Creating a Low-Correlating Sleeve

LoCORR™ FUNDS

How do you incorporate Low-Correlating Assets into your clients' portfolios?

Follow these 5 easy steps

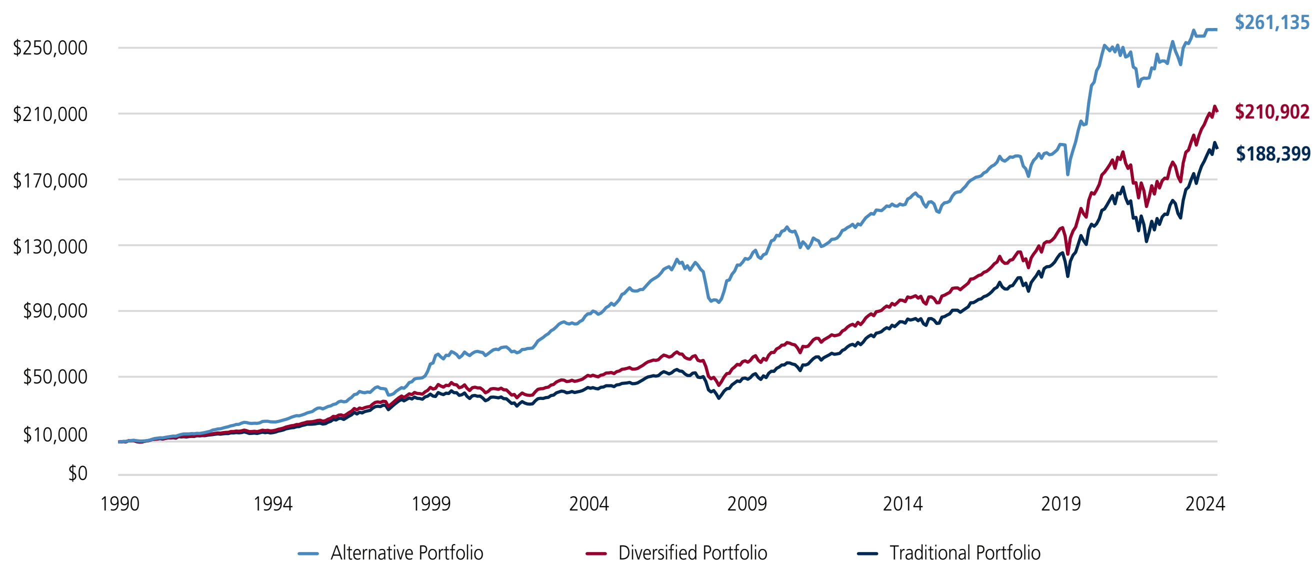
1 2 3 4 5

1

Identify why to build the sleeve

- Build a portfolio that has the potential to:
  - Hedge against rising interest rates
  - Mitigate losses in an equity downturn
  - Participate in a rising equity market

Growth of a Hypothetical $10,000 Investment (February 1, 1990 - December 31, 2024)



February 1, 1990 - December 31, 2024

	Alternative Portfolio	Diversified Portfolio	Traditional Portfolio
Average Annual Return	9.79%	9.12%	8.77%
Standard Deviation	7.06%	8.84%	9.35%
Max Drawdown	-21.71%	-31.51%	-32.54%

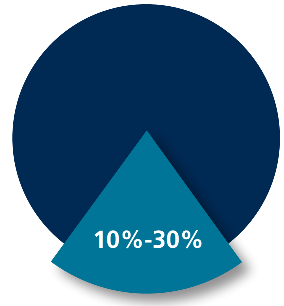
Alternative Portfolio represents the CISDM Hedge Fund Index. Diversified Portfolio represents stocks (50%), bonds (30%), and the alternative portfolio (20%), rebalanced monthly. Traditional Portfolio represents stocks (60%) and bonds (40%), rebalanced monthly. Stocks represented by the S&P 500 TR Index, Bonds represented by the Bloomberg U.S. Aggregate Bond Index. **Past Performance does not guarantee future results. Index performance is not representative of fund performance. Please call 888-628-2887 for most recent fund performance. It is not possible to invest directly in an index.**

For use with institutional investors only, not for use with retail investors.

2

Determine how much to allocate

- For any allocation to have a meaningful long-term impact, we feel 10%-30% is needed
- Build a sleeve that may help protect client assets and your practice

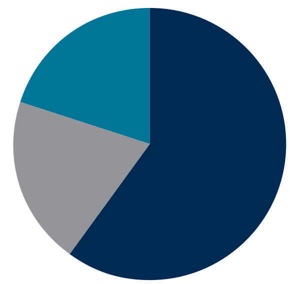


3

Identify what to put in the sleeve

For example:

- Long/Short Commodities
  - Potential to hedge against inflation
- Long/Short Equities
  - Potential to smooth out returns while mitigating downside risk
- Managed Futures
  - Potential outperformance of the equity market with less downside volatility



4

Decide where to take the money from

Perhaps:

- Rebuild using a sleeve of low-correlating strategies
  - Reduce the fixed income allocation since bond returns might not be able to contribute as much as they have historically
  - Replace them with a 10-30% allocation to low-correlating strategies

5

Have the conversation with your client

- Reiterate how well their portfolio has done recently
- Discuss the desire to help mitigate risk by adding an additional sleeve of assets to their portfolio which can offer the potential for:
  - Lower portfolio risk due to their ability to move independently of stocks and bonds
  - Some mitigated downside risk and upside potential regardless of how stocks and bonds are performing

---

Source: LoCorr Distributors.* **For use with institutional investors only, not for use with retail investors.

The Fund's investment objectives, risks, charges, and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by calling 1.855.LCFUNDS, or visiting www.LoCorrFunds.com. Read it carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. Non-diversified investments may concentrate assets in fewer individual holdings than diversified investments. Therefore, the investments are more exposed to individual stock volatility than diversified funds. The Funds invest in foreign investments and foreign currencies which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for emerging markets. The Funds may make short sales of securities, which involves the risk that losses may exceed the original amount invested. Investing in commodities may subject the Funds to greater risks and volatility as commodity prices may be influenced by a variety of factors including unfavorable weather, environmental factors, and changes in government regulations. The Funds may invest in derivative securities, which derive their performance from the performance of an underlying asset, index, interest rate or currency exchange rate. Derivatives can be volatile and involve various types and degrees of risks, and, depending upon the characteristics of a particular derivative, suddenly can become illiquid. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in Asset-Backed, Mortgage-Backed, and Collateralized Mortgage-Backed Securities include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. Investments in small- and medium-capitalization companies involve additional risks such as limited liquidity and greater volatility. Investments in lower-rated and non-rated securities present a greater risk of loss to principal and interest than higher-rated securities. ETF investments are subject to investment advisory and other expenses, which will be indirectly paid by the Funds. As a result, the cost of investing in the Funds will be higher than the cost of investing directly in ETFs and may be higher than other mutual funds that invest directly in stocks and bonds. ETFs are subject to specific risks, depending on the nature of the ETF.

Diversification does not assure a profit or protect against loss in a declining market.

LoCorr Funds
687 Excelsior Boulevard
Excelsior, MN 55331

952.767.6900 | 888.628.2887
www.LoCorrFunds.com