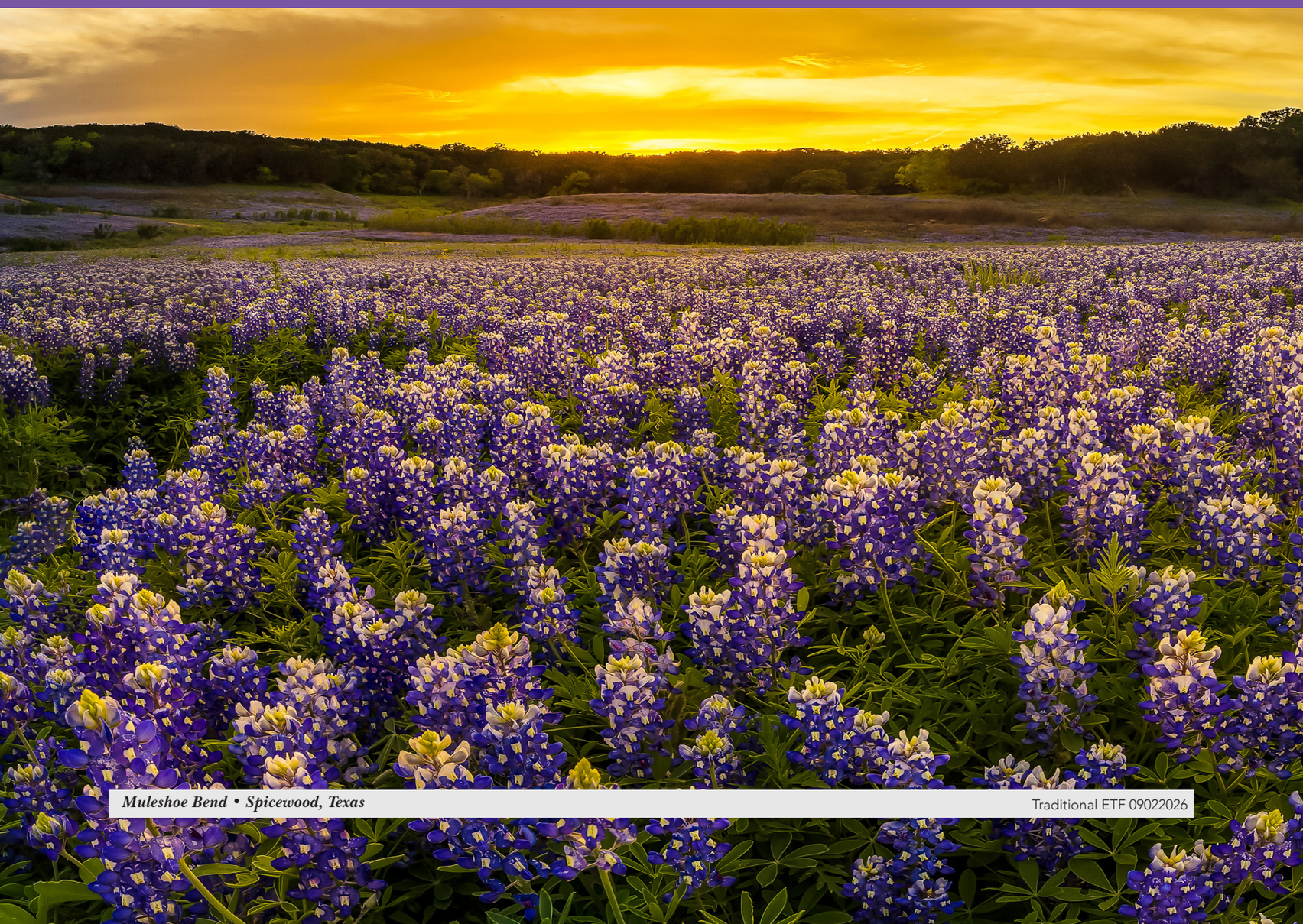
CPM Creative Portfolio Management

TRADITIONAL

ETF

Managed Portfolios Designed for Low-Cost and Broad Market Diversification

BROKERAGE INVESTMENT MANAGEMENT SERVICES



Muleshoe Bend • Spicewood, Texas

CREATIVE PORTFOLIO MANAGEMENT



Our History

Creative Portfolio Management is a DBA of Creative Financial Designs, Inc. Founded in 1982, Creative Financial Designs, Inc. (Creative) is a Registered Investment Adviser (RIA) with the Securities and Exchange Commission. Headquartered in Kokomo, Indiana, Creative was established with a clear mission: to assist financial advisers in providing client-focused, values-based financial guidance. The firm supports a wide network of advisers across the country, all committed to delivering exceptional service and results, abiding by their fiduciary responsibility.

Creative offers a comprehensive range of products, including investment management and financial planning services that can be tailored to meet the unique financial circumstances of individual clients. By combining industry expertise with a personalized approach, Creative helps individuals, families, and businesses build, manage, and preserve wealth.

With a strong emphasis on integrity, innovation, and customized solutions, Creative continues to uphold its founding vision—to ensure that every household has access to trustworthy financial advice that promotes long-term success, regardless of one's starting point or financial history.

Your FINANCIAL & INVESTMENT SUCCESS

Our firm understands our fiduciary requirements to help ***you*** meet ***your*** investment goals. With ***your*** trusted & valued financial adviser, ***your*** investment management team is here to provide the services for ***you*** to be successful. This is about ***you*** and we will never lose that aspect.



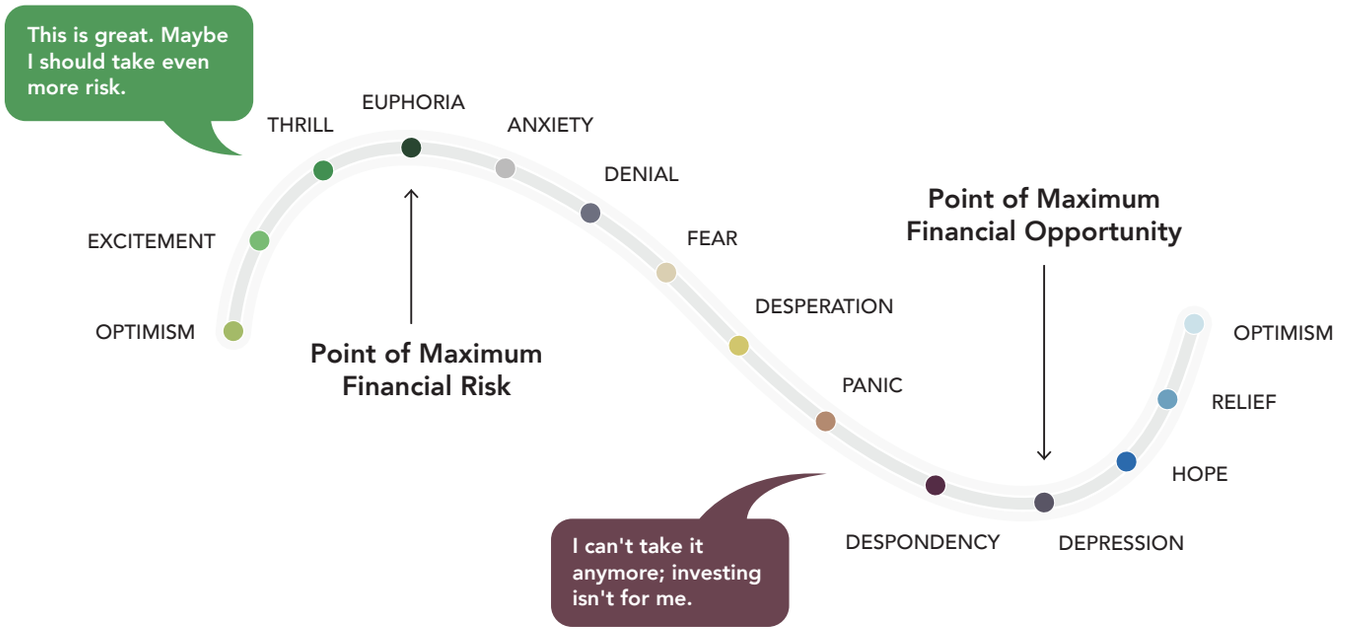
Shouldn't ***you*** use a firm that cares about ***your*** financial goals?

DISCIPLINED INVESTING

Human emotions have the ability to affect clients' investing. It is common for investor's confidence to grow as your investments grow. Conversely, as markets lose value, confidence decreases. Clients tend to go to the sidelines at the wrong time.

Disciplined investing does not adhere to the emotions of investing such as greed, fear, or chasing returns. Along with keeping your account diversified, using a disciplined long-term investment approach is key to obtaining consistent and sound results, though no strategy guarantees profits or prevents losses.

DO NOT LET YOUR EMOTIONS AFFECT YOUR INVESTMENT SUCCESS

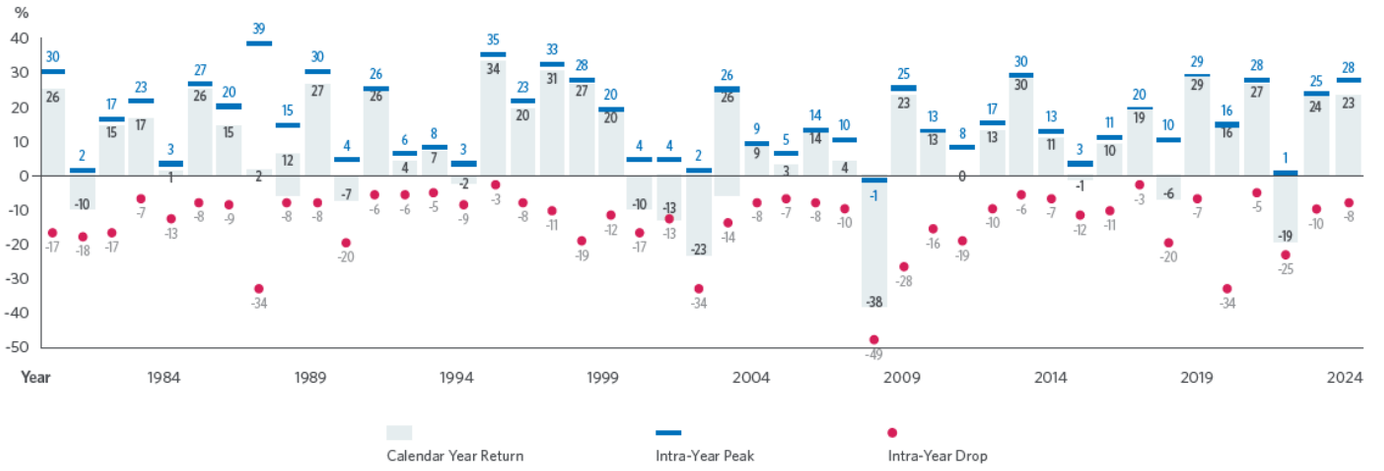


Wall Street Journal, "Control Yourself" June 8, 2009
RBC Correspondence Services, "The Cycle of Market Emotions" June, 2009

It is Time in the Market, Not Market Timing

THINK BEYOND DAILY ACTIVITY

A look back at the S&P 500's historical performance reveals the index endures drastic intra-year swings each year, but U.S. stocks have posted positive annual returns in 34 of 45 years.



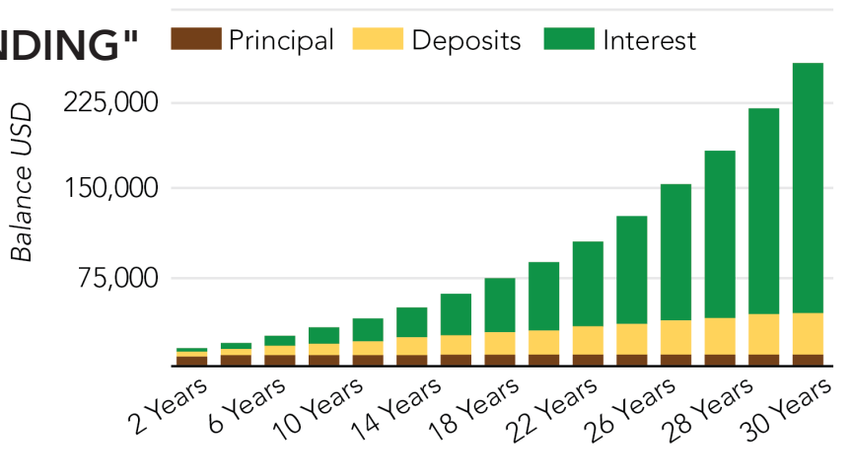
Source: Morningstar, Bloomberg, Transamerica Asset Management, Inc.
[1] The return for 2011 was negative.
S&P 500® Index is an unmanaged index of 500 common stocks primarily traded on the New York Stock Exchange, weighted by market capitalization. It is not possible to invest directly into an index.
Investments are subject to market risk, including the loss of principal. Past performance does not guarantee future results.

LESSONS OF INVESTING ESPECIALLY DURING VOLATILITY

- Turn off the noise - Watch and read less from places that get paid for "clicks" and "viewers"
- Expect the unexpected - markets can change suddenly, especially when everyone expects them not to
- Continue investing through all market conditions, especially when markets go down and become "on sale"
- Remember investing for your financial goals is for the long-term
- Before making any rash decisions, consult your trusted financial adviser
- Lean on your trusted financial adviser for direction especially during times of volatility and concern

THE "POWER OF COMPOUNDING"

The power of compounding is the process of generating earnings on both your original investments and the accumulated interest or returns from previous periods. Often called a "snowball effect," it allows money to grow exponentially over time, turning small, consistent investments into significant sums because your earnings begin to earn their own returns.



Source: financial-yogi.com/the-awesome-power-of-compound-interest/
Illustration is for general purposes only and attempts to illustrate the basics of the power of compounding. No returns are assumed for management of accounts.

INVESTMENT MANAGEMENT SERVICES FOR YOU

Creative Portfilio Management provides investment management services designed to support a broad range of client financial objectives. Recognizing that each client's situation is unique, our investment management team offers a range of strategies and portfolio objectives designed to support personalized, goal-focused investment planning. Your adviser begins by conducting a thorough review of your personal circumstances, financial needs, and long-term goals to determine whether investment management is appropriate for you.

As a Registered Investment Adviser, we are held to a fiduciary standard, which requires that we place your best interests first at all times. This obligation guides every recommendation and investment decision made on your behalf.

If investment management services are determined to be suitable, your adviser will work with you to identify the investment strategy or strategies that best align with your specific objectives. In some cases, multiple strategies may be used to address different goals or asset types. Your adviser will also help establish an appropriate portfolio objective and risk tolerance to ensure your investment approach is consistent with your ability and willingness to accept risk.

HOW IT WORKS

Your adviser helps you and other clients that are concerned about their investments open a brokerage account.

As a client, you select your portfolio objective and investment strategy for your managed brokerage account.



Your account will be managed by our investment team, which evaluates market and economic conditions when making investment decisions intended to support your long-term objectives. As with all investing, results cannot be guaranteed.

Our investment management team will build and manage your account with our diligently screened mutual funds, ETFs, and/or equities, depending on your strategy choice.

ABOUT ETF STRATEGY

The ETF Investment Strategy is designed to create a diversified portfolio that seeks long-term growth and capital appreciation through the use of exchange-traded funds (ETFs). The strategy focuses primarily on ETFs to provide exposure across multiple asset classes and market indices while maintaining cost efficiency and broad diversification. In certain situations, mutual funds may be included to complete portfolio allocations when appropriate investments are not available through ETFs.

OVERALL STRATEGY OBJECTIVES

- To provide a diversified portfolio primarily utilizing exchange-traded funds (ETFs)
- To pursue long-term growth and capital appreciation based on the client's selected portfolio objective
- To maintain exposure across major asset classes through broad market index investments
- To emphasize low internal investment costs through primarily passive investment strategies
- To incorporate mutual funds when necessary to complete asset class allocations
- To monitor portfolios and adjust allocations as market conditions and opportunities evolve

SCREENING PROCESS FOCUS

The ETF strategy focuses on building diversified portfolios using primarily passive exchange-traded funds that track major market indices. The investment team evaluates asset class exposure, cost efficiency, and overall diversification when selecting investments. By emphasizing broad market exposure and relatively low internal expenses, the strategy seeks to provide consistent market participation while maintaining a cost-efficient portfolio structure.

FOCUS OF RESEARCH SCREENING

Managing an overall portfolio and strategy is different than just selecting individual investments. It is important to understand how investments work together across varying market environments. Our firm spends considerable time evaluating each investment and how it contributes to the overall portfolio structure. Some of the more specific items we review within this strategy include:

- Highly rated ETFs
- Highly ranked investments within their comparative asset class
- Lower internal investment expenses
- Various risk measurements
- Manager strategy and philosophy
- Limited portfolio overlap
- Long-term track record
- Manager ownership
- Ratio comparisons
- Diversification benefits within the overall portfolio

ETF MANAGEMENT



Strategy Objective

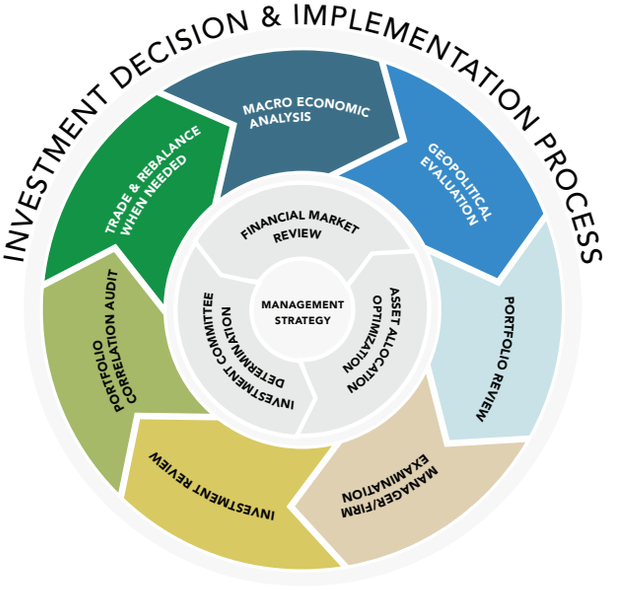
The ETF Investment Strategy (the "Strategy") seeks to create a well-diversified investment portfolio designed to pursue long-term growth and capital appreciation through the use of exchange-traded funds (ETFs). The Strategy primarily invests in ETFs to provide exposure across a range of asset classes and indices while maintaining a focus on cost efficiency and broad market diversification. The portfolio is generally constructed using approximately 10 to 15 ETFs, though the number varies depending on the client's selected portfolio objective and the level of asset class exposure required. In certain situations, the investment management team can include mutual funds to complete portfolio allocations when specific asset classes are unavailable through ETFs or do not meet the firm's research standards. Clients can choose from five portfolio objectives based on their risk tolerance: Conservative, Moderately Conservative, Moderate, Moderately Aggressive, and Aggressive.

Strategy Process

The investment selection process begins with an in-depth evaluation of potential ETFs and, when necessary, mutual funds. The firm analyzes each investment's risk characteristics, historical performance, diversification benefits, and management quality to determine its suitability within the portfolio. This analysis is conducted using industry-standard research and portfolio analysis tools, along with communication with fund managers when appropriate. Investments selected for inclusion typically rank highly within their category based on the firm's analytical metrics. The Strategy emphasizes low-cost investments, focusing primarily on passive ETFs that track major market indices. Passive investment strategies generally seek to replicate the performance of the indices they follow while maintaining relatively low internal expenses compared to actively managed mutual funds. The investment management team monitors holdings and portfolio allocations and adjusts investments when necessary.

Strategy Focus

The primary focus of the ETF Investment Strategy is to build a diversified, cost-efficient portfolio using primarily passive exchange-traded funds. By relying on ETFs that track major market indices, the strategy emphasizes broad market exposure and relatively low internal investment costs. Because passive ETFs track underlying indices, the portfolio reflects the performance of those indices rather than attempting to outperform them through active management. This approach emphasizes consistent market exposure, diversification across asset classes, and cost efficiency. Portfolio allocations and investment selections can change over time as market conditions change and as the investment team evaluates asset class exposure within each portfolio objective.



Why invest in ETF Strategy?

The ETF investment strategy is designed to create broadly diversified portfolios using exchange-traded funds (ETFs). By analyzing a wide range of available ETFs, the strategy seeks to construct portfolios that provide diversified exposure across multiple asset classes. ETFs can offer efficient access to various segments of the market while maintaining a focus on cost awareness and diversification. The strategy emphasizes disciplined portfolio construction and ongoing review to help align investment allocations with long-term financial objectives.

Why ETF Investment Strategy May be Beneficial to Your Portfolio

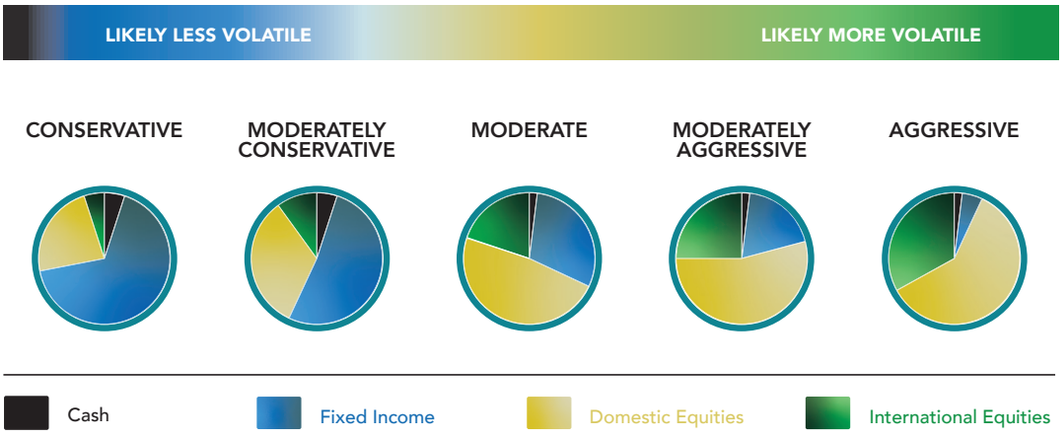
- Designed for investors seeking a diversified core investment strategy
- Utilizes exchange-traded funds (ETFs) to provide exposure across multiple asset classes
- Focus on cost-conscious investment selection when constructing portfolios
- Broad market exposure through diversified ETF holdings
- Portfolios structured to align with multiple risk tolerance objectives
- Ongoing portfolio oversight by a professional investment management team
- Diversification across ETF holdings may help manage overall portfolio risk
- Portfolios can adapt to changing market conditions through periodic investment review
- Emphasis on long-term investment strategies designed to support financial goals
- Managed by a firm operating under fiduciary standards when providing investment advice

Risk is inherent in all investments. Even diversified portfolios may experience losses, particularly over shorter time periods. To help investors pursue their long-term financial objectives, we emphasize disciplined portfolio management and long-term investment strategies. Investors should continue working closely with their financial advisor to monitor their financial progress and adjust as needed. Changes in life circumstances can impact financial goals, so it is important to keep your advisor informed as those changes occur.

ETF STRATEGY OVERVIEW

Within our ETF Investment Strategy we offer this investment management service with a relatively low minimum of $25,000. The strategy offers five portfolio objectives based predominately on the asset classes inside each portfolio. Depending on the portfolio selected, your portfolio will either create more or less risk.

PORTFOLIO OBJECTIVE OPTIONS



The above depicts a generalization of each portfolio. Your account will be invested differently and changes can and will occur any time without notice.

Additional Add-on Services Include:

- Allocate Portfolio Over Time
  - Available for accounts over $50,000
- Optional Cash Allocation (OCA)
  - $10,000 minimum OCA requirement

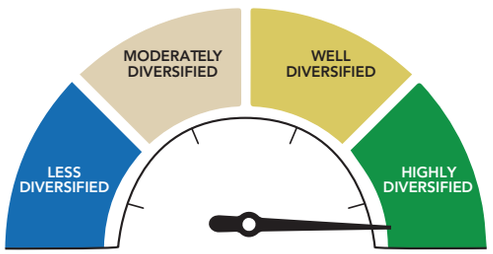
ETF STRATEGY

SUMMARY

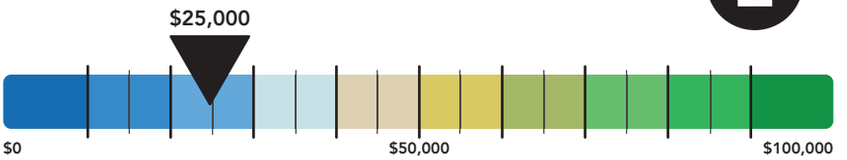
STRATEGY MANAGEMENT: STRATEGIC DIVERSIFICATION

Under the firm's traditional investment approach, this strategy focuses on broad diversification primarily through low-cost index ETFs.

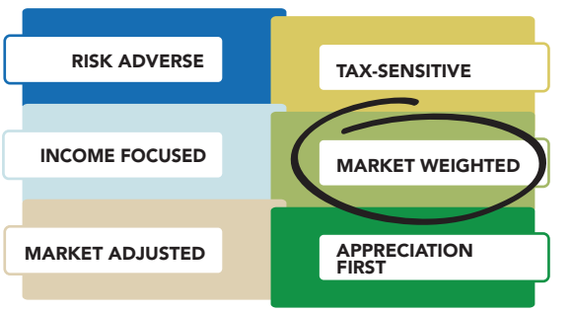
1 STRATEGY DIVERSIFICATION TARGET



2 MINIMUM

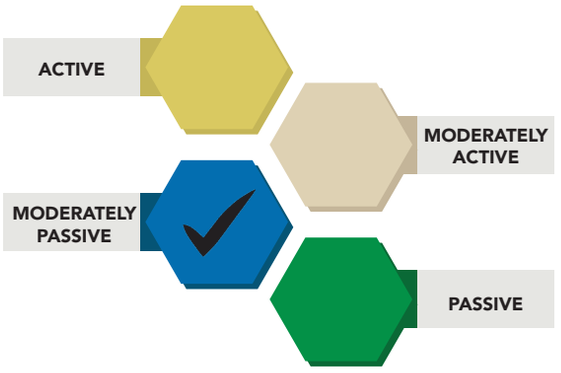


3 RETURN GOAL



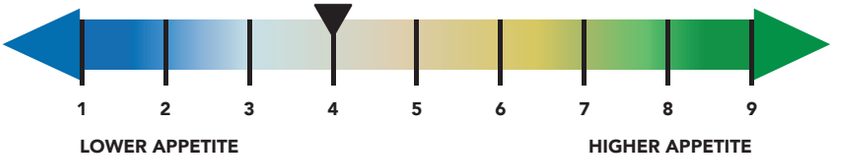
Strategy focuses on diversification over returns to reduce likelihood of high portfolio volatility.

4 MANAGEMENT TARGET STYLE



5 STRATEGY RISK INTENTION

The risk assessment for this strategy is intended for comparison with other strategies available within the firm. It is not designed to be a risk comparison to the overall market or any specific index.



This page serves as a reference for the target categories outlined above. Please note that no guarantees are made regarding the achievement of these targets or the performance of this or any other strategies managed by the firm. Investment holdings are subject to change without notice, and this report is updated on an annual basis. As a result, the data presented may not always reflect the most current information, and various factors—including management decisions, economic conditions, and other variables—may impact these targets. For the latest updates and additional information, please consult your financial adviser.

OUR MISSION

Our Mission is to provide unique and valuable investment services to all clients while honoring our Kingdom Values in guiding our work and lives.

Disclosures for Creative Financial Designs, Inc. & Creative Portfolio Management

Investment Risk: All investments entail risk, and these risks could result in the loss of some or all of your investment. There is no guarantee of returns. Past performance is not an indication of future results.

Model Portfolios: Any use of Creative Financial Designs, Inc. (Creative) model portfolios does not assure or guarantee that investment performance will necessarily be profitable or consistent with the proprietary model portfolio. Neither the model portfolio nor the model portfolio objectives is intended to make or imply any guarantee about the attainment or achievement of its stated investment or returns objectives. Model portfolios are allocated pursuant to models determined by Creative which is solely responsible for the content of each model, and the selection of specific investments. Creative has discretion to change the models at any time, and might make changes to the models for any reason, including current or anticipated market conditions. Any references to percentages of assets in a model portfolio are subject to the discretion of the management team, and are subject to change at any time, without notice.

Variances Among Accounts: Each investment model is merely a guideline, and there may be variance between investment holdings, and therefore returns, in any particular account versus the model allocation. In some instances, these differences may be material. Additionally, there may be some differing holdings among customers investing in the same investment model portfolio. Some of these differing holdings are the result of limited investment options, such as would be the case in self-directed retirement accounts, and/or managed variable annuity accounts. Additional variances could arise due to such things as, without limitation:

- programmed reallocations by an issuer, pursuant to particular product terms and conditions
- special reallocation requests by the client
- timing issues, e.g. investors purchase a fund that subsequently is no longer available for new purchasers, so later investors invest in a comparable (though not identical) investment
- size of an investment account
- additional strategic options selected by a client, e.g. a client uses the invest over time option or the optional cash allocation
- additional contributions to an account, or withdrawals from an account
- additional charges or restrictions that may make a reallocation disadvantageous to a particular client
- tax implications applicable to an individual investment or account
- opening of new investments
- minimum investment amounts applicable to investments
- management fee and other fees charged to the client
- choice of product, custodian, platform, broker/dealer, or other third-party service providers, etc.

Client Choices Influencing Returns in the Account: Please note that your choices as a client may influence the returns in your account, and may not mirror returns of holdings of other investors in the same model portfolio. Some of your choices that may affect the account include:

- Making additional contributions to your account
- Making distributions from your account
- Putting special restrictions on your account, either to hold a particular security, to avoid a particular security, to hold additional cash, etc.
- management fee and other fees charged to the client
- choice of product, custodian, platform, broker/dealer, or other third-party service providers, etc.

Biblical Faith Values Portfolio – Determination of Qualified Investments: The determination of which investments are consistent with Biblical Faith Values is determined at the sole discretion of the management team. CFD utilizes multiple screening tools and other resources, and also relies upon the stated objectives of fund companies to determine that it is maintaining investments that are consistent with Biblical Faith Values. It is acknowledged, however, that particular investors may disagree with a particular fund company or the management team's assessment of how well particular investments comply with the goal of investing assets consistent with Biblical Faith Values. CFD cannot provide a guarantee that in all respects their assessment and that of related fund companies will be consistent with the views of any particular client.

Investment Options Subject to Portfolio Selection Criteria: Selection criteria of individual investments is subject to the limitations set forth in the particular strategy objectives. The firm attempts to diversify investment portfolios subject to the selection criteria for the particular strategy. Descriptions of investment strategies are set forth in the firm's ADV and other applicable disclosures. The Biblical Faith Values strategies and any of the "Focused" strategies significantly limit the pool of potential investments available to the applicable portfolios. This limitation does reduce potential diversification. Performance of portfolios with these limitations will vary from similar portfolios without those allocation restrictions.

Consideration of Non-Financial Factors: In connection with the firm's Biblical Faith Values strategies, we incorporate a social objective, or other non-financial objective into investment decisions and recommendations, particularly in that the strategy is premised on consideration of biblically-based moral screens as one criteria for qualifying an investment for consideration in the portfolio. The firm does engage in financial considerations as well, and blends both financial and non-financial criteria in its selection process. Incorporating a social objective or other non-financial objective into investment decisions, recommendations, advice, and/or the investment decisions will result in investments and recommendations/advice that are not solely focused on maximizing financial returns in the account.

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