From: Michael Kerris mkerris@brightviewcm.com
Subject: BrightView: A review of market conditions for all your investments
Date: August 23, 2016 at 11:31 AM
To:

Dear Partners,

I hope you are well.

I usually send this monthly email as a reminder to facilitate those partners interested in making an additional investment. However, this month, that is not the purpose of this email. I am actually encouraging my partners, in most situations, to not invest additional money this month. With the market at the upper end of its trading range, and volatility in the bottom 7% of its historical range, I'd like you to consider what action to take based on the source of your capital.

1) Scenario One: Regularly saving and investing new capital: Even small amounts of money have the potential to dramatically improve your financial future. Since we are talking about just a month's savings, it is ok to continue to invest and dollar cost average because no one knows for sure what the market will do next. The one page form to invest is attached. At this point in the month, there is still time to invest via check, and save the cost of a wire transfer.

2) Scenario Two: Your capital outside of BrightView is fully invested in long-only equities (individual stocks, mutual funds, and/or ETFs): While the market can continue to grind higher, consider how much risk you are taking for that potential return. Goldman Sachs reported today that the median stock trades in the 99th percentile of its historical valuation. By conventional measures, stocks are dramatically over-valued. The risk/reward does not call for staying invested in traditional fully invested long-only strategies. I strongly suggest you begin to reallocate at least some of this capital to:
a) cash; and
b) hedge funds since they have the potential to prosper in bull or bear markets.

3) Scenario Three: If you already have capital in cash that is earmarked to be invested in the BrightView Adaptive Fund this month: I suggest you keep your capital in cash this month and wait so we can re-evaluate market conditions again in a month. The market has experienced less than 1% daily volatility from open to close for the last 30 consecutive trading days (6 weeks), and less than 0.5% daily volatility for longer than a month. Quiet conditions like this do not provide attractive opportunities for entries or exits. Likewise, with the market stretched, I think more favorable opportunities will present themselves after at least some dip. September and October often provide for such opportunities which hopefully will allow our partners to invest a month from now under more favorable market conditions.

My first priority is and will always be to protect my partner's capital. With our capital earmarked for retirement, we are playing the long game. Safety of capital comes first. Besides, we can only trade what the market provides. If the fish aren't biting, there is little we can do. We are ok being patient. Fortunately, over time, markets will again act more "normally" and our strategy and algorithm tend to handle this fat part of the distribution curve well. In the meantime, our holdings are near all-time highs and we continue to operate conservatively.

Please let me know if you have any questions. And remember to share our story with those you care about.

Thank you.

Michael Kerris

Michael Kerris, Esq. | Chief Executive Officer
BrightView Capital Management LLC

732-924-4215 | 732-358-0551 (efax)
MKerris@BrightViewCM.com | www.BrightViewCM.com
331 Newman Springs Road, Building 1, 4th Floor, Suite 143
Red Bank, NJ 07701