

INVESTMENT STRATEGY

Hedged portfolios are designed with a goal of reducing equity volatility while generating capital appreciation at least equal to the rate of inflation.

It may use alternative strategies to hedge the overall equity market exposure.

The portfolios are implemented with a three-to-five-year time horizon, but changes may occur sooner if market conditions change or if a manager change is deemed necessary.

This specific model is designed with a goal to provide capital appreciation potential, limited income, and appropriate diversification among asset classes

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PORTFOLIO POSITIONING

This portfolio is designed to achieve long-term investment goals with a focus on mitigating risk.

The equity portion of the portfolio, compared to the benchmark, had overweight exposure in the following sectors:

- Materials
- Consumer Discretionary
- Financials
- Real Estate
- Energy
- Industrials
- Consumer Staples
- Utilities

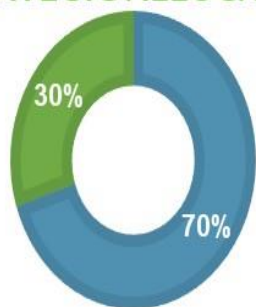
It was underweight in the following sectors:

- Communication
- Technology
- Healthcare

At month-end, the equity style breakdown was 71% large cap, and 29% Mid-Small Cap.

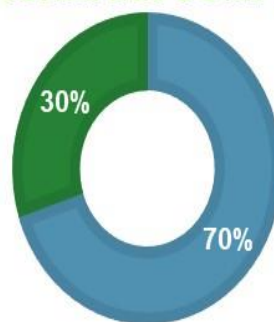
The Bond Credit Rating breakdown was 86% Investment Grade and 14% High-Yield Bonds.

STRATEGIC ALLOCATION



- Global Hedged Equity
- Fixed Income

BLENDED BENCHMARK COMPOSITION



- US Fund Multistrategy
- US Fund Municipal National Intermediate-Term

PERFORMANCE REVIEW

Year-to-date, the portfolio's total return is 11.02% gross of fees, and 9.97% net of an average fee.

For the trailing three years, the portfolio's total return is 4.03% gross of fees, and 3.04% net of an average fee.

5 of 11 sectors positively impacted performance on an absolute basis in this quarter, with the Materials, Communication, Energy, Technology, Consumer Staples, and Utilities detracting.

PERFORMANCE OVERVIEW

Net returns are net of the advisory fees

As Of 12/31/2023

	QTR	YTD	1 YR	3 YRS	5 YRS	SINCE INCEPTION (10/1/2020)
Gross (%)	7.11	11.02	11.02	4.03	-	5.79
Net (%)	6.85	9.97	9.97	3.04	-	4.74
Blended Benchmark	3.22	6.26	6.26	2.10	3.11	3.13

Footnotes: See the next page for blended benchmark composition definitions.

ABOUT CORNERSTONE WEALTH PORTFOLIOS

We focus on investment principles that have stood the test of time rather than basing decisions on short-term market predictions. Our goal is to identify a small number of experienced managers who offer the potential to outperform their peers over a long period of time. Our approach is to combine a well-defined quantitative and qualitative due diligence process with proprietary construction tools to build, manage and monitor client portfolios. Cornerstone Wealth Portfolios is a managed fee-based investment program available through Cornerstone Wealth Management LLC. Our investment team has developed sophisticated long-term strategies in an effort to manage and control risk as we help investors pursue their financial goals. For more information about the program, contact your financial advisor.

IMPORTANT DISCLOSURES

The benchmarks were selected because, in our opinion, they most closely track the types of holdings that are likely to be included in our allocations.

The custom benchmark uses a 68.60% Multistrategy, 29.40% Int Muni, and 2.00% Cash rebalanced monthly. Before Mar 31, 2021, the benchmark was 68.6% US Fund Multialternative, 29.4% US Fund Muni National Interim, and 2% Cash. Morningstar discontinued Multialternative and split it into Multistrategy and Macro-Trading.

The Multistrategy represents the Morningstar US Fund Multistrategy category which includes Multistrategy portfolios which typically have a majority of their assets exposed to alternative strategies, but at a minimum, alternatives must comprise greater than 30% of the strategy's gross exposure. The category includes funds with static allocations to alternative strategies as well as those that tactically adjust their exposure to different alternative strategies and asset classes. The Int Muni represents the Morningstar US Fund Municipal National Intermediate Core which includes managers that focus on municipal debt/bonds with an average duration of more than 4.5 years but less than seven years, or average maturity of more than five years but less than 12 years. The Multialternative represents the Morningstar US Fund Multialternative which includes managers that will use a combination of alternative strategies such as taking long and short positions in equity and debt, trading futures, or using convertible arbitrage, among others. Past performance is not indicative of future results. Performance shown represents total returns that include income, realized and unrealized gains and losses.

Cornerstone Wealth Management claims compliance with the Global Investment Performance Standards (GIPS®).

Cornerstone Wealth Management (CWM) is a registered investment adviser with the United States Securities and Exchange Commission in accordance with the Investment Advisers Act of 1940. Our firm is defined for GIPS purposes as the Asset Management division of Cornerstone Wealth Management. Prior to August 2012, the representatives of CWM offered investment advice through LPL Financial, a registered investment advisor and separate entity from CWM. To request GIPS Reports and/or list of composite descriptions, please contact Liyin Bao at Liyin.Bao@lpl.com.

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The composite may include bundled fee portfolios that pay a fee based on a percentage of assets under management. This fee includes investment management, trading costs, portfolio monitoring, consulting services, and in some cases, custodial services. Net of fee returns was calculated using actual fees. Management fees are booked on a cash basis. Gross returns are supplemental to net returns. Gross returns without bundled fee portfolios are presented net transaction costs as well as custodial fees. Gross returns with bundled fee portfolios may be gross transaction costs and custodial fees of those bundled fee portfolios. Both gross returns and net returns are net of tax withholdings on dividends, interest, and capital gains.

Benchmark indices are unmanaged, and cannot be invested into directly.

2% cash is blended into the above allocations in the actual portfolios as well as the benchmarks. The cash position is set to avoid overbuying caused by market fluctuation and other liquidity problems, and will not change because of market conditions. Refer to the next paragraph for the exact allocations.

TE Hedged Growth Composite includes portfolios that utilize hedging strategies. The portfolios are designed to reduce the volatility and beta within the equity allocation while generating capital appreciation at least equal to the rate of inflation, with the fixed income component consisting of municipal bonds. The strategic asset allocations are 68.6% in global hedged equity, 29.40% in fixed income, and 2% cash or cash equivalents, with tolerance bands of 10% deviation. The U.S. Dollar is the currency used to express performance. Performance includes the reinvestment of income.

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual. All indices are unmanaged and may not be invested into directly.

Market Index Definitions:

The **Standard & Poor's 500 Index** is a capitalization-weighted index of 500 stocks designed to measure the performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The **Bloomberg Barclays US Aggregate Bond Index** is an index of U.S. investment-grade fixed-rate bond market, including both government and corporate bonds.

The **MSCI EAFE Index** captures the returns of large and mid-cap equities across developed markets in Europe, Australasia, and the Far East, excluding the U.S. and Canada.

No strategy assures success or protects against loss. All investing involves risk, including potential for loss. The prices of small and mid-cap stocks are generally more volatile than large cap stocks. Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and bonds are subject to availability and change in price. High yield/junk bonds (grade BB or below) are not investment grade securities, and are subject to higher interest rate, credit, and liquidity risks than those graded BBB and above. Municipal bonds are subject to availability and change in price. They are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise. Interest income may be subject to the alternative minimum tax. Municipal bonds are federally tax-free, but other state and local taxes may apply. Capital gains tax considerations may also apply. International investing involves special risks such as currency fluctuation and political instability and may not be suitable for all investors. Investing concentrated in certain markets and sectors carries additional risk such as economic, political, or regulatory development that may affect many or all issuers in that sector.

Past performance is no guarantee of future results. Investors participating in this model portfolio may experience different individual performance results.