



ANDERSEN
WEALTH MANAGEMENT

PROACTIVE • SENSIBLE • PERSONAL

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are arranged in a way that they appear to converge towards the top of the frame, creating a sense of height and scale. The sky is a clear blue with some light, wispy clouds.

EVO, THE EVOLUTIONARY
TRADING SYSTEM



Our Mission

To implement and maintain a strategy and discipline that preserves capital, and provides higher absolute and risk-adjusted returns than the stock market.

How the Strategy Works

Powered by the investment research of Potomac Advisors, EVO is a mechanical trading system that generates buy and sell signals based on algorithmic rules derived from quantitative analysis— no human discretion is involved. Here's how it works:

- EVO uses raw and historic data to power the 20+ trading systems in the composite system. The data spans topics including price, breadth, volatility, interest rates, sentiment, seasonality, and many more.
- Technical analysis identifies patterns in market behavior relative to the data.
- Patterns with the highest probability of predicting near term stock market direction are formularized into rule-based algorithms to generate buy and sell signals.



Buy and sell signals are used to invest in a Rydex leveraged or unleveraged market index mutual fund. Allocations are made 100% into one of three funds at all times depending on whether the strategy anticipates a market advance (takes a 100% long position in the Rydex NOVA fund, leveraged to 1.5X the daily change of the S&P 500 Index), a market correction (moves 100% to a money market fund), or expects to

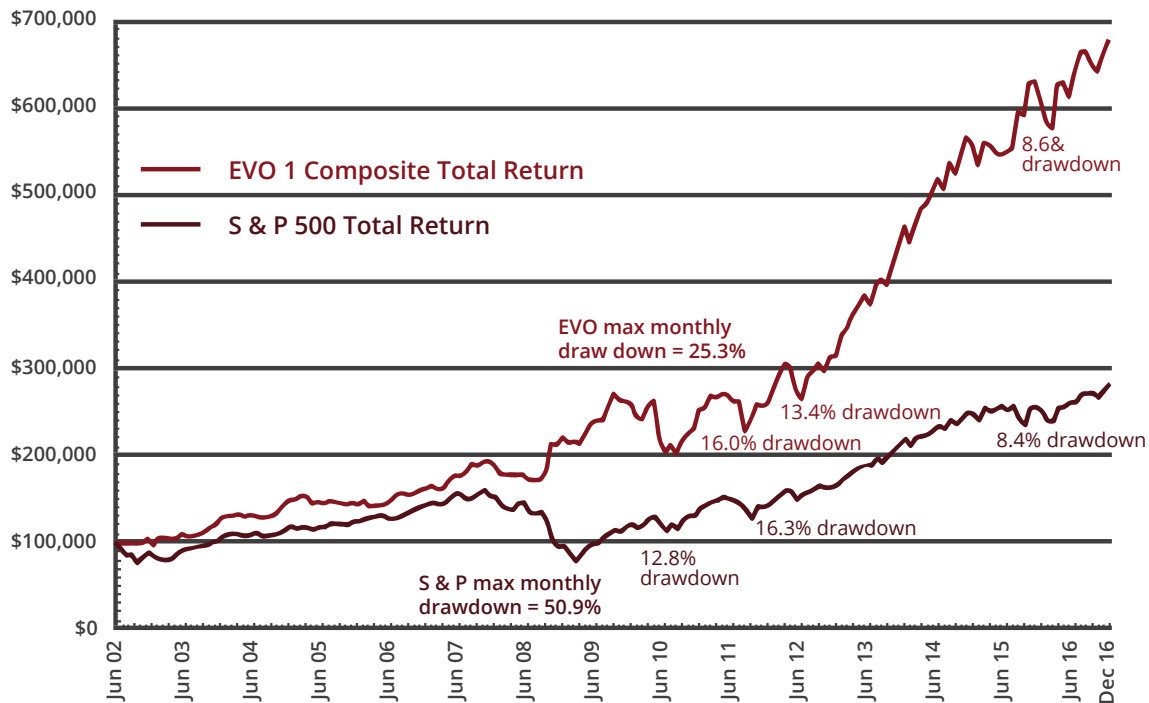
profit from a decline (takes a 100% unleveraged short position in the Rydex S&P 500 inverse index fund).

Over EVO's 14+ year track record, it has doubled the return of the S&P 500 Stock Index, while achieving near absolute returns with a maximum losing year of only 3 1/2%. During the financial crisis of 2008, EVO gained nearly 17%.

EVO 1 Performance

June 1, 2002 to December 31, 2016

Results are net of a 2.5% annual fee rate, the maximum fee rate charged



EVO Performance

Date	\$100,000 Hypothetical	Annual Return	Cumulative Return
6/1/02	\$100,000.00	Inception	
2002*	\$97,958.28	-2.40%	-2%
2003	\$128,963.55	32.14%	29%
2004	\$149,787.29	16.15%	50%
2005	\$144,563.55	-3.49%	45%
2006	\$162,955.63	12.72%	63%
2007	\$189,386.97	16.22%	89%
2008	\$221,409.66	16.91%	121%
2009	\$259,226.41	17.08%	159%
2010	\$252,598.02	-2.56%	153%
2011	\$259,250.30	2.63%	159%
2012	\$315,489.96	21.69%	215%
2013	\$464,287.80	47.16%	364%
2014	\$559,700.68	20.55%	460%
2015	\$612,308.18	9.40%	512%
2016	\$679,790.60	11.02%	580%

S & P 500 Stock Index Performance

Date	\$100,000 Hypothetical	Annual Return	Cumulative Return
6/1/02	\$100,000.00	Inception	
2002*	\$83,313.71	16.69%	-17%
2003	\$107,211.85	28.68%	7%
2004	\$118,878.85	10.88%	19%
2005	\$124,712.03	4.91%	25%
2006	\$144,146.45	15.79%	44%
2007	\$152,350.47	5.49%	52%
2008	\$95,984.01	-37.00%	-4%
2009	\$121,385.75	26.46%	21%
2010	\$139,670.47	15.06%	40%
2011	\$142,619.87	2.11%	43%
2012	\$165,443.95	16.00%	65%
2013	\$219,028.15	32.39%	119%
2014	\$249,009.83	13.69%	149%
2015	\$252,455.18	1.38%	152%
2016	\$282,648.60	11.96%	183%

* Partial Year
EVO results are net of a 2.5% annual advisory fee.



Risk Considerations

The EVO 1 Evolutionary Trading System is a non-discretionary, purely mechanical, black box trading system in which no discretion is involved. The composite system is comprised of numerous long, intermediate and short-term quantitative analysis trading systems that are integrated into one composite buy/sell decision making system. The system uses a leveraged S&P 500 index mutual fund as the primary investment for long positions in seeking to magnify the index's exposure 150% on a daily basis to increase the potential return of an investment. Conversely, leverage can magnify the losses of an investment during a down market. The fund's use of derivatives, such as futures, options and swap agreements, may expose the fund's shareholders to additional risks that they would not be subject to if they invested directly in the securities underlying those derivatives. The trading system also may employ an unleveraged inverse S&P 500 index mutual fund for short positions. Short positions have been made very infrequently.

While EVO 1 may be considered aggressive because of its use of leverage, derivatives, shorting, and/or the frequency of trading, the strategy has less risk than the S&P 500 Index, as measured by maximum drawdown (half that of the S&P 500 Index), and monthly standard deviation, a key volatility metric. The lower level of volatility is a result of having avoided severe market declines and spending half the time in cash. However, there is no guarantee that this risk performance will continue, and therefore, investors need to be aware that the significant leverage employed and the possibility of whipsaw trades resulting from a sequence of consecutive losing trades could result in accentuated losses greater than the S&P 500 or NASDAQ 100 indexes. Given the potential risks involved, strategies employing leverage and shorting may not be suitable for conservative investors.



EVO 1 Performance Disclosure: Net of 2.5% fees

EVO 1 performance is based on the oldest actual Potomac Advisor's account using the EVO 1 strategy and is considered representative of all Potomac Advisor accounts within the EVO 1 composite strategy since all accounts, with few exceptions, are traded the same in an omnibus group account. Occasionally, specific investor instructions, or fund restrictions, or the time at which an account is opened, or additions are made may result in different trades and returns for a specific account from the composite. The oldest account in the composite has been verified for performance since inception by Theta Research and is continuously monitored daily by Theta Research. Composite returns are time-weighted total returns that reflect the reinvestment of dividends and capital gain distributions. Composite returns are net of the underlying mutual fund management fees, custodial fees and other fund (administrative) expenses.

The performance results shown here reflect the use of the Guggenheim Rydex Investor class funds traded directly through the fund. Other classes of Rydex funds that may be used for the EVO 1 strategy may include funds with marketing and distribution fees (12b1 fees). Use of these funds by Anderson Wealth Management (AWM) or other investment advisers would reduce the performance shown here. In addition, if the EVO strategy is implemented at a custodian other than directly through the fund, the custodial fees charged by the custodian may also reduce the performance shown here.

Results shown here include simulated management fees charged by AWM of 2.5% annually, the maximum fee charged by AWM, prorated quarterly and billed in advance. Fees charged by Potomac Advisors or other investment advisers for this strategy may be higher or lower than the fees charged by AWM, and may be calculated in a different manner, thereby resulting in different performance than shown here. No adjustments have been made for potential income tax consequences. Performance for other investment programs may differ materially (more or less) from the performance shown here. It should not be assumed that future recommendations will be profitable or equal past performance. The investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted.

The benchmark returns of the S&P 500 are total returns and reflect the reinvestment of dividends. The S&P 500 Index is a capital weighted index composed of 500 widely held common stocks varying in composition, and is not available for direct investment. Benchmark returns are provided exclusively for comparison purposes only so as to provide general comparative information to assist an individual client or prospective client in determining whether the performance of the EVO 1 strategy meets, or continues to meet, his/her investment objective(s).

It should not be assumed that any of the programs will correspond directly to any such comparative index. The volatility of the market indices may materially differ (more or less) from that of the actual portfolios. Since individuals cannot invest directly into any index, deductions for management fees or other custodial or transaction charges are not taken into account. These charges, if applicable, would reduce the overall return of the S&P 500 index. The strategies shown here involve investing in mutual funds. Mutual fund shares are not insured by the FDIC or any other agency, are not guaranteed by any financial institution, are not obligations of any financial institution, and involve investment risk, including possible loss of principal.

The data presented has been collected from sources believed to be reliable; however, neither AWM nor Potomac Advisors guarantees nor warrants the accuracy, timeliness, or completeness of the information. Past performance is no guarantee of future results. This material is for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any security. Such offers can only be made where lawful under applicable law.

AWM is registered as an investment adviser under various state laws. Such registration does not imply a certain skill or training and no inference to the contrary should be made. Information pertaining to AWM's advisory operations, services, and fees is set forth in their current Form ADV Part II, a copy of which is available from AWM upon request. Information pertaining to any mutual fund that is used in the EVO 1 strategy is set forth in each respective mutual fund's prospectus, a copy of which is also available from AWM upon request.



Michael Andersen
PRESIDENT/CEO

**At Andersen Wealth Management,
helping you meet your financial
needs is our first priority.**

Whether you are getting ready to retire, or already enjoying retirement, our team of professionals at Andersen Wealth Management can help you determine a strategy that may be appropriate for your financial situation.

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Main Office: 6 West Dover St , Easton, MD 21601 | www.andersenwm.com | (410) 690-4894