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July 15, 2016

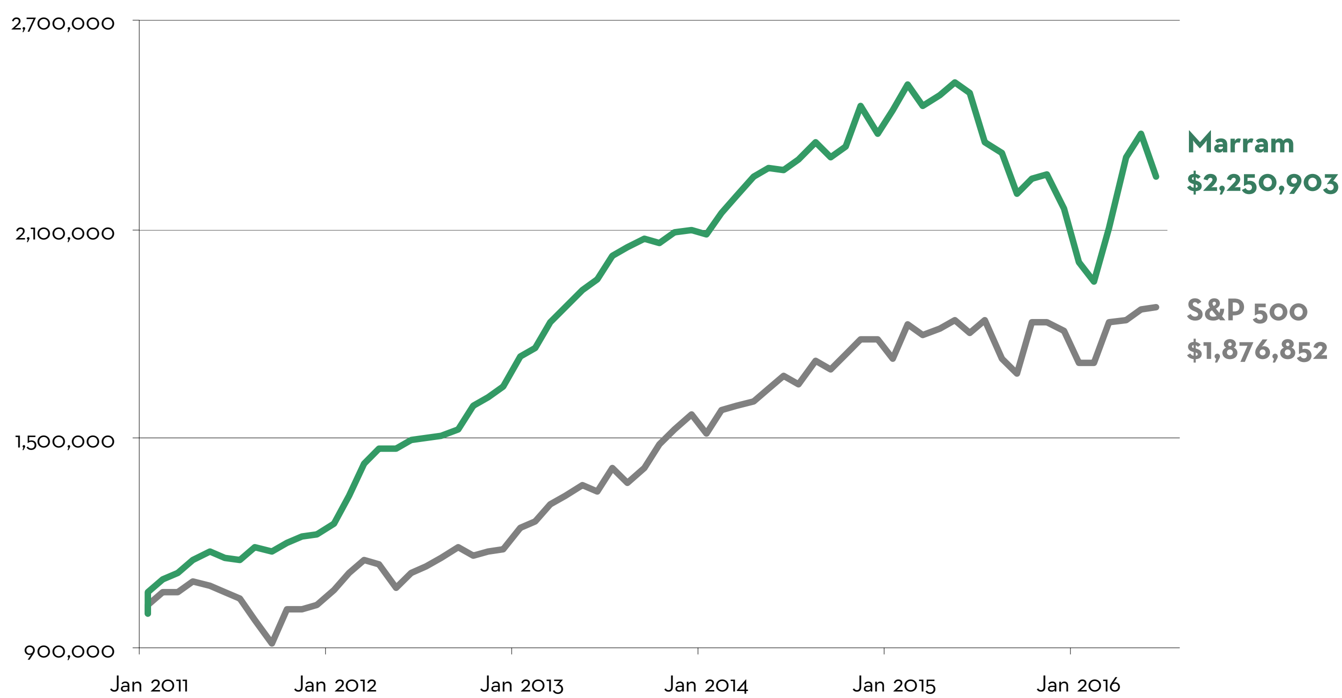
Dear Investors,

The Portfolio* returned +4.23% (net return) year-to-date ("YTD") through 6/30/2016.

During this same period, the S&P 500 returned +3.84%.

For monthly details, see Historical Performance Returns at the end of this letter. Please refer to your account statement for net return figure.

$1,000,000 Investment in Marram vs. S&P 500 (Net Return, Inception to 6/30/2016)*



QUARTERLY LETTER SECTIONS

- **Marram's Five Pillars** – constant reminder of "why" and "how" we invest capital
- **Portfolio Return Analysis** – analysis of performance returns for the quarter/year
- **Portfolio Allocations** – breakdown of our current capital allocation
- **Portfolio Future Positioning** – glimpse into our current thoughts on markets, asset prices, and/or how we are positioning the portfolio to maximize future compounding

MARRAM'S FIVE PILLARS

INVESTMENT GOAL:	• To Compound (Grow) Capital Over Time
INVESTMENT STRATEGY:	• Opportunistic Capital Allocation – employing patient opportunism, which entails the following philosophy…
INVESTMENT PHILOSOPHY:	• Buy cheap assets (when available) • Hold cash where there are no cheap assets • Hedge the portfolio when appropriate • Think creatively and opportunistically
IMPLEMENTATION:	• Security Agnostic – utilize vehicles, assets, & securities that best fit our needs (such as ETFs, equities, debt, derivatives, etc.), offer superior risk-reward, and if all else equal, lowest expense ratio & greatest liquidity
RESULT:	• Wealth Compounding Solution

PORTFOLIO RETURN ANALYSIS*

	2Q 2016	YTD 2016
Marram Portfolio* (Net Return)	**7.1%**	**4.2%**
S&P 500 Total Return	2.5%	3.8%
Number of winners (where we made $)	23	20
Biggest $ winner, as % of $ P&L	23.2%	23.5%
Top 5 winners, as % of $ P&L	63.0%	95.0%
Top 10 winners, as % of $ P&L	100.1%	162.2%
Number of loser (where we lost $)	7	13
Biggest $ loser, as % of $ P&L	-14.8%	-18.5%
Top 5 losers, as % of $ P&L	-28.0%	-70.3%
Top 10 losers, as % of $ P&L	-29.2%	-90.1%
Ratio of number of winners to losers ("Brag Ratio")	3.29x	1.54x
Ratio of $ profit to $ loss ("Profit Ratio")	**4.42x**	**2.10x**

We seek to maximize the "Profit Ratio" (how much $ we make when we are right vs. wrong, and to keep it above 1.00 which means we have higher $ profits than $ losses), not the "Brag Ratio" (how often we are right vs. wrong).

At the beginning of 2016, we took advantage of price volatility and purchased a new sizable allocation in Energy Infrastructure / Master Limited Partnerships (for a detailed discussion of the MLP thesis, please see our 2016 1st Quarter Letter). This new allocation bore fruit, generating +155% of $ P&L YTD. Of the top 10 $ winners YTD, 9 were MLPs. We believe this basket remains undervalued and expect it to contribute meaningfully to portfolio returns in future years.

The Large-Cap Financials basket was the largest performance detractor, accounting for -74% of $ P&L YTD. Of the top 10 $ losers, 8 were Large-Cap Financials. They continue to suffer from election-year regulatory rhetoric and interest rate outlook uncertainty. Prices declined to valuation levels not seen since 2008-2009 despite stronger balance sheets and profitable earnings (most of which is being returned to shareholders via share repurchases and dividends, not squandered on random projects). We remain unfazed by volatile price fluctuations because these businesses are all operationally sound, profitable, and undervalued – making for short-term bumpy but long-term attractive returns.

During the quarter, we sold our last small/micro-cap bank position (Third Century Financial; Ticker "TDCB") directly to the company via their share repurchase program. This marks the end of an era. Since 2011, we invested in 64 small/micro-cap banks and thrifts, and researched countless more. The top 10 $ winners accounted for 65% of total gains in this basket, generating 2x return on average. All except two (which became merger targets soon after our purchase) were held for long-term capital gains. We have been extremely pleased with the outcome of this allocation and hope to one day return to this area if worthwhile opportunities emerge again. For now, we turn our attention to greener pastures elsewhere.

PORTFOLIO ALLOCATIONS

Below is the target portfolio allocation – what we believe to be the optimal allocation as of the writing of this letter. Investor separate accounts may differ from this allocation due to changes in asset prices, available opportunities to acquire/divest securities in the marketplace, margin & trading capabilities, tax considerations, etc. Over time, all investor separate accounts converge upon the target portfolio allocation.

- **Special Situations/Event-Driven/Other: 20% NAV**
  Public securities undergoing spin-offs, recapitalizations, liquidations, certain debt instruments, etc. The share price performance of securities in this category are often not correlated with general market activity, but instead tied to the unique catalyst(s) embedded in each position. Because "catalysts" are business decisions/events which take time to implement, and market participants require time to process the implications of these decisions/events, the timeframes necessary for securities to move from our purchase price to where we believe they are truly worth can range from months to multiple years, making for attractive but lumpy expected returns.

- **Energy Infrastructure / Master Limited Partnerships (MLPs): 22% NAV**
  Energy infrastructure companies with assets indispensable to the smooth function of modern society. Recent indiscriminant and forced-selling dynamics drove prices to extremely attractive levels, allowing us to compile a basket of MLP securities with average cost basis equating to ~11% NOI and ~19% Cash on Cash. We believe that as fear abates and reason prevails, these securities will return 2-3x our original purchase price (via dividends and price appreciation). In the interim, these MLPs will pay us cash dividends averaging ~13% per annum.

- **Large-Cap Financials: 20% NAV**
  Businesses essential to economic and societal function trading at ~8-15% earnings yield, many of which we own via TARP warrants. Fearful investors fled this area post 2008-2009, and prices are still recovering. These businesses were the survivors, gaining market share, with profit margins that will greatly benefit if/when interest rates rise (higher revenue potential) and regulatory shaming abates (more capital returned to shareholders, lower legal expenses). These securities are very liquid so we can convert this allocation to cash at anytime and redeploy into opportunities if/when they emerge.

- **Public Capital Allocators: 10% NAV**
  This new allocation category includes publicly traded capital allocators that practice patient opportunism (similar to our strategy and philosophy, see Page 2), possessing unique skills (e.g., Berkshire Hathaway's Warren Buffett) or circumstances (e.g., large amounts of Net Operating Losses "NOLs" to shield future profits from tax obligations thereby increasing value to shareholders) and have structures and incentives in place to promote long-term capital compounding and wealth creation for shareholders. These positions were previously categorized as Special Situations and/or Large Cap High-Quality.

- **Cash: 28% NAV**
  This category will fluctuate depending on opportunities available in the marketplace. If suitable opportunities cannot be found, we are comfortable holding the present or perhaps even greater levels of cash.

PORTFOLIO FUTURE POSITIONING

Last quarter, we discussed in great detail a new sizable investment in MLPs. This quarter, we thought it might be helpful to take a step back and provide context on how this recent MLP investment (as well as our other investments) fits with Marram's overall investment goal and strategy.

Q: What is Marram's investment goal?
A: Marram's (and our investors') investment goal is to grow (compound) wealth over time for retirement and/or legacy purposes.

Q: What is Marram's strategy for achieving this goal?
A: We believe the best strategy to grow (compound) wealth over time is by investing (i.e., allocating capital) in a "patiently opportunistic" manner.

Q: What does "patient opportunism" mean?
A: Patient opportunism means that we only invest money when worthwhile opportunities present themselves. Otherwise, we hold cash and patiently wait.

Q: What is the method to determine whether an opportunity is a "worthwhile" investment?
A: Securities markets are loud, noisy domains. "Stuff" – in a variety of shapes, sizes and circumstances – is constantly offered for sale by countless market participants. To invest successfully, it is incredibly helpful (and necessary) to have a method for distilling these seemingly different securities down to an uniform essence, thereby allowing for comparison between the proverbial apples and oranges.

So how do we distill and compare seemingly different investments? Our method for distillation and comparison involves asking ourselves a few very important questions:

- "WHAT WE PAY" = What are we paying to purchase this investment?
  Amount of $ capital invested
- "WHAT WE GET" = What are we receiving or will receive from this investment?
  Potential $ reward from investment (today and in the future)
- "WHAT WE GET" ÷ "WHAT WE PAY" = % Return Potential of Investment

Nearly all investment opportunities (stock, bonds, options, real estate, liquidations, etc.) can be distilled into their "What We Pay" and "What We Get" components, which then allows us to compare their % return potentials in an uniform manner, and to determine their "worthwhile"-ness on a relative and absolute basis.[†]

[†] There are additional nuances and considerations to this distillation and comparison process, but we will save that discussion for a future letter.

Q: How do we know that by waiting, worthwhile opportunities will eventually emerge?

A: Market prices are set by human buyers and sellers, with human psychological weaknesses and tendencies. Therefore, prices in the marketplace reflect the collective psychological summation of market participants. The same collective psychology that creates booms with unjustifiably high prices (what we observe today in nearly all asset classes) will inevitably contribute to busts with irrationally low "worthwhile" prices (what we are waiting for).

Technology, fashion trends, etc. may change over market cycles, but human psychology – the product of tens of thousands of years of biological evolution – does not alter so quickly. If we are patient, human psychology will invariably provide to us sets of worthwhile opportunities.

Waiting patiently for worthwhile opportunities does not mean that we are sitting idle. We are constantly searching and evaluating a wide variety of investment opportunities, determining the "What We Pay" vs. "What We Get" components, and return potentials. For example, our research on MLPs began more than a year before we invested a single dollar. This constant search and evaluation process prepares us to swoop quickly and capitalize by investing significant sums whenever worthwhile opportunities emerge.

Over time, the types of worthwhile investments to which we allocate capital may change (small/micro-cap banks, individual special situations, large-cap financials, MLPs, etc.), but our investment strategy of patient opportunism remains ever constant. This constancy serves as the blueprint to accomplishing our goal to grow wealth over a long-term time horizon by patiently waiting, locating, then taking advantage of worthwhile opportunities, repeatedly, each time they emerge in the marketplace.

These letters serve as a general medium through which we communicate with our investors. For any account specific questions, or anything else that's on your mind that you'd like to discuss, please do not hesitate to contact us directly.

Yours very truly,

Vivian Y. Chen, CFA
Portfolio Manager
Marram Investment Management LLC

APPENDIX: HISTORICAL PERFORMANCE RETURNS (NET OF FEES)*

							2011						
	2011	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**
Marram	**22.31%**	5.95%	3.23%	2.00%	3.45%	1.83%	-1.56%	-0.56%	3.35%	-0.83%	1.68%	1.64%	0.38%
S&P 500	**2.11%**	2.37%	3.43%	0.04%	2.96%	-1.13%	-1.67%	-2.03%	-5.43%	-7.03%	10.93%	-0.22%	1.02%
% Cash Exposure		*7.47%*	*11.92%*	*13.46%*	*15.42%*	*13.54%*	*30.64%*	*23.14%*	*21.93%*	*12.17%*	*11.78%*	*10.51%*	*7.95%*

							2012						
	2012	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**
Marram	**34.70%**	2.96%	5.99%	6.88%	2.97%	0.37%	1.29%	0.43%	0.43%	1.29%	4.38%	1.47%	1.96%
S&P 500	**16.00%**	4.48%	4.32%	3.29%	-0.63%	-6.01%	4.12%	1.39%	2.25%	2.58%	-1.85%	0.58%	0.91%
% Cash Exposure		*9.69%*	*8.43%*	*11.20%*	*7.58%*	*10.57%*	*8.83%*	*16.43%*	*26.99%*	*22.73%*	*27.11%*	*25.32%*	*21.86%*

							2013						
	2013	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**
Marram	**27.26%**	5.22%	1.63%	4.22%	2.31%	2.61%	1.47%	3.43%	1.25%	1.14%	-0.62%	1.63%	0.21%
S&P 500	**32.39%**	5.18%	1.36%	3.75%	1.93%	2.34%	-1.34%	5.09%	-2.90%	3.14%	4.60%	3.05%	2.53%
% Cash Exposure		*19.45%*	*17.58%*	*19.53%*	*17.45%*	*22.78%*	*16.78%*	*10.50%*	*6.81%*	*4.61%*	*4.87%*	*6.31%*	*9.02%*

							2014						
	2014	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**
Marram	**13.33%**	-0.58%	3.05%	2.11%	2.71%	0.98%	-0.24%	1.45%	1.94%	-1.58%	1.32%	4.95%	-3.26%
S&P 500	**13.69%**	-3.46%	4.57%	0.84%	0.74%	2.35%	2.07%	-1.38%	4.00%	-1.40%	2.44%	2.69%	-0.25%
% Cash Exposure		*7.88%*	*5.10%*	*9.45%*	*15.11%*	*15.07%*	*14.45%*	*19.95%*	*19.75%*	*18.36%*	*17.31%*	*11.06%*	*15.97%*

							2015						
	2015	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**
Marram	**-9.11%**	2.66%	3.05%	-2.30%	1.28%	1.33%	-1.26%	-5.69%	-1.16%	-5.04%	1.80%	0.69%	-4.36%
S&P 500	**1.38%**	-3.00%	5.75%	-1.58%	0.96%	1.29%	-1.94%	2.10%	-6.03%	-2.47%	8.44%	0.30%	-1.58%
% Cash Exposure		*16.21%*	*14.84%*	*14.86%*	*13.04%*	*14.78%*	*30.75%*	*31.10%*	*29.26%*	*31.14%*	*31.90%*	*30.39%*	*34.83%*

							2016						
	YTD	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**
Marram	**4.23%**	-7.16%	-2.58%	7.59%	9.68%	2.98%	-5.16%	-	-	-	-	-	-
S&P 500	**3.84%**	-4.96%	-0.13%	6.78%	0.39%	1.80%	0.26%	-	-	-	-	-	-
% Cash Exposure		*29.92%*	*22.77%*	*20.85%*	20.02%	21.46%	23.00%	-	-	-	-	-	-

* Unaudited, net return figure calculation assumes 2% per annum management fee, pro-rated and deducted monthly from performance of the portfolio manager's separate account which does not pay management or performance fees. This separate account most accurately reflects the long-term investment strategy of Marram Investment Management. Remaining separate accounts were purposefully omitted as they may deviate from the strategy due to fee structure, trading expenses, fund transfer and order timing, margin & trading capabilities, tax considerations, and other account restrictions. Returns for each separate account may differ. Please refer to your account statements for actual net return figure.

Returns presented for S&P 500 include dividend reinvestment. While the S&P 500 is a well-known and widely recognized index, the index has not been selected to represent an appropriate benchmark for Marram's investment strategy whose holdings, performance and volatility may differ significantly from the securities that comprise the index. Investors cannot invest directly in an index (although one can invest in an index fund designed to closely track such index).

Historical performance is not indicative of future results. An investment is speculative and involves a high degree of risk and possible loss of principal capital. All information presented herein is for informational purposes only. No investor or prospective investor should assume that any such discussion serves as the receipt of personalized advice from Marram. Investors are urged to consult a professional advisor regarding the possible economic, tax, legal or other consequences of entering into any investments or transactions described herein.

Specific companies or securities shown are meant to demonstrate Marram's investment style and the types of companies, industries and instruments in which we invest, and are not selected based on past performance. The analyses and conclusions include certain statements, assumptions, estimates and projections that reflect various assumptions by Marram concerning anticipated results that are inherently subject to significant economic, competitive, and other uncertainties and contingencies, and have been included solely for illustrative purposes. No representations, express or implied, are made as to the accuracy or completeness of such statements, assumptions, estimates or projections, or with respect to any other materials herein.