Disclosures for One Day In July's Simulator

1/3/24

- IMPORTANT: For one-on-one presentation only. This information is intended for experienced investors only or those maintaining at least a basic knowledge and understanding of investments and financial markets.
- The backtested performance data (investment returns) generated by the One Day In July LLC ("ODIJ") Simulator tool ("Simulator") are hypothetical in nature and do not represent the investment performance of any actual accounts, investors, or model. The hypothetical returns presented here pre-date the inception of the ODIJ firm and are not a guarantee of future results.
- Simulator is intended to illustrate how the group of securities currently utilized in ODIJ's standard strategy portfolio (a diversified portfolio of low-fee index funds) could have performed in the past based on actual historical securities' prices. The results do not reflect any changes to the composition of the ODIJ standard strategy over time.
- While we believe the results offer a reasonable approximation of how a similar actual portfolio likely behaved during a particular historical period, there are multiple factors assumed in the analysis that could produce return results different than those achieved by a similar portfolio during the same period. Investors can have different equity vs. fixed income allocations (in accordance with their risk tolerances), rebalance dates, contribution/withdrawal rates, fees, and tax implications, resulting in performance returns that differ materially from what is presented here. Differences in account size, timing of transactions and market conditions prevailing at the time of investment may lead to different results. The graphs and other results depicted are not a formula or system to determine whether to buy or sell any security.
- When hypothetical periodic cash deposits are included in the analysis, Simulator assumes new cash is not invested until the next rebalance date, which may be up to six months later. This is a limitation of the analysis, as, in practice, large cash deposits would typically be invested within several days.
- While Simulator performance data is presented net of hypothetical advisory fees, the analysis does not consider potential transaction or trading fees, taxes (including potential positive impacts from tax loss harvesting), or inflationary impacts on cash balances or securities' prices. Please read the full disclosure for a more comprehensive explanation of the limitations inherent in the analysis.
- ODIJ is an SEC-registered investment advisor. Registration does not imply a certain level of skill or training. ODIJ does not guarantee actual returns or losses. Past performance is not indicative of future results. All investing involves risk, including possible loss of principal. This content is for educational purposes only and is not investment advice. Individual circumstances may vary.

Simulator Methodology, Assumptions, Limitations, and Material Risks

Simulator shows the historical investment performance results of the group of securities currently held in the ODIJ standard strategy portfolio. ODIJ's standard strategy portfolio is comprised of low-fee index fund ETFs representing a diversified group of assets classes, including U.S. Treasury bonds intended for downside protection. Simulator is intended to provide an understanding of how ODIJ's current standard strategy portfolio might have performed over time. Data is based on the securities' daily closing prices, adjusted for splits, as provided by Yahoo Finance. The results shown are net of the current ODIJ annual advisory fee (refer to our Form ADV Part 2A, Items 5A-5D for details), and do not reflect any other transaction costs or taxes. Results do not represent returns actually achieved by ODIJ or its clients over the time period, as the firm did not exist prior to 2016, and the results do not reflect any changes to the composition of the ODIJ standard strategy over time.

Inputs. The initial investment value (i.e., the cash amount), the investment start date, and the frequency and dollar amount of cash deposits and withdrawals are customizable inputs.

Individual Position Weightings and Target Equity vs. Fixed Income Investment Allocations. Throughout each simulation, the targets for individual position weightings across the various portfolio holdings remain fixed according to the current ODIJ standard strategy portfolio. The target Equity vs. Fixed Income allocation is customizable for each simulation. The lower the total Fixed Income allocation for the overall portfolio, the fewer individual bond positions are included in the portfolio. Fixed individual position weightings are a limitation of the analysis, as, in reality, ODIJ may adjust those targets over time in response to market conditions or other factors.

The target Equity vs. Fixed Income allocation, although customizable, is assumed to remain a fixed target for the duration of the analysis. ODIJ considers this fixed allocation target to be a limitation of the analysis, as, in reality, we believe it is often appropriate for investors to adjust their portfolio allocations over time as their financial situations and investment objectives change. Based on historical data, a more aggressive equity portfolio would generally outperform a more conservative portfolio heavily weighted towards fixed income. In addition to the equity and fixed income target allocations, the simulated ODIJ standard strategy portfolio assumes a 0.75% cash allocation target to cover investment management fees.

Portfolio Returns. The returns of the ODIJ standard strategy presented represent the simulated performance of the retroactive application of the current ODIJ standard investment portfolio, for a given equity to fixed income allocation, subject to certain limitations further detailed in the "**Limited Historical Data and Fund Substitutions**" section below. The ODIJ standard strategy portfolio was developed in hindsight, after the performance of each portfolio holding over the period was known. No representation is being made that any account will or is likely to achieve results similar to those shown. Actual returns may differ significantly from the hypothetical returns being presented.

Total Return. The Total Return reported is a time-weighted return, used to measure a portfolio's compound growth rate. Time-weighted return calculations net out the distorting

impacts of possible deposits and withdrawals from the account when considering how the account has grown over time. To calculate time-weighted returns, the portfolio history is partitioned into time segments called holding periods or sub-periods, each beginning with the initial deposit or a deposit/withdrawal and ending with either the last day in the simulation or a deposit/withdrawal. Partitioned sub-periods do not have any deposits or withdrawals between their start and end dates. Payments of advisory fees are not treated as deposits/withdrawals. Returns are calculated for each sub-period with the initial portfolio value assessed the day of the starting deposit/withdrawal and the final portfolio value assessed the day of the final deposit/withdrawal of the sub-period (if it exists). The return value for each sub-period is calculated as final value less the sum of the initial value and the cash flow (withdrawal or deposit) all divided by the initial value. The returns for each sub-period are multiplied by each other and converted to a percentage to show how the sub-period returns are compounded over time. The time weighted return formula used is:

$$TWR=[(1+HP1)\times(1+HP2)\times\cdots\times(1+HPn)]-1$$

where: *TWR* = Time-weighted return
n = Number of subperiods
HP = Holding Period Return = (End Value - (Initial Value + Cash Flow)) / Initial Value
HPn = Return for sub-period *n*

Annual Return. The Annual Return reported above the graph is the compounded annual growth rate (CAGR), or the annualized total time-weighted return (TWR), which is net of the distorting effects of any cash deposits and withdrawals. The Annual Return is calculated by converting the total TWR to a CAGR as follows:

CAGR = (1 + TWR) ^ (1 / n) – 1
where: CAGR = compounded annual growth rate
TWR = time-weighted return (net of cash deposits/withdrawals)
n = Number of years

Simulator calculates the length of time between the portfolio inception and the end of the simulation in days. The portfolio lifespan is converted to years by dividing the number of days by 365.25.

Limitations of the Annual Return. The Annual Return, or CAGR, calculates a smooth growth rate over time. Analyzing portfolio returns using CAGR is limited, as this return calculation ignores volatility and implies that portfolio growth is steady over time, when, in reality, returns on investments (particularly equities) are often uneven over time. No matter how steady an investment has grown over time, investors cannot assume that the rate will remain the same in the future. The shorter the time frame used in the analysis, the less likely it will be for the realized CAGR to meet the historical long term average CAGR. Any investment that does not have a track record of at least 365 days cannot "ratchet up" its performance to be annualized. Thus, if a portfolio is invested for only six months and earned 5%, it is misleading to extrapolate

the annualized performance as 10%, since that is predicting future performance instead of stating facts from the past. Calculating an annualized rate of return must be based on historical numbers.

Limited Historical Data and Fund Substitutions. The ODIJ standard strategy portfolio is comprised of a select group of exchange-traded funds (ETFs). Many of these ETFs were created within the last 10-20 years. In order to portray the performance of ODIJ's current standard strategy over historical periods that extend beyond the creation of such funds, "Substitute funds" are used as a proxy when necessary. Substitute funds were chosen based on the indexes that they tracked and the similarity of their objectives and compositions to those of the funds that they replace. Partly due to certain fund substitutions, the resulting performance data does not represent the actual performance of the current ODIJ standard strategy.

Dividends. Dividends are not assumed to be automatically reinvested at the time they are received. Dividend payments are assumed to be invested on the next rebalance following the ex-dividend date.

Deposits and Withdrawals. The initial deposit (i.e., the starting value of the simulation) is assumed to be invested using the securities' closing prices from the prior trading day. Subsequent cash deposits are assumed to be invested on the next rebalance date following the deposit date, which may be up to six months later or earlier if additional cash is needed for a withdrawal or fee payment. These subsequent cash deposits and withdrawals are assumed to occur at the end of the trading day on the date specified. When periodic deposits or withdrawals are included in the analysis, the first periodic deposit or withdrawal occurs at the starting date of the simulation plus the number of days specified by the deposit/withdrawal frequency. For example, the first withdrawal for a simulation with weekly withdrawals occurs one week from the start date of the simulation. When cash is withdrawn from an account, the withdrawal amount is first removed from the cash balance. If there is not sufficient cash to cover the withdrawal, shares will be sold at their last closing prices until there is sufficient cash for the withdrawal; during this process, shares will be sold in such a way that accounts will be rebalanced back to target allocations. In the event that the withdrawal is greater than the value of the portfolio, all shares held will be sold and the account will be assigned a negative cash balance in an amount equal to the difference between the portfolio value and the withdrawal amount.

Cash. Cash may accumulate in an account due to dividend payments or cash deposits. Any cash held in an account is assumed to have no returns. In an actual investing environment, cash deposits may or may not earn interest. Cash balances and all cash portfolios are subject to inflation risk which is not considered in the performance returns data. Cash, with the exception of a cash position equivalent to at least 75 basis points of the total portfolio value, is assumed to be invested on rebalancing dates. The 75 basis point cash buffer is maintained to cover investment advisory fees. ODIJ considers this a limitation of the analysis, as, in reality, the cash buffer swings on a daily basis and ODIJ does not manage the cash buffer to such a strict

parameter and actual clients have varying cash needs. The total cash buffer held on any given day will impact the performance returns.

Rebalancing. Rebalancing of the ODIJ standard strategy portfolio is assumed to occur on January 1 and July 1 of each year included in the analysis as well as on any days when there is insufficient cash available to pay fees or cover a scheduled withdrawal. ODIJ considers this a limitation of the analysis, as, in reality, rebalancing can be performed on different dates, which would impact the portfolio returns. Rebalancing, or buying and selling securities in order to shift a portfolio back to specified target equity vs. fixed income allocations according the individual security weightings used in the current ODIJ standard strategy portfolio (or Substitute funds), is assumed to occur at the end of the day using the closing prices from that trading day. Rebalancing may be performed on non-trading days. On such days, Simulator relies on the most recently available closing price for each security, adjusted for splits. During rebalancing, only whole shares may be purchased. A rebalance will invest 100% of available cash in ETFs or mutual funds, with the exception that at least 75 basis points (0.75%) of the total portfolio is assumed to be kept in cash to be available for monthly fee payments. There may be more than 0.75% cash remaining after a rebalance if there is not enough cash buffer above that threshold to buy a whole share of a security. It is assumed that there are no trading fees for rebalancing. In reality, there may have been trading fees, particularly during the period prior to late 2019 when zero commission trading gained wide popularity across the brokerage industry.

Fees and Other Costs of Investing. Investment Advisory Fees are billed monthly and assumed to be withdrawn from the portfolio on the 1st calendar day of every month, the "fee date." The fee date may or may not be a trading day. Fees will be paid if the account within a portfolio existed for any number of days prior to the fee date. Fees are calculated using the value of the portfolio on the previous trading day. Fees are charged in accordance with ODIJ's current fee schedule (refer to our website for details).

When fees are due from an account, the amount due is first removed from the cash balance. In the event that the fees due are greater than the total cash position in the portfolio, Simulator will subtract the amount needed to cover the fee from the total portfolio value and then perform an off-cycle rebalance to bring the cash back to at least 75 basis points. ODIJ considers this a limitation of the analysis because, in reality, ODIJ would determine the most appropriate shares to sell off to raise cash in accordance with the particular client's needs and the current market environment.

The performance data assumes that there are no transaction costs or commissions paid for selling or buying securities. This is a limitation of the analysis, as historically investors were typically subject to transaction fees or commissions when trading securities. Zero commission trading did not gain wide popularity until late 2019. There are no custodian asset fees considered in the analysis. Investors may incur additional costs and expenses associated with investing, including front or back-end sales charges for the funds in which you invest, trading costs, potential custodian asset fees, and taxable gains/losses associated with your investments. . Hypothetical annual returns for ETFs and mutual funds represented in this

analysis reflect the costs for holding the investments, not including any potential front or back-end loads (i.e., the returns presented are net of expense ratios and any applicable 12b-1 fees).

Splits. The daily closing price data used in Simulator is adjusted for past ETF and mutual fund share splits and reverse splits.

Taxes. This is a pre-tax analysis. It is assumed that all accounts are tax-free accounts. Therefore, no taxes are deducted from account balances at any point and there are no tax loss harvesting strategies reflected in the analysis. Actual tax implications will vary by account type, account owner, length of time investments are held, among other factors.

Execution Order. On any day, account actions, if performed, are executed in the following order: fees paid, dividends received, deposits and withdrawals made, account rebalancing, daily portfolio value calculated.

Graph. The graph may not display value data for every day during the simulation. Therefore, short term swings in portfolio value may be underrepresented or indiscernible.

Raw Data Source and Data Accuracy. ODIJ's performance returns graphing utility relies on raw data that is provided by Yahoo Finance. ODIJ does not verify any data and disclaims any obligation to do so. ODIJ (A) expressly disclaims the accuracy, adequacy, or completeness of any data and (B) shall not be liable for any errors, omissions or other defects in, delays or interruptions in such data, or for any actions taken in reliance thereon. All data and information are provided "as is" for personal informational purposes only, and is not intended for trading purposes or advice.

Other Limitations.

Inflation. Simulator does not account for the impact of inflation (changes in price level) over time. All securities prices and cash amounts used in a simulation represent nominal values that are not adjusted for changes in price levels over time. In reality, changes in inflation adjust the purchasing power of a fixed dollar amount over time.

Short Time Periods. ODIJ encourages investors to avoid overreliance on any short-term performance data when it comes to making investment-related decisions.

Unusual Market Events. Depending on the investment start and end dates utilized in the simulation, the results may reflect poor investment performance achieved during the 2007-2008 Global Financial Crisis, the March 2020 market downturn associated with COVID-19, and the 2022 bear market. Results may also reflect outsized market gains achieved during the post-March 2020 COVID-19 related stock market rally or during the late 1990's leading up to the dot com market bubble crash, resulting in sharp drop in stock prices for much of 2000-2002.