

OmniFunds **NEWS** June 2017

» **Clean, Simple, and Profitable** »

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A Better Automated Investment Solution



OmniFunds is our first platform designed specifically for investors. Most investment platforms place assets into ETFs, with the idea that in the long term, the

specific mix will appreciate. Unfortunately, this is not always the case! We know that large draw downs and losses can come from being in the wrong investments at the wrong time. OmniFunds is designed around **THREE KEY** concepts.

Market State Sets the Stage

The first step in the process is assessing Market States. In 30 years of trading experience, we have learned that it is best not to trade the same stocks or ETFs in all market conditions. If the market is steadily trending up, a classic Stock/Bond mix will work fine.

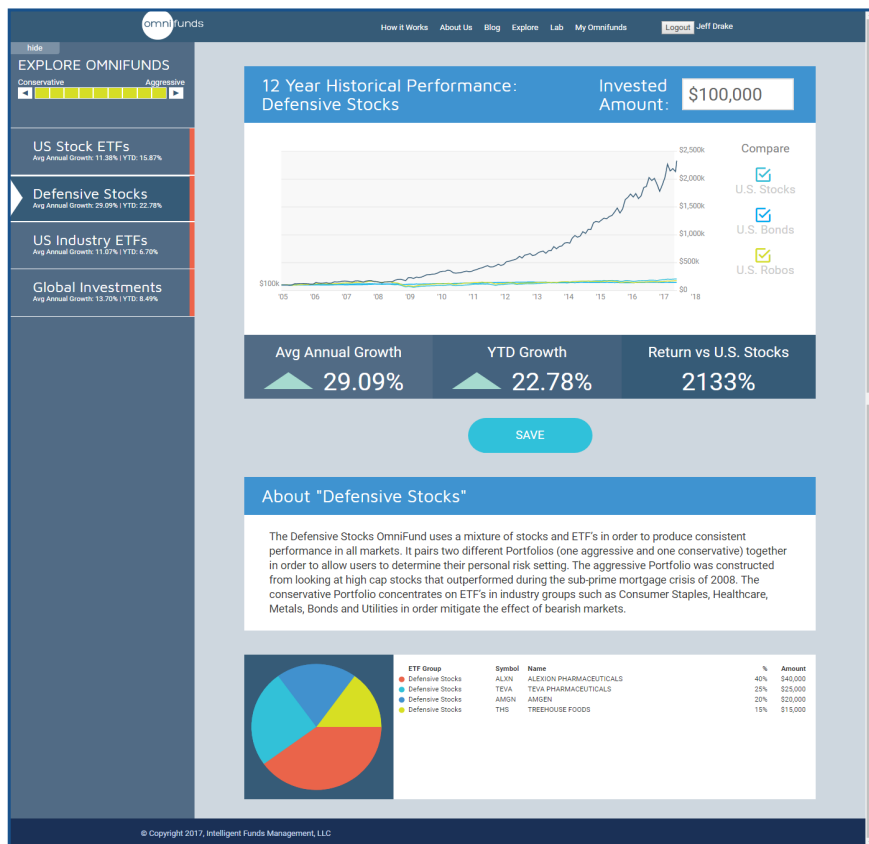
But if the market breaks key support or becomes extremely volatile, we want to take a defensive posture, even going to cash. So, in OmniFunds, we detect these changes in the market and adjust the target symbol lists accordingly, as shown in the diagram to the right.

Filters Help Avoid Losses

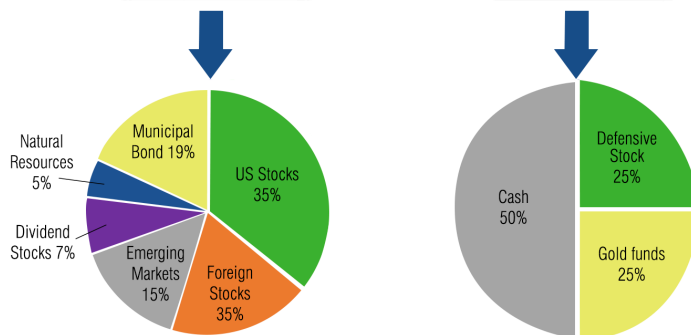
There are times when, even in a trending market, we want to avoid certain symbols. They may simply be too volatile, or may be under selling pressure for some fundamental reason. Simply avoiding stocks or ETFs that are not likely to appreciate can be a very good thing for our accounts.

The Selection Process

The true power of OmniFunds becomes clear in the selection process. Given a list of ETFs in (say) the Bond category, we can use special indicators to rank the symbols to select those that are the most likely to appreciate.



OmniFunds offers a simple approach to investing.



Different Portfolios can be traded in different market states.

Controlling Risk is Key

Common Sense Risk Reduction

Most “Robo Advisors” use a process called **Modern Portfolio Theory (MPT)** – a process that uses historical correlation and covariance between assets to determine what will happen in the future. But our research has shown that MPT is unable to keep up with changing markets, leading to large draw downs in many cases.

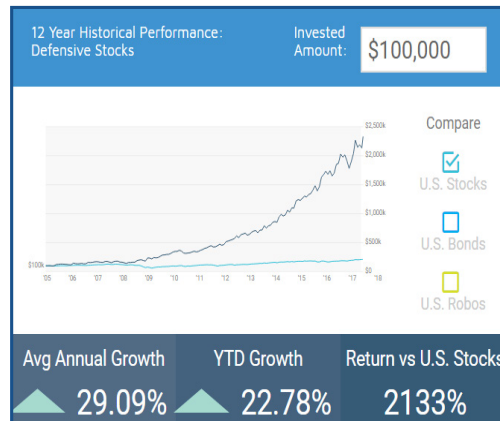
OmniFunds is based on a much simpler and more transparent approach. By combining two portfolios – one Aggressive and one Conservative (as shown on this page), we can achieve an investment position that is better designed to maximize returns or minimize risk.

We have seen that using historical simulations across many years is far preferable to the theoretical approach offered by Modern Portfolio Theory. In fact, most funds based on MPT have not exceeded market returns. The OmniFund to the right beat market returns over 12 years by 594%.

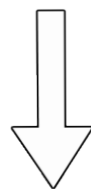
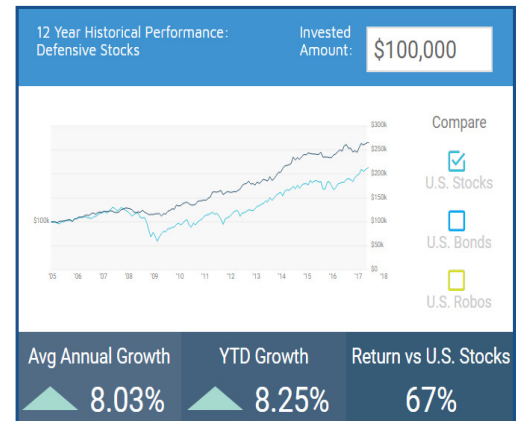
Try it yourself at www.myomnifunds.com



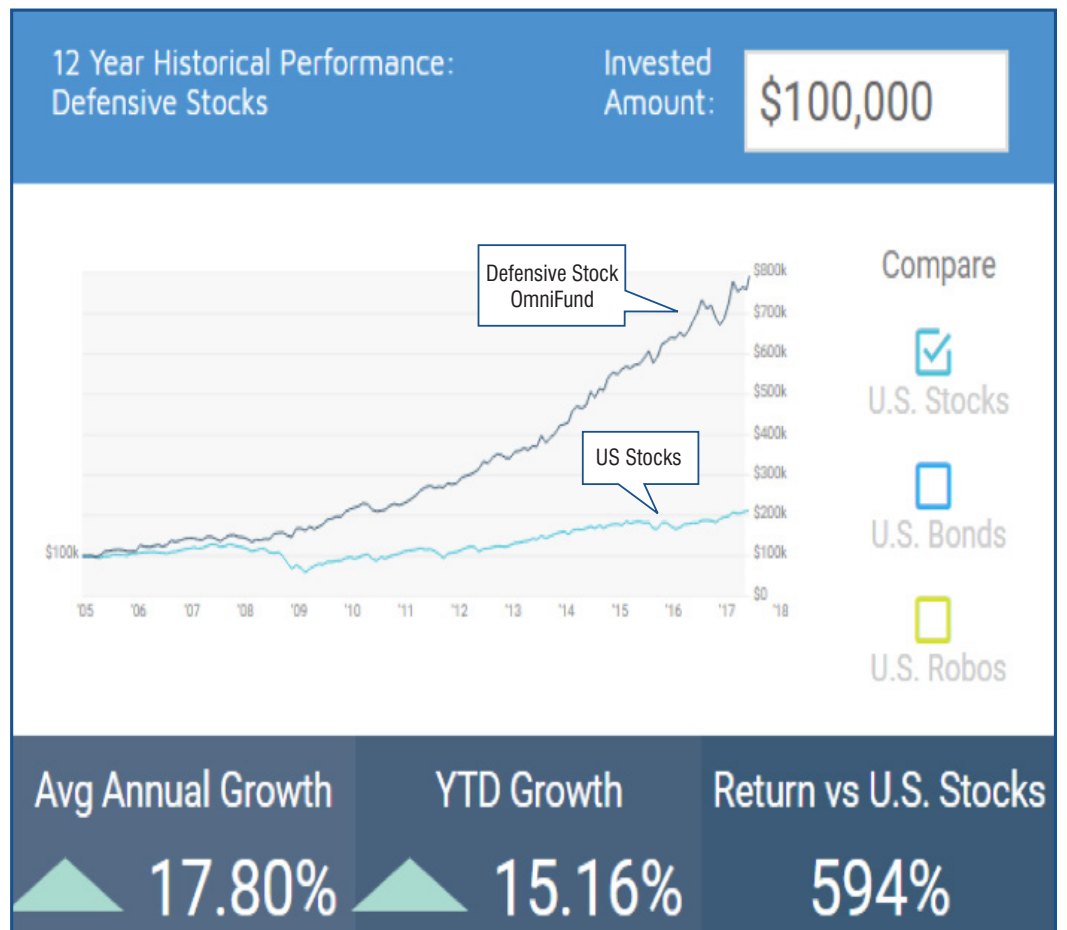
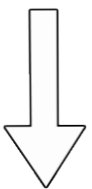
Aggressive Portfolio



Conservative Portfolio



Equal Mixture:



Risk Reduction is achieved in OmniFunds by combining Conservative and Aggressive portfolios. The historical simulation statistics are indicative of how well the given mix has performed over time.

NEW OmniFunds Lab

Create Your Own OmniFunds

OmniFunds Lab

Mine
 All Owners
 Nirvana Published

ID	Public	Owner	OmniFund	CAR	Return	MDD	Avg MDD	Last Updated	actions
243	Yes	Jeff Drake	Global Investments	10.8%	260.2%	30.1%	9.7%	6/16/2017 12:52:28 AM 19 minutes	
240	Yes	Jeff Drake	US Industry ETFs	9.4%	205.3%	27.8%	9.4%	6/16/2017 12:41:46 AM 20 minutes	
228	Yes	Jeff Drake	Defensive Stocks	18.1%	692.4%	16.5%	8.3%	6/16/2017 12:33:01 AM 16 minutes	
198	Yes	Jeff Drake	US Stock ETFs	9.9%	224.1%	22.9%	7.9%	6/16/2017 12:21:45 AM 8 minutes	

Conservative [Progress Bar] Aggressive

Portfolios

ID	Public	Owner	OmniFund	CAR	Return	MDD	Avg MDD	actions
145	No	Jeff Drake	Conservative ETF's	8.2%	165.7%	14.4%	6.2%	
175	No	Jeff Drake	Defensive Stocks NEW	28.4%	2155.6%	32.0%	14.2%	

12 Year Historical Performance: Defensive Stocks

Symbol Universe

- Staples: XLP, CONSUMER STAPLES SELECT SECTOR, RHS, GUGGENHEIM S&P 500 EQUITY WTS CONS
- Defensive Stocks: ABT, ABBOTT LABORATORIES, AON, ALLERGAN INC, ALXN, ALEXION PHARMACEUTICALS, AMGN, AMGEN, CILD, GILEAD SCIENCES, VRTX, VERTEX, CTWS, CONNECTICUT WATER SERVICE, ICUI

Avg Annual Growth	YTD Growth	Return vs U.S. Stocks
17.80%	15.16%	594%

About "Defensive Stocks"

The Defensive Stocks OmniFund uses a mixture of stocks and ETF's in order to produce consistent performance in all markets. It pairs two different Portfolios (one aggressive and one conservative) together in order to allow users to determine their personal risk setting. The aggressive Portfolio was constructed from looking at high cap stocks that outperformed during the sub-prime mortgage crisis of 2008. The conservative Portfolio concentrates on ETF's in industry groups such as Consumer Staples, Healthcare, Metals, Bonds and Utilities in order mitigate the effect of bearish markets.

Switch on Interval: 1 Month

Assets

ETF Group	Symbol	Name	%
Defensive Stocks	ALXN	ALEXION PHARMACEUTICALS	18.95%
Treasury Bonds	IEI	iShares BARCLAYS 3-7 YEAR TREASURY	13.16%
Defensive Stocks	TEVA	TEVA PHARMACEUTICALS	11.84%
Metals	DBP	POWERSHARES DB PRECIOUS METALS	10.75%
Utilities	FXI	FIRST TRUST UTIL ALPHADEX	10.53%
Healthcare	IBB	iShares NASDAQ BIOTECH	10.3%
Defensive Stocks	AMGN	AMGEN	9.47%
Consumer Staples	RHS	GUGGENHEIM S&P 500 EQUITY WTS CONS	7.89%
Defensive Stocks	THS	TREEHOUSE FOODS	7.11%

Total Return:	692.4%
CAR:	18.1%
MDD:	16.5%
CALMAR:	1.1
AvgAnnualCAR:	17.8%
AvgAnnualMDD:	8.3%
Num Trades/Per Year:	139.4

Performance Statistics

The OmniFunds Lab provides users with the ability to create their very own OmniFunds! With Lab access, you can easily control every aspect of the OmniFund process. Creating a custom OmniFund is easy, thanks to the new OmniFunds Lab.

There are many reasons a user may want to create their own OmniFund. They may want to focus on a specific area of the market, like Tech Stocks, or create a fund based on recent IPO stocks, or even test an idea using Inverse ETFs. The sky's the limit!

Users can quickly create their own OmniFund by selecting a Conservative and Aggressive Portfolio from the list. Anyone can do it. Additional levels of customization are available at the user's discretion.

Filters

Name	VBA
Low Volatility	VTY_PRICE(14,5) < 0.015
Moderately Bullish	C>SMA(200)
Outperforming Market	RelMom (0, "SPY")
Strong Upward Trend	TRII(60,30) > 80
Upward Momentum	MACD_HIST (12,26,9) > 0

Add

Ranking

Name	Direction	VBA
Biggest Gainers	DESC	(C - C[20])/C
High Momentum	DESC	MOM(20)
Lowest Volatility	ASC	VTY_PRICE(14,5)
Short Term Oversold	ASC	RSI(9)
Strong Trend	DESC	ADX(10)

Add

Market State

Name	Symbol	VBA
High Volatility	\$VIX	C > 20 AND C > SMA(5)
Long Term Bearish	SPY	C <= SMA(200)
Long Term Bullish	SPY	C > SMA(200)
Short Term Bearish	SPY	C < SMA(50)
Short Term Bullish	SPY	C > SMA(50)

Add

Built-in Library allows users to select from pre-defined Market States, Filters and Ranking functions.

Easy Customization

Many assets are pre-defined. You have access to Portfolios we have created, which you can review and use.

There is also an Indicator Library (as shown on the previous page), containing pre-defined functions for Filtering, Ranking, and Market State, making it very easy to customize new Portfolios.

And those who want to apply their own indicators can upload them directly to the Library. Nirvana Club Members can upload indicators based on Artificial Intelligence components.

Allocation of assets to positions is the final customization step of any OmniFund. The user can specify either Fixed or Automatic Allocation, which uses an algorithm based on correlation between instruments that have been selected.

Automated Analysis!

Determining which indicators to use for Filtering, Ranking, or Market States can be difficult and time consuming. To facilitate rapid fund development, we added an automation tool to the Lab that is very similar to the way Strategy Wizard works in OmniTrader.

The Lab will run simulations using every combination of different indicators to produce a report showing the historical profitability and draw downs for each test. When the run is completed, a report enables the user to sort on Return or Draw Down. It's a simple matter to save the best one.

The OmniFunds Lab is for anyone who wants to take total control over their investment approach.

About Intelligent Fund Management

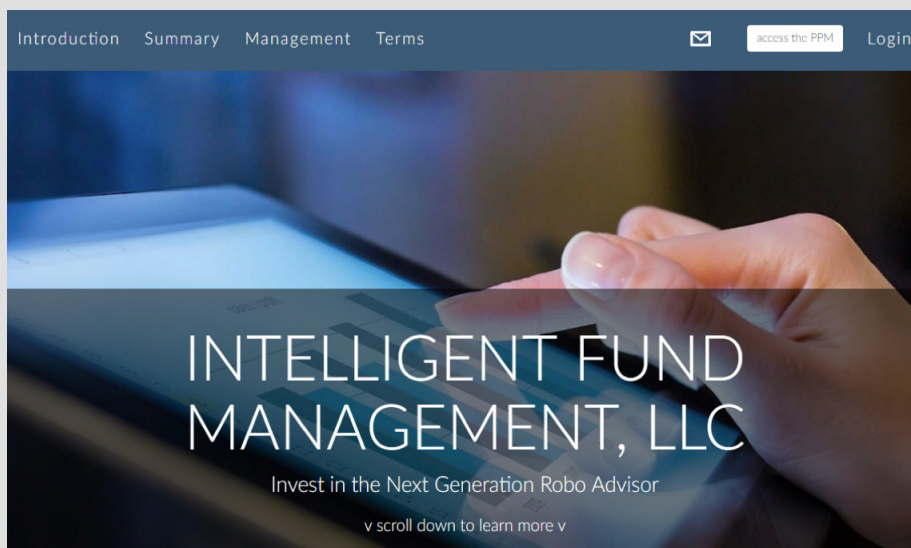
Intelligent Fund Management, LLC (or, "IFM") was founded in February 2016 to take advantage of explosive growth in the "Robo Advisor" space. Assets under management for the independent Robo Advisors have doubled each year, and are projected to reach \$2.2 Trillion by 2020.



The first OmniFunds prototype (software) was built and released in the summer of 2015, and the OmniFunds web site was completed in October 2016.

Since then, we have worked to complete the OmniFunds Lab to make it easy to create new OmniFunds. Now, it's time to take OmniFunds to the world.

IFM goes "Public"



In 2017, we are promoting OmniFunds as an alternative to the Robo Advisor approach. To fund the expansion, we have issued a Public Regulation "D" Offering for accredited investors, at www.offering.myomnifunds.com

OmniFunds Professional

Premium OmniFunds and More...

Limited To The First 30 Sign Ups

Intelligent Fund Management is working to establish a classic Assets Under Management (AUM) model by becoming a Registered Investment Advisor. Regular OmniFunds are currently free, but when this has been accomplished (est, Fall 2017) we will start charging a low 0.5% of AUM for clients to use them.

However, we are also building a category of "Super Funds" based on advanced asset-switching techniques. The OmniFunds shown on this page are two examples. These OmniFunds will be reserved for clients who pay a higher fee (initially 2% of Assets) when the AUM model is launched.

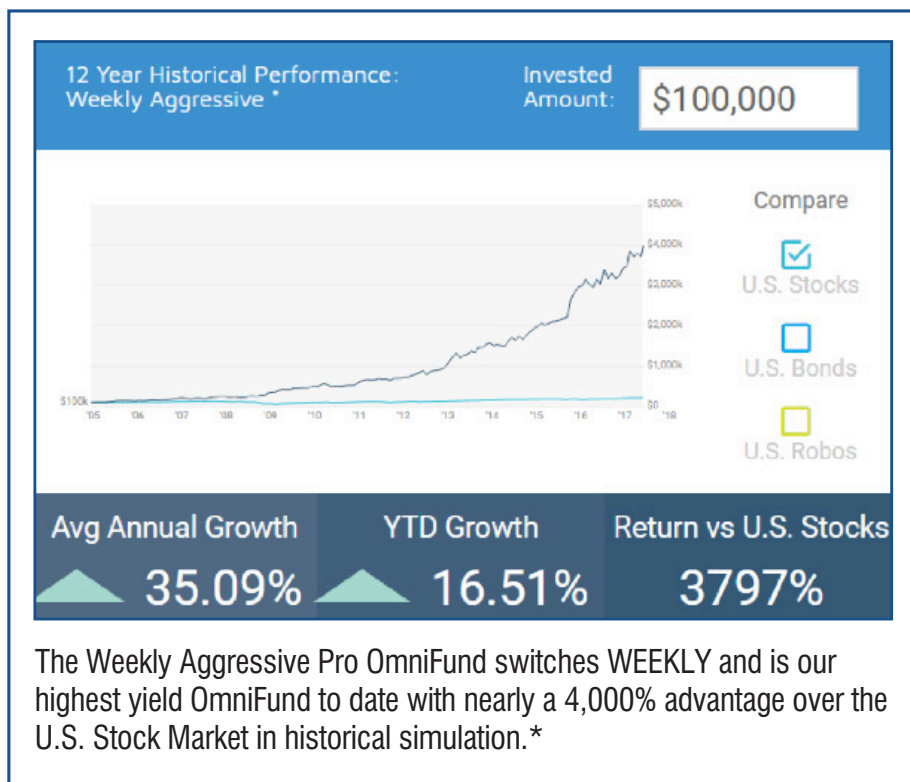
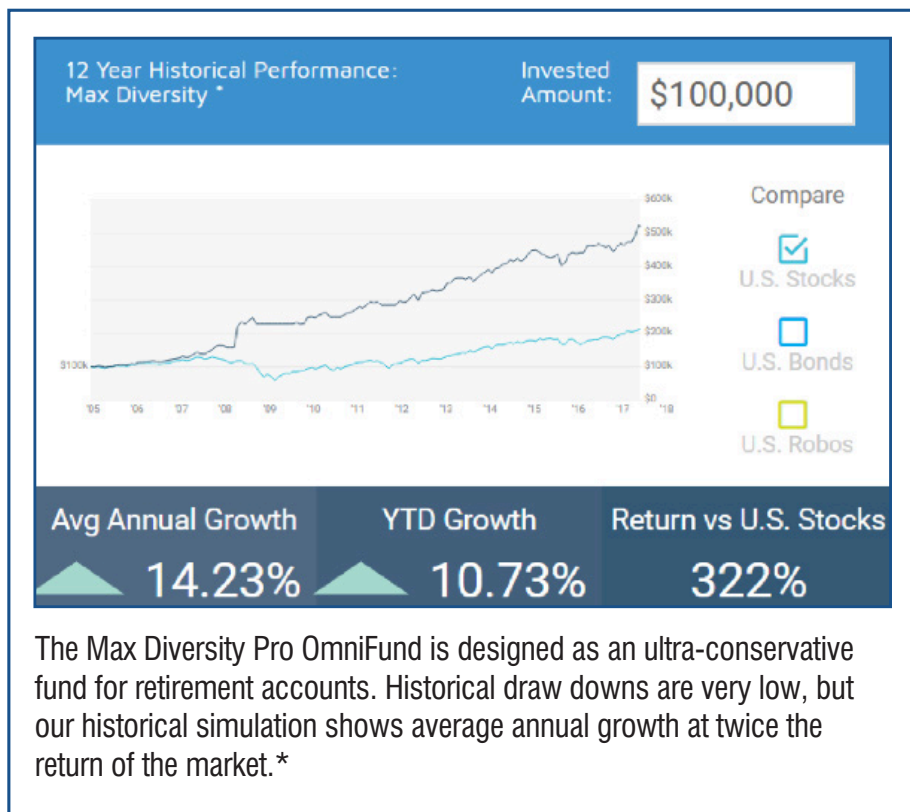
When you sign up for OmniFunds Professional before the deadline, you will receive these Pro OmniFunds at no cost. That means if you join through this promotion you will pay zero fees when the AUM model comes on-line.

The resulting savings can be significant. If a member were to invest \$300K in our Pro OmniFunds, they would pay \$6,000 per year. In this case, OmniFunds Professional would pay for itself in the first year.

And, of course, provided these funds out-perform our base OmniFunds, the additional returns could also be substantial.

We have restricted OmniFunds Professional access to just 30 users. For those who want to trade premium funds and save, it's a great deal.

OmniFunds Professional is regularly \$5,000 - available for a very limited time for just \$3,500 and includes OmniFunds Lab.



* OmniFunds Disclaimer: The results shown are based on simulated or hypothetical performance results. Hypothetical results have certain inherent limitations. Unlike the results shown in an actual performance record, these results do not represent actual trading, and do not account for transaction costs such as commissions or slippage. Past performance, whether actual or indicated by historical tests of strategies, is no guarantee of future performance or success.

The Future of Intelligent Investing is Here. Go Pro by July 12th and Save!



“Our Nirvana Team is working hard on behalf of Intelligent Fund Management, LLC to create the ultimate investment platform in OmniFunds. Now, with the release of the OmniFunds LAB, users have total control over how their personal funds are constructed, managed, and traded. OmniFunds is set to challenge the financial services industry, including the new Robo Advisors. This is the product investors have been waiting for.” – Ed Downs

OmniFunds Access - FREE Now, Ultra Low Cost Later..

The OmniFunds Platform is free at this time. Just create an account at www.myomnifunds.com, select your OmniFund and Risk Level and activate it in your Interactive Brokers account. When our AUM model is opened later this year, Customers who come on board early will pay just 0.25% of Assets Under Management to continue using the platform (compared to 0.5% for new users).

- Superior performance vs. the Robo Advisors
- Periodic Asset Switching using Market States, Ranking, Filtering for higher returns
- Fully automatic investment of assets in a risk-controlled environment

OmniFunds Lab - Reg \$2,995. Special Offer: Now just \$1,495

The OmniFunds Lab puts you in charge of your OmniFund. Select from our pre-defined Aggressive and Conservative Portfolios. Or, easily create your own Portfolios with your Symbols and Market States (custom or selected from our Library). It's the best way to trade what you want to trade, how you want to trade it.

- Select filters, Market States, and Switching Functions from our Library – Easy
- See your results instantly on our servers

OmniFunds Professional - Reg \$5,000. 30 Positions Open at \$3,500 each

Enjoy access to our Pro OmniFunds. When launched to the public, this service will be available at a charge of 2.0% of Assets Under Management. As a Pro Owner, you will never pay this fee. We are limiting access to 30 Professional Users at a discounted price of just \$3,500 each.

- Gain access to our highest grade OmniFunds (we call them “Super Funds”)
- Gain (save) an extra 2% per year in your account for potentially significant savings

Go Pro by JULY 12th and Save!
Call 1-800-880-0338
or visit: www.MyOmniFunds.com/Pro

OmniFunds Lab - Money Back Guarantee:

The OmniFunds Lab product is backed by our unconditional 90 - Day Money Back Guarantee. If for any reason you are not fully satisfied you may return OmniFunds Lab for a 100% refund. OmniFunds Professional is non-refundable.



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