+3.82% YTD 2016

Q1 2016 Performance Review:

<table>
<thead>
<tr>
<th>March 2016</th>
<th>YTD 2016</th>
<th>Annualized Since Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matisse Discounted Closed-End Fund Strategy</td>
<td>+9.4%</td>
<td>+3.8%</td>
</tr>
<tr>
<td>S-Network Composite CEF Index</td>
<td>+6.4%</td>
<td>+3.7%</td>
</tr>
<tr>
<td>S&amp;P Target Risk Growth (Balanced)</td>
<td>+4.9%</td>
<td>+1.5%</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>+6.8%</td>
<td>+1.3%</td>
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</tbody>
</table>

As a firm focused on closed-end fund (CEF) portfolio management, we want to keep you up to date on current CEF market stats/developments as well as our performance. The Matisse Discounted Closed-End Fund Strategy composite returned +3.8% net for the first quarter of 2016. The Strategy’s current average discount to NAV is 16.3%, and its current distribution yield is 7.5% (see Strategy Performance Highlights).

Q1 2016 CEF MARKET REVIEW

March was a “big bounce” month for the market and formerly beaten-down sectors. We saw CEF discounts narrow by 115 bps in March, with all CEF types narrowing across the board. As of 3/31/16, the average CEF discount in the universe was 6.0%, which is still approximately 2% wider than the long-term average.

CEF Market Performance Highlights:

- Equity CEFs: +7.3% (March 2016), +1.3% (YTD 2016)
- Taxable Bond CEFs: +6.7% (March 2016), +4.6% (YTD 2016)
- Muni Bond CEFs: +2.2% (March 2016), +5.4% (YTD 2016)

Additionally, World Bond / EM Bond CEFs returned +8.13% during March and were up +7.46% for Q1 2016. Real Estate CEFs returned +10.47% in March and were up +3.49% for Q1 2016.

WHAT’S HAPPENING AT MATISSE

- On January 27th, Eric was featured in an article on Financial Advisor IQ talking about how advisors can use Closed-End Funds to boost client income. To read the article, please click here.
- Total AUM in the strategy is approximately $178 M as of quarter-end.
WHY BOULDER GROWTH & INCOME (BIF) IS ONE OF OUR TOP HOLDINGS

One of our Strategy’s top holdings is Boulder Growth & Income Fund (BIF). What makes this CEF so attractive?

- BIF is highly and uniquely discounted, trading at more than 22% below its NAV. This means you are paying $0.78 for every $1 of its assets.
- BIF presents an opportunity to buy Berkshire Hathaway (which makes up 29% of BIF’s portfolio) at a significant discount to its market price.
- Most of the factors leading to BIF’s large discount historically have now been removed or mitigated: BIF now sports attractive cash distributions (recently reinstated), a lower expense ratio (recently lowered), excellent trading liquidity, and stellar performance (ten-year top-decile track record) in a sought-after asset class.
- The single remaining factor, in our opinion, is the issue of control – BIF is run by an investment company controlled by Stewart Horejsi, and trusts controlled by Horejsi own 43% of BIF’s outstanding shares. But control can be a positive as well as a negative, and “enlightened self-interest” may lead to an “at-NAV event” (and a potential 28% gain) in the intermediate future.
  - To see how, read our internal white paper on BIF – click here.
- Here is another interesting read on BIF written by an outside, independent analyst: Click to read article.
TYPICAL ACCOUNT LOOKTHROUGH ALLOCATION 3.31.16

Asset Allocation
- US Stocks 45%
- Bonds 25%
- Greater Europe Stocks 12%
- Greater Asia Stocks 9%
- Non US Americas Stocks 3%
- Cash & Other 6%

Equity Cap Allocation
- Giant 28%
- Large 27%
- Medium 25%
- Small 12%
- Micro 8%

Source: Morningstar®

TOP 10 HOLDINGS AS OF 3.31.16

- Boulder Growth & Income
- Cohen & Steers REIT & Preferred Income
- Alpine Global Premier Property
- MS Emerging Markets Domestic
- RMR Real Estate Income Fund
- Western Asset Emerg Mkts Income
- Deutsche High Income Oppos
- Brookfield Glo List Infr Income
- Western Asset Emerg Mkts Debt
- Royce Value Trust

Source: Morningstar®