

### SUMMARY

P2P lending enables individual investors to access the new asset class of consumer credit by facilitating loans to borrowers through online marketplaces like Lending Club and Prosper

Investors generate high risk-adjusted returns and strong cash flow by investing in stable borrowers

Borrowers save money by accessing capital at lower interest rates than are typically charged through traditional channels like banks and credit cards

Financial advisors utilize NSR Invest's technology and PMS integrations to report p2p performance in-line with other asset classes

A strong labor market continues to favor this uncorrelated, low-volatility asset class

### HISTORICAL PERFORMANCE <sup>1</sup>

The Assertive Strategy is designed to perform best in a strong US Economy.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year
2014						1.06%	1.00%	1.00%	0.98%	0.98%	0.98%	1.06%	7.29%
2015	0.95%	1.03%	0.98%	0.94%	0.94%	0.93%	0.89%	0.89%	0.89%	0.78%	0.75%	0.71%	11.22%
2016	0.87%	0.72%											1.59%

  

Since Inception		Year-to-date 2015		Last Three Months		Last Month	
Nominal	Annualized	Nominal	Annualized	Nominal	Annualized	Nominal	Annualized
21.2%	11.6%	1.59%	9.9%	2.3%	9.6%	0.72%	9.0%

The Balanced Strategy targets a moderate return with economic resilience.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year
2014						0.96%	0.87%	0.87%	0.87%	0.86%	0.86%	0.93%	6.39%
2015	0.77%	0.87%	0.94%	0.88%	0.85%	0.81%	0.90%	0.94%	0.90%	0.75%	0.70%	0.70%	10.49%
2016	0.82%	0.70%											1.52%

  

Since Inception		Year-to-date 2015		Last Three Months		Last Month	
Nominal	Annualized	Nominal	Annualized	Nominal	Annualized	Nominal	Annualized
19.3%	10.6%	1.52%	9.5%	2.2%	9.2%	0.70%	8.7%

The Conservative Strategy is designed for consistency even in a weak economy.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year
2015		0.38%	0.42%	0.39%	0.46%	0.53%	0.51%	0.53%	0.53%	0.50%	0.47%	0.46%	5.31%
2016	0.45%	0.41%											

  

Since Inception		Year-to-date 2015		Last Three Months		Last Month	
Nominal	Annualized	Nominal	Annualized	Nominal	Annualized	Nominal	Annualized
6.2%	5.7%	0.9%	5.3%	1.3%	5.4%	0.41%	5.0%

### IRA CUSTODY



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Self Directed IRA SERVICES

### IMPORTANT DISCLOSURES

<sup>1</sup> Net of standard investment management fees of 0.60%. Past performance does not guarantee future results. Returns are not guaranteed. Please carefully read all disclosures. For figures reported from inception through April 2015: simple average of calculated returns on deployed capital for Prosper managed accounts. For figures reported after April 2015: weighted average of calculated ROI for all managed accounts with an average age of 5 months or greater. Inception date: June 2014. ROI calculation methodology is explained at <https://www.nsrplatform.com/#1/stats/roi>

### INVESTMENT HISTORY

Consumer installment loans are a well-understood banking product that was first issued at scale in the 1950s. Since 2007, Lending Club and Prosper have been delivering responsible loans to creditworthy borrowers through the web, and – for the first time in the history of consumer lending – providing individual investors a way to participate. Today, NSR Invest clients can easily and scalably access:

- High risk-adjusted returns
- Non-correlated, low volatility asset class
- Strong cash flows
- Stable borrowers paying with high consistency

### P2P FAQ

#### What is the minimum investment?

The minimum investment for our Fully Managed Accounts is \$10,000.

#### How liquid are p2p investments?

Though notes are tradable, there is limited secondary market activity at this time. We are actively engaged with leading p2p marketplaces to create a more efficient secondary market. When complete, we expect to provide enhanced withdrawal and portfolio repositioning features to all investors. We expect these features to become available in 1H2016.

#### How can I use p2p to supplement my income?

\$1 million invested in a p2p portfolio targeting 10% net returns could be expected to yield over \$8000 per month in interest income alone. Because the underlying securities are installment loans, a significant portion of invested capital is processed as principal payments on a monthly basis; in fact, the same \$1 million portfolio would be expected to generate up to \$25,000 per month when harvesting both principal and interest.

#### How do the p2p platforms like Lending Club make money?

P2P marketplaces make money in two ways: first, they charge borrowers up to 5% of the amount they borrow as an origination fee. Second, they charge investors up to 1% of payments received as a loan servicing fee.

#### How does NSR Invest make money?

We charge investors a management fee of 0.6% per annum on our Fully Managed Accounts.

#### In what specific securities am I actually investing?

P2P investors purchase fractional interests in borrower payment dependent notes, which are registered securities with the SEC. These notes are backed by unsecured consumer loans that are originated through regulated banks that specialize in p2p lending. (These banks are subject to usury limitations and myriad federal regulations including the Truth in Lending Act, the Equal Credit Opportunity Act, the Fair Credit Reporting Act, the Fair Debt Collection Practices Act, among others.) Said differently, each loan is underwritten and originated by an online-enabled banking institution, and then packaged into its own little IPO. P2P investors merely purchase a share of the note, which grants them the economic benefits of receiving their pro-rate portion of principal and interest payments made by the borrowers.

#### What happens in a downturn?

P2P returns are sensitive to the unemployment rate. As such, we expect defaults to increase – and returns to decrease – during economic recessions. Depending on the severity of unemployment, among other factors, investors could expect returns to be negative (i.e., reducing principal) in recessionary environments.

#### Where can I learn more?

Our Form ADV can be found at [www.adviserinfo.gov](http://www.adviserinfo.gov) under the name of Lend Academy Investments.