MAY 2017 UPDATE

We provide composite returns for Growth, Growth & Income (a combination of "Growth & Income and "Moderate Balanced" accounts), Conservative Balanced, Retirement Income (a combination of "Retirement Income" and "High Monthly Payout" accounts), Closed-End Income, ETF Options Income and Alternative. We present net-of-fee results in the following table. (SSB composites are in boldface.) For the sake of comparison, we also include returns for various indexes and blended benchmarks that we believe are commensurate in risk to our strategies, as well as passively managed funds of funds from Vanguard, and a PowerShares ETF.

Salzinger Sheaff Brock	YTD	One Yr	Three Yrs	Five Yrs
Growth	**7.5%**	**16.6%**	**7.5%**	**10.7%**
Benchmark (90% Lipper Multi-cap Core/10% Lipper General Bond Fund)	*7.7%*	*15.1%*	*5.3%*	*9.2%*
Growth & Income	**6.6%**	**14.2%**	**6.8%**	**9.5%**
Benchmark (75% Lipper Multi-cap Core/25% Lipper General Bond Fund)	*6.8%*	*13.3%*	*4.9%*	*8.2%*
Conservative Balanced	**5.5%**	**11.6%**	**5.7%**	**7.4%**
Benchmark (60% Lipper Multi-cap Core/40% Lipper General Bond Fund)	*6.0%*	*11.4%*	*4.5%*	*7.2%*
Closed-End Income	**10.1%**	**18.0%**	**N/A**	**N/A**
ETF Option Income	**6.4%**	**N/A**	**N/A**	**N/A**
Retirement Income	**4.4%**	**10.3%**	**5.1%**	**6.5%**
Benchmark (50% Lipper Multi-cap Core/50% Lipper General Bond Fund)	*5.4%*	*10.2%*	*4.2%*	*6.5%*
Alternative	**9.0%**	**8.3%**	**-0.7%**	**0.6%**
Benchmark (50% GSCI/50% Lipper Emerging Market Fund)	*3.5%*	*8.0%*	*-11.1%*	*-6.5%*
Index				
S&P 500	7.2%	17.9%	10.5%	13.7%
Russell 3000 &&	6.9%	18.6%	10.1%	13.6%
Russell 2000 ##	3.6%	25.6%	9.0%	13.0%
MSCI EAFE @@	10.0%	11.3%	0.9%	6.8%
MSCI Emerging Markets	13.9%	19.1%	1.8%	1.5%
Barclays Aggregate Bond	1.6%	0.8%	2.7%	2.3%
Mutual Fund/ETF Comparisons				
Vanguard LifeStrategy Growth &	7.0%	13.4%	6.3%	9.2%
Vanguard LifeStrategy Moderate Growth #	5.6%	10.3%	5.6%	7.6%
Vanguard LifeStrategy Conservative Gr @	4.1%	7.1%	4.7%	5.9%
Vanguard LifeStrategy Income ^	2.7%	4.1%	3.8%	4.2%
DB Commodity Index Tracking Fund !	-4.0%	14.5%	-16.5%	-12.0%

YTD through 4/30/2017. PLEASE SEE IMPORTANT DISCLAIMER ON BACK. Note: *&&A good measure of the broad market, ##Small-cap stocks. @@Developed market foreign stocks. Style Comparisons: &A comparison for SSB Growth and SSB Growth & Income. #A comparison for SSB Moderate Balanced. @A comparison for Salzinger Sheaff Brock, LLC (SSB) Conservative Balanced. ^A comparison for SSB Retirement Income. !A comparison for SSB Alternative. Composites include all fully discretionary accounts including those accounts no longer with the firm of reasonable size that are substantially invested in accordance with the composite strategy or style. Returns are presented net of management fees and all trading expenses, and the reinvestment of all income. Net-of-fee performance was calculated using actual management fees and is annualized for multi-year periods. Actual advisory fees and transaction fees will vary depending on, among other things, the portfolio, account size, and activity. Fees are described in SSB's ADV Part 2A. The securities mentioned in this report can be, and often are, owned by clients and employees SBIA.* ***Past performance is not indicative or a guarantee of future results.*** *(continued on back)*

As the composite year-to-date and 12-month returns of our Closed-End Income accounts exceed those of our other strategies—and even returns for the periods of the S&P 500—it probably makes sense for me to talk about this strategy for a bit.

At current yields, our closed-end income account offer clients annualized payouts on the order of 6% to 6.5%. Additionally, they offer me the opportunity to produce capital appreciation through buying them opportunistically—when their discounts to net asset value (NAV) suggest the potential for gain if/when they narrow, and/or through increases in value in the underlying holdings of the funds. For example, if the discounts in the account shrink by two percentage points while the combined values of the underlying holdings increase by three percentage points, the total return from the portfolio would likely be in excess of 12%.

Though these are income-oriented accounts, they have some equity risk and are generally more risky than standard, open-end bond funds and fixed income ETFs. Based on an admittedly small sample size so far (thanks to the lack of volatility in the markets over the past many months), I estimate the beta of these accounts to be about 0.60—in other words, if the S&P 500 falls 1%, I would expect a Closed-End Income account to fall 0.60% due to market sensitivity alone.

To manage risk, I invest Closed-End Income account assets across a wide variety of closed-end funds, the vast majority of which pay higher yields than one can find in traditional open-end funds of the same investment area. This is possible thanks to the presence of discounts to NAV as well as the modest to moderate use of leverage—many closed-end funds borrow some money at short-term rates to increase the money they can invest at longer-term, higher rates.

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I invest between 60% and 80% of a Closed-End Income account in funds that emphasize various types of bonds, with most of my current selections investing in bonds more sensitive to changes in credit quality than in interest rates. High-yield municipal-bond closed-end funds get between 10% and 20%, as do high-yield U.S. corporate bond funds and so-called multi-sector bond closed-end funds, which invest in a mix of emerging-market, high-yield U.S. corporate and high-grade bonds. Emerging market bond closed-end funds may get up to 10%. I devote another 20% or so of assets to covered-call U.S. equity closed-end funds, which create income through the selling, or 'writing,' of call options on underlying equity positions. I invest the remaining 10% to 20% of assets in various closed-end sector funds that make distributions (e.g., ones for utilities, healthcare and/or consumer staples), balanced funds and even emerging market equity closed-end funds that I believe offer unusually attractive potential for capital gains.

On the markets generally, I would encourage you to stay focused on the long run and to avoid distraction by the political news of the day, much of which seems overdone to me. In my opinion, the stock market continues to perform well not because of any proposed polices of President Trump, but because the pace of economic growth in much of the world appears to be increasing moderately, while interest rates are still low. This is a good environment for corporate profits, which indeed have started off strongly so far in 2017. Any political problems faced by the president are unlikely to upend the current economic trend.

To get started in any of our strategies, please call us at 866-575-5700, or send an email to info@salzingersheaffbrock.com. When you call ask for Deb McCulley, she will help you out.

We look forward to hearing from you!

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Thank you for your continued interest in Salzinger Sheaff Brock (SSB), the only source of actual personalized money management by me,

Mark Salzinger

Chief Investment Officer and Portfolio Manager