

Melius Investments Harnesses AI to Usher in a New Era in Investing: Launching the First Suite of Ensemble Active Management Portfolios

Laguna Niguel, CA. June 4, 2020 – MIGMIR LLC, dba Melius Investments, is pleased to announce that it is the industry's first registered investment advisor to launch a full suite of investment portfolios based upon the AI-powered strength of Ensemble Active Management ("EAM"). Melius' suite has 10 featured EAM Portfolios, covering primary US equity asset classes used in asset allocation models, plus several specialty solutions such as ESG (Environmental, Social, and Governance).

EAM Portfolios were explicitly designed to outperform both traditional active managers and passive indexes. They use tools and proven insights from the world of Artificial Intelligence and Machine Learning to unleash core investment capabilities from traditional active management. In fact, EAM Portfolios have been described as solving a "genetic defect in active management."

According to Tim Mullaney, founder and President of Melius Investments, "EAM Portfolios are the future of investing, because they work. I have seen these investment solutions prove themselves over the past several years, and started building portfolios nearly a year ago. The results simply cannot be ignored." He added, "Melius is dedicated to bringing these next generation solutions to the market. My firm's tagline is 'Because investors deserve better', and it is truer today than ever."

While EAM Portfolios may not yet be well known to investors, Melius has been preparing for this launch by building a very impressive set of Model Portfolio track records for most of the past full year. All 10 of their featured EAM Portfolios have impressive track records, with 9 having an inception date dating back at least 9 ½ months. The innovative 'Sector Disruptor' Portfolio was launched earlier this year.

Staying with its forward-looking business design, Melius only offers its EAM Portfolios and Direct Indexes to other registered investment firms or institutional investors, and delivers all of its EAM Portfolios as Model Portfolios. The Model Portfolios provide the added benefit of lower costs versus traditional actively managed mutual funds, and allows for customization plus tax management overlays. Melius's EAM Portfolios are offered at 45 basis points (0.45%), which is roughly one-half that of actively managed US equity funds.

"From a CIOs' perspective, EAM Portfolios bring everything I would want to see," stated Mr. Mullaney. "Rather than relying on a single manager, EAM delivers a multi-expert approach. The stock selections are based 100% on high conviction stock picks from managers, with no 'beta anchor' to dilute performance. The final portfolio of up to 50 stocks is based on the highest consensus agreement across the managers. And every step of the process is powered by Machine Learning and Ensemble Methods technology."

The actual EAM Portfolios currently available through Melius Investments includes Portfolios designed and launched by Melius, plus a select set of high-performing EAM Portfolios from Pegassets, the firm founded by ETF-icon Robert Tull. The family of EAM Portfolios currently available include:

- High Dividend Yield (Large Value).
- Large Blend.
- "Sector Disruptors" (Large Growth, but only including stocks in the Technology and Biotech sectors).
- Small Blend.
- Specialty strategies, including: 3 ESG Portfolios (a Traditional version, Christian Values, and Islamic Values), a Positive Earnings-based large cap, and a Fundamental Factors-based large cap.

Financial advisors, wealth managers, and broker-dealers interested in learning more about accessing EAM Portfolios through Melius Investments, please contact Tim Mullaney at info@meliusinvestments.com.

Melius anticipates announcements in the coming weeks regarding distribution partnerships with various firms.

About Melius Investments:

Melius Investments is a registered investment advisor and was founded on the principal that investors deserve better. Better performance, better delivery vehicles, better solutions. Melius has combined under one roof the AI-powered advantages of EAM Portfolios as a means of improving upon traditional active management, the flexibility and tax advantages of Direct Indexes as a means of improving upon traditional passive investing, and Model Portfolios as a means of improving upon the decades old technology behind mutual funds. Please visit MeliusInvestments.com to learn more about the EAM Portfolios available through Melius Investments along with model portfolio track records and important disclosures.