

## Composites

### FIRM COMPOSITE DEFINITIONS

The following is a list of ICON's composites and the corresponding definition of each. Each client and/or financial adviser determines the investment vehicle; ICON groups accounts into composites based on the chosen investment. The determination of the appropriate composite for a client account is based on various factors including the client's investment objective (as noted on the client's management agreement).

#### *Domestic Allocation Portfolios (\$25k minimum investment)*

The **U.S. Growth Portfolio**, strives to increase the value of your account through a rise in the market price of securities or NAV of funds (capital appreciation) invested in U.S. sector, diversified, and bond mutual funds. Inception date was 1/1/93.

The **U.S. Moderate Portfolio**, strives to increase the value of your account through a rise in the market price of securities or NAV of funds (capital appreciation) and to a lesser extent, providing income from investment assets invested in U.S. sector, diversified, and bond mutual funds. The proportions of equity and fixed-income assets will vary through time, although ICON's Moderate Portfolio will generally invest a greater portion of assets in equity investments than ICON's Conservative Portfolio would. Inception date was 1/1/93.

The **U.S. Conservative Portfolio**, strives to increase the value of your account through a rise in the market price of securities or NAV of funds (capital appreciation) and to provide income from investment assets invested in U.S. sector, diversified, and bond mutual funds. The proportions of equity and fixed-income assets will vary through time, although the Portfolio will generally invest a greater portion of assets in fixed-income and dividend-paying investments than ICON's Moderate Portfolio would. Inception date was 1/1/93.

The **U.S. Income Portfolio**, strives to provide regular income from assets invested in U.S. sector, diversified, and bond mutual funds. The proportions of equity and fixed-income assets may vary through time, although the Portfolio will generally invest a greater portion of assets in fixed-income and dividend-paying investments than ICON's U.S. Conservative Portfolio would invest. Inception date was 1/31/12.

#### *International Allocation Portfolio (\$25k minimum investment)*

The **International Growth Portfolio**, strives to increase the value of your account through a rise in the market price of securities or NAV of funds (capital appreciation) invested in international mutual funds. Inception date was 1/1/94.

#### *Global Allocation Portfolios (\$25k minimum investment)*

The **Global Growth Portfolio**, strives to increase the value of your account through a rise in the market price of securities or NAV of funds (capital appreciation) invested in U.S. diversified and sector, bond, and international mutual funds. Inception date was 7/1/94.

The **Global Moderate Portfolio**, strives to increase the value of your account through a rise in the market price of securities or NAV of funds (capital appreciation) and to a lesser extent, providing income from investment assets invested in U.S. diversified and sector, bond, and international mutual funds. The proportions of equity and fixed-income assets will vary through time, although ICON's Global Moderate Portfolio will generally invest a greater portion of assets in equity investments than ICON's Global Conservative Portfolio would. Inception date was 7/1/94.

The **Global Conservative Portfolio**, strives to increase the value of your account through a rise in the market price of securities or NAV of funds (capital appreciation) and to provide income from investment assets invested in U.S. diversified and sector, bond, and international mutual funds. The proportions of equity and fixed-income assets will vary through time, although the Portfolio will generally invest a greater portion of assets in fixed-income and dividend paying investments than ICON's Global Moderate Portfolio would. Inception date was 4/1/95.

The **Managed Risk Portfolio** strives to increase the value of your account through a rise in the market price of securities or NAV of funds (capital appreciation) while maintaining a lower volatility profile than the market. The investment assets will be invested in U.S. diversified and sector, bond, and international mutual funds. The proportions of equity and fixed-income assets will vary through time, driven by utilizing an optimization process that helps find the best combination of expected return (V/P) for the lowest amount of risk. This strategy was never marketed to the public. Inception date was 12/1/09 and it closed on 4/19/11.

***Strategic Allocation Portfolios (\$25k minimum investment)***

The **SBI Global Growth Portfolio** strives to increase the value of your account through a rise in the market price of securities or NAV of funds (capital appreciation) invested in U.S. diversified and sector, bond and international mutual funds. The SBI Global Growth Portfolio is an all-equity mutual fund portfolio comprised of a 70% strategic allocation and a 30% managed tactical allocation. The SBI Global Growth Portfolio will generally invest a greater portion of assets in equity mutual funds than ICON's SBI Global Moderate Portfolio would. Inception date was 6/30/11.

The **SBI Global Moderate Portfolio** strives to increase the value of your account through a rise in the market price of securities or NAV of funds (capital appreciation) invested in U.S. diversified and sector, bond and international mutual funds. The SBI Global Moderate Portfolio is a mutual fund portfolio comprised of a 50% strategic equity allocation, a 20% managed tactical allocation, and a 30% fixed income allocation. The SBI Global Moderate Portfolio will generally invest a greater portion of assets in equity mutual funds than ICON's SBI Global Conservative Portfolio would. Inception date was 8/31/12.

The **SBI Global Conservative Portfolio** strives to increase the value of your account through a rise in the market price of securities or NAV of funds (capital appreciation) invested in U.S. diversified and sector, bond and international mutual funds. The SBI Global Conservative Portfolio is a mutual fund portfolio comprised of a 20% strategic allocation, a 10% managed tactical allocation, and a 70% fixed income allocation. The SBI Global Conservative Portfolio will generally invest a greater portion of assets in fixed-income funds than ICON's SBI Global Moderate Portfolio would. Inception date was 8/31/12.

The **ICON Athena US Portfolio** seeks long-term capital appreciation. In order to achieve this objective, the portfolio normally invests in actively managed open-end equity mutual funds. The portfolio has a strategic allocation of 70% US equity. Additionally, the portfolio has a tactical allocation of 30% that can be allocated to US equity or cash. This strategy was never marketed to the public. Its inception date was 6/30/11 and it closed on 8/10/12.

The **ICON Athena International Portfolio** seeks long-term capital appreciation. In order to achieve this objective, the portfolio normally invests in actively managed open-end equity mutual funds. The portfolio has a strategic allocation of 70% international equity. Additionally, the portfolio has a tactical allocation of 30% that can be allocated to international equity or cash. This strategy was never marketed to the public. Its inception date was 6/30/11 and it closed on 8/10/12.

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#### *Stock Portfolios*

##### **Summit Portfolio (\$1M minimum investment)**

The Summit Portfolio strives to increase the value of your account through a rise in the market price of securities (capital appreciation) by investing in common stocks in selected industries and sectors using a value-based sector allocation strategy. Inception date was 4/1/01 and it closed on 6/30/13.

##### **Platinum Portfolio (\$250k minimum investment)**

The Platinum Portfolio strives to increase the value of your account through a rise in the market price of securities (capital appreciation) by investing in targeted common stocks in a narrow range of industries and sectors utilizing a value-based sector allocation strategy. Inception date was 1/1/99 and it closed on 5/31/11.

##### **Multi-Cap U.S. Equity Portfolio (\$100k minimum investment)**

The Multi-Cap U.S. Equity Portfolio strives to increase the value of your account through a rise in the market price of securities (capital appreciation) invested primarily in U.S. common stock investments in selected industries and sectors utilizing a value-based sector allocation strategy. The Multi-Cap U.S. Equity Portfolio does not utilize leverage or derivatives. Inception date was 9/1/08.

##### **Multi-Cap International ADR Portfolio (\$100k minimum investment)**

The Multi-Cap International ADR Portfolio strives to increase the value of your account through a rise in the market price of securities (capital appreciation) by investing in foreign securities that are traded on U.S. exchanges, primarily American Depositary Receipts (ADRs), in selected industries and sectors utilizing a value-based sector allocation strategy. The Multi-Cap International ADR Portfolio does not utilize leverage or derivatives. Inception date was 7/1/08 and it closed on 11/30/13.

#### *Institutional Portfolios*

##### **Institutional Domestic Core Equity (\$5M minimum investment)**

The Institutional Domestic Core Equity Portfolio ("DCE Portfolio") strives to increase the value of your account through a rise in the market price of securities (capital appreciation) by investing in U.S. common stocks in selected industries and sectors using a value-based sector allocation strategy. The DCE Portfolio is offered to institutional investors such as public retirement systems, banks, foundations, endowments and pension plans or certain accredited investors with \$5 million

or more to invest. You can impose reasonable investment restrictions on DCE Portfolios. Inception date was 4/1/99.

#### *Mutual Fund Composites*

##### **Emerging Markets**

Seeks long-term capital appreciation. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in foreign equity securities of companies with their principal business activities in an emerging market. Equity securities may include common and preferred stocks of companies of any market capitalization.

##### **Flexible Bond (Effective 01/23/18) “Formerly identified as Bond”**

Seeks maximum total return. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in a broad range of U.S. dollar-denominated fixed income products. These include corporate bonds, notes and debentures, and effective March 31, 2018, closed-end funds that invest at least 80% of their assets in bonds, as well as U.S. government and agency securities.

##### **Consumer Discretionary**

Seeks long-term capital appreciation. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in equity securities of companies in the Consumer Discretionary sector and traded in the U.S. Equity securities may include common and preferred stocks of companies of any market capitalization.

##### **ICON Fund**

Seeks capital appreciation with a secondary objective of capital preservation to provide long-term growth. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in equity securities traded in the U.S. Equity securities may include common and preferred stocks of companies of any market capitalization.

##### **Risk-Managed Balanced**

Seeks modest capital appreciation and income using a valuation methodology to identify securities ICON believes are underpriced relative to value. To pursue the Fund’s investment objective the Fund will normally invest no less than 25%, and up to 75%, of the market value of its assets, plus any borrowings for investment purposes, in debt securities traded in U.S. markets. To maintain a balance in debt and equity, the Fund will correspondingly invest no less than 25% and no more than 75% in equity securities traded in the U.S. markets, including common stocks and preferred stock of any market capitalization. To manage the risk of holding equity securities, the Fund may write call options or purchase put options on the securities or securities indexes. The Fund may also purchase exchange traded funds and other derivatives. The Fund may invest up to 10% of its net assets in non-investment grade U.S. dollar denominated bonds.

##### **Energy**

Seeks long-term capital appreciation. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in equity securities of companies in the Energy sector and traded in the U.S. Equity securities may include common and preferred stocks of companies of any market capitalization.

##### **Equity Income**

Seeks modest capital appreciation and income. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in equity securities of companies of any market capitalization including convertible and preferred securities and in securities issued by dividend-paying companies.

**Europe**

Seeks long-term capital appreciation. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in foreign equity securities of companies with their principal business activities in the European region. Equity securities may include common and preferred stocks of companies of any market capitalization. Inception date was 02/20/97 and it closed on 9/15/14.

**Financial**

Seeks long-term capital appreciation. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in equity securities of companies in the Financial sector and traded in the U.S. Equity securities may include common and preferred stocks of companies of any market capitalization.

**Healthcare**

Seeks long-term capital appreciation. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in equity securities of companies in the Health Care sector and traded in the U.S. Equity securities may include common and preferred stocks of companies of any market capitalization.

**Industrials**

Seeks long-term capital appreciation. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in equity securities of companies in the Industrials sector and traded in the U.S. Equity securities may include common and preferred stocks of companies of any market capitalization.

**Information Technology**

Seeks long-term capital appreciation. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in equity securities of companies in the Information Technology sector and traded in the U.S. Equity securities may include common and preferred stocks of companies of any market capitalization.

**International Equity**

Seeks long-term capital appreciation. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in foreign equity securities from countries outside of the United States. Equity securities may include common and preferred stocks of companies of any market capitalization.

**Consumer Staples**

Seeks long-term capital appreciation. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in equity securities of companies in the Consumer Staples sector and traded in the U.S. Equity securities may include common and preferred stocks of companies of any market capitalization.

**Long/Short**

Seeks capital appreciation. Normally invests in equity securities of companies of any market capitalization traded in U.S. markets. Will generally take long positions in equity securities identified as undervalued and take short positions in equity positions identified as overvalued.

Long and short positions may involve equity securities of foreign issuers that are traded in U.S. markets.

**Natural Resources (Effective 01/22/16) – “Formerly identified as Materials”**

Seeks long-term capital appreciation. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in equity securities of companies with operations throughout the world that own, explore, or develop natural resources and other basic commodities or supply goods and services to such companies.

**Opportunities**

Seeks capital appreciation. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in equity securities of companies with a market capitalization that is within or below the range of companies in the S&P SmallCap 600 Index and traded in the U.S. Equity securities may include common stocks, preferred stocks, and equity interests in trusts, partnerships, joint ventures, and limited liability companies.

**Utilities**

Seeks long-term capital appreciation. Normally invests at least 80% of net assets, plus any borrowings for investment purposes, in equity securities of companies in the Utilities sector and traded in the U.S. Equity securities may include common and preferred stocks of companies of any market capitalization.

**High Yield Bond**

Seeks high current income and growth of capital. Normally invests at least 80% of its assets in high yield bonds commonly called “junk” or “junk bonds.” Junk bonds are generally in the lower rating categories of the major rating agencies (BB+ or lower by Standard & Poor’s or Fitch Ratings, Inc. or Ba1 or lower by Moody’s Investor Services) or as determined by the Fund management team to be of similar quality. Inception date was 09/30/14 and it closed on 9/25/15.