

# DEFENDER STRATEGY

FACT SHEET | Q2 2025



Available on  
TAMP and Model Delivery Platforms

## OBJECTIVE

The Defender Strategy (the “Strategy”) seeks capital preservation and total return. Total return consists of capital appreciation and income.

## WHY INVEST

### Tactical Momentum-Based Strategy

The Strategy targets long-term capital appreciation and income by dynamically allocating across global asset classes including domestic and international equities, real assets, and fixed income. Each month, it evaluates momentum and increases exposure to asset classes with the strongest upward trends, while shifting defensively to short and intermediate treasures when momentum wanes.

### Drawdown Mitigation

The Strategy employs active, non-correlated risk hedging strategies striving to reduce volatility and protect against drawdowns. This approach helps address the challenges of traditional buy-and-hold strategies, in pursuit of improved liquidity during uncertain market conditions.

### Income Generation

The Strategy aims to deliver income through monthly distributions generated by its holdings, complemented by a proprietary overlay process that collects option premiums with defined downside hedge.

## APPROACH

The Strategy employs a systematic strategy that combines momentum with macroeconomic fundamentals to dynamically allocate across global asset classes. Each month, we assess asset classes—including domestic and international equities, real assets, and fixed income—based on both momentum and underlying economic conditions. When strong upward trends align with favorable macro fundamentals, we increase exposure to capture growth. Conversely, when momentum weakens or macro indicators suggest caution, we shift defensively to short- and intermediate-term Treasuries. This dynamic approach is designed to adapt to changing market conditions while managing risk of drawdown.

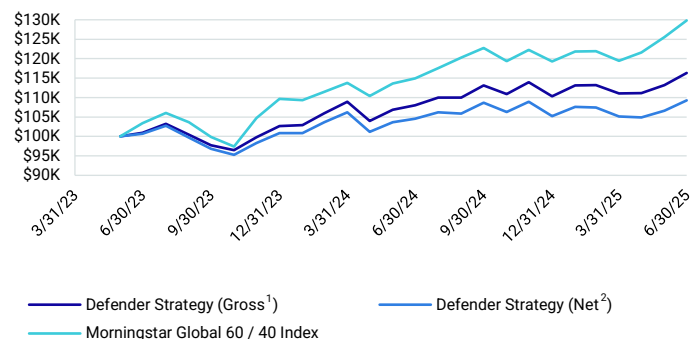
## ABOUT US

At Kensington Asset Management, our strategies are designed to generate steady, above average returns with low volatility and controlled downside exposure, catering to a range of investor needs. Over the course of 40 years and across market cycles, we have proven ourselves as pioneers of systematic investment methodologies – relentlessly defining, refining and evolving our proprietary decision models while intelligently expanding our service set to create both core and complementary portfolio pathways that seek to enhance resilience and optimize risk-adjusted outcomes.

The Defender Strategy is sub-advised by Liquid Strategies, LLC, a Registered Investment Advisor founded in 2013. Liquid Strategies specializes in dynamic investment solutions, helping investors navigate markets with innovative approaches. In addition to the Fund, Liquid Strategies manages a suite of Strategies and Exchange Traded Funds (ETFs) under the Overlay Shares brand.

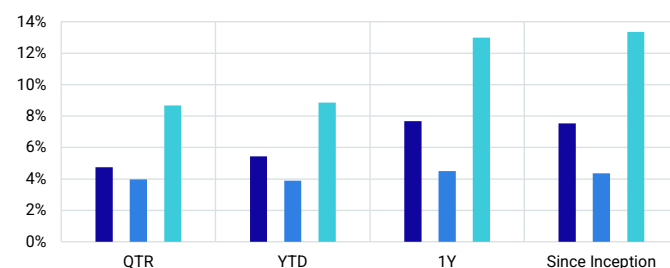
## GROWTH OF \$100,000

As of 06/30/2025



## PERFORMANCE COMPOSITE

As of 06/30/2025



### Defender Strategy (Gross<sup>1</sup>)

4.74%	5.43%	7.67%	7.53%
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### Defender Strategy (Net<sup>2</sup>)

3.96%	3.88%	4.49%	4.35%
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### Morningstar Global 60/40 Index

8.67%	8.86%	12.98%	13.35%
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Inception Date: May 31, 2023.

Returns for periods greater than one year annualized

Investing involves risk, including loss of principal. Past performance does not guarantee future results. There is no guarantee that an investment strategy or diversification will generate a profit or prevent a loss.

## RISK CHARACTERISTICS

As of 06/30/2025

Strategy	Defender Strategy (Gross <sup>1</sup> )	Defender Strategy (Net <sup>2</sup> )	Morningstar Global 60/40 Index
Standard Deviation	8.16%	8.14%	9.67%
Maximum Drawdown	-6.56%	-7.26%	-8.11%
Correlation	0.88	0.88	100.00
Upside Capture	73.74%	64.35%	100.00%
Downside Capture	95.98%	106.42%	100.00%



## COMPOSITE RETURNS

As of 06/30/2025

		Q1	Q2	Q3	Q4	Annual Return
2025 YTD	Gross <sup>1</sup>	0.66%	4.74%	-	-	-
	Net <sup>2</sup>	-0.08%	3.96%	-	-	-
2024	Gross	6.10%	-0.82%	4.70%	-2.46%	7.46%
	Net	5.31%	-1.56%	3.91%	-3.20%	4.27%
2023	Gross	-	-	-3.13%	5.02%	2.68%
	Net	-	-	-3.86%	4.23%	0.89%

### Disclosures

Investment advisory services offered through Kensington Asset Management, LLC ("KAM"). KAM does not charge an advisory fee.

<sup>1</sup>Gross returns do not include the deduction of transaction costs and are shown as supplemental information.

<sup>2</sup>Net performance values and statistics reflect the deduction of model fees of 3% as the highest possible fee that would be charged to an investor and may not reflect actual deducted fees.

Any indices and other financial benchmarks shown are provided for illustrative purposes only, are unmanaged, reflect reinvestment of income and dividends and do not reflect the impact of advisory fees. Investors cannot invest directly in an index. Comparisons to indexes have limitations because indexes have volatility and other material characteristics that may differ from a particular strategy such as the types of securities being substantially different.

Investment returns will be reduced by advisory fees and other expenses charged in the management of a client's account. Clients should carefully review applicable fees and understand how advisory fees, compounded over a number of years, reduce the value of an investment portfolio, as investment balances and potential gains on the investment balances are reduced by fees. Additional information is provided in the SEC Investors Bulletin "How Fees and Expenses Affect Your Investment Portfolio."

KAM claims compliance with the Global Investment Performance Standards (GIPS®). Kensington Asset Management has been independently verified for the period of June 1, 2023 through December 31, 2024. Inception calculation based on the inception date: 6/1/2023.

The Composite was created and incepted in June 2023 and only includes accounts with a minimum of \$100K. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Results are based on fully discretionary accounts under management, including those accounts no longer with the Firm. The U.S. Dollar is the currency used to express performance. Returns are presented net of fees and include the reinvestment of all income. Performance represents past performance.

The Defender Strategy uses a 60/40 blend of the Morningstar Global Markets Net Return USD (60%) and Morningstar Global Core Bond Gross Return USD (40%), rebalanced to target weights of 60% equity and 40% fixed income on a monthly basis (Morningstar Global 60/40 Index). In KAM's view, this is a representative index for the broader global fixed income and equity markets. Weightings were chosen to represent the Strategy's balanced nature when fully invested. The Morningstar Global Markets Index is a comprehensive benchmark that represents the performance of the global equity market covering approximately 97% of the investable market capitalization across 49 countries. The Morningstar Global Core Bond index is a comprehensive benchmark that reflects the performance of the global core bond market covering a broad range of liquid bonds from various regions and sectors.

Risks specific to the Defender Strategy include Management Risk, High-Yield Bond Risk, Fixed-Income Securities Risk, Equity Securities Risk, Foreign Investment Risk, Market Risk, Emerging Markets Risk, Real Estate and REITs Risk, Commodities Risk, Tax Risk, Underlying Funds Risk, Derivatives Risk, Non-Diversification Risk, Turnover Risk, US Government Securities Risk, Models and Data Risk, Momentum Risk, and Limited History of Operations Risk.

### Glossary

**Correlation:** A measure of investment risk that quantifies the degree to which a fund's performance tracks the performance of a benchmark.

**Maximum Drawdown:** A measure of the maximum loss from a peak to a trough of a portfolio or index, before a new peak is attained.

**Morningstar Global 60/40 Index:** A multi-asset index that tracks a portfolio consisting of 60% global equities and 40% global bonds, with returns calculated on a net basis, assuming reinvestment of dividends and interest. It aims to provide a balanced benchmark for global investment strategies.

**Standard Deviation:** A statistical measure of the volatility of the fund's returns. The larger the standard deviation is, the greater the volatility of return.

**Upside/Downside Capture Ratio:** A measurement of performance relative to positive or negative periods for the benchmark.