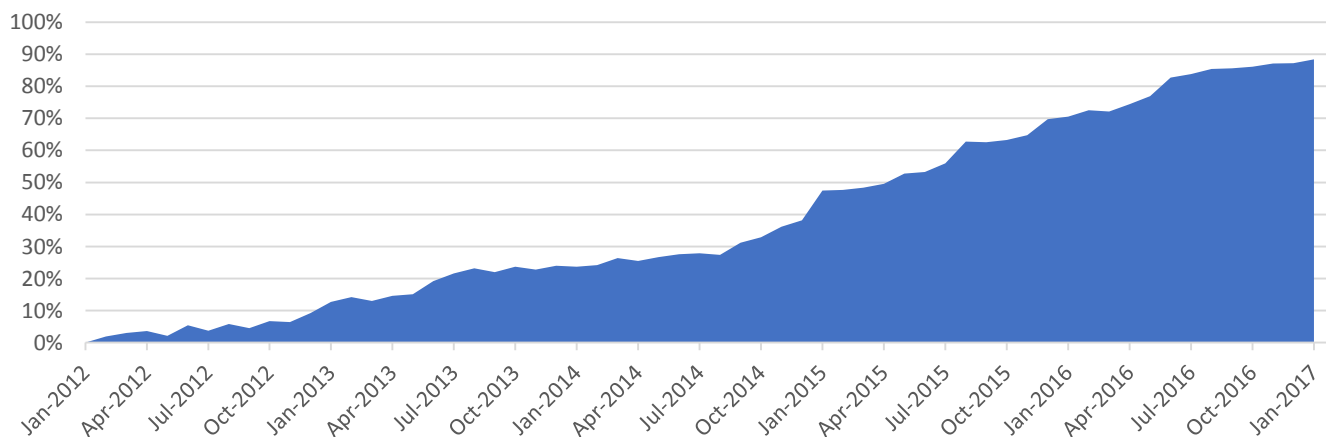
\*Hypothetical Returns.

\*\*StDev measures volatility using daily returns for the year

\*\*\*Sharpe Ratio uses 1% for risk free rate

	1-Month	2-Months	3-Months	6-Months	1-Year	Annualized Return
Performance (net of 30% fee)	1.21					14.51%

### Overlay Capital 300% Program Cumulative Performance



### Statistics for 300% Program (through January 31 2017)

Rolling 12 month return	17.80%	Annualized Standard Deviation	6.92%
Best Monthly Return	9.30%	Maximum Drawdown (monthly data)	2.82%
Worst Monthly Return	-1.69%	MAR Ratio	6.17
Average Monthly Return	1.45%	Calmar Ratio	18.41
Percentage of Months with Gain	80.3%	*Correlation with DXY	-0.56%
Average Monthly Gain	2.02%	*Correlation with SPY	-1.30%
Average Monthly Loss	-0.88%	*Correlation with MSCI World Index	-1.70%

\*Correlation calculations through Dec 31 2016

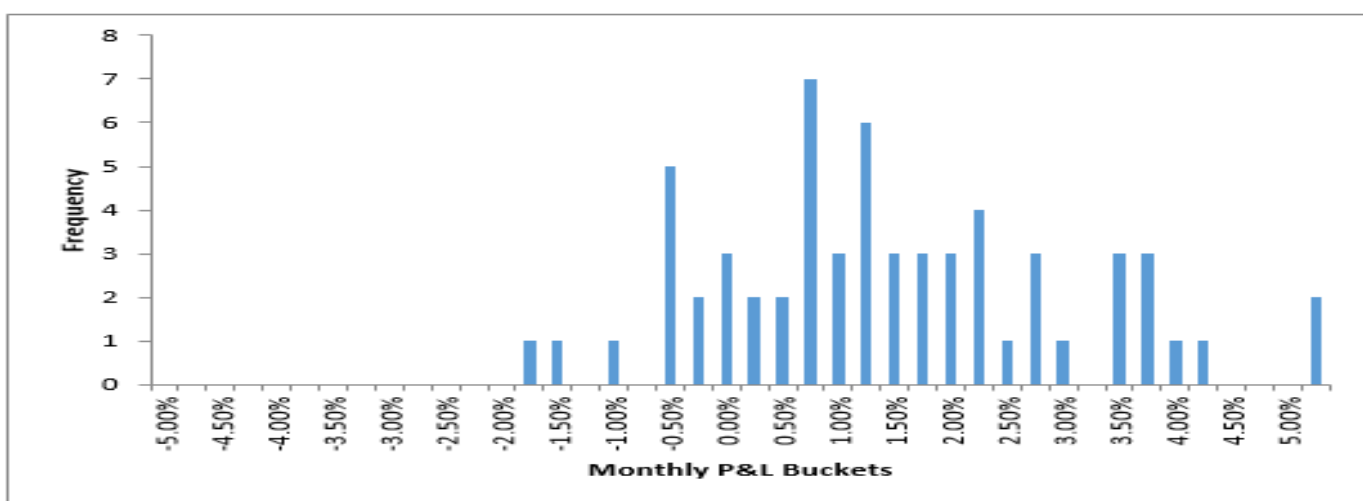
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### Manager's Market and Program Commentary

The Trading Program went live during the first week of January 2017. The prior returns were generated during our back testing process and you see those returns in the table at the top of the first page with an asterix. The January return was 1.21% after incentive fee and as reflected in the histogram of monthly P&L below, it looks in line with prior hypothetical returns. The peak return for the program this month was 3.10% and it gave back over 1% in the past couple of days. Volatility in the currency markets saw a slight uptick with the aftermath of a new President taking office. We anticipate continued swings in the marketplace, and believe our end of day models give a broad view of activity and is positioned to react with a more measured approach.

Part of Overlay Capital's process is to spend a majority of our time in research and development. We are constantly focused on the models intraday performance with a focus on applying similar logic that the model employs, and apply it to a position sizing over the course of the trading day. These rules coupled with the teams understanding of the micro-structure of the foreign exchange market, will generate steady returns with low standard deviations.



### Countries in the 300% Program

- Australia - AUDUSD
- United Kingdom - GBPUSD
- Canada – USDCAD
- Japan – USDJPY
- European Union – EURUSD
- Switzerland – USDCHF

### Facts from Historical Data

- From the historical study, the largest drawdown on a monthly basis was 1.69% in July 2012. On a daily basis over that same period, the drawdown was 2.82%.
- Longest days from that drawdown back to peak was 35 days.
- January 2017 (live trading) we saw a daily drawdown of 1.92% and the recovery to peak was 12 days. (Jan 2017).
- The average leverage in the 3x program is less than 1.5 times.
- Average daily P&L is approximately 6 bps.
- The currencies in the 300% Program are the most liquid giving the program the ability to scale.
- Low/and negative correlations with other assets classes, including during stressful market conditions.

**Risk Warning** - This document was prepared and issued by Overlay Capital LLC.

Investment involves risks. The Monthly Trading Review is an expression of our opinion. Opinions expressed in this letter are intended solely as a general market commentary and do not constitute investment advice or a guarantee of returns. All expressions of opinion are subject to change without notice.

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