To the Member Banks of BancAlliance

On behalf of the entire team serving BancAlliance, we are pleased to share with you this annual report on the continued progress of your network during 2016.

This past year, BancAlliance and our members continued to operate in an environment filled with challenges and unexpected surprises. The complexity of regulatory requirements continued to increase, with an increasing focus on commercial real estate concentrations. Interest rates remained low by any historical measure. Consolidation among community banks continued, including within the network. The competitive challenge posed to community banks by larger banks as well as non-bank players, including fintech companies, continued to grow significantly. On the positive side, the credit environment continued to be stable and prospects for regulatory relief improved. Given the benign economic environment, credit loss rates have been favorable, but that good news is tempered by increasingly aggressive lending pricing and structures that frequently did not meet the network’s risk acceptance criteria.

The founding member banks created BancAlliance to empower community banks in all types of environments, capitalizing on the collective strength of a collaborative network to deliver product and service solutions. The network allows community banks to achieve the economies of scale they may lack on their own. We view our function at BancAlliance as helping to convert general challenges facing community banks into specific opportunities for our members. Throughout 2016, we saw the positive impact of the BancAlliance network continue to grow for our member banks and their investors, customers and communities.

We can—and do—measure that growth and success across a number of dimensions:

**Continued growth in the membership**
- Currently 229 member banks (up 25 from a year ago, despite the acquisition of a number of members by larger banks)
- Representing 42 states plus the District of Columbia, Guam and Puerto Rico (up 5 jurisdictions)
- With collective assets of approximately $422 billion, more than that of some of the largest U.S. banks, such as PNC

**Continued growth in the support and education services provided to member banks**
- More than 125 bankers attended an Alliance Academy course, up over 20% from a year ago
- Ongoing regulatory and compliance support to bank members

**Continued growth in the programs offered**
- Successful launches of the BancAlliance Small Business Loan and Wealth Management Programs
- An array of pilot program initiatives in testing with members

**Continued growth in the scope and impact of the network’s existing programs**
- More than 115 member banks were active in the Commercial Loan Program
- Commitments under the Consumer Loan Program more than doubled year-over-year
- The number of member banks participating in the Small Business Loan Program doubled in December alone
While these facts tell a positive story, the best measure of BancAlliance’s impact is not found in numbers but rather in the satisfaction of our member banks. We strive every day to serve our members. It is often tempting to focus just on situations in which everything worked as planned. Perhaps a more substantive and revealing measure of the performance of the network is how we perform in tough situations. While we work hard to minimize challenges and problems associated directly with BancAlliance programs, such challenges are inevitable and must be handled well, particularly in the banking business.

In 2016, members participating in the Consumer Loan Program faced a real stress test when the CEO of Lending Club, our critical partner in that program, was asked by his board to resign. When we look back on this past year, we are very proud of how the network dealt with the uncertainty and challenges that followed. The collective heft of the network ensured that each of our member banks had access to the most senior executives at Lending Club within a day of the announcement. The team at Alliance Partners monitored the situation continuously and provided updates to ensure that member banks could prioritize news directly relevant to our program. We double-checked every loan held by the network and reconfirmed that credit performance was in line with or better than our expectations. Our legal agreements provided appropriate rights and protections, and we renegotiated them in the aftermath of the CEO’s departure to provide even more rights for the network. Our partner due diligence and counterparty standards validated our belief that the partner company was financially sound. We suspended the program for nearly three months to ensure all questions had been answered to the network’s satisfaction.

At the end of this process, we had a comprehensive picture of the situation along with renewed confidence in the performance and potential of the Program. While this was a challenging and difficult period, it was gratifying to see the power and value of the network prove itself in real time. The feedback from our members has provided comfort that the network’s capabilities made a measurable difference in their ability to respond to this issue in a timely and robust manner.

Looking ahead to 2017 and beyond, we are excited about the opportunities to expand the scope and impact of the network. As the network grows, so does the number of opportunities presented to our members. The eagerness of potential partners across multiple asset classes to work with BancAlliance is another tangible illustration of the collaborative power of the network.

As has been the case since our very first member meeting in 2011, the members of BancAlliance define our priorities and efforts. In particular, we appreciate the commitment of our members who have volunteered to serve as directors on the BancAlliance Board. The Board met regularly during the year, addressing issues ranging from loan review to regulatory compliance to strategic and business development initiatives and priorities. Suggestions and feedback from the Board have been invaluable to Alliance Partners. The membership is well served by such a dedicated and thoughtful group of leaders.

With best wishes for a successful and productive 2017, and deep appreciation for your membership and the trust you place in the Alliance Partners team.

February 15, 2017
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Network Development

We are pleased to report that BancAlliance represents 229 bank members across 42 states plus the District of Columbia, Guam and Puerto Rico. In aggregate, the members of BancAlliance have approximately $422 billion in assets – roughly equivalent to the sixth largest bank in the United States.

Member banks of BancAlliance generally range in size from $100 million to $10 billion in assets, with a median asset size of $694 million and an average of $1.9 billion. Member banks have a median loan-to-deposit ratio of 88% and real estate concentration of 77%.

In 2016 the network grew by 25 member banks.

These new member banks joined through a variety of sources; however, our current member banks have the biggest impact on the recruitment of new member banks. We were delighted to welcome five new banks through our Member Referral Program last year, up from one bank in 2015. Through this program, a referring member can receive up to a $10,000 credit (against future fees) based on the new member bank’s commercial loan funding activity in its first six months of membership. If a current member bank refers a new member to the Consumer Loan Program or Small Business Program, they will receive a $5,000 credit.

2016 New Member Class, by State
Alliance Partners provides educational offerings to BancAlliance through Alliance Academy, which in 2016 received professional continuing education accreditation from The National Association of State Boards of Accountancy. In 2016, we offered a total of 13 sessions that were attended by 65 of our member banks with over 125 bankers attending at least one course.

Below is a summary of new courses and other highlights from our 2016 Alliance Academy sessions:

- **Portfolio Management & Credit Agreements**
  - Three sessions attended by 30 banks and 40 bankers
  - Posted on the Alliance Academy website

- **Lending Club Site-Visit & Alliance Academy**
  - First sessions of Alliance Academy: Consumer Finance introduced alongside Lending Club site-visits in April and December 2016 in San Francisco (21 banks and 40 bankers)

- **Fundation Site-Visits & Alliance Academy**
  - First sessions of Alliance Academy: Small Business introduced alongside Fundation site-visits in May and August 2016 in New York City (23 banks and 35 bankers)
  - Third site visit in September 2016 at Fundation’s Virginia office

- **Personal Capital Site-Visit**
  - Initial site-visit completed

Below is a list of the live sessions in 2017. Attendance is complimentary for Premier and Select members. Alliance Partners will waive the fee for up to two bankers per institution for Level I: Corporate Finance for members within 12 months of becoming a member. Please contact Alliance Partners for registration details and more information on our package pricing and member tiers.

### Preliminary 2017 Alliance Academy / Loan Program Due Diligence Events

<table>
<thead>
<tr>
<th>Course</th>
<th>Date</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level I: Corporate Finance</td>
<td>February 7-8, 2017</td>
<td>Chevy Chase, MD</td>
</tr>
<tr>
<td>Level I: Corporate Finance</td>
<td>April 4-5, 2017</td>
<td>Chevy Chase, MD</td>
</tr>
<tr>
<td>Consumer Loan Program</td>
<td>May 1, 2017</td>
<td>San Francisco, CA</td>
</tr>
<tr>
<td>Level I: Corporate Finance</td>
<td>May 9-10, 2017</td>
<td>Chevy Chase, MD</td>
</tr>
<tr>
<td>Level II: Advanced Corporate Finance</td>
<td>June 14, 2017</td>
<td>Chevy Chase, MD</td>
</tr>
<tr>
<td>Portfolio Management</td>
<td>June 15, 2017</td>
<td>Chevy Chase, MD</td>
</tr>
<tr>
<td>Level I: Corporate Finance</td>
<td>October 24-25, 2017</td>
<td>Chevy Chase, MD</td>
</tr>
</tbody>
</table>
Membership Meetings and Networking

BancAlliance conducts two national meetings each year: an invitation-only spring meeting geared toward the most active members, and the fall annual meeting to which all members are invited. In 2016, over 100 banks and 175 bankers participated in over 20 sessions at the two national meetings. In addition, members are encouraged to participate in a myriad of other forums that offer networking opportunities, including Alliance Academy sessions, regional bank lunches typically hosted by a member bank, a variety of industry association conference sessions, due diligence trips to network partners, and others. In 2016, BancAlliance held 58 networking sessions across 22 states.

**2016 Miami Spring Meeting (invitation only)**

- **57 Banks & 88 Bankers in attendance**
- Capital market insights from Antares Capital
- A unique perspective on the fintech landscape provided by Raj Date of Fenway Summer LLC
- Consumer Loan Program update discussion
- Small Business Loan Program featuring Sam Graziano, CEO of Fundation

**2016 D.C. Annual Fall Meeting**

- **66 Banks & 102 Bankers in attendance**
- Keynote from BancAlliance Founders John Delaney and Lee Sachs
- Program updates from our strategic partners
- Marketing incentives for early adopters of the Small Business Loan Program
- Wealth Management Program demo with Personal Capital
- Keynote from Charlie Cook, *The Cook Political Report*

2017 NATIONAL MEETING DATES

**March 6–7** (invitation only)
Naples, Florida

**September 25–26**
Washington, DC
Program Update

BancAlliance has offered its members 243 loans totaling $2.7 billion since the BancAlliance Commercial Program began in 2011 through 2016, with 38 loans originated and offered in 2016 alone. As of year-end, the portfolio managed by Alliance Partners on behalf of BancAlliance members collectively totaled approximately $1.1 billion across 127 loans. Alliance Partners distributed 64 Initial Asset Profiles, 57 Credit Memoranda and over 350 Update Memoranda to members this year.

Below is a sample of loans that received some of the biggest commitments from members in 2016:

<table>
<thead>
<tr>
<th>What Does Company Do?</th>
<th>Opportunity:</th>
<th>Credit Snapshot:</th>
</tr>
</thead>
</table>
| Provider of energy efficiency services and building automation solutions to commercial and institutional buildings. Allows building owners and managers to improve energy efficiency, optimize safety and reliability, and reduce operational costs through its broad solution offering. | Lend to a company with a diversified revenue stream that has countercyclical characteristics. | Senior Secured Term Loan & Revolver  
5-Year Term |
| Designer, manufacturer and marketer of premium men’s footwear and accessories. Sells its products through retail stores, wholesale customers (e.g., Nordstrom, Bloomingdale’s, Amazon and Brooks Brothers) and a proprietary, online website. | Lend to a company that has a strong brand value and demonstrated financial performance. | Senior Secured Term Loan & Revolver  
6-Year Term |
| Manufacturer of loading dock equipment, including loading dock levelers, vehicle restraints, ramps and other related accessories. Primarily sells its products through a network of over 600 distributors as well as directly to end users (e.g., Walmart, FedEx, Petco and Ashley Furniture). | Lend to a company with a highly variable cost structure and a diverse customer base and product offering. | Senior Secured Term Loan & Revolver  
5-Year Term |
Alliance Partners strives to build a diverse commercial loan portfolio, as measured both by industry and borrower size.

Please see below for a breakdown of the portfolio at the end of 2016.

### Commercial Loans by Industry

- **Business Services, 25%**
- **Manufacturing, 32%**
- **Food & Beverage, 10%**
- **Logistics, 4%**
- **Technology, 2%**
- **Software, 2%**
- **Media, 2%**
- **Other, 2%**
- **Automotive, 2%**
- **Financial Services, 2%**
- **Healthcare, 11%**
- **Consumer Goods, 4%**
- **Capital Equipment, 2%**
- **Other, 2%**

### Commercial Loans by Borrower Size

- **<20MM, 34%**
- **$20–$30MM, 18%**
- **$30–$50MM, 30%**
- **$50–$100MM, 13%**
- **>100MM, 5%**
Performance and Results to Date

Since 2011, only two of the 243 loans originated by Alliance Partners members have experienced a loss.

### Alliance Partners Track Record – All Commercial Loans

<table>
<thead>
<tr>
<th>Year Originated</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>Since Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans Originated</td>
<td>6</td>
<td>37</td>
<td>51</td>
<td>67</td>
<td>44</td>
<td>38</td>
<td>243</td>
</tr>
<tr>
<td>Paid Off in Full</td>
<td>5</td>
<td>32</td>
<td>35</td>
<td>29</td>
<td>9</td>
<td>3</td>
<td>113</td>
</tr>
<tr>
<td>Outstanding, Pass (Loans Rated 1-6)</td>
<td>1</td>
<td>3</td>
<td>14</td>
<td>29</td>
<td>33</td>
<td>35</td>
<td>115</td>
</tr>
<tr>
<td>Paid Off &amp; Pass Rated/Total</td>
<td>100.0%</td>
<td>94.6%</td>
<td>96.1%</td>
<td>86.6%</td>
<td>95.5%</td>
<td>100.0%</td>
<td>93.8%</td>
</tr>
<tr>
<td>Outstanding, Watch List (Loans Rated 7-9)</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>8</td>
<td>2</td>
<td>0</td>
<td>13</td>
</tr>
<tr>
<td>Losses (Loans Rated 10)</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
</tbody>
</table>

See Disclaimer on page 18 for important information regarding historical performance data included herein.

In 2016, the BancAlliance Commercial Loan Program average net yield was 4.63% and the average net yield for all loans since inception is 4.41%.

The conservative orientation and careful selectivity of BancAlliance is evidenced in the profile of commercial loans that has consistently compared favorably to the market as a whole.
Consumer Loan Program

Program Update

The BancAlliance Consumer Loan Program enables member banks to offer an attractive unsecured consumer loan to their customers, to deepen their customer relationships through efficient marketing initiatives, and to add high quality loans to their balance sheets enhancing interest income and reducing risk through diversification. The Program provides community banks access to a customer-friendly consumer lending platform provided through our partnership with Lending Club.

In 2016, despite the pause due to the departure of Lending Club’s CEO, total loans acquired by the network since inception grew to over $250 million, and we hosted 21 banks and 40 bankers in San Francisco for two site-visits and diligence sessions at Lending Club’s offices.

Performance and Results to Date

The acquired Consumer Loan Program net yield was 6.9%,\(^7\) net of fees, at 2016 year-end. Note that due to long-term credit performance, BancAlliance counsels members to expect a fully seasoned net yield of approximately 5%.\(^8\)

In addition, members also receive fee income for each customer loan closed. As illustrated below, the credit quality of the acquired consumer loan portfolio has outperformed initial expectations.\(^9\)

Additionaly, participating banks receive frequent updates from Lending Club on the loans in their portfolio. Lending Club provides all servicing for the outstanding loans, assigning banks a direct contact number to share with their employees and customers.

The initial work completed on behalf of the BancAlliance network helps banks to efficiently implement the Program internally, equipping teams with a due diligence packet and facilitating marketing and implementation in a highly efficient manner.

Note: Actual and expected default curves weighted by actual BancAlliance originations across subgrades.
See Disclaimer on page 18 for important information regarding historical performance data included herein.

Comparison of Actual BancAlliance $ Charged Off vs Expected\(^{10}\)

BancAlliance Consumer Loan Program Net Yield

6.9%

Cumulative total outperformance to date of 17.0%
Program Update

The Small Business Loan Program enables BancAlliance members to take small business loan applications online (web or mobile) or in-branch. Based on member-specific criteria, the customer could receive loan options from your bank or, at the bank’s option, our referral partner, Fundation. For applicants underwritten by the bank, the bank is delivered an electronic application with analytics to streamline the approval process.

Based on initial feedback, this program has the potential to significantly reduce the $3,000 to $4,000 traditional cost per loan and improve response times to applicants. Participating member banks are already realizing customer advantages, such as capturing deposit business that would otherwise have gone to a bigger bank.

There is no upfront cost or long term contract required to implement and operate the small business program. All costs are per use and the bank has the opportunity to receive attractive referral economics while still retaining the customer relationship.

Pre-screen Referral
- Network of vetted non-bank lender partners
- Bank retains ownership of customer relationship
- Facilitate a “yes” to customers the bank can’t approve
- Avoid wasted time on applications the bank won’t or can’t approve through pre-screening criteria

Turndown / Second Look Referral

Interested in a Second Review?
If Bank Inc. cannot approve your application, would you like us to share your application information with another lender who will review your loan request? Please read our Information Sharing Notice.

Yes  No

Digital Loan File
- Application Data
- Consumer Credit File
- Commercial Credit File (PayNet)
- Public Record Data (Personal & Business)
- Bank Account Transactional Data

Credit Workflow Screen

C结构化数据的分析和展示是理解贷款申请的重要工具。例如，信用评分（Credit Score）、偿债能力（Debt-to-income Ratio）、信用历史（Credit History）等是决定贷款申请是否通过的关键因素。通过信用分析（Credit Analysis），我们可以更准确地评估申请人的还款能力，从而做出更明智的决策。
Small Business Loan Program
Case Studies

Business Overview
Gymnastics, all-star cheer and martial arts business.

Use of Funds
Cash flow management.

Their Story
The borrower identified an opportunity to significantly grow their business by investing in a new larger building that was priced below market value. While this building is being renovated, the borrower has been burdened with two mortgages which negatively impacted their cash flow. After talking to a number of banks, the borrower realized that its choices were limited until it learned of the BancAlliance member bank’s new small business loan program with Fundation. Through an extremely simple process, the borrower was approved and received their needed funding to meet their cash flow needs.

Results
Cash flow issue was averted and the borrower can focus on growing their business through its new building and the opportunities now available to the business.

Business Overview
A group of restaurants and bars.

Use of Funds
Bridge loan before Small Business Administration (“SBA”) loan.

Their Story
The group had decided to expand its restaurant business and open a new tropical tiki bar. With three successful bars/restaurants, the business owner reached out to his long-time bank for funds to bridge the gap before an SBA loan would be approved and funding available. His long-time bank declined to approve the loan even though he had a stellar track record. The business owner turned to a new bank which, through its new BancAlliance Small Business Loan Program, was able to solve his immediate need for funding as well as his longer term need for an SBA loan.

Results
Bridge funding from Fundation was immediately available and used to purchase needed materials and furniture to get the new business started before SBA funding was available.
Alliance Partners has partnered with Personal Capital, a registered investment advisor that offers a unique combination of a technology-based wealth management platform with access to live, licensed financial planners. As with every program offered to BancAlliance, banks retain full control of the customer relationship, face little to no upfront or ongoing investment, benefit from marketing and implementation support, and have access to shared diligence and monitoring.

All Member bank customers can have access to a leading wealth management technology platform to consolidate and view financial assets, cash flow, and estate and retirement planning positions. Customers with as little as $25,000 of investable capital can have preferred, low cost access to licensed investment advisors that typically are dedicated to the highest net worth customers.

How The Program Works

**BANK BENEFITS**

**Tailored Marketing Program**
Personal Capital and BancAlliance work with member bank to customize messaging to its customer base, including content for websites, landing pages, statement inserts, and materials to educate employees on the offering.

**Revenue Share and Customer Profiles**
If a bank customer elects to become an advisory client, bank receives a portion of the first-year fee. After a threshold, the fee structure switches to an on-going revenue share. Bank also receives insights into depth of customer relationship and new product opportunities.

**Select Advisors**
All customers with assets greater than $25,000 will have access to Personal Capital advisors supporting the highest AUM Personal Capital clients. Banks will have dedicated point(s) of contact.

**BANK CUSTOMER BENEFITS**

**Bank Branded Customer Dashboard**
Customers can link to their holistic financial picture of financial assets, cash flow, and estate and retirement planning position through links on the bank’s website.
Wealth Management Program Case Study

Personal Capital has a holistic view of customers’ financial lives, and can create new marketing opportunities for banks participating in the Wealth Management Program.

Getting to know “Sam”
Current customer of YourBank

Sam: YourBank view

- Checking account since 2009: $500
- Savings account since 2009: $2,100
- Debit card holder

Sam: Personal Capital view

Everything YourBank sees, plus (e.g.):
- CDs/Deposits at other banks
- 401K and other investments
- Loans at other banks

What Personal Capital can infer from your data-set and share with YourBank

<table>
<thead>
<tr>
<th>&quot;Low&quot; Loyalty Customer</th>
<th>—</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Net Worth Investor</td>
<td>+</td>
</tr>
<tr>
<td>Insurance Candidate</td>
<td>+</td>
</tr>
<tr>
<td>Additional Banking Products</td>
<td>+</td>
</tr>
</tbody>
</table>

HIGH NET WORTH INVESTOR PRODUCTS
- Private Bank services
- Safety Deposit Box services

INSURANCE CANDIDATE PRODUCTS
- Homeowner’s insurance
- Boat insurance

BANKING PRODUCT NEEDS
- High Yield Savings Accounts for Emergency Fund cash
- High-limit credit cards
- Better rate CDs
Delivering Value to BancAlliance Members

In 2016, BancAlliance delivered on its guiding objective that each BancAlliance product and service should provide value to the member banks across each of the following dimensions:

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Value Provided</th>
</tr>
</thead>
</table>
| Diversification    | • Increased balance sheet diversification through acquisition of consumer, commercial and industrial loans  
                    | • Reduced risk through lower single asset class concentrations (i.e., real estate) |
| Profitability      | • Increased interest income resulting from additional earning assets  
                    | • Increased fee income delivered through referral fee partnerships  
                    | • Reduced expenses associated with originating and servicing loans and providing ancillary banking services |
| Customer Relationship | • Additional products and services to meet the broadest possible spectrum of a customer’s banking needs and defend against loss of customers to larger institutions  
                        | • New customer acquisition through new product offerings and partner supported marketing campaigns |

Thank you very much to all members of BancAlliance!

It was a pleasure working with you in 2016 and we look forward to continued success in 2017!
FOOTNOTES

2. Please consult AP Commercial LLC’s form ADV for a description of the member classification framework.
3. Size is represented by EBITDA of the borrower.
4. Past performance is not a reliable indication of future returns.
5. Average net yield is net of asset management fee paid to Alliance Partners and calculated based on loan count.
6. BancAlliance Senior Leverage is defined as the average of the senior leverage (senior debt/adjusted EBITDA) of all loans offered by Alliance Partners to BancAlliance members, which are generally representative of the portfolio held by BancAlliance members in aggregate. BA Total Leverage is defined as the average of the total leverage (total debt/adjusted EBITDA) of all loans offered by Alliance Partners to BancAlliance members, which are generally representative of the portfolio held by BancAlliance members in aggregate. The calculations are based on the most recent quarterly financial data available. LCD Leveraged Lending Review Middle-Market Senior and Total Leverage is taken from LCD Leveraged Lending Review Middle-Market Presentation based on 3Q 2016 originations.
7. Net yield is gross yield net of charge-offs, prepayments, advisory fees and expenses paid to Alliance Partners, and Lending Club servicing fee.
8. Net yield is gross yield net of advisory fees and expenses paid to Alliance Partners, expected charge-offs, prepayments and Lending Club servicing fee. Based on weighted average of all Lending Club loans. Prepay/default curves from Lending Club analysis, incorporating historical Lending Club trends reflective of BancAlliance credit criteria.
10. Expected charge off based on Lending Club analysis, incorporating historical Lending Club trends.
11. Any projections or other estimates in this report are “forward-looking statements” and are based upon certain assumptions that may change. Due to various risks and uncertainties, actual events or results or the actual experience of a member may differ materially from those reflected or contemplated in such forward-looking statements. Moreover, actual events are difficult to project and often depend upon factors that are beyond our control.
12. Sample loans are presented for illustrative purposes only to provide examples of the types of loans available through the BancAlliance network. BancAlliance members may or may not own these sample loans at this time. Sample loans were not selected on the basis of their actual or expected performance. Past performance is not a reliable indication of future results. No representation is made that a member or loan will or is likely to achieve results that are similar to the sample loans profiled here.
13. Registration of an investment adviser implies no certain level of skill or training.

DISCLAIMERS

AP Commercial LLC is a wholly owned subsidiary of Alliance Partners and is the SEC-registered investment adviser referred to herein as “Alliance Partners.” Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Information contained herein may include information with respect to prior investment performance. Information with respect to prior performance, while a useful tool in evaluating Alliance Partners’ investment activities, is not necessarily indicative of actual results that may be achieved for unrealized investments.

This document is for informational purposes only and does not constitute an offer to sell, or the solicitation of an offer to buy, any security, product, or service of Alliance Partners.

Unless otherwise noted, information included herein is presented as of December 31, 2016. This report is not complete, and the information contained herein may change at any time without notice. Alliance Partners does not have any responsibility to update the report to account for such changes. Alliance Partners makes no representation or warranty, express or implied, with respect to the accuracy, reasonableness, or completeness of any of the information contained herein, including, but not limited to, information obtained from third parties. Past performance is no guarantee of future returns.

The information and statistics contained in this report have been obtained from sources we believe to be reliable but cannot be guaranteed. Any projections, market outlooks or estimates in this report are forward-looking statements and are based upon certain assumptions. Other events which were not taken into account may occur and may significantly affect the returns or performance of these investments. Any projections, outlooks or assumptions should not be construed to be indicative of the actual events which will occur. These projections, market outlooks or estimates are subject to change without notice.

The information contained herein is not intended to provide, and should not be relied upon for, accounting, legal or tax advice or investment recommendations. The information contained herein is confidential and proprietary and is subject to confidentiality agreements.

For more information, including risk factors and fee schedules relating to Alliance Partners, please reference AP Commercial LLC’s Form ADV sent to all members and also available on the SEC’s website at www.adviserinfo.sec.gov.