General Disclosure / About Matson Money

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS

This website is for informational purposes only and does not constitute an offer to sell, a solicitation to buy, or a recommendation for any security, or an offer to provide advisory or other services by Matson Money in any jurisdiction in which such offer, solicitation, purchase or sale would be unlawful under the securities laws of such jurisdiction. The information contained on this website should not be construed as financial or investment advice on any subject matter.

This content is not to be considered investment advice and is not to be relied upon as the basis for entering into any transaction or advisory relationship or making any investment decision.

Matson Money, Inc. “Matson” is a federally registered investment advisor with the Securities Exchange Commission (SEC) and has been in business since 1991. In Canada, Matson is registered as a portfolio manager in Ontario, Alberta, and British Columbia. Registration with the SEC and the Canadian securities regulatory authorities does not imply their approval or endorsement of any services provided by Matson. This content is based on the views of Matson. The concepts discussed herein are for educational purposes only. This content includes the opinions, beliefs, or viewpoints of Matson Money and its Co-Advisors and should not be relied upon for entering into any transaction, advisory relationship, or making any investment decision. Other organizations or persons may analyze investments and the approach to investing from a different perspective than that reflected in this content. Nothing included herein is intended to infer that the approach to investing discussed in this content will assure any particular investment result.

All of Matson Money’s advisory services are marketed almost exclusively by either Solicitors or Co-Advisors (“Referrer”, “Solicitor”, “Promoters”). The term “Co-Advisor” is equivalent in meaning to the term “Referrer,” “Solicitor,” or “Promoter.” Co-Advisors are either unaffiliated separately registered investment advisors, or registered representatives and/or investment advisor representatives of unaffiliated dual registrant brokerage firms. Matson is not affiliated with the Co-Advisors or the firms with which they are associated. Each Co-Advisor enters into a contractual agreement to serve as a non-discretionary Co-Advisor with respect to clients referred by the Co-Advisor to Matson. Solicitors typically do not enter into investment management agreement with clients. Both Co-Advisors and Solicitors have similar responsibilities including promoting and referring clients, and client coaching, including maintaining suitability information, routine service issues, and relationship management. All Co-Advisors are independent contractors, not employees or agents of Matson. Matson Money does not supervise Co-Advisors. Co-Advisors are paid fees as set forth under the tri-party Investment Management Agreement. Such fees are negotiable and may range from .20% to 1.2% of Account Owner assets under management. Matson does not retain any portion of these fees and is compensated only through advisory fees embedded in the Matson Funds.

The Co-Advisor receives an annual fee, paid quarterly in advance by Matson, based on total assets under management of the Co-Advisor’s clients. Generally, the greater the assets under management that the Co-Advisor’s clients have, the higher their annual compensation will be. Due to this compensation arrangement, the Co-Advisor has a financial incentive to promote Matson in lieu of other financial services providers, which results in a material conflict of interest.

Account Owners referred by other Co-Advisors may pay lower advisory fees for comparable services as a result of the range of fees available at each asset level breakpoint.

Co-Advisor’s fee may be paid directly by Account Owner to Co-Advisor or this fee may be deducted from Account Owner’s account by Matson and paid by Matson to Co-Advisor. No part of this fee is retained by Matson. The Co-Advisor's relationship with Matson, including fees payable from the Account Owner’s Account, is governed by a separate agreement between Matson and the Co-Advisor. The nature of this relationship creates an inherent conflict of interest.

All Co-Advisors and Brand Ambassadors are independent contractors, not employees or agents of Matson. All of Matson's advisory services are marketed almost exclusively by Co-Advisors, who are compensated through advisory fees.

Brand Ambassadors are either unaffiliated separately registered investment advisors, or registered representatives and/or investment advisor representatives of unaffiliated dual registrant brokerage firms or separately registered portfolio managers (Canada). Matson Money receives compensation for the Brand Ambassador arrangement to cover the cost of creating branding assets, like films, presentations, logos, and other various marketing material, as well as additional services.

Additionally, Co-Advisors who have entered into a Co-Advisory Agreement with Matson Money can also choose to enroll in the Matson Money Brand Ambassador program under an additional separate Brand Ambassador Agreement with Matson Money. A Brand Ambassador can use Matson's Licensed Marks in connection with the operation of its business as an investment advisor, and Matson grants the Brand Ambassador a license to use the Licensed Marks, subject to the terms and conditions of the Agreement. In addition, the Brand Ambassador retains Matson to provide certain operational consulting services in connection with the Brand Ambassador's business operations and use of the Licensed Marks, and provides such Operational Consulting Services which includes additional training and coaching, subject to the terms and conditions of the Agreement. Matson Money receives compensation for the Brand Ambassador arrangement of approximately $100,000 to cover the cost of creating branded assets like films, presentations, logos, and other various marketing material, as well as additional services like in-depth training and coaching for leading the American Dream Experience. Some additional expenses can be charged for additional services.

Please refer to Form ADV Part 2, of either party, for detailed investment advisory and fee information. You may also refer to Form CRS for an overview of these services.

In Canada, Matson acts as a sub-advisor to another registered portfolio manager ("Advisor"). Matson is not affiliated with the Advisor. The Advisor and Matson have entered into a sub-advisory agreement, under which Matson has agreed to sub-advise client accounts managed by the Advisor. Client accounts are invested in strategies managed by Matson. The Advisor is responsible for client onboarding and account opening collection of know-your-client information and suitability determination and overall client relationship management.

All investing involves risks and costs. These risks may not always be mitigated through long-term investing or diversification. Your advisor can provide you with more information about the risks and costs associated with specific programs. Your advisor is not affiliated with Matson Money, Inc. The information contained in this content is for educational purposes only and is not intended as investment advice. *No investment strategy (including asset allocation and diversification strategies) can ensure peace of mind, guarantee profit, or protect against loss.*

The website may include data, graphs, charts or other material reflecting the performance of a security, an index, an investment vehicle, a composite or other instrument over time ("Performance Material"). Past performance, and any performance reflected in Performance Material, is not an indication of future results.

The videos on this webpage should not be considered investment advice and should not be relied upon as the basis for entering any transaction or advisory relationship or making any investment decision. Please pay close attention to disclosures provided in the presentation, which provide important information about the material therein.

Matson Money Investment Philosophy

Matson Money believes that the stock market is efficient and that free markets work. Based on this belief, Matson focuses on attempting to capture market returns utilizing asset class or structured funds, seeks to utilize broad diversification, and attempts to eliminate stock picking, track record investing, and market timing from the investment process.

Matson Money manages client investments utilizing a fund-of-funds strategy. Client accounts are invested in a mix of a proprietary series of mutual funds advised by Matson, which allocate investments across three broad asset classes: domestic equity, international equity, and fixed income. Matson-advised funds seek to allocate across these broad asset classes by investing in various mutual funds or ETFs. The specific target allocation of each client's Matson-advised strategy depends on the individual investor's risk tolerance and investment horizon, and is selected by the client at account opening. More information on mutual funds, ETFs, and associated fees, is available in fund prospectus documents, available online at: http://funddocs.filepoint.com/matsonmoney/.

Holdings Disclosure

References to Holdings
Due to Matson's investment philosophy and methodology, any references by Matson or by unaffiliated third parties to specific holdings, number of holdings, or specific countries or asset classes are references to the underlying funds in which the Matson-advised mutual funds invest. Mutual funds currently use SEC Forms N-PORT and N-CSR to disclose their quarterly holdings at the end of each fiscal quarter (Form N-PORT replaced Form N-Q),therefore any specific holdings cited are accurate as of that date or is data provided directly by the underlying fund company itself, and do not in any way represent portfolio management research or trading decisions made by Matson Money, other than to the extent Matson Money has allocated Matson-advised mutual fund investments to such underlying funds. Form N-PORT can be found online at https://www.sec.gov/Archives/edgar/data/831114.

Nobel Prize-Winning Academic Research Disclosure

www.nobelprize.org
The Nobel Memorial Prize in Economic Sciences, commonly referred to as the Nobel Prize in Economics, is an award for outstanding contributions to the field of economics, and generally regarded as the most prestigious award for that field.

Markowitz, Harry. "Portfolio Selection." Journal of Finance. 1952.

Harry Max Markowitz is an American economist, and a recipient of the 1989 John von Neumann Theory Prize and the 1990 Nobel Memorial Prize in Economic Sciences. Markowitz is a professor of finance at the Rady School of Management at the University of California, San Diego.

Efficient Market Hypothesis, first explained by Dr. Eugene Fama in his 1965 doctoral thesis.

Eugene F. Fama, "Random Walks in Stock Market Prices," Financial Analysts Journal, September/October 1965.

Eugene F. Fama, 2013 Nobel laureate in Economic Sciences; is widely recognized as the "father of modern finance." His research is well known in both the academic and investment communities. He is strongly identified with research on markets, particularly the Efficient Market Hypothesis.

FAMA/FRENCH FIVE FACTOR MODEL

Eugene F. Fama, Kenneth R. French, “The Cross-Section of Expected Stock Returns,” Journal of Finance 47, No. 2, (June 1992); Eugene F. Fama, Kenneth R. French, “Common Risk Factors in the Returns on Stocks and Bonds,” Journal of Financial Economics 33, No. 1, (February 1993); Eugene F. Fama, Kenneth R. French, “Profitability, Investment and Average Returns,” Journal of Financial Economics 82, No. 3 (December 2006); Eugene F. Fama, Kenneth R. French, “A Five-Factor Asset Pricing Model,” Journal of Financial Economics 116, No. 1 (April 2015);

Three Factor Model

Fama, Eugene F. and Kenneth R. French. “The Cross-Section of Expected Stock Returns,” Journal of Finance, 47, June 1992.

Efficient Market Hypothesis

Eugene F. Fama, “Random Walks in Stock Market Prices,” Financial Analysts Journal, September/October 1965.

Modern Portfolio Theory

Markowitz, Harry. Portfolio Selection: Efficient Diversification of Investments. New York. Wiley. 1959. Print.

Academic Advisory Board Disclosure

Academic Advisory Board members generally receive compensation from Matson Money for their services which include, but are not limited to, independent leadership consulting; co-authoring white papers; and speaking at Matson Money conferences. Advisory Board members may also provide insight to Matson Money on portfolio construction, asset allocation, quantitative analysis, investor behavior and other areas of expertise, as needed. Certain Advisory Board members are employed by or otherwise affiliated with third party advisory firms that offer funds in which Client accounts are invested.

Testimonial Disclosures

THIS WEBSITE MAY CONTAIN LINKS TO TESTIMONIALS OR VIDEOS OF TESTIMONIALS.

(Advisor)

THIS TESTIMONIAL IS BEING PROVIDED TO YOU BY A CO-ADVISOR, SOLICITING ADVISOR, OR SOLICITOR (“PROMOTER”) WHO IS A CURRENT CLIENT OF OR INVESTOR WITH MATSON MONEY. A MATERIAL CONFLICT OF INTEREST EXISTS DUE TO THE PROMOTER’S RELATIONSHIP WITH MATSON MONEY IN WHICH THE PROMOTER RECEIVES AN ANNUAL FEE BASED ON THE ASSETS UNDER MANAGEMENT OF THE PROMOTER’S CLIENTS. THE TESTIMONIAL MAY HELP TO INCREASE SUCH ASSETS UNDER MANAGEMENT AND, THEREFORE, THE FEES THE PROMOTER COLLECTS. ALSO, ALTHOUGH MATSON HAS NOT COMPENSATED THE PROMOTER DIRECTLY OR INDIRECTLY FOR THIS TESTIMONIAL, THE PROMOTER MAY RECEIVE SOME INTANGIBLE BENEFITS, SUCH AS HEIGHTENED BRAND AWARENESS OR REPUTATIONAL ENHANCEMENTS, AS A RESULT OF BEING INCLUDED IN THIS ADVERTISEMENT.

Additional Information Regarding Testimonials from Co-Advisors:

The Co-Advisor, Soliciting Advisor, or Solicitor (“Promoter”) providing the testimonial has a relationship with Matson Money in addition to being a current client of or investor with Matson Money. Matson Money’s advisory services are marketed almost exclusively by Soliciting Advisors, Solicitors, or Co-Advisors (collectively, “Promoters”). Promoters are independent of and unaffiliated with Matson Money. Clients pay asset-based fees to Co-Advisors separate and apart from the fees and expenses associated with the Matson Money-advised funds, which creates an incentive for Promoters to promote Matson Money in order to increase the Promoter’s assets under management and, thus, fees the Promoter collects.

Additionally, Co-Advisors or Soliciting Advisors who have entered into an Advisory Agreement with Matson Money can also choose to enroll in the Matson Money Brand Ambassador program under an additional separate Brand Ambassador Agreement with Matson Money. A Brand Ambassador can use Matson's Licensed Marks in connection with the operation of its business as an investment advisor, and Matson grants the Brand Ambassador a license to use the Licensed Marks, subject to the terms and conditions of the Agreement. In addition, the Brand Ambassador retains Matson to provide certain operational consulting services in connection with the Brand Ambassador's business operations and use of the Licensed Marks and provides such Operational Consulting Services which includes additional training and coaching, subject to the terms and conditions of the Agreement. Matson Money receives compensation for the Brand Ambassador arrangement of approximately $100,000 to cover the cost of creating branded assets, like films, presentations, logos, and other various marketing materials, as well as additional services like in-depth training and coaching for leading the American Dream Experience. Some additional expenses can be charged for additional services.

(Investor)

IMPORTANT DISCLOSURES: THERE WERE NO ACTORS USED IN THE CREATION OF THIS VIDEO. ALL SPEAKERS ARE CURRENT CLIENTS OF, [AND/OR] INVESTORS WITH MATSON MONEY, AS WELL AS ADVISORS WHO HAVE A RELATIONSHIP WITH US. MATSON MONEY AND EACH SUCH ADVISOR WORK TOGETHER TO COLLECTIVELY MARKET MATSON'S AND THE ADVISOR'S RESPECTIVE ADVISORY SERVICES, THEREFORE THE SPEAKERS' DISCUSSIONS ARE NOT FREE FROM CONFLICTS. MATSON MONEY HAS NOT DIRECTLY OR INDIRECTLY COMPENSATED THESE SPEAKERS FOR THEIR REMARKS, ALTHOUGH PARTICIPANTS MAY RECEIVE INTANGIBLE BENEFITS SUCH AS HEIGHTENED BRAND AWARENESS, OR REPUTATIONAL ENHANCEMENTS. ADDITIONALLY, THE ADVISORS STAND TO BENEFIT IF THEY OBTAIN OR RETAIN A CLIENT WHO ELECTS TO USE MATSON'S SERVICES.

Matson did not provide cash compensation to the testimonial providers for their participation in the testimonials. Attendees of the American Dream Experience, including the testimonial providers presented, attended free of charge, received branded products such as clothing, notebooks and pens and are provided with meals. The promoter ("Co-Advisor", "Soliciting-Advisor", "Brand Ambassador") providing the testimonial has a relationship with Matson Money in addition to being a current client of or investor with Matson Money. Matson Money's advisory services are marketed almost exclusively by solicitors or co-Advisors (collectively, "Referrers"). Referrers are independent of and unaffiliated with Matson Money. Clients pay asset-based fees to Referrers separate and apart from the fees and expenses associated with the Matson Money-advised funds, which creates an incentive for Referrers to promote Matson Money in order to increase the Referrer's assets under management and, thus, fees the Referrer collects.

Information About Risk Disclosures

Specific Risk: Specific risk, also known as nonsystematic risk is unique risk that is local or limited to a particular asset or industry that does not necessarily affect assets outside of that asset class. An example is news that affects a specific stock such as a sudden strike by employees. Diversification is a key way to help protect yourself from nonsystematic risk. Matson Money clients are invested in securities with broad diversification in an attempt to eliminate nonsystematic risk, however, clients may still be subject to specific risk inside individual asset classes (micro-cap, emerging markets, etc.)

Country Specific Market Risk: Because [individual country's name] index concentrates investments in that specific market, the [individual 's country's name] performance is expected to be closely tied to the social, political and economic conditions within that country, and is expected to be more volatile than the performance of funds with more geographically diverse investments.

Credit Risk: Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value, and thus, impact the investment portfolio's performance. Government agency obligations have different levels of credit support and, therefore, different degrees of credit risk. Securities issued by agencies and instrumentalities of the U.S. Government are supported by the full faith and credit of the United States, such as the Federal Housing Administration and Ginnie Mae, present credit risk that is generally lower than other securities issued by other state or local agencies, or other public or private entities. Other securities issued by agencies and instrumentalities sponsored by the U.S. Government, that are supported only by the issuer's right to borrow from the U.S. Treasury, subject to certain limitations, and securities issued by agencies and instrumentalities sponsored by the U.S. Government that are sponsored by the credit of the issuing agencies, such as Freddie Mac and Fannie Mae, are subject to a greater degree of credit risk. U.S. government agency securities issued or guaranteed by the credit of the agency still involve a risk of non-payment of principal and/or interest.

Cyber Security Risk: Matson Money and its service providers' use of internet, technology and information systems may expose the investment advisor to potential risks linked to cyber security breaches of those technological or information systems. Cyber security breaches, amongst other things, could allow an unauthorized party to gain access to proprietary information, customer data, or fund assets, or cause the investment advisor and/or its service providers to suffer data corruption or lose operational functionality.

Emerging Markets Risk: Numerous emerging market countries have a history of, and continue to experience serious, and potentially continuing, economic and political volatility. Stock markets in many emerging market countries are generally relatively small, expensive to trade in and have higher risks than those in developed markets. Securities in emerging markets also may be less liquid than those in developed markets and foreigners are often limited in their ability to invest in, and withdraw assets from, these markets. Additional restrictions may be imposed under other conditions. Frontier market countries generally have smaller economies or less developed capital markets and, as a result, the risks of investing in emerging market countries are magnified in frontier market countries.

Equity Market Risk: Even a long-term investment approach cannot guarantee a profit or prevent a loss. Economic, market, political, and issuer-specific conditions and events, known as market risks, will cause the value of equity securities, and the investment strategies that own them, to rise or fall which will cause the value of your equity profile to rise or fall. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

Foreign Government Debt Risk: The risk that: (a) the governmental entity that controls the repayment of government debt may not be willing or able to repay the principal and/or to pay the interest when it becomes due, due to factors such as political considerations, the relative size of the governmental entity's debt position in relation to the economy, cash flow problems, insufficient foreign currency reserves, the failure to put in place economic reforms required by the International Monetary Fund or other multilateral agencies, and/or other national economic factors; (b) governments may default on their debt securities, which may require holders of such securities to participate in debt rescheduling; and (c) there is no legal or bankruptcy process by which defaulted government debt may be collected in whole or in part.

Foreign Securities and Currencies Risk: Foreign securities prices may decline or fluctuate because of: (a) economic or political actions of foreign governments, and/or (b) less regulated or liquid securities markets. Investors holding these securities are also exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the U.S. dollar or that a foreign government will convert, or be forced to convert, its currency to another currency, changing its value against the U.S. dollar).

Fund of Funds Risk: The investment performance of client portfolios is affected by the investment performance of the underlying funds in which the portfolio is invested. The ability of the total client portfolio to achieve its investment objective depends on the ability of the underlying Matson-advised mutual funds to meet their investment objectives, on Matson's decisions regarding the allocation of the portfolio's assets among the underlying Matson-advised mutual funds, and on Matson's decisions regarding investments made by the underlying Matson-advised mutual funds. The portfolio may allocate assets to an underlying fund or asset class that underperforms other funds or asset classes. There is no assurance that the investment objective of the portfolio or any underlying fund will be achieved. When the portfolio invests in underlying funds, investors are exposed to a proportionate share of the expenses of those underlying funds in addition to the expenses of the portfolio. Matson may receive fees both directly on your account as well as on the money your account invests in the underlying funds, and the underlying funds themselves may bear expenses of the mutual funds or ETFs in which they invest. Through its investments in the underlying funds, the portfolio is subject to the risks of the underlying funds' investments, with certain underlying fund risks described later in this content. More information on mutual funds, ETFs, and associated fees, is available in fund prospectus documents, available online at: http://funddocs.filepoint.com/matsonmoney/.

Interest Rate Risk: Fixed income securities are subject to interest rate risk because the prices of fixed income securities tend to move in the opposite direction of interest rates. When interest rates rise, fixed income security prices fall. When interest rates fall, fixed income security prices rise. In general, fixed income securities with longer maturities are more sensitive to changes in interest rates.

Market Risk: Even a long-term investment approach cannot guarantee a profit or prevent a loss. Economic, political, and issuer-specific events, known as market risks, will cause the value of fixed income securities to rise or fall.

Small Company Risk: Securities of small public companies with a total market capitalization (market value) of $300M to $2B are known as small-cap companies. Publicly traded companies with a total market capitalization (market value) of $50M to $300M are known as micro-cap companies. Both small-cap and micro-cap companies are often less liquid than those of large companies which can make it difficult to sell the securities of small-cap or micro-cap companies at a desired time or price. As a result, small-cap and micro-cap company stocks may fluctuate relatively more in price. In general, these companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

Value Investment Risk: Value stocks are stocks of publicly traded companies that tend to trade at a "value price" compared to a company's financials. These stocks may perform differently from the market. Following a value-oriented investment strategy may cause client portfolios to underperform equity investment strategies.

Risks of Investing in Equities

Matson Money utilizes equities in its investment strategies. These asset categories are held by clients both directly and indirectly, with various sub-categories (large value, small value international, micro-cap, emerging markets, etc.). Because the value of client investments with Matson will fluctuate, there is risk that you will lose money. The following is a description of the principal risks of investing in equities, including emerging markets:

Equity Market Risk: Even a long-term investment approach cannot guarantee a profit or prevent a loss. Economic, market, political, and issuer-specific conditions and events, known as market risks, will cause the value of equity securities, and the investment strategies that own them, to rise or fall which will cause the value of your equity portfolio to rise or fall. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

Foreign Securities and Currencies Risk: Foreign securities prices may decline or fluctuate because of: (a) economic or political actions of foreign governments, and/or (b) less regulated or liquid securities markets. Investors holding these securities are also exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the U.S. dollar or that a foreign government will convert, or be forced to convert, its currency to another currency, changing its value against the U.S. dollar).

Emerging Markets Risk: Numerous emerging market countries have a history of, and continue to experience serious, and potentially continuing, economic and political volatility. Stock markets in many emerging market countries are generally relatively small, expensive to trade in and have higher risks than those in developed markets. Securities in emerging markets also may be less liquid than those in developed markets and foreigners are often limited in their ability to invest in, and withdraw assets from, these markets. Additional restrictions may be imposed under other conditions. Frontier market countries are those that generally have smaller economies or less developed capital markets and, as a result, the risks of investing in emerging market countries are magnified in frontier market countries.

Small Company Risk: Securities of small public companies with a total market capitalization (market value) of $300M to $2B are known as small-cap companies. Publicly traded companies with a total market capitalization (market value) of $50M to $300M are known as micro-cap companies. Both small-cap and micro-cap companies are often less liquid than those of large companies which can make it difficult to sell the securities of small-cap or micro-cap companies at a desired time or price. As a result, small-cap and micro-cap company stocks may fluctuate relatively more in price. In general, these companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

Because of lower daily trading volumes, trading costs for small stocks are higher. Trading costs result from both direct commissions and the price movements caused by buying or selling shares.

Value Investment Risk: Value stocks are stocks of publicly traded companies that tend to trade at a "value price" compared to a company's financials. These stocks may perform differently from the market. Following a value-oriented investment strategy may cause client portfolios to underperform equity investment strategies.

For more information, please see the Matson Money Form ADV Part 2A.

Risks of Investing in International Equities

Matson Money utilizes international equities in its investment strategies. These asset categories are held by clients both directly and indirectly, with various sub-categories (large value, small value international, emerging markets, etc.). Because the value of client investments with Matson will fluctuate, there is risk that you will lose money. The following is a description of the principal risks of investing in international equities, including emerging markets:

Equity Market Risk: Even a long-term investment approach cannot guarantee a profit or prevent a loss. Economic, market, political, and issuer-specific conditions and events, known as market risks, will cause the value of equity securities, and the investment strategies that own them, to rise or fall which will cause the value of your equity portfolio to rise fall. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

Foreign Securities and Currencies Risk: Foreign securities prices may decline or fluctuate because of: (a) economic or political actions of foreign governments, and/or (b) less regulated or liquid securities markets. Investors holding these securities are also exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the U.S. dollar or that a foreign government will convert, or be forced to convert, its currency to another currency, changing its value against the U.S. dollar).

Emerging Markets Risk: Numerous emerging market countries have a history of, and continue to experience serious, and potentially continuing, economic and political volatility. Stock markets in many emerging market countries are generally relatively small, expensive to trade in and have higher risks than those in developed markets. Securities in emerging markets also may be less liquid than those in developed markets and foreigners are often limited in their ability to invest in, and withdraw assets from, these markets. Additional restrictions may be imposed under other conditions. Frontier market countries generally have smaller economies or less developed capital markets and, as a result, the risks of investing in emerging market countries are magnified in frontier market countries.

International Small Company Risk: Securities of small public companies with a total market capitalization (market value) of $300M to $2B are known as small-cap companies. Small-cap companies are often less liquid than those of large companies which can make it difficult to sell the securities of small-cap companies at a desired time or price. As a result, small-cap company stocks may fluctuate relatively more in price. In general, these companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources. Because of lower daily trading volumes, trading costs for small stocks are higher. Trading costs result from both direct commissions and the price movements caused by buying or selling shares.

International Value Investment Risk: Value stocks are stocks of publicly traded companies that tend to trade at a "value price" compared to a company's financials. These stocks may perform differently from the market. Following a value-oriented investment strategy may cause client portfolios to underperform equity investment strategies.

For more information, please see the Matson Money Form ADV Part 2A.

Risks of Investing in Small/Micro-Cap Stocks

Matson Money utilizes both Small and Micro-cap asset categories in its investment strategies. These asset categories are held by clients indirectly through mutual funds, with various sub-categories (large value, small value international, emerging markets, etc.). Because the value of client investments with Matson will fluctuate, there is risk that you will lose money. The following is a description of the principal risks of investing in small and microcap securities:

Equity Market Risk: Even a long-term investment approach cannot guarantee a profit or prevent a loss. Economic, market, political, and issuer-specific conditions and events, known as market risks, will cause the value of equity securities, and the investment strategies that own them, to rise or fall which will cause the value of your equity portfolio to rise or fall. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

Small Company Risk: Securities of small public companies with a total market capitalization (market value) of $300M to $2B are known as small-cap companies. Publicly traded companies with a total market capitalization (market value) of $50M to $300M are known as micro-cap companies. Both small-cap and micro-cap companies are often less liquid than those of large companies which can make it difficult to sell the securities of small-cap or micro-cap companies at a desired time or price. As a result, small-cap and micro-cap company stocks may fluctuate relatively more in price. In general, these companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

Because of lower daily trading volumes, trading costs for small stocks are higher. Trading costs result from both direct commissions and the price movements caused by buying or selling shares.

Value Investment Risk: Value stocks are stocks of publicly traded companies that tend to trade at a "value price" compared to a company's financials. These stocks may perform differently from the market. Following a value-oriented investment strategy may cause client portfolios to underperform equity investment strategies.

Liquidity Risk: Generally speaking, small and micro-cap stocks are subject to greater liquidity risk. When liquidity risk is elevated, the security being purchased or sold becomes more expensive than a security that is readily available in the marketplace.

Volatility Risk: Generally speaking, small and micro-cap stocks are subject to greater volatility risk. When volatility risk is elevated, the price of a security may fluctuate rapidly in a short period of time.

Market Uncertainty: Small and micro-cap stocks are subject to market uncertainty. Factors such as geopolitical disturbances, economic fluctuations, politics, international relations, and various business cycles all produce market uncertainty. Market uncertainly does inform the stock price.

Risks of Investing in Fixed Income

Matson Money utilizes fixed income asset categories in its investment strategies. These asset categories are held by clients indirectly through mutual funds, with various sub-categories (large value, small value international, emerging markets, etc.). Because the value of client investments with Matson will fluctuate, there is risk that you will lose money. The following is a description of the principal risks of investing in fixed income cap securities:

Market Risk: Even a long-term investment approach cannot guarantee a profit. Economic, political, and issuer-specific events will cause the value of fixed income securities owned by Matson portfolios to rise or fall. As a result, the value of your portfolio may rise or fall if it includes fixed income securities.

Credit Risk: Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value, and thus, impact the investment portfolio's performance. Government agency obligations have different levels of credit support and, therefore, different degrees of credit risk. Securities issued by agencies and instrumentalities of the U.S. Government are supported by the full faith and credit of the United States, such as the Federal Housing Administration and Ginnie Mae, present credit risk that is generally lower than other securities issued by other state or local agencies, or other public or private entities. Other securities issued by agencies and instrumentalities sponsored by the U.S. Government, that are supported only by the issuer's right to borrow from the U.S. Treasury, subject to certain limitations, and securities issued by agencies and instrumentalities sponsored by the U.S. Government that are sponsored by the credit of the issuing agencies, such as Freddie Mac and Fannie Mae, are subject to a greater degree of credit risk. U.S. government agency securities issued or guaranteed by the credit of the agency still involve a risk of non-payment of principal and/or interest.

Interest Rate Risk: Fixed income securities are subject to interest rate risk because the prices of fixed income securities tend to move in the opposite direction of interest rates. When interest rates rise, fixed income security prices fall. When interest rates fall, fixed income security prices rise. In general, fixed income securities with longer maturities are more sensitive to changes in interest rates.

Foreign Securities and Currencies: Foreign securities prices may decline or fluctuate because of: (a) economic or political actions of foreign governments, and/or (b) less regulated or liquid securities markets. Investors holding these securities are also exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the U.S. dollar or that a foreign government will convert, or be forced to convert, its currency to another currency, changing its value against the U.S. dollar).

Foreign Government Debt Risk: The risk that: (a) the governmental entity that controls the repayment of government debt may not be willing or able to repay the principal and/or to pay the interest when it becomes due, due to factors such as political considerations, the relative size of the governmental entity's debt position in relation to the economy, cash flow problems, insufficient foreign currency reserves, the failure to put in place economic reforms required by the International Monetary Fund or other multilateral agencies, and/or other national economic factors; (b) governments may default on their debt securities, which may require holders of such securities to participate in debt rescheduling; and (c) there is no legal or bankruptcy process by which defaulted government debt may be collected in whole or in part.

For more information, please see the Matson Money Form ADV Part 2A.

Index Disclosures:

References to Indices within text

Investors cannot invest in a market index directly, and the performance of an index does not represent any actual transactions. The performance of an index does not include the deduction of various fees and expenses which would lower returns. Advisory fees charged to Matson Money clients, whether directly or indirectly through a mutual fund, are described in Matson Money's Form ADV Part 2A and Form CRS, available at www.matsonmoney.com.

Data prior to the launch date of the index is hypothetical back-tested data (i.e. calculations of how the index might have performed over that time period had the index existed). There are frequently material differences between hypothetical back-tested performance and actual results. Past performance -- whether actual or back-tested -- is no indication or guarantee of future performance. Hypothetical back-tested performance is used by Matson for educational purposes only and is intended only to demonstrate how the market has historically behaved. Matson does not configure, alter, or otherwise use hypothetical back-tested information in an attempt to artificially enhance or impair performance. Matson only uses hypothetical performance information that is relevant to the financial situation and investment objectives of the recipient as communicated to Matson.

- S&P 500 Index.

The S&P 500® Index is widely recognized as representative of the equity market in general. The S&P 500 Index is an unmanaged, capitalization-weighted index designed to measure the performance of the broad U.S. economy through changes in the aggregate market value of 500 stocks representing all major industries.

Awards

Receipt of an award does not acknowledge any particular skill or expertise on behalf of recipient and should not be used in determining whether to enter into any agreement with Matson Money, Inc. Please consider the disclosure of criteria for each award shown.