

## Independent Accountant's Verification and Performance Examination Report

Investors

Crescat Portfolio Management, LLC:

We have examined whether (1) Crescat Portfolio Management, LLC (the "Firm") has complied with all the composite construction requirements of the Global Investment Performance Standards (GIPS® standards) on a firm-wide basis for the periods from January 1, 2006, to December 31, 2016, and (2) the Firm's policies and procedures are designed to calculate and present performance results in compliance with the GIPS standards as of December 31, 2016. We have also examined the accompanying performance presentation and Composite Disclosure Presentation of the Firm's **Crescat Global Macro Hedge Fund Composite** for the periods from January 1, 2006, to December 31, 2016. The Firm's management is responsible for compliance with the GIPS standards, the design of its policies and procedures and for the Quarterly Performance and Composite Disclosure Presentations. Our responsibility is to express an opinion based on our examination.

### Scope of Work

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Firm's compliance with the previously mentioned requirements; evaluating the design of the Firm's policies and procedures previously referred to; examining, on a test basis, evidence supporting the accompanying composite compliant presentation; and performing the procedures for a verification and performance examination required by the GIPS standards and such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

### Opinion

In our opinion, in all material respects,

- the Firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the periods from January 1, 2006, to December 31, 2016; and
- the Firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards as of December 31, 2016.

Also, in our opinion, in all material respects, the Firm has

- constructed the **Crescat Global Macro Hedge Fund Composite** and calculated the **Crescat Global Macro Hedge Fund Composite** performance for the periods from January 1, 2006, to December 31, 2016, in compliance with the GIPS standards; and
- prepared and presented the Composite Disclosure Presentation of the Firm's **Crescat Global Macro Hedge Fund Composite** for the periods from January 1, 2006, to December 31, 2016, in compliance with the GIPS standards.

The Supplemental Information included in the Composite Disclosure Presentation is not a required part of the disclosures and as such, was not included in our examination. Accordingly, we express no opinion or any other form of assurance on such information. The Supplemental Information presented is the responsibility of the Firm's management.

This report does not contain an opinion on the accuracy of any composite presentation of the Firm other than the Composite Disclosure Presentation of the Firm's **Crescat Global Macro Hedge Fund Composite** for the periods from January 1, 2006, to December 31, 2016.



Ashland Partners & Company LLP

May 16, 2017

**CRESCAT PORTFOLIO MANAGEMENT, LLC**  
**CRESCAT GLOBAL MACRO HEDGE FUND COMPOSITE**  
**QUARTERLY PERFORMANCE PRESENTATION**

*Asset-Weighted Performance Net of Fees*  
*Results have been calculated in U.S. Dollars*

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual
2016	1.8%	0.0%	(7.3%)	7.6%	1.5%
2015	6.5%	(2.2%)	9.6%	1.3%	15.5%
2014	12.4%	0.3%	(0.8%)	12.5%	25.8%
2013	11.7%	(11.5%)	5.8%	1.6%	6.3%
2012	(4.4%)	(2.9%)	19.8%	(7.9%)	2.4%
2011	(4.8%)	(12.1%)	2.4%	(1.1%)	(15.2%)
2010	(3.7%)	(1.5%)	4.2%	30.0%	28.5%
2009	6.0%	13.7%	(0.6%)	10.6%	32.5%
2008	25.3%	11.7%	(34.2%)	(11.1%)	(18.1%)
2007	13.3%	5.3%	28.6%	16.3%	78.6%
2006	0.3%	26.5%	(5.7%)	12.0%	33.9%

Past performance is not indicative of future results. Performance is presented net of all applicable trading and third party expenses, management fees and incentive allocations. The Independent Accountant's Verification and Performance Examination Report and the Composite Disclosure Presentation are an integral part of this presentation.

Performance and Assets by Year													
	Total Firm Assets <sup>1</sup>		Composite		Returns			Year Annualized Downside Deviation			Year Annualized Standard Deviation		
Year End	Regulatory Assets (\$000s)	Net Assets (\$000s)	Assets (\$000s)	# of Accounts	Composite (Net)	S&P 500	HFRX Global	Composite	S&P500	HFRX Global	Composite	S&P500	HFRX Global
2016	\$240,023	\$92,667	\$36,484	1	1.5%	12.0%	2.5%	6.2%	5.9%	2.9%	13.4%	10.7%	3.8%
2015	\$150,098	\$72,394	\$29,717	1	15.5%	1.3%	-3.6%	8.0%	5.4%	2.6%	14.7%	10.6%	3.7%
2014	\$88,452	\$50,059	\$19,101	1	25.8%	13.7%	-0.6%	8.9%	4.7%	1.8%	16.2%	9.1%	3.1%
2013	\$85,346	\$44,078	\$15,451	1	6.3%	32.4%	6.7%	11.4%	6.8%	3.3%	16.0%	12.1%	4.2%
2012	\$74,211	\$37,881	\$17,782	1	2.4%	16.0%	3.5%	10.6%	9.2%	3.6%	17.7%	15.3%	4.6%
2011	-	\$57,717	\$40,863	2	-15.2%	2.1%	-8.9%	11.4%	11.5%	3.4%	24.1%	19.0%	5.1%
2010	-	\$64,232	\$46,765	2	28.5%	15.1%	5.2%	17.9%	16.8%	7.5%	30.7%	22.2%	8.7%
2009	-	\$44,393	\$29,441	3	32.5%	26.5%	13.4%	17.3%	15.8%	7.7%	30.5%	19.9%	9.0%
2008	-	\$52,797	\$39,235	2	-18.1%	-37.0%	-23.3%	18.7%	13.8%	7.7%	30.5%	15.3%	8.8%
2007	-	\$10,861	\$10,861	1	78.6%	5.5%	4.2%	N/A	N/A	N/A	N/A	N/A	N/A
2006	-	\$1,554	\$1,554	1	33.9%	15.8%	9.3%	N/A	N/A	N/A	N/A	N/A	N/A

<sup>1</sup> Beginning in 2012, CPM started presenting Total Firm Regulatory Assets as supplementary information

#### GIPS® Information:

Crescat Portfolio Management LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with GIPS standards. Crescat Portfolio Management LLC (CPM) has been independently verified for the periods 1 January 2006 through 31 December 2014. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Crescat Global Macro Hedge Fund Composite (Composite) has been examined for the periods 1 January 2006 through 31 December 2015. The verification and performance examination reports are available upon request. CPM is an SEC-registered investment adviser and manager of the Composite.

The Composite was created on 1 January 2006. On 1 December 2014, the name of the Composite was changed from the Crescat Global Macro Composite to the Crescat Global Macro Hedge Fund Composite. Composite accounts are managed according to the firm's global macro investment process. The manager may invest in a broad universe of securities including currencies, commodities, equities, fixed income, and derivatives (including options and futures) across global markets. The manager may employ leverage through the purchase of securities on margin and derivatives. The manager may engage in short selling of securities

The S&P 500 Index is the main benchmark for the Global Macro Fund and the HFRX Global is the secondary Index. The S&P 500 Index is most widely used by institutions and the HFRX Global index best represents hedge funds that follow a global macro investment strategy. This change was applied retroactively as of 12/31/2014.

The MSCI World Index - Net (MSCI World) and the Dow Jones UBS Commodity Index TR (DJ UBS Commodity) were the benchmarks for the Composite from May 2011 through December 2014. MSCI World best represented the Composite's equity universe, and DJ UBS Commodity best represented the Composite's commodity universe. Prior to May 2011, the Composite used a blended index (60% MSCI World and 40% Dow Jones UBS Commodity) and the S&P 500 as its benchmarks. CPM switched to MSCI World and DJ UBS Commodity in order to more directly show the performance of the equity and commodity investment universes. (Note the name change of the Dow Jones AIG Index TR to the Dow Jones UBS Commodity Index TR as of June 2009.) Crescat reported the Dow Jones-UBS Commodity Price Index instead of the Total Return Index on May 2011 through June 2012 performance reports due to an error by our index

CPM aims to deliver significant alpha in the Composite relative to benchmarks through highly selective allocation of long and short positions to asset classes, sectors, and individual securities. As such, CPM does not aim to track the performance of the benchmarks but rather to outperform them with substantial upside deviation. Because standard deviation penalizes high upside deviation, it is therefore not an appropriate risk metric for the Composite. Downside deviation is more appropriate because it captures downside risk but does not penalize for upside deviation. Therefore, both downside and standard deviation are shown. CPM calculates downside deviation relative to a 0% performance level, annualizing the trailing three years of monthly performance numbers.

CPM reports performance results monthly. The US Dollar is the currency used to express performance. Returns are presented net of all applicable trading and 3rd party expenses, management fees and incentive allocation and include the reinvestment of all income. CPM uses stated fees rather than actual fees when calculating net performance. Management fees are 2% per year, payable monthly in arrears. The incentive allocation is calculated net of management fees and is 20% per year, payable annually in arrears and subject to a high water mark. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

#### Other Disclosures

Portfolios in the CGM Composite are rebalanced after significant capital contributions and before withdrawals to minimize dispersion. Rebalancing typically occurs monthly.

The minimum investment size for this fund is \$250,000, although management reserves the right to accept lower initial investments. Subscriptions are accepted monthly. At the conclusion of a 1-year lock-up period, fund redemptions are processed at the end of each month and require 30 days notice. Fund management fees and incentive allocations are waived on manager accounts.

All reported returns are purely historical, are no indication of future performance, and may be adjusted subsequently if necessary. This information does not constitute an offer to sell (nor the solicitation of an offer to buy) interest in the fund. Such an offering is made solely by means of the fund's private placement