

# YOUR ALTERNATIVES

## Identifying Your Needs

Including alternative assets in your portfolio may add diversification to your portfolio and potentially optimize your returns for the additional risk taken. Private investments in tangible assets have valuations and returns based on their individual performance. This independence from public market activity generally enhances diversification within an investment portfolio.

Raintree has created an investment strategy called Core + Explore™ to address many shortcomings of the old “60/40” portfolio. We feel that for investors to achieve true diversification, they will need to include a mix of private and public investments:

**Core:** The traditional component of a portfolio. These securities tend to be more conservative, liquid, and market-oriented. We believe the best way

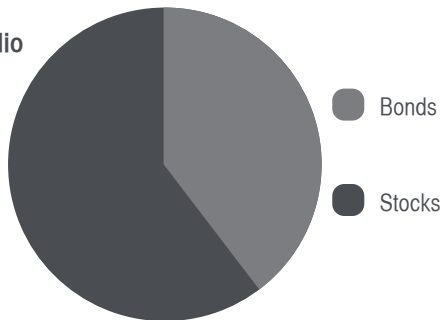
to invest in your ‘Core’ portfolio is through a registered Portfolio Manager, whom your advisor will refer you to, that most resonates with your investment circumstances and philosophies.

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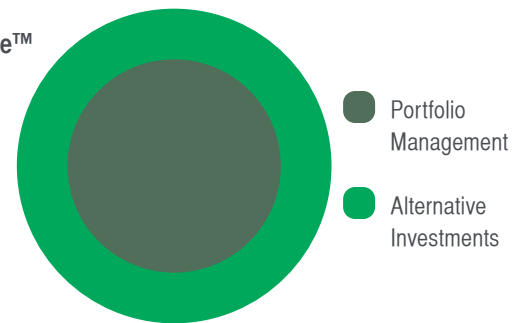
**Explore:** The alternative investment component of the portfolio. These private investments tend to be riskier, but they deliver portfolio diversification and have the potential to produce out-sized returns. Your advisor will help you identify which private investments are right for you.

## Protecting Your Interests

Traditional Portfolio



Core + Explore™



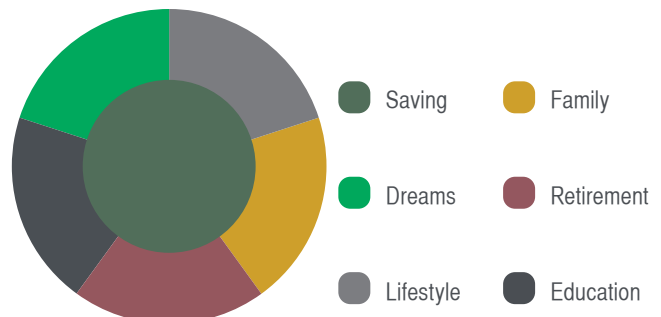
## Utilizing Your Accounts

Your Private Wealth Advisor can help you add alternative investments into your existing wealth plan. Many offerings are qualified investments making them eligible for inclusion in registered plans such as RRSPs or TFSAs. Raintree and your advisor never accept funds directly from you and your investment is held in your account, under your name.

## Achieving Your Goals

Though reasons for investing may differ from one individual to the next, we all share the common objective of trying to achieve our financial goals – whether that may be retirement, education or saving.

By adding private capital to your portfolio, you can potentially access growth through common equity and partnership shares, add an additional source of income with preferred returns, bonds and debentures and achieve tax efficiency using return of capital or tax deductions – ultimately moving you closer to your ideal financial future.



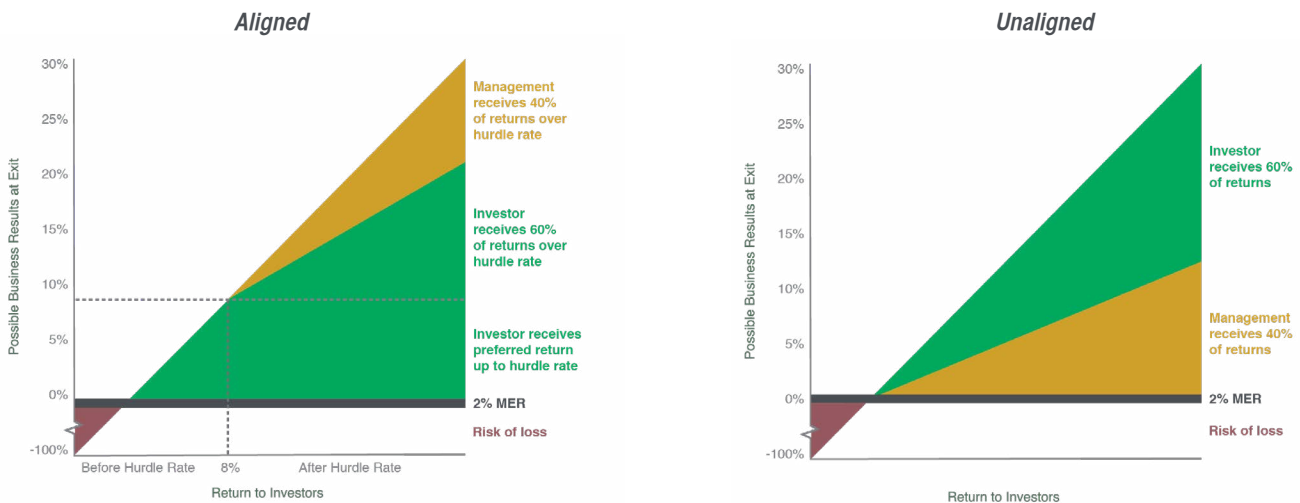
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Traditionally, investment management firms offered a fixed management fee with a variable investment return. With an aligned management compensation model we see a variable management bonus paid after a fixed investment return. In this case, management's return is variable, and the investor's return is a priority – something that we call alignment. Alignment between investors and investment managers ensures we understand the motivations driving issuers' decision-making and ultimately protects your capital.

Raintree is an investment dealer that actively avoids conflicts that lead to the promotion of one product over another and encourages advisors to recommend investments that best suit their clients needs. Raintree has an absolute commitment to due diligence and each of the offerings we agree to raise capital for meet our rigorous standards.

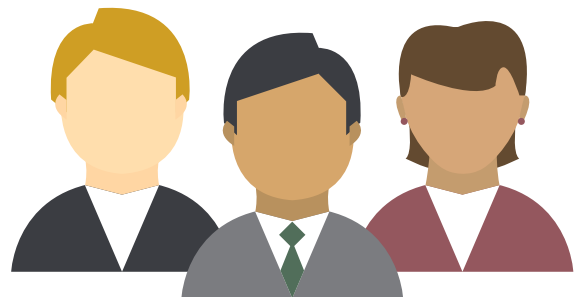
## An Illustration of Potential Return Profiles:



*This hypothetical model is designed to demonstrate differing return characteristics by graphically illustrating two possible models for distributing returns between an issuer's investors and its general partners. These representations do not reflect historic or expected returns from any actual investments. An investor's returns, or losses, in an investment could be greater than this illustration demonstrates; each investment has its own unique structure that dictates how the returns, or losses, of that issuer will be treated. Always ensure you understand your rights as an investor prior to purchasing any investment.*

## Working With Your Advisor

Your Private Wealth Advisor acknowledges that all clients have varying needs and requirements. They are trained to help you understand the right balance of risk and reward by evaluating your tolerance and capacity for accepting risk. They will help identify suitable investments that fit your portfolio and meet your objectives and explain the merits and risks of each opportunity. They can also refer you to a registered Portfolio Manager to manage the 'Core' component of your portfolio. Ultimately, they will help you discover if an allocation of private securities is right for you.



## Where can I find more information?

Your best resource for further information on the Private Capital Market and investing with Raintree is through your Private Wealth Advisor. This individual will work directly with you to help you find what solutions are right for you.

**Raintree Financial Solutions**

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