Wilshire Diversified Alternatives Portfolios

Wilshire Managed Portfolios

As of September 30, 2018

Portfolio Objectives

- **Return:** 90 Day T-Bill plus 3% to 4% annually
- **Risk:** 4% to 6% annualized standard deviation
- **Beta:** Below 0.4 versus traditional asset classes

There is no guarantee that any of the Portfolio Objectives will be met.

Portfolio Highlights

1. **Diversification -** seeks to provide a source of return lowly correlated to traditional portfolio risk factors.
2. **Return -** Opportunistically seeks to maximize absolute return by tactically allocating to managers and strategies.
3. **Risk Management -** Maintain manager and strategy diversification through rigorous monitoring of manager and portfolio risk attributes.

Strategies

- **Equity Hedge strategies** *invest long and short in equity securities seeking to hedge equity market exposure and/or enhance security selection opportunities.*
- **Relative Value strategies** *invest long and short in fixed income securities and derivatives seeking to add value through hedging or security selection.*
- **Global Macro strategies** *invest long and short across global equity, fixed income, commodity and currency markets driven by a fundamental approach.*
- **Event Driven Credit strategies** *maintain positions in companies currently or prospectively involved in corporate transactions of a wide variety, expecting the idiosyncratic risk of these events to drive returns.*
- **Multi Strategy strategies** *invest accross multiple strategies and can be either a single or multi manager fund.*

Summary

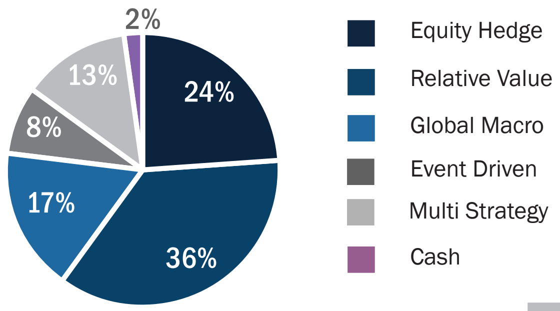
The Wilshire Diversified Alternatives Portfolio (the “Portfolio”) is an actively managed, multi strategy alternative investment portfolio of mutual funds with an absolute return mandate. The Portfolio allows advisors to provide their clients with risk managed exposure to liquid alternative mutual funds:

- Each strategy under consideration is comprehensively evaluated by Wilshire’s team of hedge fund manager research analysts utilizing a proprietary six factor qualitative research process.
- Qualitative and quantitative inputs are employed in the manager selection and portfolio construction processes, seeking to maximize risk adjusted return while maintaining low correlation to traditional portfolio risk factors.
- Wilshire’s approach to portfolio construction is grounded in a risk optimized framework designed to maximize the benefits of diversification across a broad opportunity set of liquid alternative mutual funds.

Wilshire Associates Incorporated (“Wilshire”) has a deep heritage of advising its clients on the use of alternatives in an effort to enhance holistic portfolio solutions:

- Wilshire has been advising its institutional clients on alternatives and recommending hedge fund solutions since 2000.
- Today, Wilshire is able to design solutions utilizing liquid alternative mutual funds for financial advisors thanks to the growing universe of high caliber investment strategies available. These strategies were previously only available to institutional and high net worth investors.

Portfolio Allocation



		Ticker	Target Alloc. (%)
Equity Hedge	361 Global Long/Short Equity I	AGAZX	6.0
	Gotham Neutral Instl	GONIX	8.0
	Boston Partners Long/Short Research	BPIRX	10.0
Relative Value	JPMorgan Strategic Income Opps Fund I	JSOSX	12.0
	Metropolitan West Unconstrained Bond Fund	MWCIX	12.0
	John Hancock Strategic Income Opps	JIPIX	12.0
Global Macro	Virtus Aviva Multi-Strategy Target Return	VMSIX	7.0
	AQR Managed Futures Strategy I	AQMIX	4.0
	Natixis ASG Managed Futures Strategy Y	ASFYX	6.0
Event Driven	BlackRock Event Driven Equity Fund Instl	BILPX	8.0
Multi Strategy	Blackstone Alternative Multi Strategy I	BXMIX	13.0
Cash	Cash	n/a	2.0

Wilshire Diversified Alternatives Portfolio (Inception Date - May 8, 2009)

	Month	3Q18	YTD	1 Year	3 Year	5 Year	Since Inc	3 Year St. Dev.*
Wilshire Diversified Alternatives Portfolio	**0.12**	**1.09**	**-0.11**	**1.21**	**2.04**	**0.90**	**1.24**	**2.57**
Primary Benchmark	0.13	1.02	-0.58	0.92	1.87	1.34	2.69	
	-0.02	0.08	0.47	0.29	0.17	-0.44	-1.45	

Wilshire Diversified Alternatives Portfolio Primary Benchmark: Wilshire Liquid Alternatives Index.

* Standard Deviation (St. Dev.): a statistical measurement that sheds light on historical volatility. A higher number indicates a higher degree of volatility, by indicating the return on the investment is deviating from the expected normal returns.

Information Regarding Performance Data

The performance results above should be reviewed in the context of the markets applicable to the investment strategies noted. Performance results are based on model portfolios maintained by Wilshire Funds Management ("WFM"). There are certain limitations in model performance as the model results will not completely represent the actual trading of securities in a client account. The results reflect reinvestment of all dividends and interest. All returns for periods greater than one year are annualized. Performance results reflect the deduction of the maximum Strategist Fee of 0.29% that WFM charges for the Wilshire Diversified Alternatives Portfolio. However, actual client results will be lower based on the imposition of platform fees, advisory fees and custodial fees by third party firms. As with all investments, there is no guarantee that the investment strategy will be successful and investors should be aware that investments can lose money, including principal, so that an investor could end up with less money than was invested. Past performance is not indicative of future results, and processes used may not achieve the desired results.

Important Information

This material is for information purposes only. WFM is a business unit of Wilshire Associates. WFM delivers Wilshire Advisor Solutions, which include models designed to provide a broad range of outcome-oriented investment portfolios for advisors to use with their clients.

Investments in equities are subject to market risk so that shares, when redeemed, may be worth more or less than their original cost. Security prices can fluctuate significantly in the short term or over extended periods of time. These price fluctuations may result from factors affecting individual companies, industries, or the securities market as a whole. **Investments in small-cap stocks** may be subject to a higher degree of market risk than large-cap stocks, or more established companies' securities. Furthermore, the illiquidity of the small-cap market may adversely affect the value of an investment. **Investments in bonds** are subject to interest rate, inflation, credit, currency and sovereign risks. Investments in high-yield bonds are subject to greater credit risk and price fluctuations than higher-quality issues. **Investments in international securities** involve additional risks including currency rate fluctuations, political and economic instability, differences in financial reporting standards, and less stringent regulation of securities markets.

An **alternative investments strategy** is subject to a number of risks and is not suitable for all investors. Investing in alternative investments is only intended for experienced and sophisticated investors who are willing to bear the high economic risk associated with such an investment. **Investments in commodities and commodity-linked securities** may be affected by overall market movements and other factors that affect the value of a particular industry or commodityk, such as weather, disease, embargoes, or political and regulatory developments.

To learn more about these portfolios please have your Financial Advisor contact:

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It is not possible to invest directly in an index. The indices do not represent an investment. Index returns do not reflect payment of certain sales charges or fees an investor may pay to purchase the securities underlying the Index or investment vehicles intended to track the performance of the Index. The imposition of these fees and charges would cause actual performance of the securities/vehicles to be lower than the Index performance shown.

Model portfolios are exposed to the specific risks of the underlying funds in direct proportion to their percentage allocation. The funds comprising the models and the allocations to those funds have changed over time and may change in the future.

Diversification and asset allocation do not guarantee a profit, nor do they protect against loss, including the loss of principal.

Definitions:

Standard Deviation: A statistical measurement shedding light on historical volatility. For example, a volatile stock will have a high standard deviation while the deviationof a more stable stock will be lower.

Beta: A measure of volatility or systematic risk, of a security or a portfolio in comparison to the market as a whole. A Beta of 1 indicates that the portfolio's value willmove with the market. A beta of less than 1 means that the portfolio's value will be less volatile than the market.

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