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The Robo Report

Bringing Transparency to Robo Investing

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Welcome to The Robo Report

Condor Capital Wealth Management is proud to publish the 31th edition of The Robo Report®, covering the first quarter of 2024. This Report is a continuation of an ongoing study that monitors well-known robo advisors. We strive to provide a reliable resource for both investors and professionals interested in the digital advice industry.

Highlights

- Betterment Climate Impact, Fidelity Go, and Betterment Social Impact excelled in year-to-date performance, driven by their investments in large-cap growth and technology stocks, benefitting from the the market's preference for growth.

- Large cap growth propels Sofi, Vanguard Personal Advisor, and Fidelity Go in the one-year performance category.

- Over three years, Fidelity Go, Wealthfront, and Zacks Advantage excelled due to their strategic focus on domestic equities, capitalizing on the strong performance of the U.S. stock market.

- In the trailing five years, Zacks Advantage, Wealthfront (2016), and Fidelity Go distinguished themselves through their commitment to large-cap U.S. equities, benefiting from sustained market strength in major U.S. companies.

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All supporting data can be found online at condorcapital.com/the-robo-report/data/

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Executive Summary

This edition of the Robo Report, published by Condor Capital Wealth Management, tracks 37 accounts at 25 different providers. The Robo Report continues to evolve. This quarter, we include performance commentary for the quarter, as well our usual data, which is available online at condorcapital.com/the-robo-report/data/.

The Robo Report

During the first quarter of 2024, the S&P 500 Index exhibited robust performance, appreciating by 10.55%. The prominent "Magnificent Seven" stocks once again outpaced the broader market, though displaying greater variability in their individual results compared to previous quarters. Economic indicators showed strength, with U.S. GDP growth and consumer spending surpassing initial estimates. Persistent inflation, however, has prompted the Federal Reserve to reassess the timeline for anticipated rate reductions, adjusting market expectations from six potential cuts down to three, with the initial cut postponed until at least June.

International stocks continued to build on their late 2023 momentum but fell short of matching U.S. market gains in the first quarter of 2024. The MSCI EAFE Index grew by 5.84%, and the MSCI Emerging Markets Index increased by 2.17%. The Topix index in Japan, returning 17.38%, emerged as one of the global leaders. Persistent economic challenges in China dampened the performance of international, particularly emerging markets. Meanwhile, the U.S. Dollar strengthened, reversing its previous downward trajectory and aligning with its broader post-pandemic recovery. The fixed income sector faced challenges this quarter as postponed rate cuts led to higher yields, notably affecting the Bloomberg U.S. Aggregate Bond Index, which recorded a slight decline, although high-yield sectors managed better results.

There have been some notable changes in the robo advice industry. Goldman Sachs has reached a deal to sell the investment accounts of Marcus to Betterment, with completion expected in June. Initially launched in February 2021 to attract retail investors, Marcus aimed at a demographic significantly broader than Goldman Sachs' traditional clientele. The downstream move ultimately did not meet expectations, leading to an anticipated exit from the robo-advisory space.

Betterment has announced a revamped premium plan. The upgraded plan includes new benefits, such as access to preferred rates on Betterment's Cash Reserve and a 20% discount on estate planning services. Premium customers will also be subject to an annual management fee of 0.65%, a notable increase from the previous fee of 0.40%. Both the increased fee at Betterment and the shuttering of the Goldman Sachs and JP Morgan Chase robo offerings represent the difficulty of offering advisory services at rock-bottom prices while earning meaningful profits for the provider.

Thank you for being a subscriber. We hope you enjoy this edition of The Robo Report.

Top Performers

YTD Top Performers

	Best	2nd	3rd
Total Portfolio	Betterment Climate Impact SRI	Fidelity Go	Betterment Social Impact SRI
Equity	Betterment Climate Impact SRI	TD Automated Investing	Zacks Advantage
Fixed Income	Betterment	Betterment Social impact SRI	Betterment Broad Impact SRI

1-Year Trailing Top Performers

	Best	2nd	3rd
Total Portfolio	SoFi	Vanguard P.A.S. / Fidelity Go	Vanguard P.A.S. / Fidelity Go
Equity	TD Automated Investing	SoFi	US Bank Automated Investor
Fixed Income	Wells Fargo Intuitive Investor	Betterment Social Impact SRI	Betterment

3-Year Trailing Top Performers

	Best	2nd	3rd
Total Portfolio	Fidelity Go	Wealthfront (Risk 4.0 ; 2016)	Zacks Advantage
Equity	Wealthfront (Risk 4.0 ; 2016)	Zacks Advantage	Acorns
Fixed Income	Fidelity Go	Zacks Advantage	Vanguard P.A.S.

5-Year Trailing Top Performers

	Best	2nd	3rd
Total Portfolio	Zacks Advantage	Wealthfront (Risk 4.0 ; 2016)	Fidelity Go
Equity	Zacks Advantage	SoFi	Wealthfront (Risk 4.0 ; 2016)
Fixed Income	Schwab Intelligent Portfolios	Fidelity Go	US Bank Automated Investor

Total Portfolio winners are based on the portfolio's return vs. the Normalized Benchmark. Returns are net of fees and are as of 03/31/2024.

Performance Commentary

- Betterment Climate Impact, Fidelity Go, and Betterment Social Impact excelled in year-to-date performance, driven by their investments in large-cap growth and technology stocks, benefitting from the the market's preference for growth.
- Large cap growth propels Sofi, Vanguard Personal Advisor, and Fidelity Go in the one-year performance category.
- Over three years, Fidelity Go, Wealthfront, and Zacks Advantage excelled due to their strategic focus on domestic equities, capitalizing on the strong performance of the U.S. stock market.
- In the trailing five years, Zacks Advantage, Wealthfront (2016), and Fidelity Go distinguished themselves through their commitment to large-cap U.S. equities, benefiting from sustained market strength in major U.S. companies.

Backdrop

The S&P 500 Index rose by 10.55% in the first quarter of 2024, finishing the period at all-time highs and closing the day at records on roughly 40% of the trading days in the quarter, as per Goldman Sachs. The so-called Magnificent Seven stocks once again outperformed the broader market, though the performance of those seven individual stocks did have more dispersion than in prior quarters. Small and mid-cap indices, while lagging in Q1, have still outperformed large caps over the past five months, reflecting a longer-term positive trend. Economic activity remained robust, and predictions for U.S. GDP growth and consumer spending exceeded initial forecasts. Although the Federal Reserve is still forecasting more accommodative monetary policy by the end of 2024, persistent inflation has led to some questions over the pace and timing of rate cuts. The Fed is monitoring stronger-than-expected economic growth and job market resilience as well. As a result, market expectations shifted over the quarter from up to six rate cuts this year to just three, with the first cut now expected to be delayed until at least June.

International equities continued their late 2023 momentum from the global risk asset rally but lagged U.S. equity markets in the first quarter of 2024. The MSCI EAFE Index posted a 5.84% gain in the first quarter, while the MSCI Emerging Markets Index returned 2.17%. China's economic woes continued to start the year and these persistent issues have weighed on international markets, particularly E.M. Japan was one of the best performing equity markets in the world in the first quarter, as the Topix gained 17.38% Overall though, most international economies lagged behind the U.S. and continued domestic economic strength resulted in a stronger U.S. Dollar. The dollar's rise against most foreign currencies marks a reversal of the downward trend in the final quarter of 2023, but is in line with the currency's broader strengthening since the pandemic.

In fixed income markets, the first quarter was a somewhat difficult period due to a combination of factors, most notably the potential delay in rate cuts. While lower rates would boost bond prices due to the inverse relationship between price and yield if the Fed were to cut rates, investors are coming to grips with the idea that the central bank's fight against inflation may not be over just yet. As a result, yields generally rose, with the front end of the U.S. Treasury curve remaining elevated and the longer end of the curve seeing a notable increase. The 10-year Treasury yield rose from 3.89% at year-end to 4.20% at the quarter's finish. The three-year Treasury yield rose most, increasing by about 0.40% over the course of the first quarter. The Bloomberg U.S. Aggregate Bond Index posted a slightly negative return in the quarter, and high yield credit outperformed for both corporate and municipal bonds.

Large Cap Growth Drives Year-to-Date Performance for Betterment Climate Impact SRI, Fidelity Go, Betterment Social Impact SRI

Betterment Climate Impact SRI, Fidelity Go, and Betterment Social Impact SRI have stood out as the leading performers year-to-date, according to our Normalized Benchmark. This framework compares each robo advisor's returns against a benchmark tailored to their specific asset allocation, highlighting the substantial role of growth stocks in driving returns. During the quarter, the Russell 3000 Growth index realized gains of 11.22%, surpassing the Russell 3000 Value index, which advanced 8.62%. All three platforms favored allocations to growth over the average, with large cap equities playing a critical role. Notably, the Russell 1000 index, predominantly comprising large cap stocks, yielded a return of 10.29%, outperforming both the Russell Midcap index at 8.60% and the Russell 2000 index at 5.17%. This allocation underscored the broader market trend where large caps have significantly outpaced mid and small caps in performance.

The standout results of Betterment Climate Impact and Betterment Social Impact this quarter can be primarily attributed to their strategic focus on the technology sector and limited exposure to energy or other value sectors. The technology sector, including prominent companies like Microsoft and Nvidia, has experienced significant growth, which has been a major factor in the performance uptick. This focus is mirrored in the composition of various ESG-focused ETFs in their portfolios, such as TCW Transform 500 (VOTE), SPDR S&P 500 Fossil Fuel Reserve Free (SPYX), iShares MSCI ACWI Low Carbon Target (CRBN), Impact Shares NAACP Minority Empowerment (NACP), and iShares ESG Aware MSCI USA (ESGU). These ETFs have large weightings to the technology sector, which has benefited from the recent surge in interest surrounding AI.

In the realm of fixed income, high-yield bonds have surpassed investment-grade bonds in performance. The Bloomberg US Corporate High Yield Bond Index advanced 1.47%, while the Bloomberg US Corporate Total Return Index declined by 0.40%. Fidelity Go maintained a moderate exposure to high-yield bonds at 5.44%, whereas Betterment Social Impact and Betterment Climate Impact held exposures of 9.61% and 8.82%, respectively. Another notable factor enhancing fixed income returns was exposure to emerging markets. The Bloomberg EM Aggregate Index returned 1.53% during the quarter, outperforming the Bloomberg US Aggregate, which retreated by 0.78%. The performance of emerging markets bonds was buoyed by the anticipation of interest rate cuts by major central banks, which created a favorable investment climate for these assets.

Large Cap Growth Propels One-Year Performance for SoFi, Vanguard Personal Advisor, and Fidelity Go

Over the past year, SoFi, Vanguard Personal Advisor, and Fidelity Go have emerged as top performers in terms of overall portfolio returns, with growth stocks playing a pivotal role. The Russell 3000 Growth Index significantly outperformed, posting a return of 37.95%, compared to the 20.15% return of the Russell 3000 Value Index. SoFi and Vanguard Personal Advisor maintained higher-than-average allocations to growth stocks, while Fidelity Go kept its growth exposure at an average level. SoFi's proprietary holdings, specifically the SoFi Next 500 and SoFi Select 500 ETFs, focus on growth-oriented indices, further aligning with this trend. The emphasis on large cap stocks also contributed to their success, as evidenced by the Russell 1000 Index's return of 29.85% , surpassing the 22.35% and 19.66% returns of the Russell Midcap and Russell 2000 Indices, respectively. Domestic exposure was another factor in returns during the year. The S&P 500 returned 29.86% compared to 15.83% for the MSCI EAFE Index, and 8.24% for the MSCI Emerging Markets Index. Surprisingly, the top performing robo accounts for the one-year category had average exposure to domestic equities, suggesting that the combination of other factors had a larger impact for these robo accounts, but as seen in the returns of the indices, the allocation to domestic equities was an important driver of performance more generally during the quarter.

On the fixed income front, high-yield bonds outperformed investment-grade bonds, with the Bloomberg US Corporate High Yield Bond Index delivering a robust return of 11.15%, greatly exceeding the 1.70% return of the Bloomberg US Agg Total Return Index. Top performers in the fixed income category included Wells Fargo Intuitive Investor and Betterment Social Impact, both of which had significant exposure to high-yield assets. Exposure to emerging markets also enhanced performance, with holdings such as the iShares JPMorgan USD Emerging Markets Bond ETF contributing positively, reflecting broader trends seen in the Bloomberg EM USD Agg Index, which returned 8.43% and vastly outperformed the Bloomberg Global Aggregate ex-USD Index, which saw a decline of 0.71%.

Domestic Equities and Municipal Bonds Fuel Performance Fidelity Go, Wealthfront, and Zacks Advantage Over the Past Three Years

Over the last three years, Fidelity Go, Wealthfront (2016 vintage), and Zacks Advantage have led the pack in performance, bolstered by their strong allocations to U.S. equities. The S&P 500 delivered an annualized return of 11.50% during this period, markedly outperforming the MSCI EAFE Index and the MSCI Emerging Markets Index, which returned 5.38% and -4.81% respectively. Notably, Zacks Advantage had the highest percentage to domestic equities at 82%, followed by Wealthfront at 74%, and Fidelity Go at 70%, all above the average robo allocation of 66%.

While allocations towards value stocks have boosted the returns of robo advisors in this group in 2022, the recent surge in growth stocks has started to diminish the impact of these value allocations. Last quarter, we reported that the Russell 3000 Growth Index was closing in on the Russell 3000 Value performance for the trailing three years. During this quarter, the Russell 3000 growth has overtaken its value counterpart, as shown with the Russell 3000 Growth Index returning an annualized return of 11.55%, compared to the 7.71% return of the Russell 3000 Value Index. Notably, this change partly explains why Schwab Domestic Focus has dropped out of the top spot for the three-year performance category, as the portfolio has one of the highest allocations to value.

In fixed income, municipal bonds played a crucial role in enhancing portfolio performance, with all leading portfolios showing high allocations to this asset class. This focus proved advantageous, as evidenced by the relatively modest annualized loss of 0.36% in the Bloomberg AMT-Free National Municipal Index over the past three years, a contrast to the more pronounced loss of 1.87% seen in the Bloomberg US Aggregate Index.

Zacks Advantage, Wealthfront, and Fidelity Go Benefited from Large Cap Equities Over the Prior Five Years

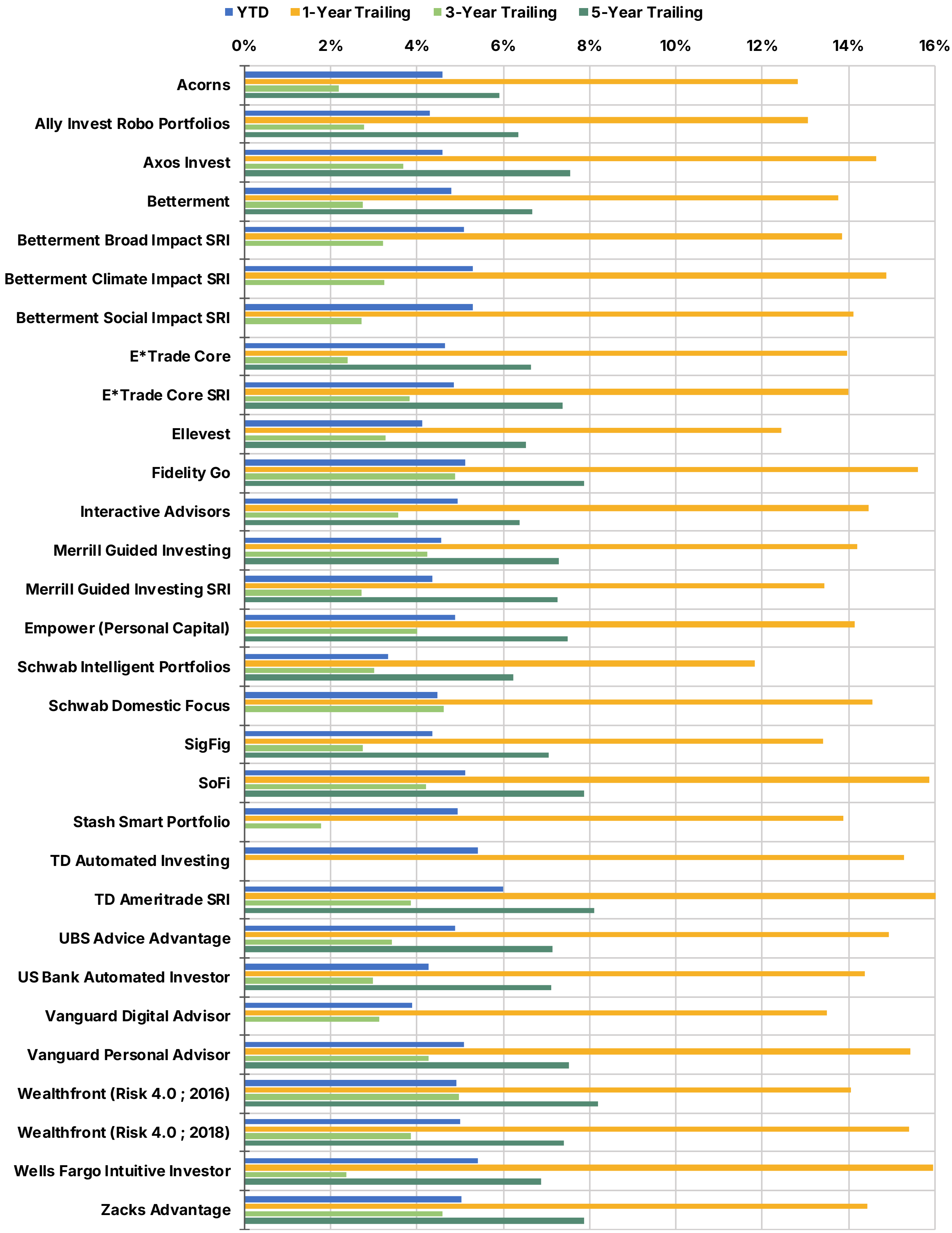
The standout performers over the past five years were Zacks Advantage, Wealthfront (2016), and Fidelity Go. Wealthfront (2016) and Fidelity Go consistently favored investments in large-cap domestic equities. This approach has been particularly advantageous, aligning well with the strong performance of U.S. markets during this period. The S&P 500's impressive five-year annualized return of 15.02% far surpassed the MSCI EAFE Index’s return of 7.92%, highlighting the benefits of a U.S.-centric investment strategy during this time period.

The balance between growth and value allocations played a critical role in shaping equity performance. Despite a brief resurgence in value stocks in 2022, growth stocks maintained a considerable advantage. Over the last five years, the Russell 3000 Growth Index achieved an annualized return of 17.80%, significantly outstripping the 10.14% annualized return of the Russell 3000 Value Index. Zacks Advantage notably capitalized on this trend by shifting from the SPDR S&P 500 ETF to the Vanguard Russell 1000 Growth ETF, a strategic move that leveraged the dominant growth trend for enhanced returns.

Additionally, Wealthfront benefited from its strategic investment in the energy sector through the Vanguard Energy ETF (VDE). While VDE yielded an annualized return of 12.50% over the five-year period, Wealthfront has successfully added to or reduced this position over the years in a way that produced outperformance within the portfolio. This performance underscores the strong market returns from energy investments and illustrates Wealthfront's adept timing, having invested in April 2020 and subsequently selling a portion in July 2022. This decision exemplifies successful market timing that significantly contributed to the portfolio's success.

In the fixed-income arena, Schwab Intelligent Portfolios, Fidelity Go, and US Bank led the pack. US Bank and Schwab consistently maintained high allocations to municipal bonds, which generally outperformed corporate bonds during the period, highlighting the broader market's preference for safer, income-generating assets amidst fluctuating interest rates and economic conditions. This performance differential is reflected in the Bloomberg AMT-Free National Municipal Index, which delivered a robust annualized return of 1.80%. In comparison, the Bloomberg US Corporate Index, representing corporate bonds, lagged slightly behind with a return of 1.52%.

Total Portfolio Performance



Returns are net of fees and are as of 03/31/2024. All returns for periods longer than one year are annualized.

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Last updated: 03/31/2023

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[1] These accounts were funded with more than the minimum amount required to establish an account. Had the accounts been funded with more assets, they would be charged a flat dollar fee up to $1,000,000. Because the fee is a flat dollar amount, a higher account balance would have the result of increasing reflected performance, while a lower account balance would have the result of decreasing reflected performance. In December of 2018, a $1 fee was not recorded. Performance has been updated to include this fee as of Q1 2019.

[2] This account has no minimum required to establish an account, but had the account been funded with more assets, it would, at certain asset levels, be eligible for a lower advisory fee. The lower advisory fee would have the result of increasing reflected performance.

[3] These accounts were funded with more than the minimum amount required to establish an account. There is no fee schedule; all accounts are charged the same asset-based fee. Therefore, performance is not affected by the account's asset level.

[4] This account was funded with the minimum or more than the minimum amount required to establish an account at the time of opening. Had the account been funded with more assets it would, at certain asset levels, be eligible for a lower advisory fee. The lower advisory fee would have the result of increasing reflected performance.

[5] This account was funded with more than the minimum in order to take advantage of tax-loss harvesting. Tax-loss harvesting may result in better or worse performance compared to similarly positioned accounts that are not enrolled in tax-loss harvesting. This account is enrolled in their digital-only "Intelligent Portfolios", thus it is not charged an advisory fee. If one were to upgrade to "Intelligent Advisory" which introduces access to live advisors, a subscription fee would be levied, which would decrease reflected performance.

[6] These accounts were funded with the minimum amount required to establish an account. At balances less than $10,000, there is no advisory fee. Had the account been funded with $10,000 or more, an asset-based advisory fee would be levied, which would decrease reflected performance.

[7] These accounts were funded with the minimum amount required to establish an account at the time of opening. There is no fee schedule; all accounts are charged the same asset-based fee. Therefore, performance is not affected by the account's asset level.

[8] These accounts have no minimum required to establish an account. Prior to the Axos and Wisebanyan acquisition and integration, this account was not charged a management fee. Had additional service packages, such as tax-loss harvesting, been added, the lesser of an asset-based fee or flat dollar fee would have been assessed. These fees would have decreased the reflected performance. Currently, this account is charged a 0.24% management fee. In August of 2021, there was a reporting issue with this provider. The issue has been resolved but the resolution effectively caused a rebalance of the account on 09/30/2021.

[9] This account was funded with the minimum investment amount at the time. At the time of opening, the account had a 0.25% management fee. Due to changes in the service at the end of the 1st quarter of 2017, new accounts are charged a 0.30% management fee. The fee on our account was grandfathered in and remains at 0.25%. The higher advisory fee would have the result of decreasing reflected performance.

[10] These accounts were funded with the minimum amount required to establish an account. This account is enrolled in their digital-only "Essential Portfolios" and is charged an asset-based advisory fee. If one were to upgrade to "Selective Portfolios" which introduces access to live advisors, a higher asset-based advisory fee schedule would apply, which would decrease reflected performance. "Essential Portfolios" does not appear to be available to new clients, likely due to the pending Schwab and TD Ameritrade integration. These accounts are grandfathered into the "Essential Portfolios" program and are charged a 0.30% annual asset-based management fee.

[11] This account has no minimum required to establish an account, but had the account been funded with more assets, it would, at certain asset levels, be eligible for a lower advisory fee. The lower advisory fee would have the result of increasing reflected performance. A special request was made for an allocation of 60% equities and 40% fixed income or close to it, but this allocation was not one of the standard models at the time of account opening. At the time of account opening the closest standard models offered were in the range of 50/50 or 75/25 equity to fixed income split.

[12] These accounts were funded with more than the minimum amount required to establish an account. Due to the asset-based advisory fee, performance is not affected by the accounts' asset levels. In previous reports, we reported the performance of two accounts that were combined to achieve a 60/40 allocation. Due to our introduction of Normalized Benchmarking we are no longer reporting the combined account, but just the account with the closest to a 60/40 allocation as we could achieve at this provider.

[13] These accounts were funded with less than the minimum investment through an agreement between The Robo Report and the provider. There is no advisory fee levied regardless of the amount of assets invested.

[14] This account was funded with the minimum amount required to establish an account. A flat, asset-based advisory fee is levied on the account. Had we subscribed to additional, specific, provider products the account would be eligible for a lower asset-based advisory fee. A lower advisory fee would have the result of increasing reflected performance.

[15] This account has no minimum required to establish an account and is enrolled in the Digital Only plan. If the account was enrolled in the premium service with access to live advisors, there would be a higher asset-based advisory fee. The higher advisory fee would have the result of decreasing reflected

performance.

[16] This account is enrolled in the Self Service plan. If the account was enrolled in the Full Service Plan, the fee would be higher or lower depending on the level of assets in the account. The higher/lower advisory fee would have the result of decreasing/increasing reflected performance. Recently, this provider changed its fee schedule, but our account was grandfathered in at the previous, lower fee for the size of the account. New accounts would be subject to the new fee schedule, which would decrease reflected performance at most account size levels.

[17] This account was funded with more than the minimum amount required to establish an account. This account will not be charged an advisory fee through 2019. In previous reports, we reported the performance of two accounts that were combined to achieve a 60/40 allocation. Due to our introduction of Normalized Benchmarking we are no longer reporting the combined account, but only the account with the closest to a 60/40 allocation as we could achieve at this provider.

[18] This account was funded with more than the minimum amount required to establish an account. This account will not be charged an advisory fee through 2019.

[20] This account was funded with the minimum required to establish an account. This account is enrolled in their digital-only "Intelligent Portfolios", thus it is not charged an advisory fee. If one were to upgrade to "Intelligent Advisory" which introduces access to live advisors, a subscription fee would be levied, which would decrease reflected performance.

[21] These accounts were funded with more than the minimum amount required to establish an account. There is no fee schedule; all accounts are charged the same asset-based fee. Therefore, performance is not affected by the account's asset level. The fee was waived for the first year. Had a fee been levied, reflected performance would have been lower.

[22] These accounts were funded with more than the minimum amount required to establish an account. There is currently no fee schedule; all accounts are charged the same asset-based fee. Therefore, performance is not affected by the account's asset level. Previously, the fee was only assessed on balances in excess of $10,000.

[23] These accounts were funded with the minimum amount required to establish an account. There is no fee schedule; all accounts are charged the same asset-based fee. Therefore, performance is not affected by the account's asset level. The fee was waived for an initial promotional period. Had a fee been levied, reflected performance would have been lower.

[24] Interactive Advisors is registered as an advisor under the name of Covestor Ltd. and is part of the Interactive Brokers Group. This account was funded with the minimum required to open an account and is invested in their Asset Allocation portfolio. It is charged an asset-based fee. There is no fee schedule on this account; therefore performance is not affected by the account's asset levels. Previously, the account was charged a lower asset-based fee; the increase took effect starting March 2019. Interactive Advisors offers multiple strategies with different sets of fees, including Smart Beta, index-tracking and model ETF portfolios, in addition to the Asset Allocation portfolios. Interactive Advisors also offers a marketplace for actively managed portfolios for which it charges higher fees (0.08-1.5%), part of which it remits to the portfolio managers supplying the data underlying those strategies.

[25] Originally, there was no advisory fee on these accounts. Had additional service packages, such as tax-loss harvesting, been added, the lesser of an asset-based fee or flat dollar fee would have been assessed. In June 2018, one package was activated, resulting in a fee on these accounts. This fee decreases the reflected performance.

[26] This account was enrolled in Prudential's Strategic Portfolios. It was funded with the minimum required to open an account. Had the account been funded with more assets it would, at certain asset levels, be eligible for a lower advisory fee. The lower advisory fee would have the result of increasing reflected performance. Prudential also offers Reserve Portfolios for short-term investing, which have a lower account minimum and fee. However, the Reserve Portfolios do not allow asset-allocation customization based on individual demographic and risk tolerance.

[27] This account has no minimum required to establish an account and is enrolled in the Digital Only plan. If more was invested, the account would be assessed a lower asset-based fee, which would increase reflected performance. If the account was enrolled in the premium service with access to live advisors, there would be a higher asset-based advisory fee. The higher advisory fee would have the result of decreasing reflected performance. All balances above $2 million are charged a lower asset-based advisory fee. A lower advisory fee would have the result of increasing reflected performance. The 2018 end-of-year statement for Betterment did not include dividends received near the end of 2018, these dividends first appeared on the March 31st, 2019 statement. These dividends are reflected as of the Q1 2019 Robo Report but were not reflected in performance reported in the Q4 2018 Robo Report. In Q2 2020 a dividend was misattributed to the cash asset class instead of income causing the equity performance of the main Betterment account to be slightly underrepresented.

[28] These accounts were funded with the minimum amount required to establish an account. There is no fee schedule; all accounts are charged the same asset-based fee. Therefore, performance is not affected by the account's asset level. The fee was waived for an initial promotional period. Had a fee been levied, reflected performance would have been lower. As of March 27, 2019, the management fee has been lowered. The lower advisory fee will increase reflected performance.

[29] This account was funded with the minimum or more than the minimum amount required to establish an account at the time of opening. Had the account been funded with more assets it would, at certain asset levels, be eligible for a lower advisory fee. The lower advisory fee would have the result of increas-

ing reflected performance. After opening, this provider changed its fee schedule, raising the fee for the asset level of the account, but our account was grandfathered in at the previous, lower fee. New accounts would be subject to the new fee schedule, which may change reflected performance.

[30] These accounts were funded with more than the minimum amount required to establish an account. The account is charged a flat dollar fee subscription at its service level. Had the accounts been enrolled in different service packages, they could be assessed a higher subscription fee. Because the fee is a flat dollar amount, a higher account balance would have the result of increasing reflected performance, while a lower account balance would have the result of decreasing reflected performance.

[31] These accounts were funded with the minimum amount required to establish an account at the time of opening. This account is enrolled in their digital-only "Guided Investing" and is charged an asset-based advisory fee. If one were to upgrade to "Guided Investing with an Advisor" which introduces access to live advisors, a higher asset-based advisory fee schedule would apply, which would decrease reflected performance.

[32] This account has no minimum required to establish an account and is enrolled in the Digital Only plan. If the account was enrolled in the premium service with access to live advisors, there would be a higher asset-based advisory fee. The higher advisory fee would have the result of decreasing reflected performance. All balances above $2 million are charged a lower asset-based advisory fee. A lower advisory fee would have the result of increasing reflected performance.

[33] This account has no minimum required to establish an account and is enrolled in the Digital Only plan. If the account was enrolled in the premium service with access to live advisors, there would be a higher asset-based advisory fee. The higher advisory fee would have the result of decreasing reflected performance. Prior to August 2020, this account was assessed a 0.35% annual management fee As of August 2020, the provider changed the fee structure such that accounts under $10,000 are not charged a management fee. Our account is under this threshold and will therefore not be charged a management fee starting in August of 2020. This will have the result of increasing reflected performance.

[34] This account was funded with more than the minimum required to establish an account, There is no management fee levied. Therefore, performance is not affected by the account's asset level. This platform has numerous different portfolio strategies. We chose the "moderately aggressive" strategy. Different portfolio strategies have different allocations which could increase or decrease reflected performance.

[35] These accounts were funded with the minimum amount required to establish an account. This account is enrolled in their "Selective Portfolios" and is charged an asset-based advisory fee. These specific portfolios are only offered at the "Selective Portfolios" level, which charges a higher asset-based advisory fee due to access to live advisors than the "Essential Portfolios." Additionally, these portfolios may hold balanced funds. Due to the nature of these funds and limits in our portfolio management system, we cannot accurately track equity and fixed income performance individually at the portfolio level for portfolios with balanced fund holdings. Total portfolio performance is unaffected by holding balanced funds.

[36] These accounts were funded with more than the minimum amount required to establish an account. There is no fee schedule; all accounts are charged the same asset-based fee. Therefore, performance is not affected by the account's asset level. This platform has numerous different portfolio strategies. We chose the "60/40 classic" option. Different portfolio strategies have different allocations which could increase or decrease reflected performance.

[37] These accounts were funded with the minimum amount required to establish an account. This account is enrolled in their "Selective Portfolios" and is charged an asset-based advisory fee. These specific portfolios are only offered at the "Selective Portfolios" level, which charges a higher asset-based advisory fee due to access to live advisors than the "Essential Portfolios."

[38] These accounts were opened when the provider charged 0.25% annual management fee. Recently, the fee structure changed to be a flat monthly fee. However, our account was grandfathered into the old fee structure. This change may have the result of increasing/decreasing reflected performance based on account size.

[39] This account charges a 0.15% annual management fee and caps the underlying fund fees at 0.05% so that the all-in fee never exceeds 0.20% annually. The same fee is charged at all asset levels.

[40] This account charges 0.55% annually. However, those with a Citi Gold or Priority account (required balances of $50,000 and $200,000 respectively) will not be charged a management fee, which would increase reflected performance.

[41] This account is enrolled in the "Standard" pricing plan for $120 a year which is paid by an outside bank account. This account was opened with a $5,000 initial deposit. We assess the fee on the account as though it was opened with a $50,000 initial deposit. We assess a $1 monthly, $12 a year, management fee on this account. A flat dollar fee pricing structure means the level of assets in the account will affect net-of-fee performance.

[42] These accounts were funded with more than the minimum amount required to establish an account. The account is charged a flat dollar fee subscription. Because the fee is a flat dollar amount, a higher account balance would have the result of increasing reflected performance, while a lower account balance would have the result of decreasing reflected performance.

[43] This account was funded with the minimum or more than the minimum amount required to establish an account at the time of opening. Had the account been funded with more assets it would, at certain asset levels, be eligible for a lower advisory fee. The lower advisory fee would have the result of increasing reflected performance. On June 19th, 2017, Vanguard removed the Robo Report's primary Vanguard account from the Vanguard Personal Advisor Services program. As of June 20th, 2017, the primary account was replaced by a secondary account with the same risk profile as the primary account. The returns for the secondary account have been linked to the original primary account. Asset type and allocation between the two accounts at the time

of the switch were very close but not identical.

[44] These accounts were funded with more than the minimum amount required to establish an account. There is currently no fee schedule; all accounts are charged the same asset-based fee. Therefore, performance is not affected by the account's asset level. Previously, the fee was only assessed on balances in excess of $10,000. In the 1st Quarter of 2018 Wealthfront liquidated the positions in the account used for the 4th Quarter 2017 and previous editions of this report. A different account was used for this report and is labeled "Wealthfront (Risk 4.0)". The performance numbers from the previous account are available in the addendum labeled as "Wealthfront (Risk 3.0)". The risk scores and thus allocations of the two accounts are different and labeled as such. Asset type and allocation between the two accounts at the time of the switch were close but not identical. The difference in equity allocation between the accounts on 12/31/2017 was approximately 5.4%.

[45] These accounts were funded with the minimum amount required to establish an account. This account is enrolled in their digital-only "Essential Portfolios" and is charged an asset-based advisory fee. If one were to upgrade to "Selective Portfolios" which introduces access to live advisors, a higher asset-based advisory fee schedule would apply, which would decrease reflected performance. Due to the down market in December 2018, this account engaged in repeated tax-loss harvesting on one of its asset types. All alternative securities were exhausted for this asset type, so to prevent a wash sale, the entire position, representing approximately 31% of the portfolio, was liquidated and held as cash for a 1 month period, during which time the market experienced a large upswing. Because this portfolio missed the market upswing, its performance versus the normalized benchmark is lower.

In previous reports, the initial target asset allocation was calculated as the asset allocation at the end of the first month after the account was opened. In the Q3 2018 report, we adjusted our method to calculate the initial target asset allocation as of the end of the trading day after all initial trades were placed in the accounts. This adjustment has caused some portfolio's initial target allocation to be updated from previous reports. These updates did not change any initial target allocations of equity, fixed income, cash, or other by more than 1%.

Prior to Q3 2018, due to technological limitations of our portfolio management system, some accounts which contained fractional shares had misstated the quantity of shares when transactions quantities were smaller than 1/1000th of a share in a position as a result of purchases, sales, or dividend reinvestments. This had a marginal effect on the historical performance of the accounts. The rounding of position quantities caused by this limitation has been resolved, and quantities have been adjusted to reflect the full position to the 1/1,000,000th of a share as of the end of Q3 2018. Therefore, this rounding of fractional shares will not be necessary in the future.

At certain custodians, a combination of the custodian providing us a limited number of digits on fractional share and fractional cent transactions rounding errors are introduced into our tracking. At quarter-end starting 3/31/2020, we implemented a process to enter small transactions to eliminate any rounding errors that have built up to more than a full cent. These transactions are small and do not have an appreciable effect on performance. Sharpe ratios and Standard Deviation calculations are calculated with the assumption of 252 trading days in a year.

This report represents Condor Capital Wealth Management's research, analysis and opinion only; the period tested was short in duration and may not provide a meaningful analysis; and, there can be no assurance that the performance trend demonstrated by Robos vs indices during the short period will continue. A copy of Condor's Disclosure Brochure is available at www.condorcapital.com. Condor Capital holds a position in Schwab in one of the strategies used in many of their discretionary accounts. As of 03/31/2024, the total size of the position was 65,710 shares of Charles Schwab common stock. As of 03/31/2024, accounts discretionarily managed by Condor Capital Management held bonds issued by the following companies: Morgan Stanley, Bank of America, Wells Fargo, E*Trade, Citi Group, Ally Financial, Citizens Financial Group, and Charles Schwab.

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