INVESTMENT POLICY STATEMENT

I. Scope and Purpose

CLIENT SUMMARY: This Investment Policy Statement (IPS) governs the account included in this packet. The client provided their current financial situation, including net worth, tax bracket, emergency assets, and annual income. The client may have also provided a personality profile to help identify possible areas to address when managing the account. The personality traits and experience of the client may impact the evaluation of the account as well as the types of investments that are appropriate.

RESPONSIBILITIES: The investment advisor is listed on the front of this document and has contracted with SEM Wealth Management to manage this account. It is the responsibility of the client and advisor to communicate any relevant changes to SEM immediately. The IPS should be reviewed at least annually. SEM will contact client once a year to confirm the current data included in this IPS.

CUSTODIAN: The custodian of the account will be **E*TRADE Advisor Services (EAS)**. They will provide a quarterly investment statement approximately two weeks after the end of each quarter. The statement will include information regarding the activity in your account including security transactions and fee information. You are encouraged to study this statement carefully. In addition to the printed statement, you may view your investments online at any time. E*TRADE should have already sent you a welcome letter with details on how to access your electronic information.

ADDITIONAL INFO: SEM's management fee will be reported on your E*TRADE quarterly statement. You should verify the fees charged for the management of your account match the agreed upon fees when you opened the account. To add money to your account, **make the check payable to E*TRADE Advisor Services (EAS)** and send directly to SEM or your advisor. SEM or the advisor should be contacted for distributions from the account to ensure the proper forms are used.

II. Governance

ADVISOR RESPONSIBILITIES: The investment advisor and the client are responsible for selecting the appropriate SEM investment program allocation, taking into consideration the objectives, risk tolerance, time horizon, and any other relevant factors. In addition, the client's entire portfolio of investments should be taken into consideration when selecting an SEM investment program. **Client is responsible to report any significant changes in their financial circumstances to advisor immediately**. Advisor will then notify SEM and evaluate whether those changes necessitate a change in the investment program.

SEM RESPONSIBILITIES: E*TRADE allows SEM to utilize multiple investment programs inside a single account registration. Your advisor should have worked with you to determine which programs fit best with the overall return and risk objectives listed in Section III. It is SEM's responsibility to manage all accounts in a given program in the same fashion and to remain consistent to the structure outlined in the enclosed Program Report(s). If SEM makes any material changes to the program SEM will notify the client and investment advisor of the changes. SEM may also suggest changes to the investment program selected based on reported changes in the client's personal financial situation.

III. Return and Risk Objectives

The client completed SEM's Return and Risk Questionnaire prior to opening the account. This included the INVESTMENT OBJECTIVE (holding period and risk tolerance)

ASSET ALLOCATION: This packet includes a Brief Portfolio Review discussing the selected investment portfolio historic return and risk statistics for the blend of investments included in your account. Past performance is not a guarantee of future results. Returns and risk characteristics may change in the future if the market environment changes. SEM will strive to keep the program within the stated return/risk objectives detailed in the program report and reserves the right to make adjustments to the trading systems as necessary.

RISK: By nature investing is a risky endeavor as future results are not guaranteed. **In order to hit the stated return objectives, some risk will have to be taken**. In general, a reduction of risk also means reduced potential returns, which may necessitate an adjustment to the client's financial plan. The stated risk tolerance is a level the client would become uncomfortable with the portfolio. Exogenous events outside of SEM's control may cause the portfolio to exceed those losses. If the client becomes uncomfortable with the level of risk in the portfolio they should contact their advisor immediately to discuss their discomfort. During those times it is important to understand the impact emotions have on investment returns. In general, investors tend to reduce their risk tolerance during market losses and increase it during periods of rising stock prices.

INVESTMENTS: SEM utilizes mutual funds and Exchange Traded Funds (ETFs) to implement the selected investment program(s). Some of these mutual funds will include the use of leverage and derivatives, but their use is taken into consideration with the overall portfolio allocation. SEM will also use a money market or other cash equivalent account at times. For additional details on SEM's management style, please consult our Disclosure Document which was provided with the opening of the account and is available at www.SEMWealth.com.

MISC ITEMS: Client may set up one-time or periodic distributions from the account. SEM will redeem the money pro-rata based on the current investments of the program. Client reserves the right to place reasonable restrictions on the management of the account, but this may limit SEM's ability to meet the return and risk objectives of the program. SEM does not vote proxies on behalf of clients.

IV. Evaluation and Monitoring

BENCHMARK: Each investment model fact sheet lists the appropriate benchmark for the program. The purpose of a benchmark is to provide a comparison of a portfolio of unmanaged assets with a similar objective as the investment program. Investment markets move in cycles and in order to fully evaluate SEM's program(s), it is **important to compare it to the benchmark performance over a full market cycle (3-5 years, which includes both a bull and a bear market.)** In addition, the S&P 500 Index, while a popular benchmark in the media is not an appropriate benchmark for any of SEM's programs. The S&P 500 index only includes the top 500 US based companies. In order to reduce risk to a level to meet the stated risk tolerance levels, SEM must include a much broader range of assets than those in the S&P 500 Index.

PERFORMANCE REPORTING: E*TRADE will provide performance for the overall account as well as for the individual investment models. **Client is encouraged to compare their model performance to the benchmark of that model over multiple time horizons**. If a model is meeting or exceeding its benchmark over those time horizons and client is unhappy with results, they are encouraged to consult with their advisor about moving to a higher returning SEM investment portfolio, taking into account the risks of that investment. Careful consideration should be taken to understand the role each investment model plays in the OVERALL CLIENT PORTFOLIO.

RISK ASSESSMENT: SEM's materials contain several return-risk metrics. One of our preferred risk statistics is the maximum drawdown as it shows how much the investment allocation has lost historically. The client's risk tolerance should be at least as high as the historic maximum drawdown number. Client and advisor should reconcile their risk tolerance to the Maximum Drawdown of the specific program and overall investment portfolio periodically. **When evaluating returns, client and advisor should consider the tradeoff between higher returns and higher Drawdown levels**.

REBALANCING: SEM will rebalance the portfolio to the model allocation each time a new allocation signal is generated or at least once a quarter. All accounts in a given model are managed in a similar fashion and rebalanced simultaneously. Cash flows into or out of the account may impact short-term performance depending on market conditions.

Prepared and approved by Jeff Hybiak, CFA®, 11/5/2019

Note: Actual client Investment Policy Statements (IPS) will contain the actual risk constraints, return objectives, time horizon, net worth information, tax bracket, and client personality type along with the Portfolio Summary on the next page. The IPS will also contain the Financial Advisors name as the primary point of contact.

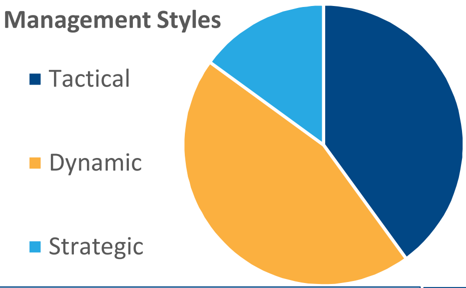
The IPS is mailed with a Welcome Letter from SEM after the account has been funded. The Welcome Letter also includes information on how the client can set-up online access.

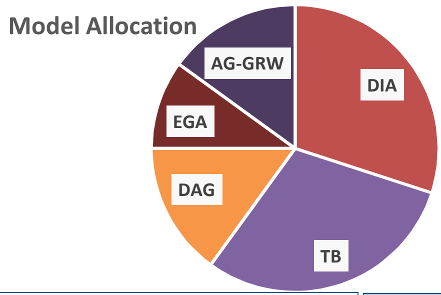
SEM Portfolio Summary

SEM v12 2019Q3-2

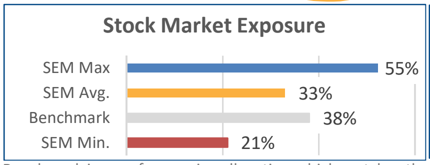
Jeffrey & Jessica Jones Trust Investment Amount: $520,000

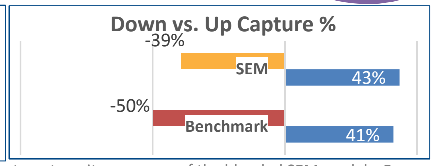
Account#(s): *****457**

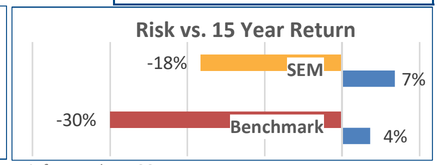




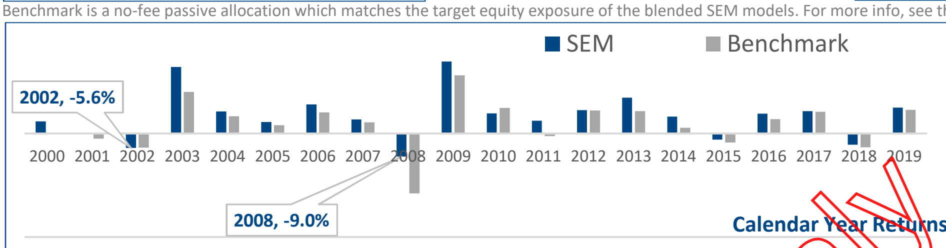
SEM Portfolio vs. Benchmark	
3 Year Annualized Ret	
4.56%	3.80%
5 Year Annualized Ret	
4.10%	2.65%
10 Year Annualized Ret	
6.26%	4.38%
15 Year Annualized Ret	
6.83%	3.61%







Benchmark is a no-fee passive allocation which matches the target equity exposure of the blended SEM models. For more info, see the DISCLAIMER.



Dollars at Risk	
SEM Portfolio	($95,008)
Benchmark	($155,986)
S&P 500	($264,933)

Potential loss based on historical results multiplied by the estimated investment amount. Actual results may vary. For more see the disclaimer.

Portfolio Composition:

40% Tactical: Tactical models are monitored ***daily*** & deploy trading systems based on stock & bond market direction.

45% Dynamic: Dynamic models are monitored ***monthly*** & utilize SEM's quantitative economic models.

15% Strategic: The "AmeriGuard" portfolios are managed ***quarterly*** & are designed to rotate to the strongest asset classes.

Investment Model Summary:

Model / Alloc.	Return / Risk	Investment Objective	Investment Strategy
DIA: 30%	6.6% / -13.8%	SEM's Dynamic Income Allocation (DIA) program seeks to actively manage exposure to income generating assets. The DIA program deploys dynamic portfolio management which increases or decreases allocations to specific fixed income assets based on overall risk in the bond market.	DIA utilizes an asset allocation model that seeks to adjust the income allocation based on the current portion of the economic and business cycle. Based on economic, market, and interest rate policy indicators, the model seeks to increase sensitivity to interest rates (duration) to take advantage of moves in the fixed income markets.
TB: 30%	5.6% / -9.3%	SEM's Tactical Bond (TB) is a conservative investment program that seeks to provide lower volatility and a rate of return equal to or higher than a passive allocation of 50% High Yield Bond and 50% Short-Term Government Bond mutual funds.	TB attempts to invest in High Yield Bonds when they are in an uptrend. Ideally this strategy will move assets into government bonds or money market during declines with the goal of avoiding large losses. Tactical Bond utilizes only the high yield bond trend following strategy that is a portion of Income Allocator. When not invested in high yields, TB will utilize short-term bonds or money market funds.
DAG: 15%	7.7% / -45.8%	SEM's Dynamic Aggressive Growth (DAG) seeks to actively manage exposure to the Morningstar Aggressive Allocation portfolio. The DAG program deploys dynamic portfolio management which increases or decreases allocations to specific assets based on economic growth expectations.	DAG utilizes an asset allocation model that seeks to adjust the asset allocation based on the current portion of the economic and business cycle. Using the Morningstar Aggressive Allocation index as a benchmark, DAG will overweight small cap & emerging markets if the economic indicators are positive, or eliminate small cap & economic exposure if the indicators are negative.
EGA: 10%	6.6% / -36.1%	SEM's Enhanced Growth Allocator (EGA) is an actively manged "moderate growth" type portfolio. The EGA program employs active portfolio management which ideally will invest in the stronger asset classes during market advances & limit losses during market declines.	EGA uses a Core & Satellite approach. The Core is an asset class rotation strategy designed to invest in the strongest stock asset classes based on current market strength. The Satellite portion utilizes leveraged funds to increase or decrease market exposure based on the probability of a rising or falling market. During longer-term downtrends, the majority of EGA can be invested in cash or short-term bonds.
AG-GRW: 15%	7.6% / -41.4%	To provide consistent exposure to the targeted benchmark while still providing some risk management by allocating to the top ranked funds inside the strongest segments included in the Vanguard & American Funds families.	SEM AmeriGuard-Growth is a blend of "strategic" & "dynamic" management models that utilize the funds available mostly at American Funds & Vanguard, two of the top mutual fund managers in the country. Focusing on the underlying long-term trend the strategy will be fully invested in the stock market during upward trends, while seeking to reduce exposure to 70% during longer-term downtrends.

ILLUSTRATIVE PURPOSES ONLY | Past performance is not a guarantee of future results. Above allocations are a hypothetical blend of SEM's investment models assembled with the benefit of hindsight. Real-time results are likely to differ from the above due to several factors including future adjustments to the portfolio made due to the current market environment. Unless otherwise stated "Return" refers to the 15 year annualized return. The next page includes a more detailed disclaimer of the limitations & risks of this data.

SEM's standard management fee schedule is listed to the right. Unless otherwise instructed, SEM will charge the indicated fees. Fees are based on total household assets; fees are flat, not layered (i.e. all assets charged the same rate); SEM's AmeriGuard fees are a flat 0.50% regardless of account size. Platinum Portfolio fees are 0.25% with no breakpoints for the portion not managed by SEM. SEM managed allocations receive the same breakpoints listed in the table.

	Management Fees		Financial Advisor	
Asset Level (for breakpoints)	SEM Standard	SEM Dynamic	Standard	Dynamic
$0	1.12%	0.75%	1.12%	0.75%
$250,000	1.05%	0.70%	1.05%	0.70%
$500,000	0.97%	0.65%	0.97%	0.65%
$1,000,000	0.90%	0.60%	0.90%	0.60%
$1,500,000	0.82%	0.55%	0.82%	0.55%
$2,000,000	0.75%	0.50%	0.75%	0.50%
$3,500,000	0.75%	0.50%	0.75%	0.50%
$4,000,000	0.67%	0.45%	0.67%	0.45%

Risk Statistic Descriptions Unless otherwise specified, all risk statistics are for the past **10 years**
BETA = Measure of volatility of the program versus the S&P 500 index. **Above 1 is more volatile** than the S&P 500, **below one is less volatile.**
Value@Risk (MVaR) = a Measure of TOTAL risk based on the historical distribution range and a 97% probability. This measure not only takes into account previous losses, but potential losses based on the historical level of risk in obtaining returns.
Sharpe Ratio = a Measure of TOTAL risk vs Return, the "Sharpe" ratio shows the returns generated above the risk free rate for each unit of total risk (standard deviation).
Monthly Up Capt. = Monthly Upside Capture (2000-Present); % of S&P 500 gain during up months.
Monthly Dwn Capt. = Monthly Downside Capture (2000-Present); % of S&P 500 loss during down months; IMPORTANT—a negative downside capture means the portfolio MADE money during the down months (on avg).

DISCLAIMER:

All results assume the maximum management fee was deducted in arrears and capital gains and dividends were reinvested. Starting October 1, 2006, the maximum management fee for all accounts is 0.5625% per quarter for the "tactical" programs & 0.375% per quarter for the Dynamic programs (DIA, DBA, DAA, & DAG). ENCORE performance is the blended performance of the standard ENCORE recommendation using the weighted average return (using allocations as of 12/31/15) and the performance of the underlying tracking account. On January 1, 2016, SEM began offering ENCORE portfolios in one single account. If there are less than 10 accounts per ENCORE category, SEM will use the weighted average return of the underlying tracking accounts based on the actual allocation for that month. For a list of historic ENCORE allocations and composite portfolio statistics, please contact Strategic Equity. Periodically SEM may change the allocations of the ENCORE portfolios based on improvements or changes in the underlying investment programs. Unless SEM deems the changes significant enough where the risk/return profile has shifted, SEM will not notify the client. If any significant changes to the risk/return profile occur due to SEM allocation changes, the clients will be notified and given the opportunity to change ENCOREs. ENCORE performance beginning in 2016 represents the actual allocations for the ENCORE portfolios for that month. ENCORE Portfolio's are a blend of Strategic Equity programs: Bond ENCORE is a blend of Income Allocator and Tactical Bond. Moderate ENCORE is a blend of Income Allocator, Tactical Bond and Enhanced Growth Allocator. Conservative ENCORE is a blend of Income Allocator, Tactical Bond and Enhanced Growth Allocator. Growth ENCORE is a blend of Tactical Bond and Enhanced Growth Allocator. Performance shown is a blend based on individual program performance and is rebalanced monthly. Rebalance in actual client accounts occurs when any of the individual programs in that ENCORE are realigned, which may be more or less frequent. Results prior to June 30, 2001 for INA and TB programs are model performance results achieved by Merit Advisors, a sub-advisor to SEM. Performance results from June 2001 to December 2003 were subject to services provided by Merit Advisors and represent a single High Yield Bond trading system. Merit provided the buy & sell signals and SEM chose to accept or reject the signal, selected the fund(s) to use and executed the trades. Performance since June 30, 2001 represents the results of SEM tracking accounts. Results after 2003 for INA reflect multiple trading systems developed by SEM. Results prior to September 30, 2005 for EPA are not actual, they are HYPOTHETICAL model performance. Results prior to December 31, 2006 for EGA are not actual, they are HYPOTHETICAL model performance. Some of the mutual funds currently being used were not available until June 2000, making the HYPOTHETICAL results unattainable during that time. Results prior to June 30, 2014 for TAB are not actual, they are HYPOTHETICAL model performance. Results prior to April 30, 2016 for DIA, DAA, DBA, & DAG are not actual, they are HYPOTHETICAL model performance. One of the mutual funds currently being used (Emerging Market Leveraged Index) was not available until 2005, making the HYPOTHETICAL results unattainable during that time. AmeriGuard portfolio results are hypothetical prior to June 1, 2017. There are inherent limitations in HYPOTHETICAL results. Actual mutual fund prices are utilized where available. Where HYPOTHETICAL results were obtained using the actual indices prices, mutual fund expenses are approximated using expense ratios of the funds. Results do not include the benefit of money market dividends used when the active systems are on defense. Real time results WILL deviate from the HYPOTHETICAL results due to several factors such as mutual fund expenses, differences between the time the trade was placed and the actual market closing price, tracking differences between the fund and the index, the fact that material economic and market factors might have an impact on the investment advisor's decision making process, and the fact that tested results occurred in an unusually strong market environment.

Advisor reserves the right to add or replace trading systems during real time without restating model performance results if they believe the return/risk profile will not change substantially. All accounts within a program at a specific custodian are managed in a similar manner.

From July 1, 2001 to December 31, 2015, performance results are the asset weighted average performance for each custodian representative account within each program. If custodian represented less than ten percent of the total program assets, results may not be included. Beginning in 2016 results are an asset weighted composite of all accounts in the program for the entire period. For more details on the composite construction, please contact Strategic Equity. Individual client results may vary from the performance of the composite. Some or all of the following may occur: There could be cash flows into or out of the account. The advisor could select a different fund in the same asset class for different client accounts. Different custodians could have different fund availability, annual costs, and fees. The advisor may use different trading systems or system allocations at different custodians. Clients in the same program can be charged different fees. Fee schedules are available in Strategic Equity Management's Firm Brochure or upon request.
Benchmark results were provided by Morningstar or the index provider and include dividends unless otherwise indicated.

Past performance is no guarantee of future results. There is potential for loss as well as gain in security investments of any type, including those managed by Strategic Equity Management, Inc. The investments discussed in this presentation may not be suitable for all investors. Strategic Equity Management's Firm Brochure is available upon request.

Benchmark Descriptions and Comparison to SEM Programs

There are material differences between the programs Strategic Equity Management manages and the benchmark selected that impact performance. The objective of the benchmark is to represent a passive investment in similar asset classes to this program. The objective of all SEM Programs is to provide benchmark type returns with lower volatility over a full market cycle. The returns in this program should be expected to vary from the returns of the benchmark due to our active management style, which utilizes money market funds and inverse funds or sub-accounts with the goal of reducing volatility. The benchmark for the ENCORE portfolios is the weighted average of the benchmarks of the underlying SEM portfolios. All underlying portfolios use the Morningstar (MS) Categories as benchmark. Each Morningstar Category represents the average return for the mutual funds in the Morningstar database for that respective category. The benchmarks for each program are as follows:

· Income Allocator (MS Category Multisector Bond);
· Tactical Bond (50% MS Category High Yield Bond, 50% MS Category Short-Term Government Bond);
· Dynamic Income Allocation (MS Category Preservation Allocation--15-30% Equities)
· Enhanced Portfolio Allocator (MS Category World Allocation)
· Absolute Return Allocator & Dynamic Asset Allocator (MS Long-Short Equity Category)
· Dynamic Balanced Allocation (MS Category Moderate Allocation--50-70% Equities)
· Enhanced Growth (MS Category Tactical Allocation);
· Dynamic Aggressive Growth (MS Category Aggressive Allocation—85% Equities);
· Tax Advantaged Bond (50% MS Category High Yield Muni, 50% MS Category Muni National Short)
. AmeriGuard Portfolios use the MS Allocation Category benchmark that matches the portfolio name

The following is a description of the benchmarks used in the performance materials:

S&P 500 Index: The S&P 500 is a capitalization weighted, unmanaged group of 500 stocks as selected by the Standard & Poor's Publishing Company. They are usually the 500 largest companies in terms of market capitalization and are chosen to represent the entire market's value. The S&P 500 is used by many institutional investors as a performance benchmark representing the "stock market" return.

Morningstar Category Multisector Bond: Used for funds that seek income by diversifying their assets among several fixed-income sectors, usually U.S. government obligations, foreign bonds, and high-yield domestic debt securities.

Morningstar Category High Yield Bond: High-yield bond portfolios concentrate on lower-quality bonds, which are riskier than those of higher-quality companies. These portfolios generally offer higher yields than other types of portfolios, but they are also more vulnerable to economic and credit risk. These portfolios primarily invest in U.S. high-income debt securities where at least 65% or more of bond assets are not rated or are rated by a major agency such as Standard & Poor's or Moody's at the level of BB (considered speculative for taxable bonds) and below.

Morningstar Category Short-Term Government Bond: Short-government portfolios have at least 90% of their bond holdings in bonds backed by the U.S. government or by government-linked agencies. This backing minimizes the credit risk of these portfolios, as the U.S. government is unlikely to default on its debt. These portfolios have durations typically between 1.0 and 3.5 years, so they have relatively less sensitivity to interest rates and, thus, low risk potential. Morningstar calculates monthly breakpoints using the effective duration of the Morningstar Core Bond Index in determining duration assignment. Short is defined as 25% to 75% of the three-year average effective duration of the MCBI.

Morningstar Category World Allocation: World-allocation portfolios seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. While these portfolios do explore the whole world, most of them focus on the U.S., Canada, Japan, and the larger markets in Europe. It is rare for such portfolios to invest more than 10% of their assets in emerging markets. These portfolios typically have at least 10% of assets in bonds, less than 70% of assets in stocks, and at least 40% of assets in non-U.S. stocks or bonds.

Morningstar Category Preservation Allocation (15-30% Equities): The Preservation Target Risk Allocation portfolios seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. These portfolios tend to hold larger positions in bonds than other asset-allocation portfolios. These portfolios typically have 15% to 30% of assets in equities and the remainder in fixed income and cash.

Morningstar Category Moderate Allocation (50-70% Equities): The Moderate Target Risk Allocation portfolios seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. Designed to be a "balanced" investment, these portfolios tend to hold larger positions in stocks than moderate-allocation portfolios. These portfolios typically have 50% to 70% of assets in equities and the remainder in fixed income and cash.

Morningstar Category Moderate Aggressive Allocation (70-85% Equities): The Moderate Aggressive Target Risk Allocation portfolios seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. These portfolios tend to hold larger positions in stocks than moderate-allocation portfolios. These portfolios typically have 70% to 85% of assets in equities and the remainder in fixed income and cash.

Morningstar Category Aggressive Allocation (85% + Equities): Aggressive-allocation portfolios seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. These portfolios tend to hold larger positions in stocks than moderate-allocation portfolios. These portfolios have over 85% of assets in equities and the remainder in fixed income and cash.

Morningstar Category High Yield Muni: High-Yield Muni portfolios typically invest a substantial portion of assets in high-income municipal securities that are not rated or that are rated at the level of or below BBB (considered high-yield within the municipal-bond industry) by a major ratings agency such as Standard & Poor's or Moody's.

Morningstar Category Muni National Short: Muni national short portfolios invest in bonds issued by various state and local governments to fund public projects. The income from these bonds is generally free from federal taxes. To lower risk, these portfolios spread their assets across many states and sectors. These portfolios have durations of less than 4.5 years (or, if duration is unavailable, average maturities of less than five years).

Morningstar Category Long-Short Equity: Long-short portfolios hold sizable stakes in both long and short positions in equities and related derivatives. Some funds that fall into this category will shift their exposure to long and short positions depending on their macro outlook or the opportunities they uncover through bottom-up research. Some funds may simply hedge long stock positions through exchange-traded funds or derivatives. At least 75% of the assets are in equity securities or derivatives.

3 Month T-Bill: Three-month Treasury Bills are short-term securities issued by the U.S. government that are generally considered to be risk-free. Morningstar determines the arithmetic mean of the investment rates on all three-month Treasury Bills issued during a given month as reported by the U.S. Treasury's Bureau of the Public Debt. Morningstar then converts the investment rate into a price and then a monthly return, using the assumption that the T-Bill is held to maturity. Used in some charts to illustrate the "risk-free" return that could have been obtained from the "average" 3-month Certificate of Deposit (CD). It should be understood a T-Bill or CD is not an appropriate benchmark for any of SEM's programs. Data prior to July 31, 2013 uses Morningstar US Treasury Certificate of Deposit 3 Month.

Target Retirement Funds: The returns for the Target Date Retirement portfolios use the Vanguard Investor share returns based on the specific objective.

There is no representation made as to the future results of SEM's programs or if they will be profitable.

Contact information can be found at www.SEMWealth.com