AXXCESS
WEALTH MANAGEMENT

# Axxcess Wealth Management, LLC
# Model Portfolios

AWM Total Return Qualified 052018

Portfolio Date: 4/30/2018

Axxcess Wealth Management, LLC

# Model Portfolio Update- Internal Only

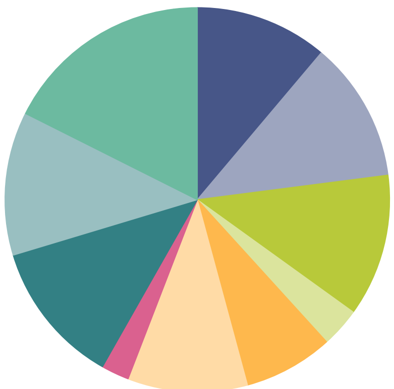
Morningstar Benchmark: US Fund Allocation 50%-70% Equity
Model Objective: Represents an asset allocation for a moderate investor, with comprehensive investment experience, with a 10-year time horizon or longer.

Strategy: AWM Total Return Qualified 052018

## AWM Total Return Qualified - Equity Sectors (Morningstar)

Allocation

Portfolio Date: 4/30/2018



| | % |
|---|---|
| Basic Materials | 11.1 |
| Consumer Cyclical | 11.8 |
| Financial Services | 12.0 |
| Real Estate | 3.3 |
| Consumer Defensive | 7.5 |
| Healthcare | 10.1 |
| Utilities | 2.3 |
| Energy | 12.1 |
| Industrials | 12.1 |
| Technology | 15.6 |
| Other | 2.0 |
| **Total** | **100.0** |

## Current Holdings

| | Ticker | Morningstar Rating Overall |
|---|---|---|
| AWM Total Return Qualified | — | — |
| Alerian MLP ETF | AMLP | ★★★ |
| AQR Equity Market Neutral I | QMNIX | ★★★★★ |
| AQR Style Premia Alternative N | QSPNX | ★★★★★ |
| ARK Innovation ETF | ARKK | ★★★★ |
| BlackRock Multi-Asset Income Investor A | BAICX | ★★★★ |
| BTS Tactical Fixed Income A | BTFAX | ★★★ |
| Calamos Convertible Opps & Income | CHI | ★★★★ |
| Cambiar International Equity Inv | CAMIX | ★★★★ |
| DoubleLine Core Fixed Income N | DLFNX | ★★★★ |
| Goldman Sachs Intl Sm Cp Insghts A | GICAX | ★★★★★ |
| Griffin Institutional Access Credit I | CRDIX | — |
| iShares Gold Trust | IAU | — |
| iShares MSCI Global Mtls&Mng Prdcrs ETF | PICK | ★★★★★ |
| Matthews Asia Dividend Investor | MAPIX | ★★★★ |
| PowerShares S&P MidCap 400® Eql Wt ETF | EWMC | ★★★ |
| Schwab Cash Reserves™ | SWSXX | — |
| Schwab Fundamental US Small Company ETF | FNDA | ★★★ |
| Schwab US Dividend Equity ETF™ | SCHD | ★★★★ |
| Schwab US Large-Cap ETF™ | SCHX | ★★★★ |

## Key Strategy Updates:

- Added Griffin Institutional Credit.
- Added ARK Innovation.
- Swapping MLP strategies.
- Offers a blend of mutual funds and ETFs to create an effective model portfolio.

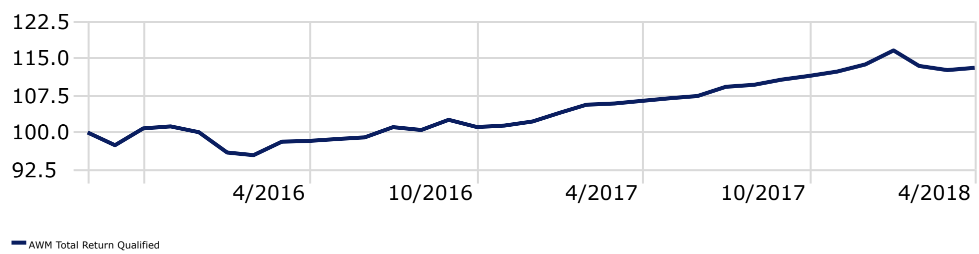
## Performance

Time Period: Since Inception to 3/31/2018

| | Inception Date | Return | Best Month | Worst Month | Best Quarter | Worst Quarter | Morningstar Risk |
|---|---|---|---|---|---|---|---|
| AWM Total Return Qualified | 8/31/2015 | 5.98 | 3.50 | -4.11 | 3.59 | -1.92 | 0.31 |

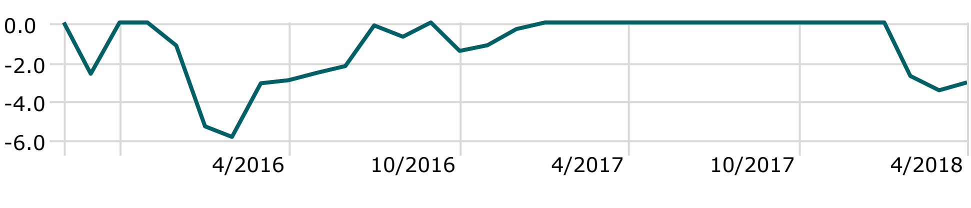
## Investment Growth

Time Period: 9/1/2015 to 4/30/2018

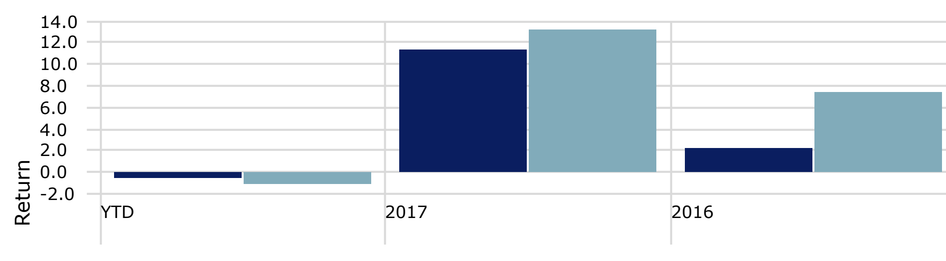



## Drawdown

Time Period: 9/1/2015 to 4/30/2018




## Returns




Source: Morningstar Direct

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AWM Model Update- AWM Total Return Qualified 052018

## Additions

- ARKK: Added ARK Innovation ETF, reducing allocations to Schwab US Large Cap and Schwab US Dividend

## Subtractions

- None to report

## Replacements

- Replace Global X MLP with Alerian MLP - higher performance across all time periods
- Replace Powershares Senior Loan with Griffin Institutional Credit - exiting overbought asset class and entering into higher-yielding strategy

## Performance

Time Period: 5/1/2017 to 4/30/2018 Calculation Benchmark: None

| | Return | Std Dev |
|---|---|---|
| AWM Total Return Qualified | 6.29 | 4.45 |
| Alerian MLP ETF | -13.46 | 18.30 |
| AQR Equity Market Neutral I | 1.80 | 4.91 |
| AQR Style Premia Alternative N | 10.89 | 4.93 |
| ARK Innovation ETF | 57.35 | 20.59 |
| BlackRock Multi-Asset Income Investor A | 3.51 | 2.86 |
| BTS Tactical Fixed Income A | -3.07 | 3.11 |
| Calamos Convertible Opps & Income | 8.38 | 4.04 |
| Cambiar International Equity Inv | 16.58 | 9.71 |
| DoubleLine Core Fixed Income N | 0.68 | 1.98 |
| Goldman Sachs Intl Sm Cp Insghts A | 17.99 | 8.76 |
| Griffin Institutional Access Credit I | 4.99 | 1.13 |
| iShares Gold Trust | 3.45 | 7.10 |
| iShares MSCI Global Mtls&Mng Prdcrs ETF | 30.20 | 20.13 |
| Matthews Asia Dividend Investor | 19.51 | 9.23 |
| PowerShares S&P MidCap 400® Eql Wt ETF | 7.72 | 8.89 |
| Schwab Cash Reserves™ | 0.81 | 0.07 |
| Schwab Fundamental US Small Company ETF | 9.25 | 9.25 |
| Schwab US Dividend Equity ETF™ | 11.38 | 10.24 |
| Schwab US Large-Cap ETF™ | 13.29 | 8.32 |

## Commentary on New Strategies

- Griffin Institutional Access Credit Fund: This is a global credit solution actively managed by Bain Capital Credit, one of the most widely-respected investment managers in the global credit market. It is designed to provide individual investors with a strategy that is usually reserved for institutional investors. The objective is to generate current income and capital appreciation with low volatility and correlation to the broader stock and bond markets. It may invest in bank loans, high-yield bonds, structured credit, middle-market direct loans and non-performing loans. The current yield is 6.2% and expected to climb. It will be purchased in accounts at a minimum of $15,000.
- ARK Innovation: This is an actively managed ETF that invests in companies that benefit from advancements in scientific research relating to three areas: genomic revolution, Web x.0, and Industrial Innovation.

Source: Morningstar Direct

## AWM Total Return Qualified - Top Holdings

Portfolio Date: 4/30/2018

| | Portfolio Weighting % |
|---|---|
| Schwab US Large-Cap ETF™ | 13.00 |
| Cambiar International Equity Inv | 7.00 |
| BlackRock Multi-Asset Income Investor A | 6.00 |
| Alerian MLP ETF | 5.00 |
| AQR Equity Market Neutral I | 5.00 |
| AQR Style Premia Alternative N | 5.00 |
| ARK Innovation ETF | 5.00 |
| BTS Tactical Fixed Income A | 5.00 |
| Calamos Convertible Opps & Income | 5.00 |
| DoubleLine Core Fixed Income N | 5.00 |
| Griffin Institutional Access Credit I | 5.00 |
| iShares MSCI Global Mtls&Mng Prdcrs ETF | 5.00 |
| Matthews Asia Dividend Investor | 5.00 |
| PowerShares S&P MidCap 400® Eql Wt ETF | 5.00 |
| Schwab Fundamental US Small Company ETF | 5.00 |
| Schwab US Dividend Equity ETF™ | 5.00 |
| iShares Gold Trust | 4.00 |
| Goldman Sachs Intl Sm Cp Insghts A | 3.00 |
| Schwab Cash Reserves™ | 2.00 |

Source: Morningstar Direct

# Important information:

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For Exchange Traded Funds (ETFs) and Exchange Trades Notes (ETNs), fees are charged at the fund/note level in addition to fees charged to the overall portfolio. In addition to the risks of the asset class to which they refer, ETF/ETNs are subject to additional risks, ncluding the risks that their market price may trade at a discount to its net asset value ("NAV"), an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact a fund's ability to sell its shares



Source: Morningstar Direct