



**Investment Performance Analysis** June 30, 2018

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# Tab 1 Performance Review



# *Quarterly Market Review* Second Quarter 2018

Global equity markets posted mixed results in the second quarter, as concerns over a potential trade war and a stronger U.S. dollar were balanced by a strengthening U.S. economy and solid corporate earnings. Domestic equities rebounded from the first quarter's negative returns, with the S&P 500 returning +3.4% in the second quarter, driven largely by significant gains in prominent tech companies. Small cap stocks surged nearly +8.0% as they are more insulated from global tariffs. International equity markets ended in negative territory (MSCI EAFE -1.2%) as a strengthening U.S. dollar, trade disputes, and slower economic growth relative to the U.S. served as headwinds to developed international equity returns. These factors also wreaked havoc on emerging markets, particularly the stronger dollar, as the MSCI Emerging Markets index fell -8.0% for the quarter.

Rising interest rates and a flattening yield curve persisted in the second quarter, leading to a -0.2% loss in U.S. investment grade fixed income. The 10-year U.S. Treasury yield ended the quarter at 2.85%, up from March's close of 2.74%. Corporate bonds struggled relative to treasuries, yet high yield bonds outperformed during the quarter, posting gains of +1.0%. In June, the Federal Reserve raised the Federal Funds target rate range to 1.75 - 2.0% and signaled two more hikes in 2018. An additional three rate raises are expected in 2019. The Fed also raised their inflation expectations for the next few years.

|                | <u>Last</u><br>Quarter | <u>Year to</u><br><u>Date</u> |
|----------------|------------------------|-------------------------------|
| S&P 500        | 3.4%                   | 2.6%                          |
| MSCI EAFE      | (1.2%)                 | (2.7%)                        |
| BB Aggregate   | (0.2%)                 | (1.6%)                        |
| 3 Month T-Bill | 0.5%                   | 0.8%                          |

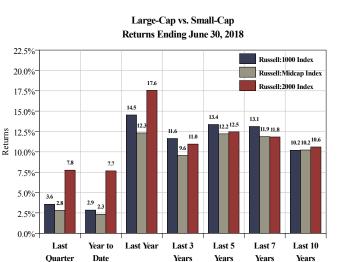
# **Domestic Equity Market**

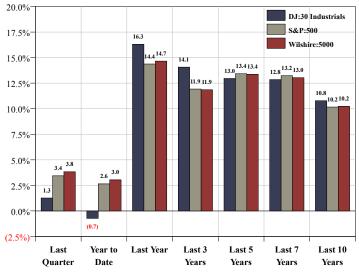
•Domestic equities bounced back in the second quarter as all market capitalizations experienced positive results. Small-cap stocks were the strongest performers, up +7.8%, followed by large-cap and mid-cap equities (+3.6% and +2.8%, respectively).

•Growth equities continued to outperform value equities across largeand mid-cap stocks, but small-cap value equities rallied against their growth counterparts in the quarter. The Russell 1000 Growth Index was up +5.8% while the Russell 1000 Value Index rose by +1.2%. Year-todate, large cap growth has outperformed value by 900 basis points.

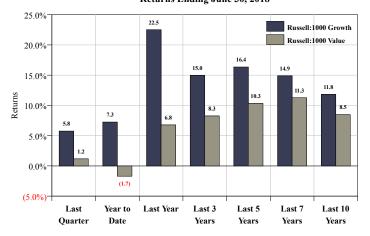
•The S&P 500 forward P/E ratio fell to 16.1x, in line with its 25-year  $\stackrel{>}{\simeq}$  average. The Shiller normalized P/E ratio rose modestly to 32.1x, up from 32.0x at the end of the first quarter.

•Headline inflation readings rose slightly during the quarter, with an annualized rate of +2.8% through May. Wages saw slightly higher growth in May, increasing by +2.7% year-over-year. Unemployment fell to +3.8%, the lowest level since 2000. The final reading of first quarter GDP was revised down to +2.0% annualized growth. Second quarter GDP growth is expected to be stronger, between 3.5 - 4.0%.





Growth vs. Value Returns Ending June 30, 2018



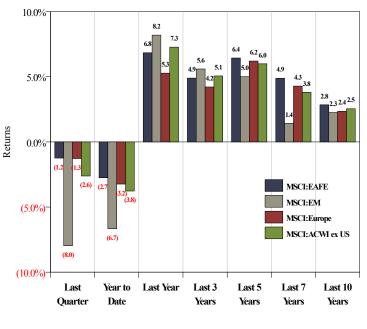
# Sectors of the Market

|                       | Financials | Technology | Health Care | Industrials | Energy | Cons. Disct. | Cons. Staples | Telecom | Utilities | Realfstate | Materials |  |
|-----------------------|------------|------------|-------------|-------------|--------|--------------|---------------|---------|-----------|------------|-----------|--|
| S&P Weight            | 13.8%      | 26.0%      | 14.1%       | 9.5%        | 6.3%   | 12.9%        | 7.0%          | 2.0%    | 2.9%      | 2.9%       | 2.6%      |  |
| Russell Growth Weight | 4.4%       | 41.5%      | 13.4%       | 11.9%       | 1.0%   | 17.9%        | 5.7%          | 0.2%    | 0.0%      | 2.2%       | 1.8%      |  |
| Russell Value Weight  | 23.3%      | 9.9%       | 13.9%       | 7.9%        | 11.1%  | 8.3%         | 7.3%          | 3.6%    | 5.7%      | 4.9%       | 4.1%      |  |
| 2nd Qtr. 2018 Return  | (3.2%)     | 7.1%       | 3.1%        | (3.2%)      | 13.5%  | 8.2%         | (1.5%)        | (0.9%)  | 3.7%      | 6.1%       | 2.6%      |  |
| YTD Return            | (4.1%)     | 10.9%      | 1.8%        | (4.7%)      | 6.8%   | 11.5%        | (8.5%)        | (8.4%)  | 0.3%      | 0.8%       | (3.1%)    |  |

•Notable outperformers for the quarter include Energy (+13.5%), Consumer Discretionary (+8.2%), and Technology (+7.1%). Outperformance in these sectors can be attributable to the rise in oil prices, continued strong growth from tech stocks, and strong consumer spending. Oil prices rose sharply to \$74/barrel (+14%) due to strong global demand and various geopolitical factors.

•Notable tech stocks (Facebook, Amazon, Apple, Netflix, Google, and Microsoft) accounted for over 120% of the S&P 500 year-todate returns. Nearly 40% of the year-to-date returns for the S&P 500 can be attributed to Amazon alone.

•Detractors in the index were Financials (-3.2%), Industrials (-3.2%), Consumer Staples (-1.5%), and Telecom (-0.9%). Underperformance in these sectors was driven by concerns over a flattening yield curve, rising rates, and trade uncertainty. A flattening yield curve is generally a headwind for banks, while rising rates can negatively affect "bond proxy" sectors where dividend yields are above average.



# **International Markets**

International equity markets underperformed U.S. markets for the third straight quarter due to the trade conflict, slowing international economic growth, and the strengthening of the U.S. dollar. The MSCI ACWI ex US fell -2.6% in the quarter, down -3.8% year-to-date.
In local terms the MSCI EAFE Index beat U.S. stocks (+3.5% vs. +3.4%). However, the strong dollar clipped nearly 5% from international returns for U.S. investors.

•The worst performing equity index during the quarter was the MSCI Emerging Markets index, falling -8.0%. Brazil was the weakest performer, losing -26.4% during the quarter, as its currency plummeted. Brazil, the fifth largest allocation in the emerging market index, was also roiled by upcoming presidential elections.

•India posted the strongest relative performance in emerging markets with a modest loss of -0.6%. China, the largest component of the emerging markets benchmark posted a loss of -3.4% in the quarter. •Japan returned -2.2% for the quarter and its economy shrank for the first time in two years.

•Eurozone central bankers pared back their growth projections in 2018 to +2.1% from +2.4%. The European Central Bank plans to cut its monthly asset purchase program in half starting in October.

# **Fixed Income Markets**

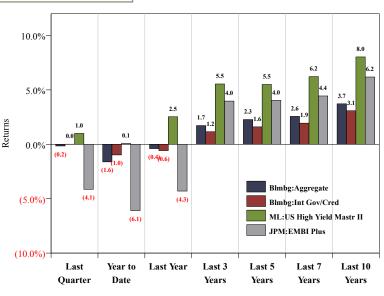
•The Bloomberg Barclays Aggregate Index, measuring U.S. investment grade bonds, fell -0.2% in the quarter. Interest rates rose again this quarter and the yield curve continued to flatten.

•The 10-year U.S. Treasury yield ended the quarter at 2.85%, an 11 bps increase from the end of the first quarter. The spread between the 10-year yield and 2-year yield ended the quarter at 33 bps, the lowest in over 10 years.

•High yield bonds (+1.0%) were the strongest quarterly performers. Municipals (+0.9%) also posted solid returns. Corporates (-0.9%) trailed U.S. treasuries (+0.1%) for the quarter, while structured products posted decent gains (ABS +0.4%, MBS +0.2%).

•U.S. dollar-denominated emerging market debt fell -4.1% in the quarter, heavily impacted by a strengthening dollar, rising interest rates, and geopolitical concerns.

•As expected, the Federal Reserve raised the Federal Funds rate by a quarter-point to a range of 1.75% - 2.00%, with two additional increases expected this year and three more next year.





# Comparative Market Returns Average Annual Compound Returns (%) for Periods Ending June 30, 2018

|  | Last      | <u>Year to</u>   | Last           | Last 2         | Last 3         | Last 4             | Last 5         | <u>Last 6</u>  | Last 7         | Last 8         | Last 9         | <u>Last 10</u> | <u>Last 15</u>   |
|--|-----------|------------------|----------------|----------------|----------------|--------------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
|  | Quarter   | Date             | Year           | Years          | Years          | Years              | <u>Years</u>   | <b>Years</b>   | <b>Years</b>   | Years          | <u>Years</u>   | <b>Years</b>   | <u>Years</u>     |
| <b>U.S. Large Cap Equity</b>             |           |                  |                |                |                |                    |                |                |                |                |                |                |                  |
| S&P:500                                  | 3.43      | 2.65             | 14.37          | 16.12          | 11.93          | 10.79              | 13.42          | 14.59          | 13.23          | 15.28          | 15.19          | 10.17          | 9.30             |
| S&P:500 Growth                           | 5.25      | 7.28             | 20.64          | 19.96          | 14.48          | 13.36              | 15.99          | 16.12          | 14.89          | 17.07          | 16.56          | 11.70          | 10.04            |
| S&P:500 Value                            | 1.40      | (2.22)           | 7.58           | 11.64          | 8.82           | 7.74               | 10.45          | 12.76          | 11.31          | 13.26          | 13.60          | 8.44           | 8.38             |
|  |           | (0.50)           |                | 10.10          |                |                    |                | 10.00          | 10.05          |                |                | 10 =0          |                  |
| DJ:30 Industrials<br>Russell:3000 Index  |           | (0.73)<br>3.22   | 16.31<br>14.78 | 19.18<br>16.63 | 14.07          | 12.31<br>10.50     | 12.96          | 13.92<br>14.62 | 12.85<br>13.01 | 14.90<br>15.27 | 15.35<br>15.32 | 10.78<br>10.23 | 9.57<br>9.61     |
| Russen.5000 maex                         | 5.89      | 3.22             | 14.78          | 10.05          | 11.58          | 10.50              | 13.29          | 14.02          | 13.01          | 13.27          | 13.32          | 10.25          | 9.01             |
| Russell:1000 Index                       | 3.57      | 2.85             | 14.54          | 16.27          | 11.64          | 10.56              | 13.37          | 14.65          | 13.12          | 15.32          | 15.31          | 10.20          | 9.54             |
| Russell:1000 Growth                      | 5.76      | 7.25             | 22.51          | 21.46          | 14.98          | 13.85              | 16.36          | 16.47          | 14.88          | 17.22          | 16.82          | 11.83          | 10.30            |
| Russell:1000 Value                       | 1.18      | (1.69)           | 6.77           | 11.06          | 8.26           | 7.21               | 10.34          | 12.71          | 11.27          | 13.34          | 13.73          | 8.49           | 8.63             |
| Mid Con Equity                           |           |                  |                |                |                |                    |                |                |                |                |                |                |                  |
| Mid Cap Equity                           | 4 20      | 2 40             | 12 50          | 16.01          | 10.90          | 0.75               | 12.60          | 1460           | 12.09          | 15 10          | 16 22          | 10.79          | 11.20            |
| S&P:400 Mid Cap<br>Russell:2500 Index    |           | 3.49<br>5.46     | 13.50<br>16.24 | 16.01<br>18.03 | 10.89<br>10.30 | 9.75<br>9.19       | 12.69<br>12.29 | 14.68<br>14.40 | 12.08<br>11.85 | 15.18<br>14.96 | 16.22<br>15.94 | 10.78<br>10.74 | 11.39<br>10.99   |
| Russell:2500 Growth                      |           | 3.40<br>8.04     | 21.53          | 21.48          | 10.30          | 9.19<br>10.97      | 12.29          | 14.40          | 12.63          | 16.21          | 16.78          | 11.38          | 10.99            |
| Russell:2500 Value                       |           | 3.04             | 11.49          | 14.87          | 9.76           | 7.50               | 10.78          | 13.30          | 12.03          | 13.77          | 15.11          | 10.10          | 10.37            |
| Russen.2500 value                        | 5.00      | 5.00             | 11.47          | 14.07          | 9.70           | 7.50               | 10.78          | 15.52          | 11.07          | 13.77          | 15.11          | 10.10          | 10.57            |
| Small Cap Equity                         |           |                  |                |                |                |                    |                |                |                |                |                |                |                  |
| S&P:600 Small Cap                        | 8.77      | 9.39             | 20.50          | 21.48          | 13.84          | 12.02              | 14.60          | 16.30          | 14.05          | 16.69          | 17.45          | 12.25          | 12.03            |
| Russell:2000 Index                       | 7.75      | 7.66             | 17.57          | 21.03          | 10.96          | 9.83               | 12.46          | 14.34          | 11.83          | 14.75          | 15.48          | 10.60          | 10.50            |
| Russell:2000 Growth                      | 7.23      | 9.70             | 21.86          | 23.13          | 10.60          | 11.03              | 13.65          | 15.26          | 12.50          | 15.98          | 16.20          | 11.24          | 10.95            |
| Russell:2000 Value                       | 8.30      | 5.44             | 13.10          | 18.83          | 11.22          | 8.51               | 11.18          | 13.34          | 11.10          | 13.45          | 14.68          | 9.88           | 9.93             |
| Clobal Equity                            |           |                  |                |                |                |                    |                |                |                |                |                |                |                  |
| Global Equity                            | 0.52      | (0, 12)          | 10.72          | 14.60          | 0.10           | ( )7               | 0.41           | 10.57          | 7.00           | 10.51          | 10.65          | 5.00           | 0.10             |
| MSCI:ACWI                                |           | (0.43)           | 10.73          | 14.68          | 8.19           | 6.27               | 9.41           | 10.57          | 7.96           | 10.51          | 10.65          | 5.80           | 8.19             |
| MSCI:ACWI ex US<br>MSCI EAFE US\$ (net)  | N 2       | (3.77)           | 7.28<br>6.84   | 13.67<br>13.36 | 5.07           | 2.38<br>2.54       | 5.99<br>6.44   | 7.23<br>8.38   | 3.81<br>4.89   | 6.74<br>7.79   | 7.14<br>7.57   | 2.54<br>2.84   | 7.74<br>7.26     |
| MSCI EAFE US\$ (het)<br>MSCI EAFE Growth | 1 N N N N | (2.75)<br>(0.93) | 0.84<br>9.41   | 12.51          | 4.90<br>6.41   | 2.34<br>4.42       | 6.44<br>7.43   | 8.38<br>9.22   | 4.89<br>5.81   | 7.78<br>8.70   | 8.69           | 2.84<br>3.45   | 7.55             |
| MSCI EAFE Value                          |           | (4.61)           | 4.25           | 12.31          | 3.30           | 0.60               | 5.37           | 9.22<br>7.46   | 3.90           | 6.78           | 6.38           | 2.17           | 6.88             |
|  | (2.04)    | (4.01)           | 4.25           | 14.10          | 5.50           | 0.00               | 5.57           | 7.40           | 5.70           | 0.70           | 0.50           | 2.17           | 0.00             |
| MSCI:Europe                              | (1.27)    | (3.23)           | 5.28           | 12.92          | 4.22           | 1.11               | 6.21           | 8.22           | 4.29           | 7.81           | 7.57           | 2.36           | 7.07             |
| MSCI:Pacific                             | (1.35)    | (2.02)           | 9.91           | 14.49          | 6.37           | 5.44               | 6.93           | 8.77           | 6.15           | 7.88           | 7.72           | 3.96           | 7.75             |
| MSCI:EM                                  | (7.96)    | (6.66)           | 8.20           | 15.71          | 5.60           | 2.81               | 5.01           | 4.65           | 1.43           | 4.40           | 6.33           | 2.26           | 10.70            |
| <b>F:</b> 11                             |           |                  |                |                |                |                    |                |                |                |                |                |                |                  |
| <b>Fixed Income</b>                      |           |                  |                |                |                |                    |                |                |                |                |                |                |                  |
| Blmbg:Aggregate                          |           |                  |                |                |                |                    | 2.27           | 1.77           | 2.57           | 2.73           | 3.46           | 3.72           | 3.77             |
| Blmbg:Int Gov/Cred                       |           | (0.97)           | (0.58)         | (0.40)         | 1.16           | 1.29               | 1.60           | 1.38           | 1.95           | 2.17           | 2.84           | 3.08           | 3.21             |
| Blmbg:Gov/Credit                         |           | (1.90)           | (0.63)         | (0.52)         | 1.83           | 1.80               | 2.29           | 1.80           | 2.77           | 2.88           | 3.61           | 3.78           | 3.71             |
| Blmbg:Long Gov/Credit                    | (1.45)    | (4.98)           | (0.78)         | (0.93)         | 4.34           | 3.73               | 5.10           | 3.40           | 6.19           | 5.81           | 6.95           | 6.79           | 5.84             |
| Blmbg:Muni 10 Yr                         | 0.90      | (0.72)           | 0.86           | 0.22           | 2.84           | 2.87               | 3.56           | 2.97           | 3.99           | 4.05           | 4.65           | 4.74           | 4.33             |
| ML:US High Yield Cash Pay                | 1.00      | 0.06             | 2.49           | 7.50           | 5.53           | 3.98               | 5.48           | 6.13           | 6.20           | 7.30           | 9.33           | 7.96           | 7.59             |
| JPM:EMBI Plus                            | (4.14)    | (6.09)           | (4.31)         | (0.36)         | 3.97           | 2.43               | 4.04           | 3.36           | 4.44           | 5.33           | 6.61           | 6.19           | 7.29             |
| ML:US Treasuries 1-3 Yrs                 | 0.22      | 0.09             | 0.08           | (0.01)         | 0.42           | 0.54               | 0.58           | 0.54           | 0.58           | 0.67           | 0.89           | 1.24           | 1.92             |
| 3 Month T-Bill                           | 0.45      | 0.81             | 1.36           | 0.92           | 0.68           | 0.51               | 0.42           | 0.37           | 0.33           | 0.30           | 0.29           | 0.35           | 1.29             |
| CPI (All Urban Cons.)                    | 0.98      | 2.22             | 2.87           | 2.25           | 1.83           | 1.40               | 1.54           | 1.57           | 1.58           | 1.83           | 1.74           | 1.42           | 2.13             |
| Alternatives                             |           |                  |                |                |                |                    |                |                |                |                |                |                |                  |
| HFR Fund of Funds Index                  | 0.88      | 1.15             | 5.62           | 6.06           | 2.09           | 2.56               | 3.55           | 4.16           | 2.88           | 3.35           | 3.49           | 1.46           | 3.50             |
| Blmbg:Commodity Price Idx                |           | (0.86)           | 5.82           | (0.81)         | (5.23)         | (10.24)            | 5.55<br>(6.82) | (7.04)         | (8.12)         | 3.33<br>(4.44) | (3.68)         | (9.34)         | (1.86)           |
| GS Commodity Index                       |           | 10.36            | 30.04          | 8.78           | (4.37)         | (10.24)<br>(13.78) | (9.41)         | (7.59)         | (8.05)         | (4.44)         | (4.47)         | (12.36)        | (1.80)<br>(2.33) |
| Wilshire:REIT                            |           | 1.52             | 3.88           | 1.05           | 7.84           | 7.17               | 8.42           | 8.42           | 9.09           | 12.09          | 16.24          | 7.81           | 10.00            |
| Whome REFT                               | 2.10      | 1.02             | 2.00           | 1.00           | ,              | ,.1,               | 0.12           | 0.12           | 2.02           |                | 10.21          | ,.01           | 10.00            |



- Life's Plan Pooled Trusts declined -0.5% in the second quarter, net of all fees and expenses. The Pooled Trusts underperformed both the Policy Balanced Index (+0.3%) and the Diversified Balanced Index (+0.7%) in the quarter. Year to date, the Pooled Trusts have declined -1.5% and have underperformed both the Policy Balanced Index (-0.5%) and the Diversified Balanced Index (-0.1%). Since the inception of the portfolio over six and a half years ago, the Pooled Trusts have compounded capital at a rate of 5.1%, net of fees. Over this period the Pooled Trusts have outperformed the Policy Balanced Index (+5.0%) as well as the inflation plus 3% target (+4.6%).
- In the second quarter, the Pooled Trusts underperformed relative to both passive benchmarks largely due to the conservative and value biases imbedded in the portfolio. In addition, the second quarter in general was a poor quarter for active managers as low-quality stocks (rated B or lower) widely outperformed their higher quality counterparts. Active managers will tend to have a quality bias in their portfolios.
- Specifically related to the Pooled Trusts, the international equity managers accounted for the majority of the relative underperformance in the quarter. Schwab (-3.3%) and Europacific Growth (-2.9%) both underperformed the MSCI EAFE international benchmark (-1.2%). Additionally, the exposure to emerging markets was a headwind as the asset class declined -8.0% in the second quarter. The Pooled Trusts have exposure to emerging markets in the Europacific Growth Fund (roughly 30% of their portfolio) and the Vanguard Emerging Markets Fund. International equity exposures accounted for 60 basis points of underperformance in the second quarter.
- Additionally, the fixed income composite negatively weighed on relative results in the second quarter. Both Baird and the Vanguard index fund performed in line with the benchmark (-0.2%), however exposure to emerging market debt hurt performance. Fidelity's emerging market bond portfolio fell 5%, underperforming its benchmark by 90 basis points. The total fixed income portfolio accounted for 25 basis points of relative underperformance.
- Overall asset allocation was a modest positive as a 2% overweight to stocks was a tailwind for the Pooled Trusts. Entering the third quarter, the Pooled Trusts remain underweight to bonds and cash by approximately 2% and conversely overweight in stocks, particularly international stocks.
- Tab 4 of this report highlights some asset allocation options for the Board to consider in light of the recent change in the investment policy statement to allow for up to 10% portfolio standard deviation over a 5-year period. Fourth Street has presented two portfolios for the Board to consider, with each moving progressively out on the risk spectrum from where the current portfolio sits today. In addition, Fourth Street has recommended a couple of mutual fund manager changes to consider, moving from conservative investment options to modestly more aggressive fund options in various asset classes. Both portfolios project to be within the new policy risk limit of 10% standard deviation. It is important to note that one portfolio is not better or worse than the other, it is simply a question of how much equity market risk the Board is eager to take on with the investment portfolio.



Performance Summary Table

(Net of Fees)

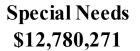
for Periods Ending June 30, 2018

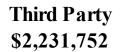
| Last         Incention         Since         % 50           Life Stand         (0.5%)         (1.5%)         2.7%         3.3%         4.5%         10/111         5.1           Diversified Balanced hades <sup>3</sup> 0.7         (0.1)         4.4         4.5         5.2         [11/111]         5.4           Diversified Balanced hades <sup>3</sup> 0.7         (0.1)         4.4         4.5         2.1         1.4         1.6         1.0         1.1         5.4         1.1         1.6         1.6         1.1         1.6         1.1         1.4         1.0         1.0         1.0         1.1         1.4         1.0 <th></th> <th>Life's<b>P</b></th> <th>lan, Inc.</th> <th colspan="6">for Periods Ending June 30, 2018</th>  |                                 | Life's <b>P</b> | lan, Inc.    | for Periods Ending June 30, 2018 |              |              |                  |       |             |
|---|---------------------------------|-----------------|--------------|----------------------------------|--------------|--------------|------------------|-------|-------------|
| QuarterYear to DateLast YearLast S YearLast S YearDateDateDate for the other of the other othe                                    |                                 |                 | ,            |                                  |              |              | <b>Inception</b> | Since | <u>% of</u> |
|   |                                 | Quarter         | Year to Date | Last Year                        | Last 3 Years | Last 5 Years | Date             |       |             |
| Policy Balanced Index <sup>2</sup> 0.7         0.5         4.0         5.6         4.7         [III/III]         5.0           Diversified Balanced Index <sup>3</sup> 0.7         0.1         4.4         4.5         [III/III]         5.6           Diversified Balanced Index <sup>3</sup> 0.7         3.7         5.9         4.8         4.5         [III/III]         5.4           Domestic Equity Composite         2.2         1.5         12.4         1.0         10.9         IV/II1         14.7           Vanguard Div App Ux, Ahm         3.4         2.6         14.4         11.9         13.4         IV/II1         14.7           Vanguard Div App Ux, Ahm         1.1         0.6         1.8         11.3         11.2         IV/II1         14.7           Bassell:2000 Undex         7.8         7.7         17.6         11.0         12.5         [12/1/5]         14.5           Ressell:2000 Undex         7.8         7.7         17.6         11.0         12.5         [12/1/5]         14.5           Ressell:2000 Undex         7.8         7.7         17.6         11.0         12.5         [12/1/5]         14.5           Ressell:2000 Undex         7.8         7.7         17.6         1.0   | Life's Plan <sup>1</sup>        |                 |              |                                  |              |              |                  |       |             |
| $ \begin{array}{c c c c c c c c c c c c c c c c c c c $   |                                 |                 |              |                                  |              |              |                  |       |             |
| $\begin{array}{c ccccccccccccccccccccccccccccccccccc$   |                                 |                 |              |                                  |              |              |                  |       |             |
| $ \begin{array}{c c c c c c c c c c c c c c c c c c c $   |                                 |                 |              |                                  |              |              |                  |       |             |
| $\begin{array}{c c c c c c c c c c c c c c c c c c c $  | CI1 + 570                       | 1.7             | 5.7          | 5.9                              | 4.0          | 4.5          | [11/1/11]        | 4.0   |             |
| $\begin{array}{c c c c c c c c c c c c c c c c c c c $  | Dublic Fouition                 |                 |              |                                  |              |              |                  |       |             |
| $\begin{array}{cccccccccccccccccccccccccccccccccccc$  | -                               |                 | 15           | 10.4                             | 11.0         | 10.0         | 11/1/11          | 11.0  | 10.20/      |
| Vanguard 500 Index;Adm       3.4       2.6       14.3       11.9       13.4       11/11       14.7       8.7%         Vanguard Div App Idx;Adm       1.1       0.6       11.8       11.3       11.2       111/11/11       12.5       7.1%         S&P:300       3.4       2.6       14.4       11.9       13.4       111/11/11       12.5       7.1%         Diamond Hill Sm Cap:1       1.6       0.6       9.6       -       -       -       112/11/15       8.0       3.5%         Russell:2000 lndex       7.8       7.7       17.6       11.0       12.5       112/11/11       7.0       7.0         MSCLEARE       (1.2)       (2.7)       6.8       4.9       6.4       111/111       7.0       7.0         MSCLEARE       (1.2)       (2.7)       6.8       4.9       6.4       13/171       12.1       7.1%         MSCLEARE       (1.2)       (2.7)       6.8       4.9       6.4       13/171       12.1       7.7%         Stowah Int Core Equity       (3.3)       (4.0)       2.7       -       -       3/1/18       (0.2)       2.4%         Machine Assets       (1.2)       (2.7)       5.6       5.0  |                                 |                 |              |                                  |              |              |                  |       | 19.2%       |
| Vanguard Div App Idx:Adm       1.1       0.6       11.8       11.3       11.2 $[11/1/11]$ 12.5       7.1%         SAP:500       3.4       2.6       14.4       11.9       13.4 $[11/1/11]$ 14.7       14.7         Diamond Hill Sn Capil       1.6       0.6       9.6       -       -       12/1/15]       14.5       3.5%         Ressell:2000 Index       7.8       7.7       17.6       11.0       12.5 $[12/1/15]$ 14.5         International Equity Composite       (4.2)       (4.0)       4.7       3.9       6.0 $[11/1/11]$ 9.8         Schezek       (2.2)       (2.7)       6.8       4.9       6.4 $[11/1/11]$ 9.8         Europacific Growth       (2.9)       (1.9)       9.2       6.4       8.2 $[11/1/11]$ 9.8         Schwab Int Core Equity       (3.3)       (4.0)       2.7       -       -       3/1/18       (10.2)       2.4%         Vanguard Emerging Mkits       (9.1)       -       -       -       -       3/1/18       (10.2)       2.4%         Matternative Assets Benchmark       0.9       1.2       5.7       0.7       0.5       (9/1/12] <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>9.70/</td>   |                                 |                 |              |                                  |              |              |                  |       | 9.70/       |
| $\begin{array}{cccccccccccccccccccccccccccccccccccc$  |                                 |                 |              |                                  |              |              |                  |       |             |
| $\begin{array}{c ccccccccccccccccccccccccccccccccccc$   |                                 |                 |              |                                  |              |              |                  |       | 7.1%        |
| $\begin{array}{c ccccccccccccccccccccccccccccccccccc$   |                                 |                 |              |                                  | 11.9         | 13.4         |                  |       |             |
| Russell:2000 Index       7.8       7.7       17.6       11.0       12.5       [12/1/5]       14.6         International Equity Composite       (4.2)       (4.0)       4.7       3.9       6.0       11/1/11       6.9       12.5%         MSC:FEAFE       (1.2)       (2.7)       6.8       4.9       6.4       [11/1/11]       9.8         Europacific Growth       (2.9)       (1.9)       9.2       6.4       8.2       11/1/11       8.5       5.0%         MSC:FEAFE       (1.2)       (2.7)       6.8       4.9       6.4       (3/1/17)       12.1       5.1%         MSC:FEAFE       (1.2)       (2.7)       6.8       4.9       6.4       (3/1/17)       12.1       5.1%         MSC:FEAFE       (1.2)       (2.7)       6.8       4.9       6.4       (3/1/17)       12.1       5.1%         Vanguard Emerging Mix.       (9.1)       -       -       -       3/1/18       (10.2)       2.4%         Alternative Assets       6.5       (1.1)       3.7       4.2       3.3       9/1/12       2.4         Alternative Assets       0.9       1.2       5.7       0.7       0.5       [9/1/12]       (0.3)       7.7%  | -                               |                 |              | 9.6                              |              |              | 12/1/15          | 8.0   | 3.5%        |
| $ \begin{array}{c c c c c c c c c c c c c c c c c c c $   | Russell:2000 Value              | 8.3             | 5.4          | 13.1                             | 11.2         | 11.2         | [12/1/15]        | 14.5  |             |
| MSCI:EAFE       (1.2)       (2.7)       6.8       4.9       6.4       (11/1/11)       7.0         MSCI:ACWI       0.5       (0.4)       10.7       8.2       9.4       (11/1/11)       9.8         Europacitic Growth       (2.9)       (1.9)       9.2       6.4       8.2       11/1/11       9.8         Schwab Intl Core Equity       (3.3)       (4.0)       2.7         3/1/17       10.1       5.1%         Schwab Intl Core Equity       (3.1)       (         3/1/18       (10.2)       2.4%         MSCI:EM (8.0)       (6.7)       8.2       5.6       5.0       (3/1/18)       (9.7)         Maternative Assets Composite       0.9       1.2       5.7       0.7       0.5       (9/1/12)       (0.3)         FPA Crescent       0.3       (0.7)       4.2       5.8       6.9       11/11       8.4         Alternative Assets Banchmark <sup>4</sup> 0.9       1.2       5.7       2.1       3.6       [11/1/11]       3.7         Public Fixed Income       0.9       1.2       5.7       2.1       3.6       [11/1/11]       3.7         Nessets Banchmark <sup>4</sup> 0.9       1.2  | Russell:2000 Index              | 7.8             | 7.7          | 17.6                             | 11.0         | 12.5         | [12/1/15]        | 14.6  |             |
| MSCI:EAFE       (1.2)       (2.7)       6.8       4.9       6.4       (11/1/11)       7.0         MSCI:ACWI       0.5       (0.4)       10.7       8.2       9.4       (11/1/11)       9.8         Europacitic Growth       (2.9)       (1.9)       9.2       6.4       8.2       11/1/11       9.8         Schwab Intl Core Equity       (3.3)       (4.0)       2.7         3/1/17       10.1       5.1%         Schwab Intl Core Equity       (3.1)       (         3/1/18       (10.2)       2.4%         MSCI:EM (8.0)       (6.7)       8.2       5.6       5.0       (3/1/18)       (9.7)         Maternative Assets Composite       0.9       1.2       5.7       0.7       0.5       (9/1/12)       (0.3)         FPA Crescent       0.3       (0.7)       4.2       5.8       6.9       11/11       8.4         Alternative Assets Banchmark <sup>4</sup> 0.9       1.2       5.7       2.1       3.6       [11/1/11]       3.7         Public Fixed Income       0.9       1.2       5.7       2.1       3.6       [11/1/11]       3.7         Nessets Banchmark <sup>4</sup> 0.9       1.2  |                                 |                 |              |                                  |              |              |                  |       |             |
| MSCI:EAFE       (1.2)       (2.7)       6.8       4.9       6.4       [11//11]       7.0         MSCI:ACWI       0.5       (0.4)       10.7       8.2       9.4       (11//11]       9.8         MSCI:EAFE       (1.2)       (2.7)       6.8       4.9       6.4       [11//11]       7.0         Schwab Inft Core Equity       (3.3)       (4.0)       2.7       -       -       3/117       10.1       5.1%         MSCI:EAFE       (1.2)       (2.7)       6.8       4.9       6.4       [3/1/7]       12.1         Vanguard Emerging Mkts       (9.1)       -       -       -       -       3/117       10.1       5.1%         Alternative Assets       (8.0)       (6.7)       8.2       5.6       5.0       [3/1/18]       (9.7)         Alternative Assets Composite       0.9       1.2       5.7       0.7       0.5       [9/1/12]       (0.3)         FPA Crescent       0.3       (0.7)       4.2       5.8       6.9       11/111       8.4       7.7%         Westwood Income Opp.       0.7       (1.5)       3.2       4.6       5.3       11/1/11       7.0       7.6%         Bimbg:Aggregate       0  | International Equity Composite  | (4.2)           | (4.0)        | 4.7                              | 3.9          | 6.0          | 11/1/11          | 6.9   | 12.5%       |
| $\begin{array}{c ccccc} MSCI:ACWI & 0.5 & (0.4) & 10.7 & 8.2 & 9.4 & [11//11] & 9.8 \\ & Europacific Growth & (2.9) & (1.9) & 9.2 & 6.4 & 8.2 & 11/1/11 & 8.5 \\ & MSCI:EAFE & (1.2) & (2.7) & 6.8 & 4.9 & 6.4 & [11/1/11] & 7.0 \\ & Schwab Intl Core Equity & (3.3) & (4.0) & 2.7 & - & - & 31/117 & 10.1 \\ & MSCI:EAFE & (1.2) & (2.7) & 6.8 & 4.9 & 6.4 & [3/1/17] & 12.1 \\ & Vanguard Emerging Mtx. & (9.1) & - & - & - & - & - & 31/118 & (10.2) \\ & MSCI:EM & (8.0) & (6.7) & 8.2 & 5.6 & 5.0 & [3/1/18] & (9.7) \\ \hline & MSCI:EM & (8.0) & (6.7) & 8.2 & 5.6 & 5.0 & [3/1/18] & (9.7) \\ \hline & Mternative Assets Composite & 0.5 & (1.1) & 3.7 & 4.2 & 3.3 & 91/12 & 2.4 \\ & Alternative Assets Composite & 0.5 & (1.1) & 3.7 & 4.2 & 5.8 & 6.9 & 11/111 & 8.4 \\ & Alternative Assets Benchmark^4 & 0.9 & 1.2 & 5.7 & 0.7 & 0.5 & [9/1/12] & (0.3) \\ & FPA Crescent & 0.3 & (0.7) & 4.2 & 5.8 & 6.9 & 11/1/11 & 8.4 \\ & 7.5\% \\ & Westwood Income Opp. & 0.7 & (1.5) & 3.2 & 4.6 & 5.3 & 11/1/11 & 7.0 \\ & HFRI:FOF Index & 0.9 & 1.2 & 5.7 & 2.1 & 3.6 & [11/1/11] & 3.7 \\ & Public Fixed Income \\ Core Fixed Income Composite & (0.2) & (1.7) & (0.4) & 1.7 & 2.2 & 11/1/11 & 2.8 \\ & Binbg:Aggregate & (0.2) & (1.6) & (0.5) & - & - & 9/1/16 & (0.8) \\ & Binbg:Aggregate & (0.2) & (1.6) & (0.4) & 1.7 & 2.3 & [9/1/16] & (0.7) \\ & Binbg:Aggregate & (0.2) & (1.6) & (0.4) & 1.7 & 2.3 & [9/1/16] & (0.7) \\ & Binbg:Aggregate & (0.2) & (1.6) & (0.4) & 1.7 & 2.3 & [9/1/16] & (0.7) \\ & Binbg:Aggregate & (0.2) & (1.6) & (0.4) & 1.7 & 2.3 & [9/1/16] & (0.7) \\ & Binbg:Aggregate & (0.2) & (1.6) & (0.9) & 4.8 & 4.8 & [11/1/11] & 5.6 \\ & Short-Erm Cash \\ & Non-Core Fixed Income Comp. & (1.3) & (3.6) & (1.0) & 4.9 & 4.9 & 11/1/11 & 5.6 \\ & Short-Erm Cash \\ & Bind Ultra Short Bol & 0.6 & (0.6) & 1.8 & 5.0 & 5.1 & 11/1/11 & 5.2 \\ & Anguard High Yield Corp & 0.4 & (1.1) & 1.0 & 4.5 & 5.1 & 11/1/11 & 5.4 \\ & Short-Erm Cash \\ & Baird Ultra Short Bol & 0.6 & 0.9 & 1.5 & - & - & 12/1/16 & 1.1 \\ \hline \end{array}$ | MSCI:EAFE                       | (1.2)           | (2.7)        | 6.8                              | 4.9          | 6.4          | [11/1/11]        | 7.0   |             |
| $\begin{array}{c ccccccccccccccccccccccccccccccccccc$   | MSCI:ACWI                       |                 | (0.4)        | 10.7                             | 8.2          | 9.4          | [11/1/11]        | 9.8   |             |
| $\begin{array}{cccccccccccccccccccccccccccccccccccc$  | Europacific Growth              |                 |              |                                  |              |              |                  |       | 5.0%        |
| Schwab Intl Core Equity       (3.3)       (4.0)       2.7       -       -       3/1/17       10.1       5.1%         MSCIEAFE       (1.2)       (2.7)       6.8       4.9       6.4       (3/1/7)       12.1       12.1         Vanguard Emerging Mkts.       (9.1)       -       -       -       -       3/1/18       (10.2)       2.4%         Alternative Assets       -       -       -       -       -       -       3/1/18       (10.2)       2.4%         Alternative Assets       -       -       -       -       -       -       -       -       3/1/18       (0.7)       2.4%         Alternative Assets       -       -       -       -       -       -       -       3/1/17       10.1       5.1%         Alternative Assets       -       -       -       -       -       -       -       -       3/1/17       10.1       5.1%         Alternative Assets       -       0.5       (1.1)       3.7       4.2       3.3       9/1/12       (0.3)       7.7%         Messional Income Opp.       0.7       (1.5)       3.2       4.6       5.3       11/1/11       3.7       4.2       11   | -                               |                 |              |                                  |              |              |                  |       |             |
| $\begin{array}{c ccccccccccccccccccccccccccccccccccc$   |                                 |                 |              |                                  |              |              |                  |       | 51%         |
| Vanguard Emerging Mkts. $(9.1)$ $      3/1/18$ $(10.2)$ $2.4\%$ MSCI:EM $(8.0)$ $(6.7)$ $8.2$ $5.6$ $5.0$ $[3/1/18]$ $(9.7)$ $2.4\%$ Alternative Assets $0.5$ $(1.1)$ $3.7$ $4.2$ $3.3$ $9/1/12$ $2.4$ $15.3\%$ Alternative Assets Benchmark $0.9$ $1.2$ $5.7$ $0.7$ $0.5$ $[9/1/12]$ $(0.3)$ $7.7\%$ FPA Crescent $0.3$ $(0.7)$ $4.2$ $5.8$ $6.9$ $11/1/11$ $8.4$ $7.7\%$ Westwood Income Opp. $0.7$ $(1.5)$ $3.2$ $4.6$ $5.3$ $11/1/11$ $3.7$ Public Fixed Income $0.7$ $(1.5)$ $3.2$ $4.6$ $5.3$ $11/1/11$ $3.7$ Bimbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[11/1/11]$ $2.1$ $16.0\%$ Bimbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[11/1/11]$ $2.6$  |                                 |                 |              |                                  |              |              |                  |       | 5.170       |
| $\frac{MSCI:EM}{MSCI:EM} (8.0) (6.7) 8.2 5.6 5.0 [3/1/18] (9.7)$ $\frac{Alternative Assets}{Mternative Assets Composite} 0.5 (1.1) 3.7 4.2 3.3 9/1/12 2.4 (1.5) 9/1/2] (0.3) 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5$   |                                 |                 |              |                                  |              |              |                  |       | 2 4%        |
| $\frac{Alternative Assets}{Alternative Assets Composite} 0.5 (1.1) 3.7 4.2 3.3 9/1/12 2.4 (15.3%) Alternative Assets Composite 0.5 (1.1) 3.7 4.2 3.3 9/1/12 2.4 (15.3%) Alternative Assets Benchmark 4 0.9 1.2 5.7 0.7 0.5 [9/1/2] (1.1) 8.4 (1.7) 1.5 (1.5) 3.2 4.6 5.3 11/1/11 8.4 (1.6) 1.7 1.2 (1.6) 1.7 1.2 (1.6) 1.7 1.2 (1.6) 1.7 1.7 1.3 (11/1/11) 3.7 HERE Fixed Income Composite (0.2) (1.7) (0.4) 1.7 2.3 [11/1/11] 3.7 Example Core Fixed Income Composite (0.2) (1.6) (0.4) 1.7 2.3 [11/1/11] 2.1 1.1 1.0 1.7 1.2 (1.6) 1.7 1.7 1.2 (1.7) 1.7 1.2 (1.7) 1.7 1.2 (1.7) 1.7 1.2 (1.7) 1.7 1.2 (1.7) 1.7 1.7 1.3 1.7 1.7 1.7 1.7 1.7 1.7 1.7 1.7 1.7 1.7$   |                                 |                 |              |                                  |              |              |                  |       | 2.470       |
| Alternative Assets Composite       0.5       (1.1)       3.7       4.2       3.3       9/1/12       2.4       15.3%         Alternative Assets Benchmark <sup>4</sup> 0.9       1.2       5.7       0.7       0.5       [9/1/12]       (0.3)       7.7%         FPA Crescent       0.3       (0.7)       4.2       5.8       6.9       11/1/11       8.4       7.7%         Westwood Income Opp.       0.7       (1.5)       3.2       4.6       5.3       11/1/11       7.0 <i>HFRI:FOF Index</i> 0.9       1.2       5.7       2.1       3.6       [11/1/11]       3.7 <i>Public Fixed Income</i> .09       1.2       5.7       2.1       3.6       [11/1/11]       3.7 <i>Public Fixed Income</i> .09       1.2       5.7       2.1       3.6       [11/1/11]       3.7 <i>Public Fixed Income</i> .09       1.2       5.7       2.1       3.6       [11/1/11]       3.7 <i>Binbg:Aggregate</i> (0.2)       (1.6)       (0.4)       1.7       2.3       [11/1/11]       2.1       16.0%         Binbg:Aggregate       (0.2)       (1.6)       (0.3)       2.1       -       11/1/14       1.6       16   | MSCI.EM                         | (0.0)           | (0.7)        | 0.2                              | 5.0          | 5.0          | [3/1/18]         | (9.7) |             |
| Alternative Assets Composite       0.5       (1.1)       3.7       4.2       3.3       9/1/12       2.4       15.3%         Alternative Assets Benchmark <sup>4</sup> 0.9       1.2       5.7       0.7       0.5 $[9/1/12]$ (0.3)       7.7%         FPA Crescent       0.3       (0.7)       4.2       5.8       6.9       11/1/11       8.4       7.7%         Westwood Income Opp.       0.7       (1.5)       3.2       4.6       5.3       11/1/11       7.0 <i>Public Fixed Income</i> 0.9       1.2       5.7       2.1       3.6       [11/1/11]       3.7         Public Fixed Income       .09       1.2       5.7       2.1       3.6       [11/1/11]       3.7         Public Fixed Income       .09       1.2       5.7       2.1       3.6       [11/1/11]       3.7         Vanguard Total Bond       (0.2)       (1.6)       (0.4)       1.7       2.2       11/1/11       2.1       31.9%         Binbg:Aggregate       (0.2)       (1.6)       (0.4)       1.7       2.3       [11/1/11]       2.1       16.0%         Binbg:Aggregate       (0.2)       (1.6)       (0.4)       1.7       2.3       [11/1/11]   |                                 |                 |              |                                  |              |              |                  |       |             |
| Alternative Assets Benchmark <sup>4</sup> 0.9       1.2       5.7       0.7       0.5 $[9/1/2]$ (0.3)         FPA Crescent       0.3       (0.7)       4.2       5.8       6.9       11/1/11       8.4         Westwood Income Opp.       0.7       (1.5)       3.2       4.6       5.3       11/1/11       7.0% <i>HFRI:FOF Index</i> 0.9       1.2       5.7       2.1       3.6 $[11/1/11]$ 3.7 <i>Public Fixed Income</i> 0.9       1.2       5.7       2.1       3.6 $[11/1/11]$ 3.7 <i>Public Fixed Income</i> 0.9       1.2       5.7       2.1       3.6 $[11/1/11]$ 3.7 <i>Public Fixed Income</i> 0.2       (1.6) $(0.4)$ 1.7       2.3 $[11/1/11]$ 2.1         Vanguard Total Bond       0.2       (1.6) $(0.4)$ 1.7       2.3 $[9/1/16]$ $(0.7)$ Baird Aggregate       0.2       (1.6) $(0.4)$ 1.7       2.3 $[11/1/11]$ 2.6         Non-Core Fixed Income Comp.       (2.3) $(3.6)$ $(1.0)$ $4.9$ $11/1/11$ 5.6 $12.2\%$ Non-Core Fixed Inco   |                                 | - <b>-</b>      |              |                                  |              |              | 0 /4 /4 0        | • •   | 15 20/      |
| FPA Crescent0.3 $(0.7)$ 4.25.86.911/1/118.47.7%Westwood Income Opp.0.7(1.5)3.24.65.311/1/117.07.6%HFRI:FOF Index0.91.25.72.13.6 $[11/1/11]$ 3.77.6%Public Fixed Income0.91.25.72.13.6 $[11/1/11]$ 3.731.9%Core Fixed Income0.2(1.7)(0.4)1.72.2 $11/1/11$ 2.831.9%Binbg:Aggregate(0.2)(1.6)(0.4)1.72.3 $[11/1/11]$ 2.1Vanguard Total Bond(0.2)(1.6)(0.4)1.72.3 $[9/1/16]$ (0.7)Baird Aggregate(0.2)(1.6)(0.4)1.72.3 $[9/1/16]$ (0.7)Baird Aggregate(0.2)(1.6)(0.4)1.72.3 $[11/1/11]$ 2.1Non-Core Fixed Income Comp.(2.3)(3.6)(1.0)4.94.911/1/141.6Non-Core Fixed Income Comp.(2.3)(3.6)(1.0)4.94.911/1/115.56.2%JPM:EMBI Plus(4.1)(6.1)(3.0)5.24.711/1/115.56.2%Vanguard High Yield Corp0.4(1.1)1.04.55.111/1/114.26.0%ML:US Hi Yid BB-B N-Dist0.6(0.6)1.85.05.4 $[11/1/11]$ 6.45.1%Short-Term CashShort-Term CashShort-Term CashS.1%<   | Alternative Assets Composite    |                 |              |                                  |              |              |                  |       | 15.3%       |
| FrA Creecht       0.3       (0.7)       4.2       5.3       0.5       11/11       0.4       7.6%         Westwood Income Opp.       0.7       (1.5)       3.2       4.6       5.3       11/1/11       7.0%         HFRI:FOF Index       0.9       1.2       5.7       2.1       3.6       [11/1/11]       3.7         Public Fixed Income       Core Fixed Income Composite       (0.2)       (1.6)       (0.4)       1.7       2.2       11/1/11       2.8       31.9%         Bimbg:Aggregate       (0.2)       (1.6)       (0.4)       1.7       2.3       [11/1/11]       2.1         Vanguard Total Bond       (0.2)       (1.6)       (0.4)       1.7       2.3       [11/1/11]       2.1         Bimbg:Aggregate       (0.2)       (1.6)       (0.4)       1.7       2.3       [11/1/11]       2.1         Bimbg:Aggregate       (0.2)       (1.6)       (0.4)       1.7       2.3       [11/1/14]       0.6         Bimbg:Aggregate       (0.2)       (1.6)       (0.4)       1.7       2.3       [11/1/14]       1.6         Non-Core Fixed Income Comp.       (2.3)       (3.6)       (1.0)       4.9       4.9       11/1/11       5.5       6.  |                                 |                 |              |                                  |              |              |                  |       | 7 7%        |
| Westwood fileding Opp.       0.7       (1.3) $3.2$ $4.0$ $5.3$ $11/11$ $7.0$ HFRI:FOF Index       0.9       1.2 $5.7$ $2.1$ $3.6$ $[11/1/11]$ $3.7$ Public Fixed Income       Core Fixed Income Composite $(0.2)$ $(1.7)$ $(0.4)$ $1.7$ $2.2$ $11/111$ $2.8$ $31.9\%$ Bimbg:Aggregate $(0.2)$ $(1.6)$ $(0.5)$ $  9/1/16$ $(0.8)$ $16.0\%$ Bimbg:Aggregate $(0.2)$ $(1.6)$ $(0.5)$ $  9/1/16$ $(0.8)$ $16.0\%$ Bimbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ $16.0\%$ Bimbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ $16.0\%$ Bimbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[11/1/14]$ $1.6$ $16.0\%$ Non-Core Fixed Income Comp. $(2.3)$ $(3.6)$ $(1.0)$ $4.9$ $4.9$ $11/1/11$ $5.5$  |                                 |                 |              | 4.2                              |              |              |                  |       |             |
| Public Fixed IncomeCore Fixed Income Composite $(0.2)$ $(1.7)$ $(0.4)$ $1.7$ $2.2$ $11/1/11$ $2.8$ $31.9\%$ Blmbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[11/1/11]$ $2.1$ Vanguard Total Bond $(0.2)$ $(1.6)$ $(0.5)$ $$ $$ $9/1/16$ $(0.8)$ Blmbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Baird Aggregate Bd;Inst $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Binbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Binbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[11/1/14]$ $1.6$ Non-Core Fixed Income Comp. $(2.3)$ $(3.6)$ $(1.0)$ $4.9$ $4.9$ $11/1/11$ $5.6$ Non-Core Fixed Inc. Benchmark <sup>5</sup> $(1.6)$ $(3.0)$ $5.2$ $4.7$ $11/1/11$ $5.5$ Fidelity New Mkts Inc $(5.0)$ $(6.1)$ $(3.0)$ $5.2$ $4.7$ $11/1/11$ $5.2$ JPM:EMBI Plus $(4.1)$ $(6.1)$ $(4.3)$ $4.0$ $4.0$ $[11/1/11]$ $4.2$ Vanguard High Yield Corp $0.4$ $(1.1)$ $1.0$ $4.5$ $5.1$ $11/1/11$ $4.2$ ML:US Hi Yid BB-B N-Dist $0.6$ $(0.6)$ $1.8$ $5.0$ $5.4$ $[11/1/11]$ $6.4$ Short-Term CashBaird Ultra Short B   | Westwood Income Opp.            |                 |              |                                  | 4.6          | 5.3          | 11/1/11          | 7.0   | 7.0%        |
| Core Fixed Income Composite $(0.2)$ $(1.7)$ $(0.4)$ $1.7$ $2.2$ $11/1/11$ $2.8$ $31.9\%$ Blnbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[11/1/11]$ $2.1$ Vanguard Total Bond $(0.2)$ $(1.6)$ $(0.5)$ $  9/1/16$ $(0.8)$ Blnbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Baird Aggregate Bd;Inst $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Baird Aggregate Bd;Inst $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Baird Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Binbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Binbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[11/1/14]$ $1.6$ Non-Core Fixed Income Comp. $(2.3)$ $(3.6)$ $(1.0)$ $4.9$ $4.9$ $11/1/11$ $5.6$ Fidelity New Mkts Inc $(5.0)$ $(6.1)$ $(3.0)$ $5.2$ $4.7$ $11/1/11$ $5.5$ Fidelity New Mkts Inc $(5.0)$ $(6.1)$ $(4.3)$ $4.0$ $4.0$ $[11/1/11]$ $4.2$ Vanguard High Yield Corp $0.4$ $(1.1)$ $1.0$ $4.5$ $5.1$ $11/1/11$ $6.4$ Short-Term Cash $5.0$ $1.4$ $0.7$ $0.4$ $[12/1/16]$   | HFRI:FOF Index                  | 0.9             | 1.2          | 5.7                              | 2.1          | 3.6          | [11/1/11]        | 3.7   |             |
| Core Fixed Income Composite $(0.2)$ $(1.7)$ $(0.4)$ $1.7$ $2.2$ $11/1/11$ $2.8$ $31.9\%$ Blnbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[11/1/11]$ $2.1$ Vanguard Total Bond $(0.2)$ $(1.6)$ $(0.5)$ $  9/1/16$ $(0.8)$ Blnbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Baird Aggregate Bd;Inst $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Baird Aggregate Bd;Inst $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Baird Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Binbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Binbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[11/1/14]$ $1.6$ Non-Core Fixed Income Comp. $(2.3)$ $(3.6)$ $(1.0)$ $4.9$ $4.9$ $11/1/11$ $5.6$ Fidelity New Mkts Inc $(5.0)$ $(6.1)$ $(3.0)$ $5.2$ $4.7$ $11/1/11$ $5.5$ Fidelity New Mkts Inc $(5.0)$ $(6.1)$ $(4.3)$ $4.0$ $4.0$ $[11/1/11]$ $4.2$ Vanguard High Yield Corp $0.4$ $(1.1)$ $1.0$ $4.5$ $5.1$ $11/1/11$ $6.4$ Short-Term Cash $5.0$ $1.4$ $0.7$ $0.4$ $[12/1/16]$   |                                 |                 |              |                                  |              |              |                  |       |             |
| $\begin{array}{cccccccccccccccccccccccccccccccccccc$  | Public Fixed Income             |                 |              |                                  |              |              |                  |       |             |
| Vanguard Total Bond $(0.2)$ $(1.6)$ $(0.5)$ $   9/1/16$ $(0.8)$ $16.0\%$ Blmbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/6]$ $(0.7)$ $16.0\%$ Baird Aggregate Bd;Inst $(0.2)$ $(1.6)$ $(0.3)$ $2.1$ $ 11/1/14$ $2.0$ $16.0\%$ Blmbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[11/1/14]$ $1.6$ $16.0\%$ Non-Core Fixed Income Comp. $(2.3)$ $(3.6)$ $(1.0)$ $4.9$ $4.9$ $11/1/14$ $5.6$ $12.2\%$ Non-Core Fixed Inc. Benchmark <sup>5</sup> $(1.6)$ $(3.0)$ $(0.9)$ $4.8$ $4.8$ $[11/1/11]$ $5.5$ $6.2\%$ Fidelity New Mkts Inc $(5.0)$ $(6.1)$ $(3.0)$ $5.2$ $4.7$ $11/1/11$ $5.2$ $6.2\%$ JPM:EMBI Plus $(4.1)$ $(6.1)$ $(4.3)$ $4.0$ $4.0$ $[11/1/11]$ $4.2$ $6.0\%$ Vanguard High Yield Corp $0.4$ $(1.1)$ $1.0$ $4.5$ $5.1$ $11/1/11$ $5.9$ $6.0\%$ ML:US Hi Yld BB-B N-Dist $0.6$ $0.9$ $1.5$ $  12/1/16$ $1.1$ Short-Term Cash $3$ $3.4$ $0.7$ $0.4$ $[12/1/16]$ $1.1$  | Core Fixed Income Composite     | (0.2)           | (1.7)        | (0.4)                            | 1.7          | 2.2          | 11/1/11          | 2.8   | 31.9%       |
| Blmbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Baird Aggregate Bd;Inst $(0.2)$ $(1.8)$ $(0.3)$ $2.1$ $$ $11/1/14$ $2.0$ $16.0\%$ Blmbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[11/1/14]$ $1.6$ $16.0\%$ Non-Core Fixed Income Comp. $(2.3)$ $(3.6)$ $(1.0)$ $4.9$ $4.9$ $11/1/11$ $5.6$ $12.2\%$ Non-Core Fixed Inc. Benchmark <sup>5</sup> $(1.6)$ $(3.0)$ $(0.9)$ $4.8$ $4.8$ $[11/1/11]$ $5.5$ $6.2\%$ Fidelity New Mkts Inc $(5.0)$ $(6.1)$ $(3.0)$ $5.2$ $4.7$ $11/1/11$ $5.2$ $6.2\%$ JPM:EMBI Plus $(4.1)$ $(6.1)$ $(4.3)$ $4.0$ $4.0$ $[11/1/11]$ $4.2$ $6.0\%$ Vanguard High Yield Corp $0.4$ $(1.1)$ $1.0$ $4.5$ $5.1$ $11/1/11$ $5.9$ $6.0\%$ ML: US Hi Yld BB-B N-Dist $0.6$ $0.9$ $1.5$ $$ $$ $12/1/16$ $1.1$ Short-Term Cash $3$ $3.0$ $0.4$ $(12/1/16)$ $1.1$ $5.1\%$  | Blmbg:Aggregate                 | (0.2)           | (1.6)        | (0.4)                            | 1.7          | 2.3          | [11/1/11]        | 2.1   |             |
| Blmbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[9/1/16]$ $(0.7)$ Baird Aggregate Bd;Inst $(0.2)$ $(1.8)$ $(0.3)$ $2.1$ $$ $11/1/14$ $2.0$ $16.0\%$ Blmbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[11/1/14]$ $1.6$ $16.0\%$ Non-Core Fixed Income Comp. $(2.3)$ $(3.6)$ $(1.0)$ $4.9$ $4.9$ $11/1/11$ $5.6$ $12.2\%$ Non-Core Fixed Inc. Benchmark <sup>5</sup> $(1.6)$ $(3.0)$ $(0.9)$ $4.8$ $4.8$ $[11/1/11]$ $5.5$ $6.2\%$ Fidelity New Mkts Inc $(5.0)$ $(6.1)$ $(3.0)$ $5.2$ $4.7$ $11/1/11$ $5.2$ $6.2\%$ JPM:EMBI Plus $(4.1)$ $(6.1)$ $(4.3)$ $4.0$ $4.0$ $[11/1/11]$ $4.2$ $6.0\%$ Vanguard High Yield Corp $0.4$ $(1.1)$ $1.0$ $4.5$ $5.1$ $11/1/11$ $5.9$ $6.0\%$ ML: US Hi Yld BB-B N-Dist $0.6$ $0.9$ $1.5$ $$ $$ $12/1/16$ $1.1$ Short-Term Cash $3$ $3.0$ $0.4$ $(12/1/16)$ $1.1$ $5.1\%$  | Vanguard Total Bond             | (0.2)           | (1.6)        | (0.5)                            |              |              | 9/1/16           | (0.8) | 16.0%       |
| Baird Aggregate Bd;Inst $(0.2)$ $(1.8)$ $(0.3)$ $2.1$ $ 11/1/14$ $2.0$ $16.0\%$ Blmbg:Aggregate $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[11/1/14]$ $1.6$ $16.0\%$ Non-Core Fixed Income Comp. $(2.3)$ $(3.6)$ $(1.0)$ $4.9$ $4.9$ $11/1/11$ $5.6$ $12.2\%$ Non-Core Fixed Inc. Benchmark <sup>5</sup> $(1.6)$ $(3.0)$ $(0.9)$ $4.8$ $4.8$ $[11/1/11]$ $5.5$ $6.2\%$ Fidelity New Mkts Inc $(5.0)$ $(6.1)$ $(3.0)$ $5.2$ $4.7$ $11/1/11$ $5.2$ $6.2\%$ JPM:EMBI Plus $(4.1)$ $(6.1)$ $(4.3)$ $4.0$ $4.0$ $[11/1/11]$ $4.2$ $6.0\%$ Vanguard High Yield Corp $0.4$ $(1.1)$ $1.0$ $4.5$ $5.1$ $11/1/11$ $5.9$ $6.0\%$ Short-Term CashShort-Term CashShort Hill $0.6$ $0.9$ $1.5$ $  12/1/16$ $1.5$ $5.1\%$ 3 Month T-Bill $0.5$ $0.8$ $1.4$ $0.7$ $0.4$ $[12/1/16]$ $1.1$ $5.1\%$   | -                               |                 |              |                                  | 1.7          | 2.3          | [9/1/16]         |       |             |
| Bind S $(0.2)$ $(1.6)$ $(0.4)$ $1.7$ $2.3$ $[11/1/14]$ $1.6$ Non-Core Fixed Income Comp. $(2.3)$ $(3.6)$ $(1.0)$ $4.9$ $4.9$ $11/1/11$ $5.6$ $12.2\%$ Non-Core Fixed Inc. Benchmark <sup>5</sup> $(1.6)$ $(3.0)$ $(0.9)$ $4.8$ $4.8$ $[11/1/11]$ $5.5$ $6.2\%$ Fidelity New Mkts Inc $(5.0)$ $(6.1)$ $(3.0)$ $5.2$ $4.7$ $11/1/11$ $5.2$ $6.2\%$ JPM:EMBI Plus $(4.1)$ $(6.1)$ $(4.3)$ $4.0$ $4.0$ $[11/1/11]$ $4.2$ $6.2\%$ Vanguard High Yield Corp $0.4$ $(1.1)$ $1.0$ $4.5$ $5.1$ $11/1/11$ $5.9$ $6.0\%$ ML:US Hi Yld BB-B N-Dist $0.6$ $(0.9)$ $1.5$ $$ $$ $12/1/16$ $1.5$ $5.1\%$ Baird Ultra Short Bd;Inst $0.6$ $0.9$ $1.5$ $$ $$ $12/1/16$ $1.1$ $5.1\%$  |                                 |                 |              |                                  |              |              |                  |       | 16.0%       |
| Non-Core Fixed Income Comp. $(2.3)$ $(3.6)$ $(1.0)$ $4.9$ $4.9$ $11/1/11$ $5.6$ $12.2\%$ Non-Core Fixed Inc. Benchmark <sup>5</sup> $(1.6)$ $(3.0)$ $(0.9)$ $4.8$ $4.8$ $[11/1/11]$ $5.5$ $6.2\%$ Fidelity New Mkts Inc $(5.0)$ $(6.1)$ $(3.0)$ $5.2$ $4.7$ $11/1/11$ $5.2$ $6.2\%$ JPM:EMBI Plus $(4.1)$ $(6.1)$ $(4.3)$ $4.0$ $4.0$ $[11/1/11]$ $4.2$ $6.0\%$ Vanguard High Yield Corp $0.4$ $(1.1)$ $1.0$ $4.5$ $5.1$ $11/1/11$ $5.9$ $6.0\%$ ML:US Hi Yld BB-B N-Dist $0.6$ $(0.6)$ $1.8$ $5.0$ $5.4$ $[11/1/11]$ $6.4$ Short-Term Cash5.1%Baird Ultra Short Bd;Inst $0.6$ $0.9$ $1.5$ $  12/1/16$ $1.5$ $5.1\%$ $3$ Month T-Bill $0.5$ $0.8$ $1.4$ $0.7$ $0.4$ $[12/1/16]$ $1.1$   |                                 |                 |              |                                  |              |              |                  |       |             |
| Non-Core Fixed Inc. Benchmark <sup>5</sup> $(1.6)$ $(3.0)$ $(0.9)$ $4.8$ $4.8$ $[11/1/11]$ $5.5$ Fidelity New Mkts Inc $(5.0)$ $(6.1)$ $(3.0)$ $5.2$ $4.7$ $11/1/11$ $5.2$ $6.2\%$ JPM:EMBI Plus $(4.1)$ $(6.1)$ $(4.3)$ $4.0$ $4.0$ $[11/1/11]$ $4.2$ $6.2\%$ Vanguard High Yield Corp $0.4$ $(1.1)$ $1.0$ $4.5$ $5.1$ $11/1/11$ $5.9$ $6.0\%$ ML: US Hi Yld BB-B N-Dist $0.6$ $(0.6)$ $1.8$ $5.0$ $5.4$ $[11/1/11]$ $6.4$ Short-Term Cash $5.0$ $5.4$ $[11/1/11]$ $6.4$ $5.1\%$ Baird Ultra Short Bd;Inst $0.6$ $0.9$ $1.5$ $$ $$ $12/1/16$ $1.5$ $5.1\%$ $3$ Month T-Bill $0.5$ $0.8$ $1.4$ $0.7$ $0.4$ $[12/1/16]$ $1.1$  | 8 88 8                          | ()              | ()           | ()                               |              |              | [,-,-]           |       |             |
| Non-Core Fixed Inc. Benchmark <sup>5</sup> $(1.6)$ $(3.0)$ $(0.9)$ $4.8$ $4.8$ $[11/1/11]$ $5.5$ Fidelity New Mkts Inc $(5.0)$ $(6.1)$ $(3.0)$ $5.2$ $4.7$ $11/1/11$ $5.2$ $6.2\%$ JPM:EMBI Plus $(4.1)$ $(6.1)$ $(4.3)$ $4.0$ $4.0$ $[11/1/11]$ $4.2$ $6.2\%$ Vanguard High Yield Corp $0.4$ $(1.1)$ $1.0$ $4.5$ $5.1$ $11/1/11$ $5.9$ $6.0\%$ ML: US Hi Yld BB-B N-Dist $0.6$ $(0.6)$ $1.8$ $5.0$ $5.4$ $[11/1/11]$ $6.4$ Short-Term Cash $5.0$ $5.4$ $[11/1/11]$ $6.4$ $5.1\%$ Baird Ultra Short Bd;Inst $0.6$ $0.9$ $1.5$ $$ $$ $12/1/16$ $1.5$ $5.1\%$ $3$ Month T-Bill $0.5$ $0.8$ $1.4$ $0.7$ $0.4$ $[12/1/16]$ $1.1$  | Non-Core Fixed Income Comp      | (23)            | (3.6)        | (1.0)                            | 49           | 49           | 11/1/11          | 56    | 12.2%       |
| Fidelity New Mkts Inc $(5.0)$ $(6.1)$ $(3.0)$ $5.2$ $4.7$ $11/1/11$ $5.2$ $6.2\%$ JPM:EMBI Plus $(4.1)$ $(6.1)$ $(4.3)$ $4.0$ $4.0$ $[11/1/11]$ $4.2$ Vanguard High Yield Corp $0.4$ $(1.1)$ $1.0$ $4.5$ $5.1$ $11/1/11$ $5.9$ $6.0\%$ ML:US Hi Yld BB-B N-Dist $0.6$ $(0.6)$ $1.8$ $5.0$ $5.4$ $[11/1/11]$ $6.4$ Short-Term CashShort-Term CashBaird Ultra Short Bd;Inst $0.6$ $0.9$ $1.5$ $$ $$ $12/1/16$ $1.5$ $5.1\%$   |                                 |                 |              |                                  |              |              |                  |       |             |
| JPM:EMBI Plus       (4.1)       (6.1)       (4.3)       4.0       4.0       [11/1/11]       4.2         Vanguard High Yield Corp       0.4       (1.1)       1.0       4.5       5.1       11/1/11       5.9       6.0%         ML:US Hi Yld BB-B N-Dist       0.6       (0.6)       1.8       5.0       5.4       [11/1/11]       6.4         Short-Term Cash         5.10       1.5         12/1/16       1.5       5.1%         3 Month T-Bill       0.5       0.8       1.4       0.7       0.4       [12/1/16]       1.1   |                                 |                 |              |                                  |              |              |                  |       | 6 20/       |
| Vanguard High Yield Corp       0.4       (1.1)       1.0       4.5       5.1       11/1/11       5.9       6.0%         ML:US Hi Yld BB-B N-Dist       0.6       (0.6)       1.8       5.0       5.4       [11/1/11]       6.4         Short-Term Cash            5.1%       11/1/11       5.9       6.0%         Baird Ultra Short Bd;Inst       0.6       0.9       1.5         12/1/16       1.5       5.1%         3 Month T-Bill       0.5       0.8       1.4       0.7       0.4       [12/1/16]       1.1   |                                 |                 |              |                                  |              |              |                  |       | 0.270       |
| ML:US Hi Yld BB-B N-Dist       0.6       (0.6)       1.8       5.0       5.4       [11/1/11]       6.4         Short-Term Cash         Baird Ultra Short Bd;Inst       0.6       0.9       1.5        12/1/16       1.5       5.1%         3 Month T-Bill       0.5       0.8       1.4       0.7       0.4       [12/1/16]       1.1   |                                 |                 |              |                                  |              |              |                  |       | 6.0%        |
| Short-Term Cash           Baird Ultra Short Bd;Inst         0.6         0.9         1.5          12/1/16         1.5         5.1%           3 Month T-Bill         0.5         0.8         1.4         0.7         0.4         [12/1/16]         1.1  |                                 |                 |              |                                  |              |              |                  |       | 0.070       |
| Baird Ultra Short Bd;Inst         0.6         0.9         1.5           12/1/16         1.5         5.1%           3 Month T-Bill         0.5         0.8         1.4         0.7         0.4         [12/1/16]         1.1         5.1%  | ML: US H1 Yld BB-B N-Dist       | 0.6             | (0.6)        | 1.8                              | 5.0          | 5.4          | [11/1/11]        | 0.4   |             |
| Baird Ultra Short Bd;Inst         0.6         0.9         1.5           12/1/16         1.5         5.1%           3 Month T-Bill         0.5         0.8         1.4         0.7         0.4         [12/1/16]         1.1         5.1%  |                                 |                 |              |                                  |              |              |                  |       |             |
| 3 Month T-Bill 0.5 0.8 1.4 0.7 0.4 [12/1/16] 1.1  |                                 |                 |              | _                                |              |              |                  |       | 5 10/       |
|   |                                 |                 |              |                                  |              |              |                  |       | 5.1%        |
| *Footnotes can be found on page 26.   |                                 |                 | 0.8          | 1.4                              | 0.7          | 0.4          | [12/1/16]        | 1.1   |             |
|   | *Footnotes can be found on page | e 26.           |              |                                  |              |              |                  |       |             |

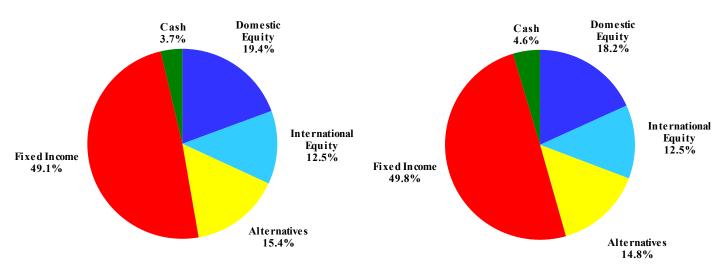


# Pooled Trusts Asset Mix June 30, 2018

|                                | Domestic<br><u>Equity</u> | Int'l<br><u>Equity</u> | Alternative<br><u>Investments</u> | Fixed<br><u>Income</u> | <u>Cash</u> | <u>Total</u> | % of<br><u>Total</u> |
|--------------------------------|---------------------------|------------------------|-----------------------------------|------------------------|-------------|--------------|----------------------|
| Vanguard S&P 500               | \$1,303,880               | -                      | -                                 | -                      | -           | \$1,303,880  | 8.7%                 |
| Vanguard Dividend Appreciation | \$1,059,041               | -                      | -                                 | -                      | -           | \$1,059,041  | 7.1%                 |
| Diamond Hill                   | \$521,911                 | -                      | -                                 | -                      | -           | \$521,911    | 3.5%                 |
| Schwab International           | -                         | \$755,167              | -                                 | -                      | -           | \$755,167    | 5.0%                 |
| Europacific Growth             | -                         | \$760,949              | -                                 | -                      | -           | \$760,949    | 5.1%                 |
| Vanguard Emerging Markets      | -                         | \$357,594              | -                                 | -                      | -           | \$357,594    | 2.4%                 |
| FPA Crescent                   | -                         | -                      | \$1,155,821                       | -                      | -           | \$1,155,821  | 7.7%                 |
| WHG Income Opportunity         | -                         | -                      | \$1,141,597                       | -                      | -           | \$1,141,597  | 7.6%                 |
| Vanguard Total Bond Index      | -                         | -                      | -                                 | \$2,395,236            | -           | \$2,395,236  | 16.0%                |
| Baird Aggregate Bond           | -                         | -                      | -                                 | \$2,397,868            | -           | \$2,397,868  | 16.0%                |
| Vanguard High Yield Bond       | -                         | -                      | -                                 | \$932,035              | -           | \$932,035    | 6.2%                 |
| Fidelity New Markets Income    | -                         | -                      | -                                 | \$897,714              | -           | \$897,714    | 6.0%                 |
| Baird Ultra Short Fund         | -                         | -                      | -                                 | \$759,728              | -           | \$759,728    | 5.1%                 |
| Cash                           |                           | -                      | -                                 | -                      | \$573,482   | \$573,482    | 3.8%                 |
| Total                          | \$2,884,831               | \$1,873,711            | \$2,297,418                       | \$7,382,580            | \$573,482   | \$15,012,023 | 100%                 |
| % of Total                     | 19.2%                     | 12.5%                  | 15.3%                             | 49.2%                  | 3.8%        | 100%         | -                    |
| Policy Target                  | 20%                       | 10%                    | 15%                               | 50%                    | 5%          |              |                      |







\*Cash values include mutual fund dividends paid at quarter-end that were accounted for by Bankers Trust in the beginning of the next quarter.



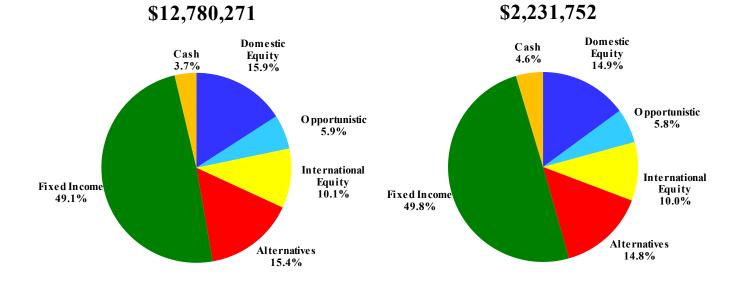
**Special Needs** 

Pooled Trusts Asset Mix June 30, 2018

**Third Party** 

|                                | _             |                      |               | -                  |             |             |              |              |
|--------------------------------|---------------|----------------------|---------------|--------------------|-------------|-------------|--------------|--------------|
|                                | Domestic      |                      | Int'l         | Alternative        | Fixed       |             |              | % of         |
|                                | <u>Equity</u> | <u>Opportunistic</u> | <u>Equity</u> | <b>Investments</b> | Income      | <u>Cash</u> | <u>Total</u> | <u>Total</u> |
| Vanguard S&P 500               | \$1,303,880   | -                    | -             | -                  | -           | -           | \$1,303,880  | 8.7%         |
| Vanguard Dividend Appreciation | \$1,059,041   | -                    | -             | -                  | -           | -           | \$1,059,041  | 7.1%         |
| Diamond Hill                   | -             | \$521,911            | -             | -                  | -           | -           | \$521,911    | 3.5%         |
| Vanguard Emerging Markets      | -             | \$357,594            | -             | -                  | -           | -           | \$357,594    | 2.4%         |
| Schwab International           | -             |                      | \$755,167     | -                  | -           | -           | \$755,167    | 5.0%         |
| Europacific Growth             | -             |                      | \$760,949     | -                  | -           | -           | \$760,949    | 5.1%         |
| FPA Crescent                   | -             | -                    | -             | \$1,155,821        | -           | -           | \$1,155,821  | 7.7%         |
| WHG Income Opportunity         | -             | -                    | -             | \$1,141,597        | -           | -           | \$1,141,597  | 7.6%         |
| Vanguard Total Bond Index      | -             | -                    | -             | -                  | \$2,395,236 | -           | \$2,395,236  | 16.0%        |
| Baird Aggregate Bond           | -             | -                    | -             | -                  | \$2,397,868 | -           | \$2,397,868  | 16.0%        |
| Vanguard High Yield Bond       | -             | -                    | -             | -                  | \$932,035   | -           | \$932,035    | 6.2%         |
| Fidelity New Markets Income    | -             | -                    | -             | -                  | \$897,714   | -           | \$897,714    | 6.0%         |
| Baird Ultra Short Fund         | -             | -                    | -             | -                  | \$759,728   | -           | \$759,728    | 5.1%         |
| Cash                           | -             | _                    | -             |                    |             | \$573,482   | \$573,482    | 3.8%         |
| Total                          | \$2,362,921   | \$879,505            | \$1,516,117   | \$2,297,418        | \$7,382,580 | \$573,482   | \$15,012,023 | 100%         |
| % of Total                     | 15.7%         | 5.9%                 | 10.1%         | 15.3%              | 49.2%       | 3.8%        | 100%         | =            |
|                                |               |                      |               |                    |             |             |              |              |
| Policy Target                  | 15%           | 5%                   | 10%           | 15%                | 50%         | 5%          |              |              |

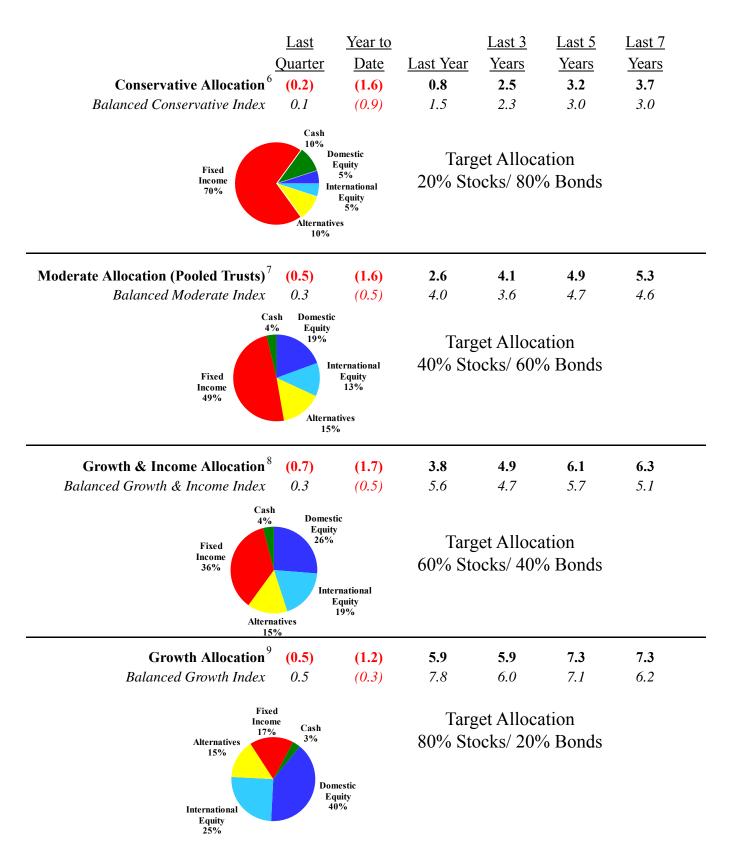
# **Investment Policy Allocations**



\*Cash values include mutual fund dividends paid at quarter-end that were accounted for by Bankers Trust in the beginning of the next quarter.



Individual Trusts Performance<sup>10</sup> June 30, 2018



# Life's Plan, Inc.

# Composite Portfolio

# Summary of Asset Flows March 31, 2018 – June 30, 2018

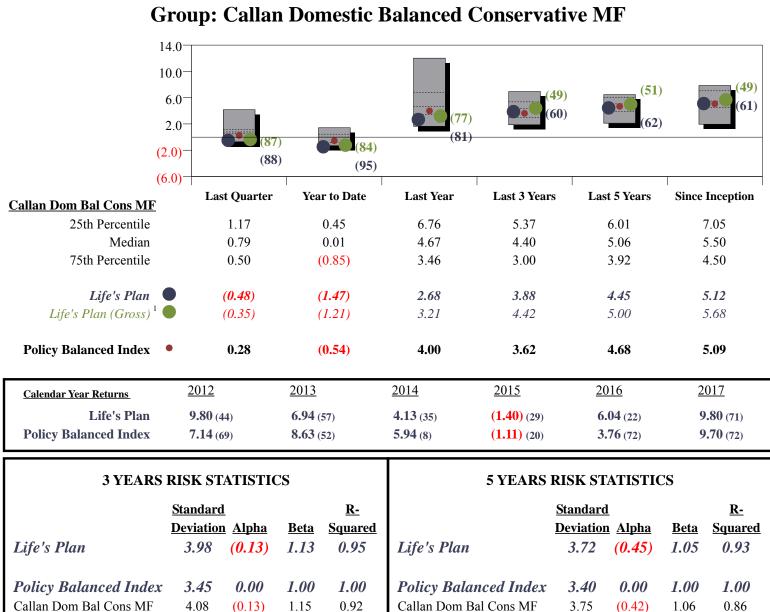
|                         | <br>Cash        | Fiz | ed Income | A  | lternatives | <br>Equity      | <br>Total        |
|-------------------------|-----------------|-----|-----------|----|-------------|-----------------|------------------|
| Beginning Market Value  | \$<br>1,411,226 | \$  | 6,756,227 | \$ | 2,313,083   | \$<br>4,883,351 | \$<br>15,363,888 |
| Contributions           | \$<br>575,039   | \$  | -         | \$ | -           | \$<br>-         | \$<br>575,039    |
| Withdrawals             | \$<br>659,940   | \$  | 49,494    | \$ | 27,616      | \$<br>122,908   | \$<br>859,958    |
| Realized Gains/Losses   | \$<br>-         | \$  | (242)     | \$ | 384         | \$<br>1,547     | \$<br>1,689      |
| Unrealized Gains/Losses | \$<br>757       | \$  | (90,400)  | \$ | 6,651       | \$<br>(78,938)  | \$<br>(161,930)  |
| Interest Income         | \$<br>6,127     | \$  | -         | \$ | -           | \$<br>-         | \$<br>6,127      |
| Dividends Income        | \$<br>-         | \$  | 32,994    | \$ | 4,916       | \$<br>49,258    | \$<br>87,168     |
| Ending Market Value     | \$<br>1,333,209 | \$  | 6,649,085 | \$ | 2,297,418   | \$<br>4,732,310 | \$<br>15,012,023 |
| Gains/Losses            | \$<br>6,884     | \$  | (57,648)  | \$ | 11,951      | \$<br>(28,133)  | \$<br>(66,946)   |
| % Gain                  | 0.49%           |     | -0.85%    |    | 0.52%       | -0.58%          | -0.44%           |

# Life's Plan, Inc.

Investment Manager Scorecard

| <u>Managers</u>           | % of<br><u>Portfolio</u> | Above<br>Median<br>Peer Group<br><u>3 Years</u> | Above<br>Median<br>Peer Group<br><u>5 Years</u> | Positive<br>Alpha<br>Benchmark<br><u>3 Years</u> | Positive<br>Alpha Peer<br>Group<br><u>3 Years</u> | Positive<br>Alpha<br>Benchmark<br><u>5 Years</u> | Positive<br>Alpha Peer<br>Group<br><u>5 Years</u> | Watch<br>List<br><u>Status</u> | # of Qtrs<br>on<br>Watch<br><u>List</u> | Expense<br>Ratio %<br><<br>Median<br><u>Peer</u> | Management<br>Changes/<br>Comments                                  |
|---------------------------|--------------------------|---|---|--|---|--|---|--------------------------------|---|--|---|
| Vanguard S&P 500 Index    | 8.7%                     | YES   | YES   | NO   | YES   | NO   | YES   | NO                             | N/A                                     | YES  | Index Fund  |
|                           |                          | 35*   | *<br>44   |  |   |  |   |                                |   |  |   |
| Vanguard Div. Apprec.     | 7.1%                     | YES   | NO  | YES  | YES   | NO   | NO  | NO                             | N/A                                     | YES  |   |
|                           |                          | 42  | 67  |  |   |  |   |                                |   |  |   |
| Diamond Hill Sm. Cap      | 3.5%                     | NO  | NO  | YES  | YES   | YES  | YES   | NO                             | N/A                                     | YES  | Fund is closed to new investors                                     |
|                           |                          | 91  | 82  |  |   |  |   |                                |   |  |   |
| Europacific Growth        | 5.1%                     | YES   | YES   | YES  | YES   | YES  | YES   | NO                             | N/A                                     | YES  |   |
|                           |                          | 18  | 14  |  |   |  |   |                                |   |  |   |
| Schwab Core International | 5.0%                     | YES   | YES   | YES  | YES   | YES  | YES   | NO                             | N/A                                     | YES  |   |
|                           |                          | 37  | 18  |  |   |  |   |                                |   |  |   |
| Vanguard Emerging Mkts    | 2.4%                     | NO  | NO  | NO   | NO  | NO   | NO  | YES                            | N/A                                     | YES  | Index Fund  |
|                           |                          | 78  | 61  |  |   |  |   |                                |   |  |   |
| FPA Crescent Fund         | 7.7%                     | YES   | NO  | YES  | NO  | YES  | NO  | NO                             | N/A                                     | NO   |   |
|                           |                          | 48  | 54  |  |   |  |   |                                |   |  |   |
| WHG Income Opportunity    | 7.6%                     | NO  | NO  | YES  | NO  | YES  | NO  | YES                            | N/A                                     | YES  | Lead Portfolio Manager<br>Mark Freeman announced his<br>resignation |
|                           |                          | 79  | 88  |  |   |  |   |                                |   |  |   |
| Vanguard Total Bond       | 16.0%                    | YES   | YES   | NO   | YES   | NO   | YES   | NO                             | N/A                                     | YES  | Index Fund  |
|                           |                          | 27  | 23  |  |   |  |   |                                |   |  |   |
| Baird Aggregate Bond      | 16.0%                    | YES   | YES   | YES  | YES   | YES  | YES   | NO                             | N/A                                     | YES  |   |
|                           |                          | 13  | 9   |  |   |  |   |                                |   |  |   |
| Vanguard High Yield Bond  | 6.2%                     | YES   | YES   | NO   | YES   | YES  | YES   | NO                             | N/A                                     | YES  |   |
|                           |                          | 25  | 18  |  |   |  |   |                                |   |  |   |
| Fidelity New Markets Inc. | 6.0%                     | YES   | YES   | YES  | YES   | YES  | YES   | NO                             | N/A                                     | YES  |   |
|                           |                          | 18  | 10  |  |   |  |   |                                |   |  |   |

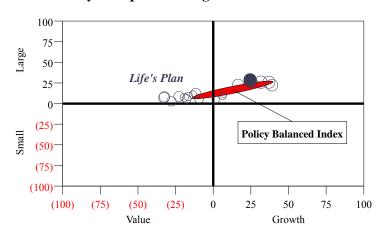
\*Peer Ranking



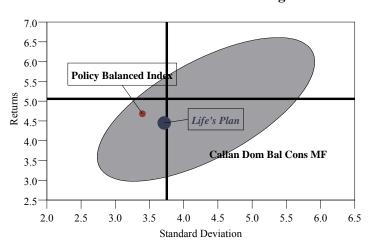
# for Periods Ended June 30, 2018

Life's Plan Pooled Trusts

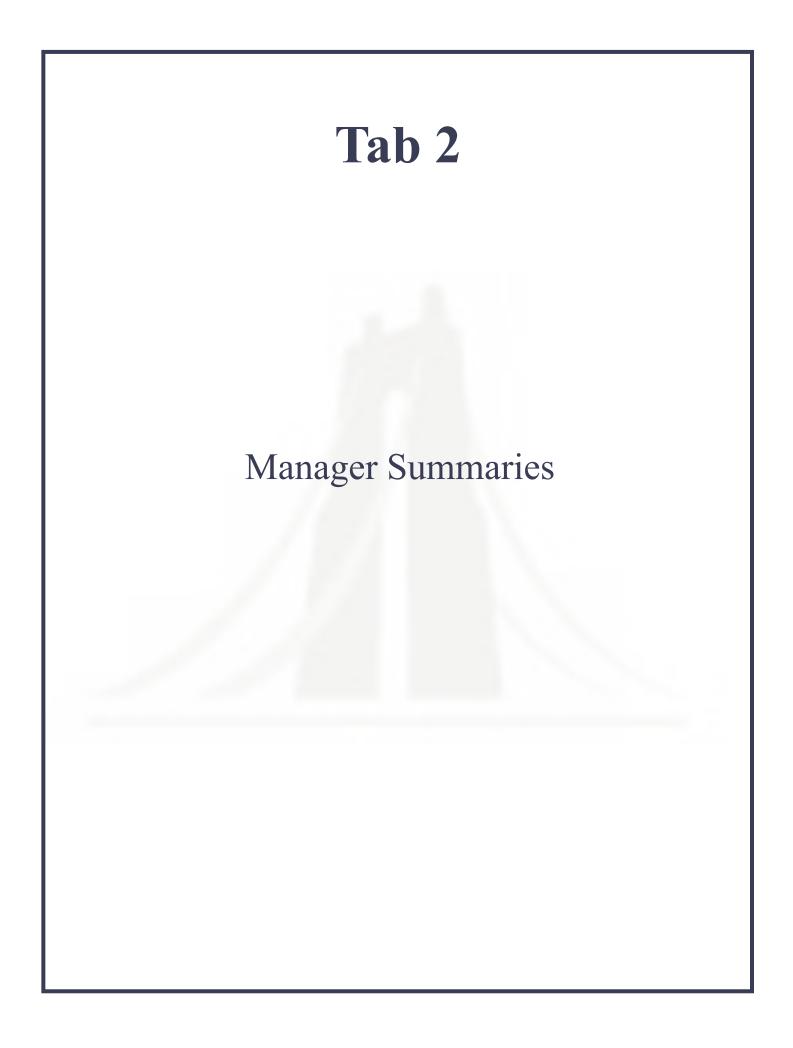
Style Map for Rolling 5 Years Ended 6/30/18



# Risk vs. Return for 5 Years Ending 6/30/18



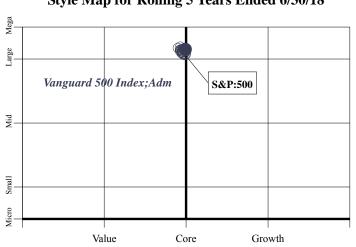
Life's Plan (Gross) return is before administrative fee (Bankers Trust) and investment advisor fee (Fourth Street).



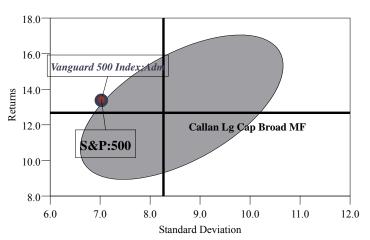
### for Periods Ended June 30, 2018 Group: Callan Large Cap Broad Equity Mut Funds **Total Expense Ratio** 35.0 30.0 0.04% Fund 25.0 Avg. Peer 0.95% $20.0^{-1}$ 15.0 53) $10.0^{-1}$ $5.0^{-1}$ **48**) 55) 0.0 $(5.0)^{-}$ Last Quarter Year to Date Last Year Last 3 Years Last 5 Years Last 7 Years Last 10 Years Callan Lg Cap Broad MF 25th Percentile 5.62 8.93 21.88 10.35 13.22 15.48 13.43 3.32 14.87 12.30 9.10 Median 3.25 10.70 12.68 75th Percentile 1.96 (0.27)10.86 8.53 10.40 10.83 8.21 Vanguard 500 Index;Adm 3.42 14.34 11.89 13.38 10.16 2.63 13.20 S&P:500 3.43 2.65 14.37 11.93 13.42 13.23 10.17 2010 2009 2011 2012 2013 2014 2015 2016 2017 **Calendar Year Returns** Vanguard 500 Index;Adm 26.62 (49) 15.05 (31) 2.08 (18) 15.96 (43) 32.33 (63) 13.64 (15) 1.36 (49) 11.93 (27) 21.79 (55) S&P:500 32.39 (63) 13.69 (15) 26.47 (50) 15.06 (31) 2.11 (18) 16.00 (42) 1.38 (49) 11.96 (27) 21.83 (55) **5 VEARS RISK STATISTICS 3 VEARS RISK STATISTICS**

Vanguard 500 Index;Adm

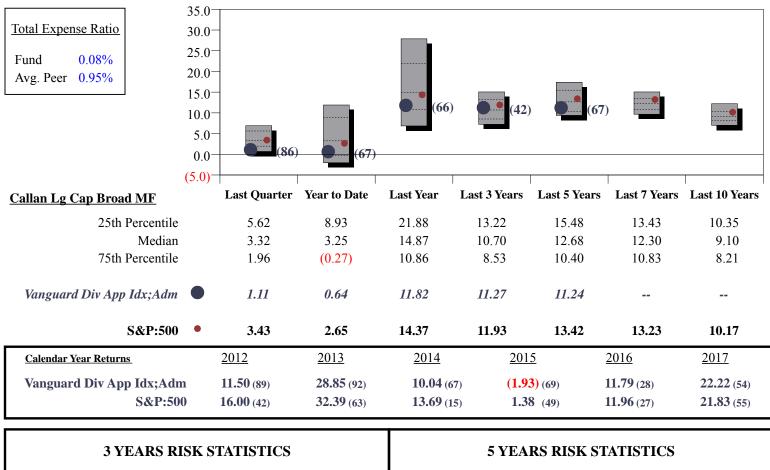
| 5 YEARS RIS            | or SIAI  | 1151105        | )           |                | 5 YEARS RISK STATISTICS |           |                |             |                |  |  |  |
|------------------------|----------|----------------|-------------|----------------|-------------------------|-----------|----------------|-------------|----------------|--|--|--|
|                        | Standard | <u>d</u>       |             | <u>R-</u>      |                         |           | <u>R-</u>      |             |                |  |  |  |
|                        | Deviatio | <u>n Alpha</u> | <u>Beta</u> | <u>Squared</u> |                         | Deviation | <u>1 Alpha</u> | <u>Beta</u> | <u>Squared</u> |  |  |  |
| Vanguard 500 Index;Adm | 7.36     | (0.04)         | 1.00        | 1.00           | Vanguard 500 Index;Adm  | 7.02      | (0.03)         | 1.00        | 1.00           |  |  |  |
| S&P:500                | 7.36     | 0.00           | 1.00        | 1.00           | S&P:500                 | 7.03      | 0.00           | 1.00        | 1.00           |  |  |  |
| Callan Lg Cap Broad MF | 8.95     | (1.37)         | 1.04        | 0.76           | Callan Lg Cap Broad MF  | 8.27      | (0.98)         | 1.03        | 0.77           |  |  |  |



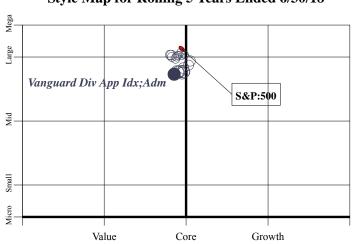
# Style Map for Rolling 5 Years Ended 6/30/18



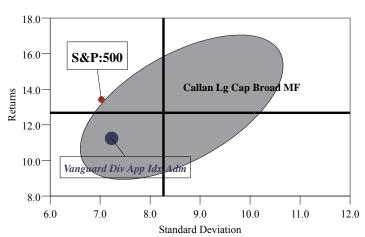
# Vanguard Div App Idx;Adm for Periods Ended June 30, 2018 Group: Callan Large Cap Broad Equity Mut Funds



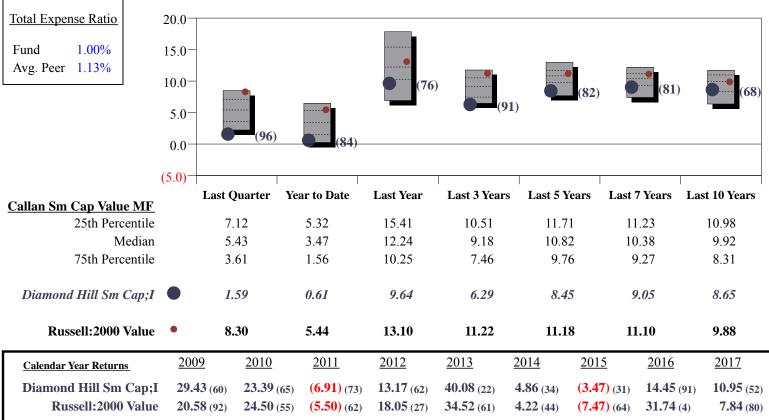
|                          | <u>Standarc</u> | <u>1</u>       |             | <u>R-</u>      |                          | <u>Standar</u>  | <u>d</u>       |             | <u>R-</u> |
|--------------------------|-----------------|----------------|-------------|----------------|--------------------------|-----------------|----------------|-------------|-----------|
|                          | Deviation       | <u>n Alpha</u> | <u>Beta</u> | <u>Squared</u> |                          | <u>Deviatio</u> | <u>n Alpha</u> | <u>Beta</u> | Squared   |
| Vanguard Div App Idx;Adm | 7.21            | 0.85           | 0.87        | 0.78           | Vanguard Div App Idx;Adm | 7.23            | (1.07)         | 0.93        | 0.81      |
| S&P:500                  | 7.36            | 0.00           | 1.00        | 1.00           | S&P:500                  | 7.03            | 0.00           | 1.00        | 1.00      |
| Callan Lg Cap Broad MF   | 8.95            | (1.37)         | 1.04        | 0.76           | Callan Lg Cap Broad MF   | 8.27            | (0.98)         | 1.03        | 0.77      |



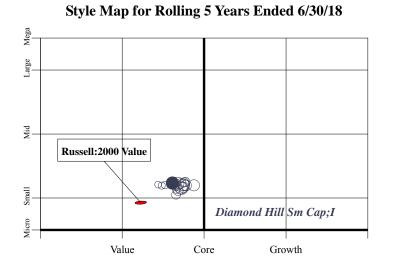
# Style Map for Rolling 5 Years Ended 6/30/18

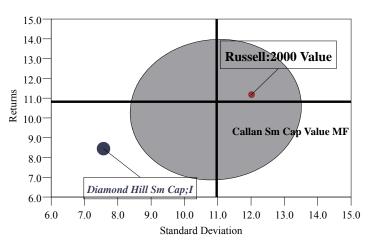


# Diamond Hill Sm Cap;I for Periods Ended June 30, 2018 Group: Callan Small Cap Value Mutual Funds

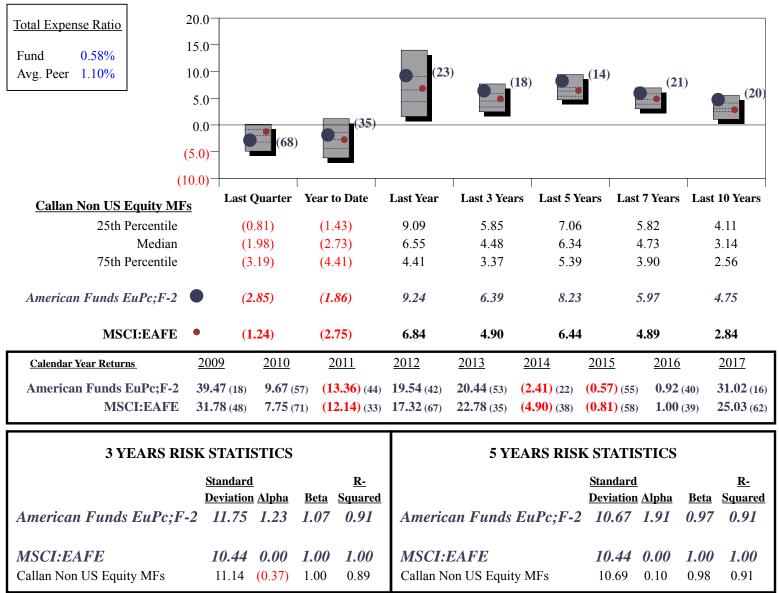


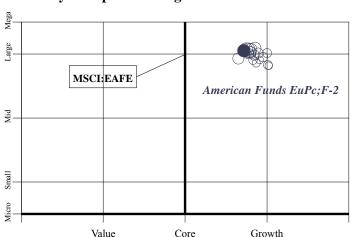
| 3 YEARS R                                  | RISK STA     | TISTIC      | S           |             | 5 YEARS RISK STATISTICS                |              |             |             |             |  |  |  |
|--|--------------|-------------|-------------|-------------|--|--------------|-------------|-------------|-------------|--|--|--|
| <u>Standard</u> <u>R-</u>                  |              |             |             |             | <u>Standard</u>                        |              |             |             |             |  |  |  |
| <u>Deviation Alpha</u> <u>Beta</u> Squared |              |             |             |             | <u>Deviation Alpha</u> <u>Beta</u> Squ |              |             |             |             |  |  |  |
| Diamond Hill Sm Cap;I                      | 6.62         | 0.67        | 0.46        | 0.77        | Diamond Hill Sm Cap;I                  | 7.57         | 2.20        | 0.53        | 0.71        |  |  |  |
| <b>Russell:2000 Value</b>                  | <b>12.50</b> | <b>0.00</b> | <b>1.00</b> | <b>1.00</b> | <b>Russell:2000 Value</b>              | <b>12.01</b> | <b>0.00</b> | <b>1.00</b> | <b>1.00</b> |  |  |  |
| Callan Sm Cap Value MF                     | 11.24        | 0.18        | 0.81        | 0.87        | Callan Sm Cap Value MF                 | 10.97        | 1.10        | 0.85        | 0.85        |  |  |  |



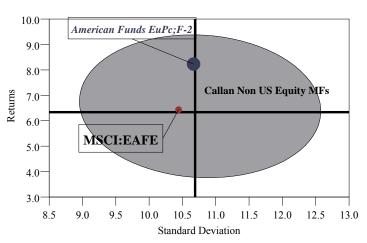


# American Funds EuPc;F-2 for Periods Ended June 30, 2018 Group: Callan Non US Equity Mutual Funds

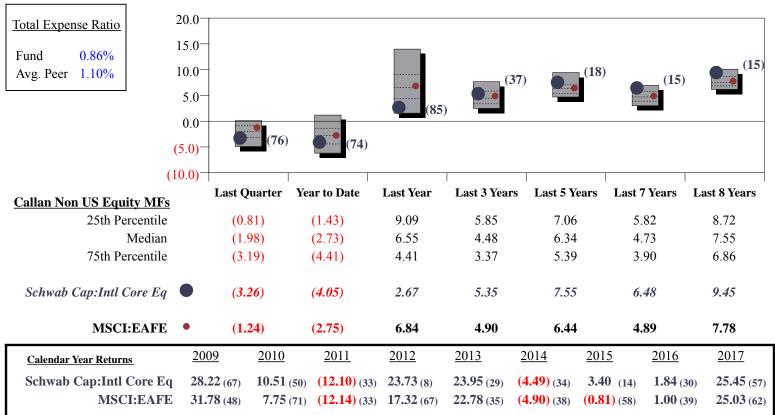




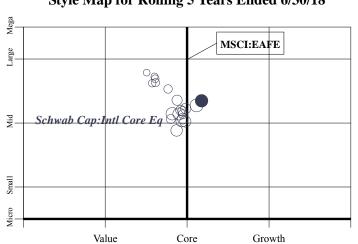
### Style Map for Rolling 5 Years Ended 6/30/18 Risk vs. Return for 5 Years Ending 6/30/18



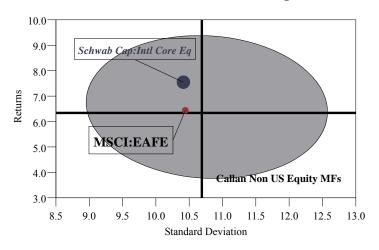
# Schwab Cap:Intl Core Eq for Periods Ended June 30, 2018 **Group: Callan Non US Equity Mutual Funds**



| SK STAT      | ISTICS                        |   | 5 YEARS RIS   | SK STAT  | ISTICS   | 5   |  |  |
|--------------|-------------------------------|---|---|--|--|---|--|--|
|              | •                             | <u>Beta</u>   | <u>R-</u><br>Squared  |  | <u>Standard</u><br><u>Deviation</u>  | <u>Alpha</u>  | <u>Beta</u>  | <u>R-</u><br>Squared   |
| 9.83         | 0.81                          | 0.91  | 0.92  | Schwab Cap:Intl Core Eq  | 10.41  | 1.27  | 0.97   | 0.93   |
| <b>10.44</b> | 0.00                          | <b>1.00</b>   | <b>1.00</b><br>0.89   | <i>MSCI:EAFE</i><br>Callan Non US Equity MEs                                   | <b>10.44</b><br>10.69  | <b>0.00</b><br>0.10   | <b>1.00</b><br>0.98  | <b>1.00</b><br>0.91  |
|              | Standard<br>Deviation<br>9.83 | Standard         Alpha           Deviation         Alpha           9.83         0.81           10.44         0.00 | Deviation         Alpha         Beta           9.83         0.81         0.91           10.44         0.00         1.00 | Standard<br>DeviationAlpha<br>0.81Beta<br>0.91Squared<br>0.9210.440.001.001.00 | Standard<br>DeviationR-<br>AlphaR-<br>Squared9.830.810.910.9210.440.001.001.00 | Standard<br>DeviationR-<br>AlphaR-<br>Squared<br>0.91Standard<br>Deviation<br>0.9210.440.001.001.00MSCI:EAFE10.44 | Standard<br>DeviationAlpha<br>AlphaBeta<br>Squared<br>0.91Squared<br>0.92Standard<br>DeviationStandard<br>Deviation10.440.001.001.00MSCI:EAFE10.440.00 | Standard<br>DeviationAlpha<br>AlphaBeta<br>Squared<br>0.91Squared<br>0.92Standard<br>DeviationStandard<br>AlphaBeta<br>Beta<br>0.9210.440.001.001.00MSCI:EAFE10.440.001.00 |



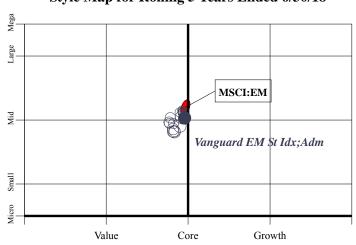
# Style Map for Rolling 5 Years Ended 6/30/18



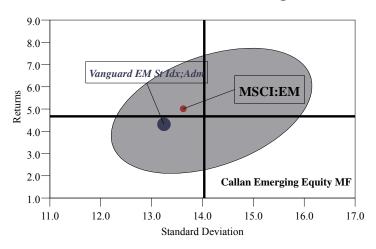
# Vanguard EM St Idx;Adm for Periods Ended June 30, 2018 Group: Callan Emerging Markets Equity Mut Funds

| Total Expense RatioFund0.14%Avg. Peer1.37% | 1                 | 5.0<br>0.0<br>5.0<br>0.0<br>5.0) | (44)              | (39)                    | (55)         | )                   | <u>8)</u> (61         | l)<br>(68)             | (54)                   |
|--|-------------------|----------------------------------|-------------------|-------------------------|--------------|---------------------|-----------------------|------------------------|------------------------|
|  |                   | ).0)-<br>5.0)                    | st Quarter        | Year to Date            | Last Year    | Last 3 Years        | Last 5 Years          | Last 7 Years           | Last 10 Years          |
| <u>Callan Emerging Eq</u>                  | <u>uity MF</u>    | La                               | n Quarter         | Ital to Date            | Last Ital    | Last 5 Itals        | Last 5 rears          | Last / Itals           | Last 10 Itals          |
| 25th Pe                                    | rcentile          |                                  | (7.72)            | (6.46)                  | 9.75         | 7.51                | 6.65                  | 3.05                   | 2.71                   |
|  | Median            |                                  | (9.30)            | (7.46)                  | 7.35         | 6.19                | 4.67                  | 1.31                   | 1.92                   |
| 75th Pe                                    | ercentile         | (                                | (10.53)           | (8.60)                  | 2.68         | 4.19                | 3.60                  | 0.71                   | 0.92                   |
| Vanguard EM St Ia                          | dx;Adm (<br>CI:EM | •                                | (9.09)            | (7.22)                  | 6.29<br>8 20 | 3.55<br><b>5.60</b> | 4.32<br>5.01          | 0.78<br>1.43           | 1.78<br>2.26           |
| 1010                                       |                   |                                  | (7.96)            | (6.66)                  | 8.20         | 5.00                | 5.01                  | 1.43                   | 2.20                   |
| <u>Calendar Year Return</u>                | s                 | <u>2009</u>                      | <u>2010</u>       | <u>2011</u>             | <u>2012</u>  | <u>2013</u>         | <u>2014</u> <u>20</u> | <u>2016</u>            | <u>2017</u>            |
| Vanguard EM St I                           | [dx;Adm           | <b>76.18</b> (3                  | (37) <b>18.99</b> | 40) <b>(18.67)</b> (37) | 18.86 (38)   | (5.02) (67)         | <b>0.60</b> (15) (15  | .35) (60) 11.73        | (49) 31.38 (78)        |
| $\mathbf{M}_{i}$                           | SCI:EM            | 78.51 (2                         | 26) 18.88 (       | 41) <b>(18.42)</b> (32) | 18.23 (48)   | (2.60) (54)         | (2.19) (31) (14       | <b>.92)</b> (59) 11.19 | (55) <b>37.28</b> (51) |

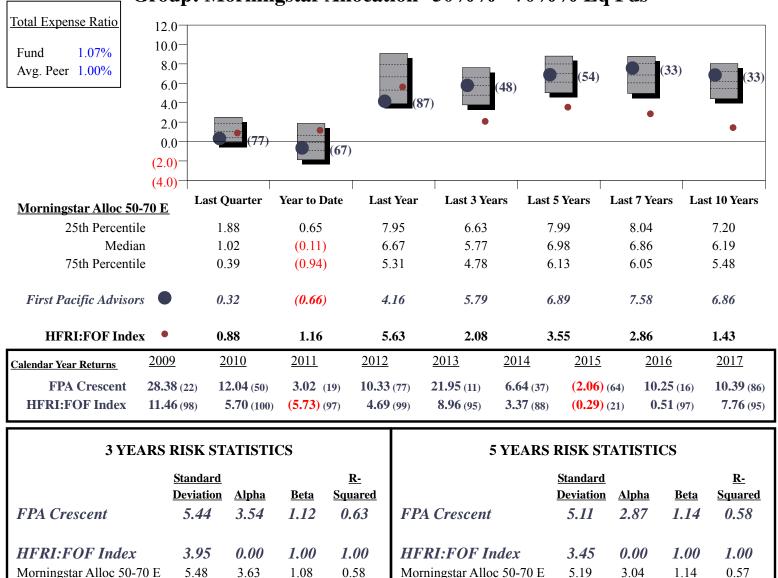
| 3 YEARS RIS                       | SK STAT        | TISTICS        | 5    |                      | 5 YEARS RIS                             | SK STATISTICS                                    | 5            |                      |
|-----------------------------------|----------------|----------------|------|----------------------|---|--|--------------|----------------------|
| Verseen J FM 64 J A Jac           | Standard       | n <u>Alpha</u> | Beta | <u>R-</u><br>Squared | Variation of The Contract of the second | <u>Standard</u><br><u>Deviation</u> <u>Alpha</u> | <u>Beta</u>  | <u>R-</u><br>Squared |
| Vanguard EM St Idx;Adm<br>MSCI:EM | 16.41<br>16.74 | (1.83)         | 0.97 | 0.98<br>1.00         | Vanguard EM St Idx;Adm<br>MSCI:EM       | 13.24 (0.51)<br>13.62 0.00                       | 0.96<br>1.00 | 0.98<br>1.00         |
| Callan Emerging Equity MF         | 17.07          | 0.52           | 1.00 | 0.95                 | Callan Emerging Equity MF               | 14.04 (0.35)                                     | 1.00         | 0.93                 |



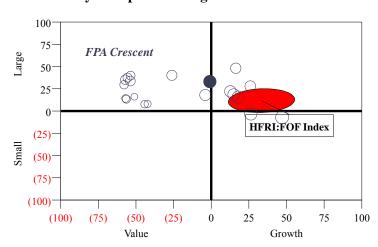
# Style Map for Rolling 5 Years Ended 6/30/18

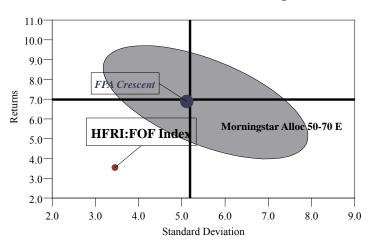


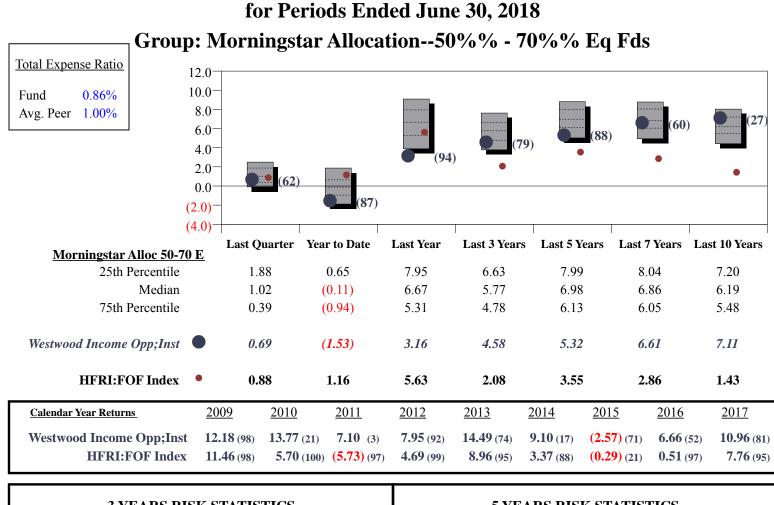
# FPA Crescent for Periods Ended June 30, 2018 \_\_ Group: Morningstar Allocation--50%% - 70%% Eq Fds



Style Map for Rolling 5 Years Ended 6/30/18



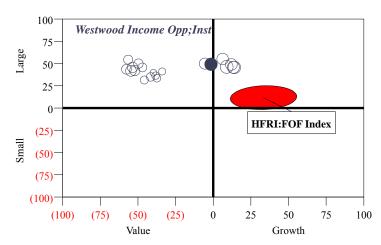


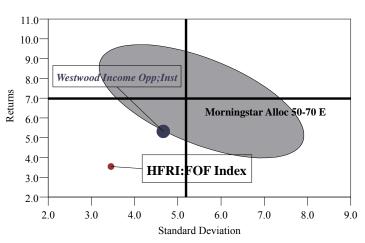


Westwood Income Opp;Inst

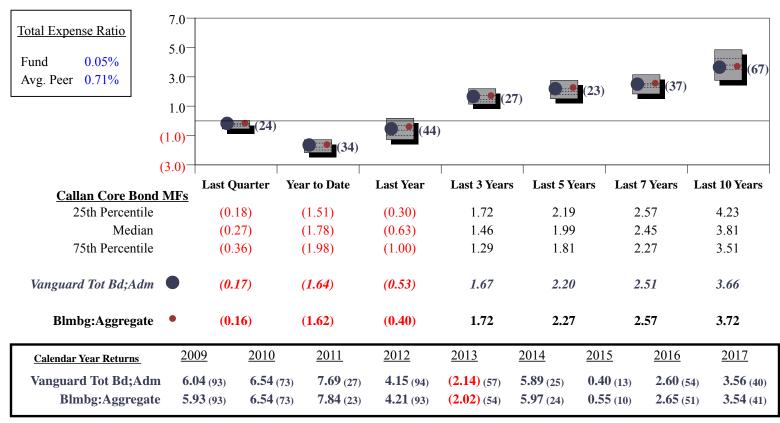
| 3 YEARS RISH              | K STATI  | STICS |      |          | 5 YEARS RISK STATISTICS   |                                    |            |             |                |  |  |  |
|---------------------------|--|-------|------|----------|---------------------------|------------------------------------|------------|-------------|----------------|--|--|--|
|                           | <u>Standard</u> <u>R-</u><br>Deviation <u>Alpha</u> <u>Beta</u> <u>Squared</u> |       |      |          |                           | <u>Standard</u><br>Deviation Alpha |            |             |                |  |  |  |
|                           |  |       |      | <u>.</u> |                           |                                    | - <u>-</u> | <u>Beta</u> | <u>Squared</u> |  |  |  |
| Westwood Income Opp;Inst  | 5.09   | 2.86  | 0.77 | 0.34     | Westwood Income Opp;Inst  | 4.66                               | 2.49       | 0.78        | 0.32           |  |  |  |
|                           |  |       |      |          |                           |                                    |            |             |                |  |  |  |
| HFRI:FOF Index            | 3.95   | 0.00  | 1.00 | 1.00     | HFRI:FOF Index            | 3.45                               | 0.00       | 1.00        | 1.00           |  |  |  |
| Morningstar Alloc 50-70 E | 5.48   | 3.63  | 1.08 | 0.58     | Morningstar Alloc 50-70 E | 5.19                               | 3.04       | 1.14        | 0.57           |  |  |  |

# Style Map for Rolling 5 Years Ended 6/30/18

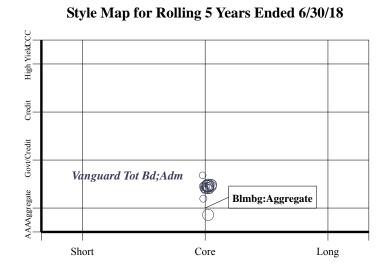


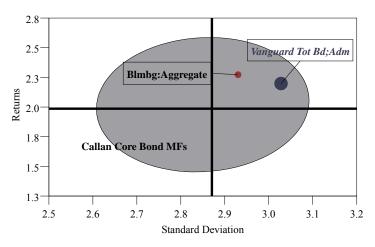


# Vanguard Tot Bd;Adm for Periods Ended June 30, 2018 Group: Callan Core Bond Mutual Funds

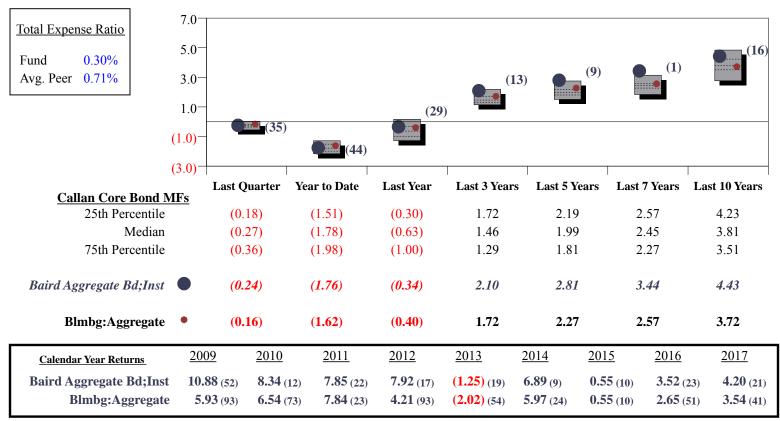


| 3 YEARS  | RISK ST                       | ATISTIC                | CS                  |                                     | 5 YEARS  | RISK ST                       | ATISTIC                | CS                  |                                     |
|--|-------------------------------|------------------------|---------------------|-------------------------------------|--|-------------------------------|------------------------|---------------------|-------------------------------------|
| Vanguard Tot Bd;Adm                            | Standard<br>Deviation<br>3.35 | <u>Alpha</u><br>(0.09) | <u>Beta</u><br>1.04 | <u>R-</u><br><u>Squared</u><br>1.00 | Vanguard Tot Bd;Adm                            | Standard<br>Deviation<br>3.03 | <u>Alpha</u><br>(0.13) | <u>Beta</u><br>1.03 | <u>R-</u><br><u>Squared</u><br>1.00 |
| <i>Blmbg:Aggregate</i><br>Callan Core Bond MFs | <b>3.22</b><br>3.17           | <b>0.00</b><br>(0.24)  | <b>1.00</b><br>0.97 | <b>1.00</b><br>0.98                 | <i>Blmbg:Aggregate</i><br>Callan Core Bond MFs | <b>2.93</b><br>2.87           | <b>0.00</b><br>(0.25)  | <b>1.00</b><br>0.95 | <b>1.00</b><br>0.98                 |

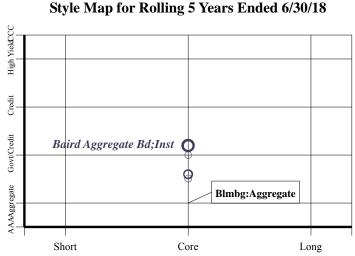


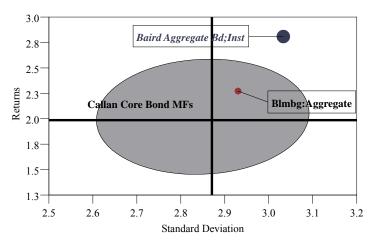


# Baird Aggregate Bd;Inst for Periods Ended June 30, 2018 Group: Callan Core Bond Mutual Funds

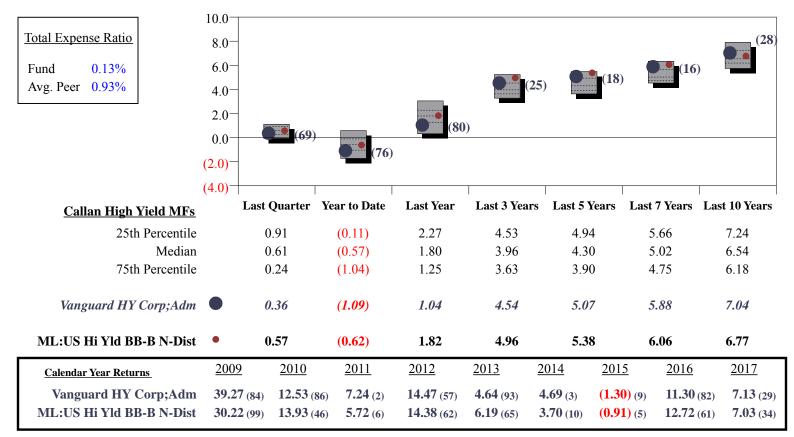


| 3 YEARS R                                      | ISK STA                       |                    | 5 YEARS R           | ISK STA                             | FISTIC   | <u>R-</u><br>l <u>pha Beta Squared</u> |                       |                     |                     |  |
|--|-------------------------------|--------------------|---------------------|-------------------------------------|--|--|-----------------------|---------------------|---------------------|--|
| Baird Aggregate Bd;Inst                        | Standard<br>Deviation<br>3.27 |                    | <u>Beta</u><br>1.01 | <u>R-</u><br><u>Squared</u><br>0.99 | Baird Aggregate Bd;Inst                        | Standard<br>Deviation<br>3.03          | <u>Alpha</u><br>0.47  |                     | <u>Squared</u>      |  |
| <i>Blmbg:Aggregate</i><br>Callan Core Bond MFs | <b>3.22</b><br>3.17           | <b>0.00</b> (0.24) | <b>1.00</b><br>0.97 | <b>1.00</b><br>0.98                 | <b>Blmbg:Aggregate</b><br>Callan Core Bond MFs | <b>2.93</b><br>2.87                    | <b>0.00</b><br>(0.25) | <b>1.00</b><br>0.95 | <b>1.00</b><br>0.98 |  |

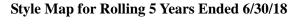


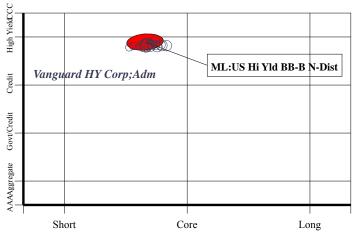


# Vanguard HY Corp;Adm for Periods Ended June 30, 2018 **Group: Callan High Yield Mutual Funds**



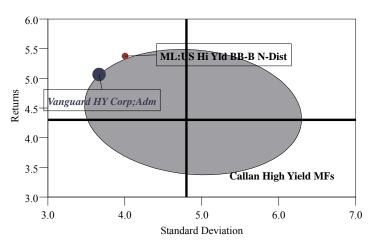
| 3 YEARS RISK   | STATI               | STICS              |                     |                      | 5 YEARS RISK                                      | STATIS                | 1 |
|--|---------------------|--------------------|---------------------|----------------------|---|-----------------------|---|
|  |                     | n <u>Alpha</u>     |                     | <u>R-</u><br>Squared |   | Standard<br>Deviation | A |
| Vanguard HY Corp;Adm                                     |                     | (0.12)             | 0.93                |                      | Vanguard HY Corp;Adm                              | 3.67                  | ( |
| <i>ML:US Hi Yld BB-B N-Dist</i><br>Callan High Yield MFs | <b>4.39</b><br>5.39 | <b>0.00</b> (1.40) | <b>1.00</b><br>1.17 | <b>1.00</b><br>0.93  | ML:US Hi Yld BB-B N-Dist<br>Callan High Yield MFs | <b>4.00</b><br>4.80   | ( |





# TICS

|  | <u>Standar</u><br>Deviation |                    | <u>Beta</u> | <u>R-</u><br>Squared |
|--|-----------------------------|--------------------|-------------|----------------------|
| Vanguard HY Corp;Adm                                     | 3.67                        | 0.19               | 0.90        | 0.95                 |
| <b>ML:US Hi Yld BB-B N-Dist</b><br>Callan High Yield MFs | <b>4.00</b><br>4.80         | <b>0.00</b> (1.45) |             |                      |

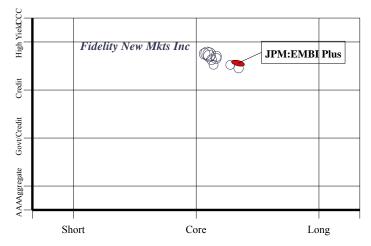


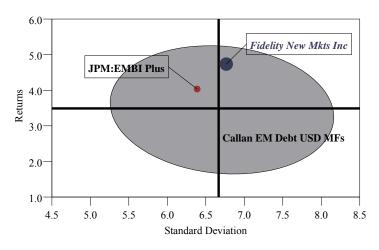
# Fidelity New Mkts Inc for Periods Ended June 30, 2018 Group: Callan Emerging Markets Debt USD MFs

| Total Expense RatioFund0.82%Avg. Peer1.02% | 10.0<br>5.0<br>0.0 |   |                      |                          | (18                        |                      | 0) (13)                        | (19)          |
|--|--------------------|---|----------------------|--------------------------|----------------------------|----------------------|--------------------------------|---------------|
|  | (5.0)-<br>(10.0)-  | (55)<br>Last Quarter                            | (52)<br>Year to Date | Last Year                | Last 3 Years               | Last 5 Years         | Last 7 Years                   | Last 10 Years |
| <u>Callan EM Debt USE</u>                  |                    | Lust Quinter                                    | Teur to Dute         | Lust Itur                | Lust o Tours               |                      |                                |               |
| 25th Percenti                              | ile                | (3.84)  | (4.80)               | (1.26)                   | 4.82                       | 4.23                 | 4.49                           | 6.58          |
| Media                                      | an                 | (4.84)  | (6.06)               | (2.30)                   | 4.16                       | 3.49                 | 3.90                           | 5.92          |
| 75th Percenti                              | ile                | (6.03)  | (6.51)               | (3.39)                   | 3.57                       | 2.80                 | 3.34                           | 4.81          |
| Fidelity New Mkts In                       | nc 🔴               | (4.97)  | (6.10)               | (3.02)                   | 5.16                       | 4.74                 | 5.34                           | 7.02          |
| JPM:EMBI Pl                                | us 🔸               | (4.14)  | (6.09)               | (4.31)                   | 3.97                       | 4.04                 | 4.44                           | 6.19          |
| <u>Calendar Year Returns</u>               | 200                | <u>99</u> <u>2010</u>                           | <u>2011</u>          | <u>2012</u>              | <u>2013</u>                | <u>2014</u> <u>2</u> | <u>015</u> <u>2016</u>         | 2017          |
| Fidelity New Mkts I<br>JPM:EMBI P          |                    | 56 (24)       10.94         95 (90)       11.83 |                      | 20.02 (25)<br>18.04 (61) | (6.41) (50)<br>(8.32) (82) |                      | .24 (18) 14.70<br>.82 (8) 9.62 |               |

| 3 YEARS  | RISK STA                      | ATISTI               | CS                  |                                     | 5 YEARS  | RISK ST                       | ATISTI               | CS                  |                                     |
|--|-------------------------------|----------------------|---------------------|-------------------------------------|--|-------------------------------|----------------------|---------------------|-------------------------------------|
| Fidelity New Mkts Inc                          | Standard<br>Deviation<br>7.38 | <u>Alpha</u><br>1.39 | <u>Beta</u><br>0.93 | <u>R-</u><br><u>Squared</u><br>0.86 | Fidelity New Mkts Inc                          | Standard<br>Deviation<br>6.77 | <u>Alpha</u><br>0.83 | <u>Beta</u><br>0.97 | <u>R-</u><br><u>Squared</u><br>0.84 |
| <b>JPM:EMBI Plus</b><br>Callan EM Debt USD MFs | <b>7.30</b><br>7.41           | <b>0.00</b><br>0.57  | <b>1.00</b><br>0.92 | <b>1.00</b><br>0.82                 | <i>JPM:EMBI Plus</i><br>Callan EM Debt USD MFs | <b>6.39</b><br>6.67           | <b>0.00</b> (0.20)   | <b>1.00</b><br>0.91 | <b>1.00</b><br>0.79                 |







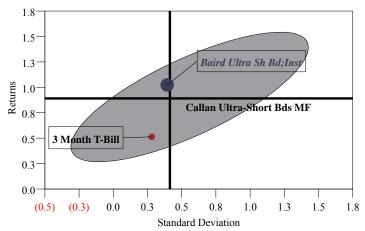
# Baird Ultra Sh Bd;Inst for Periods Ended June 30, 2018 Group: Callan Ultra-Short Bonds Mutual Funds

| Total Expense Ratio         2.0           Fund         0.15%           Avg. Peer         0.44%           1.0 | (20)                     | (29)                                 | • (34)    | • (33)                               | • (31)                 |
|--|--------------------------|--------------------------------------|-----------|--------------------------------------|------------------------|
| 0.0<br><b>Callan Ultra-Short Bds MF</b>  | Last Quarter             | Year to Date                         | Last Year | Last 3 Years                         | Last 4 Years           |
| 25th Percentile  | 0.59                     | 0.88                                 | 1.64      | 1.30                                 | 1.07                   |
| Median   | 0.53                     | 0.77                                 | 1.44      | 1.10                                 | 0.89                   |
| 75th Percentile  | 0.48                     | 0.62                                 | 1.14      | 0.87                                 | 0.69                   |
| Baird Ultra Sh Bd;Inst 🛛 🌑   | 0.60                     | 0.87                                 | 1.54      | 1.19                                 | 1.02                   |
| 3 Month T-Bill   | 0.45                     | 0.81                                 | 1.36      | 0.68                                 | 0.51                   |
| <u>Calendar Year Returns</u>   | Last 2 Qtrs. 2015        | 2016                                 | 2         | 017                                  | <u>2 Qtrs. 2018</u>    |
| Baird Ultra Sh Bd;Inst<br>3 Month T-Bill   | (0.15) (70)<br>0.04 (35) | <b>1.56</b> (21)<br><b>0.33</b> (87) |           | <b>1.30</b> (60)<br><b>0.86</b> (87) | 0.87 (29)<br>0.81 (45) |

| 3 YEARS  | RISK STA                            | TISTIC              | CS                  |                      | 4 YEARS  | RISK STA                     | TISTI               | CS                  |                      |
|--|-------------------------------------|---------------------|---------------------|----------------------|--|------------------------------|---------------------|---------------------|----------------------|
|  | <u>Standard</u><br><u>Deviation</u> | <u>Alpha</u>        | <u>Beta</u>         | <u>R-</u><br>Squared |  | <u>Standard</u><br>Deviation | <u>Alpha</u>        | <u>Beta</u>         | <u>R-</u><br>Squared |
| Baird Ultra Sh Bd;Inst                             | 0.40                                | 0.51                | 0.00                | 0.00                 | Baird Ultra Sh Bd;Inst                             | 0.39                         | 0.51                | 0.00                | 0.00                 |
| <i>3 Month T-Bill</i><br>Callan Ultra-Short Bds MF | <b>0.28</b><br>0.39                 | <b>0.00</b><br>0.42 | <b>0.00</b><br>0.00 | <b>0.00</b><br>0.00  | <i>3 Month T-Bill</i><br>Callan Ultra-Short Bds MF | <b>0.28</b><br>0.41          | <b>0.00</b><br>0.38 | <b>0.00</b><br>0.00 | <b>0.00</b><br>0.00  |

# Cumulative Returns for 4 Years Ending 6/30/18





# Life's Plan **Investment Policy Adherence**

# **Overall Portfolio Performance Objectives** 1) Outperform CPI + 3%

| Overall Portiolio Per               | formance Objectives       |        |                                       |     |  |
|-------------------------------------|---------------------------|--------|---------------------------------------|-----|--|
| 1) Outperform CPI +                 | 3%                        | YES    | (since October 2011: +5.1% vs. +4.6%) |     |  |
| 2) Outperform Policy Balanced Index |                           | YES    | (since October 2011: +5.1% vs. +5.    |     |  |
| Acceptable Asset Alle               | ocation Ranges            |        |                                       |     |  |
| 1) Equities                         | 24-36%                    | 31.7%  | Jun-18                                | YES |  |
| 2) Fixed Income                     | 36-54%                    | 44.2%  | Jun-18                                | YES |  |
| 3) Alternatives                     | 12-18%                    | 15.3%  | Jun-18                                | YES |  |
| 4) Cash                             | 8-12%                     | 8.9%   | Jun-18                                | YES |  |
| Diversification                     |                           |        |                                       |     |  |
| 1) No security $> 5\%$ (            | Yes                       | Jun-18 |                                       |     |  |
| 2) No fund manager                  | > 25% of entire portfolio | YES    | Jun-18                                |     |  |

# **Investment Manager Adherence**

| 1) | Outperform Passive Benchmark   | 3 Years  | 5 Years   |
|----|--|--|---|
|    | Vanguard S&P 500   | N/A  | N/A   |
|    | Vanguard Dividend Appreciation   | No   | No  |
|    | Diamond Hill   | No   | No  |
|    | Europacific Growth   | YES  | YES   |
|    | Schwab International   | YES  | YES   |
|    | Vanguard Emerging Markets Index  | N/A  | N/A   |
|    | FPA Crescent   | YES  | YES   |
|    | WHG Income Opportunity   | YES  | YES   |
|    | Vanguard Total Bond  | N/A  | N/A   |
|    | Baird Aggregate Bond   | YES  | YES   |
|    | Vanguard High Yield Bond   | No   | No  |
|    | Fidelity New Markets Income  | YES  | YES   |
|    | Baird Ultra Short Bond   | YES  | N/A   |
|    |  |  |   |
| 2) | Outperform Median Peer   | <u>3 Years</u>   | 5 Years   |
| 2) | Outperform Median Peer<br>Vanguard S&P 500   | <u>3 Years</u><br>YES                                    | <u>5 Years</u><br>YES                                   |
| 2) | -  |  |   |
| 2) | Vanguard S&P 500   | YES  | YES   |
| 2) | Vanguard S&P 500<br>Vanguard Dividend Appreciation   | YES<br>YES   | YES<br>No   |
| 2) | Vanguard S&P 500<br>Vanguard Dividend Appreciation<br>Diamond Hill   | YES<br>YES<br>No   | YES<br>No<br>No   |
| 2) | Vanguard S&P 500<br>Vanguard Dividend Appreciation<br>Diamond Hill<br>Europacific Growth   | YES<br>YES<br>No<br>YES                                  | YES<br>No<br>No<br>YES                                  |
| 2) | Vanguard S&P 500<br>Vanguard Dividend Appreciation<br>Diamond Hill<br>Europacific Growth<br>Schwab International   | YES<br>YES<br>No<br>YES<br>YES                           | YES<br>No<br>No<br>YES<br>YES                           |
| 2) | Vanguard S&P 500<br>Vanguard Dividend Appreciation<br>Diamond Hill<br>Europacific Growth<br>Schwab International<br>Vanguard Emerging Markets Index  | YES<br>YES<br>No<br>YES<br>YES<br>No                     | YES<br>No<br>No<br>YES<br>YES<br>No                     |
| 2) | Vanguard S&P 500<br>Vanguard Dividend Appreciation<br>Diamond Hill<br>Europacific Growth<br>Schwab International<br>Vanguard Emerging Markets Index<br>FPA Crescent  | YES<br>YES<br>No<br>YES<br>YES<br>No<br>YES              | YES<br>No<br>No<br>YES<br>YES<br>No<br>No               |
| 2) | Vanguard S&P 500<br>Vanguard Dividend Appreciation<br>Diamond Hill<br>Europacific Growth<br>Schwab International<br>Vanguard Emerging Markets Index<br>FPA Crescent<br>WHG Income Opportunity  | YES<br>No<br>YES<br>YES<br>No<br>YES<br>No               | YES<br>No<br>No<br>YES<br>YES<br>No<br>No               |
| 2) | Vanguard S&P 500<br>Vanguard Dividend Appreciation<br>Diamond Hill<br>Europacific Growth<br>Schwab International<br>Vanguard Emerging Markets Index<br>FPA Crescent<br>WHG Income Opportunity<br>Vanguard Total Bond                         | YES<br>No<br>YES<br>YES<br>No<br>YES<br>No<br>YES        | YES<br>No<br>YES<br>YES<br>No<br>No<br>YES              |
| 2) | Vanguard S&P 500<br>Vanguard Dividend Appreciation<br>Diamond Hill<br>Europacific Growth<br>Schwab International<br>Vanguard Emerging Markets Index<br>FPA Crescent<br>WHG Income Opportunity<br>Vanguard Total Bond<br>Baird Aggregate Bond | YES<br>No<br>YES<br>YES<br>No<br>YES<br>No<br>YES<br>YES | YES<br>No<br>No<br>YES<br>YES<br>No<br>No<br>YES<br>YES |

# Footnotes

1 Life's Plan return data is presented net of all investment management fees, advisory fees and custodial fees.

2 Policy Balanced Index is comprised of 30% MSCI All Country World Index, 15% Hedge Fund Research Fund of Funds Composite Index, 45% Bloomberg Barclays Aggregate Bond Index, and 10% 90 Day Treasury Bills from 8/31/15 to the present. From 7/31/12 to 8/31/15 the benchmark consisted of 40% Barclays Gov/Credit Index, 5% Barclays High Yield Bond Index, 10% Citigroup 3 mo. T-Bills, 25% S&P 500 Index, 10% MSCI EAFE Index, 5% Dow Jones UBS Commodity Index, and 5% Dow Jones Wilshire REIT Index. From 10/31/11 through 7/31/12 the Balanced Index was comprised of 50% Barclays Interm. Gov/Credit Index, 20% Citigroup 3 mo. T-Bills, 10% Russell 1000 Value Index, 10% Russell 1000 Growth Index, 5% Russell 2000 Index, and 5% MSCI EAFE Index. Prior to June 30, 2010, the Balanced Index was comprised of 50% S&P 500 Index and 50% ML 1-3 Yr. Treasury Index.

3 The Diversified Balanced Index is comprised of 30% Barclays Aggregate Index, 20% S&P 500, 15% HFRI Fund of Funds Composite, 10% MSCI EAFE, 7.5% JP Morgan Emerging Market Bond +, 7.5% Merrill Lynch High Yield Master II, and 10% 90 day T-Bill from 8/31/2015 to 11/30/2015. From 11/30/2015 to the present, the benchmark consists of 30% Bloomberg Barclays Aggregate Index, 15% S&P 500, 15% HFRI Fund of Funds Composite, 10% MSCI EAFE, 7.5% JP Morgan Emerging Market Bond +, 7.5% Merrill Lynch High Yield Master II, 5% Russell 2000 Index, and 10% 90 day T-Bill.

4 Alternative Assets benchmark is comprised of 50% Bloomberg Commodities Index and 50% Dow Jones Wilshire REIT Index from August 2012 through August 2015. From August 2015 to the present the benchmark is 100% Hedge Fund Research Fund of Funds Composite Index.

5 Non-Core Fixed Income benchmark is comprised of 50% JP Morgan Emerging Markets Bond Index and 50% Merrill Lynch High Yield B-BB Index from November 2011 to the present.

6 Conservative Allocation is comprised of 5% Vanguard 500 Index;Adm, 2.5% Diamond Hill Small Cap;I, 5% FPA Crescent, 5% Westwood Income Opportunity;Inst, 2.5% American Funds EuroPacific Growth;F-2, 30% Baird Aggregate Bond;Inst, 30% Vanguard Total Bond;Adm, 5% Fidelity New Markets Income, 5% Vanguard High Yield Corporate;Adm, and 10% Citi 3 month T-bill from 1/1/2009 to the present, rebalanced annually.

7 Moderate Allocation is comprised of 10.5% Vanguard 500 Index;Adm, 5.5% Vanguard Dividend Appreciation Index;Inv, 5% Diamond Hill Small Cap;I, 7.5% FPA Crescent, 7.5% Westwood Income Opportunity;Inst, 3% American Funds EuroPacific Growth;F-2, 3% Harbor International;Inst, 17.5% Baird Aggregate Bond;Inst, 17.5% Vanguard Total Bond;Adm, 7% Fidelity New Markets Income, 7% Vanguard High Yield Corporate;Adm, and 9% Citi 3 month T-bill from 1/1/2009 to the present, rebalanced annually.

8 Growth and Income Allocation is comprised of 15% Vanguard 500 Index;Adm, 7.5% Vanguard Dividend Appreciation Index;Inv, 7.5% Diamond Hill Small Cap;I, 7.5% FPA Crescent, 7.5% Westwood Income Opportunity;Inst, 7.5% American Funds EuroPacific Growth;F-2, 7.5% Harbor International;Inst, 10% Baird Aggregate Bond;Inst, 10% Vanguard Total Bond;Adm, 8% Fidelity New Markets Income, 8% Vanguard High Yield Corporate;Adm, and 4% Citi 3 month T-bill from 1/1/2009 to the present, rebalanced annually.

9 Growth Allocation is comprised of 20% Vanguard 500 Index;Adm, 12.5% Vanguard Dividend Appreciation Index;Inv, 12.5% Diamond Hill Small Cap;I, 7.5% FPA Crescent, 7.5% Westwood Income Opportunity;Inst, 10% American Funds EuroPacific Growth;F-2, 10% Harbor International;Inst, 5% Baird Aggregate Bond;Inst, 5% Vanguard Total Bond;Adm, 3.5% Fidelity New Markets Income, 3.5% Vanguard High Yield Corporate;Adm, and 3% Citi 3 month T-bill from 1/1/2009 to the present, rebalanced annually.

10 Vanguard Total Bond;Adm replaced PIMCO Total Return;Instl in all allocations from 8/31/2016 forward. Baird Ultra Sh Bd;Inst replaced half the Citi 3 month T-Bill allocation in all allocations from 11/30/2016 forward. Schwab Core International Equity replaced Harbor International in all allocations from 2/28/2017 forward. A 2.5% allocation was added to the Moderate Allocation, 3.75% Growth and Income Allocation, and 5% to the Growth Allocation from 9/1/2017 forward.

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We collect only the information necessary to consistently deliver responsive, high quality services and advice to our clients and to fulfill legal and regulatory requirements. In order to fulfill these obligations, we may collect nonpublic personal information about our clients from sources such as:

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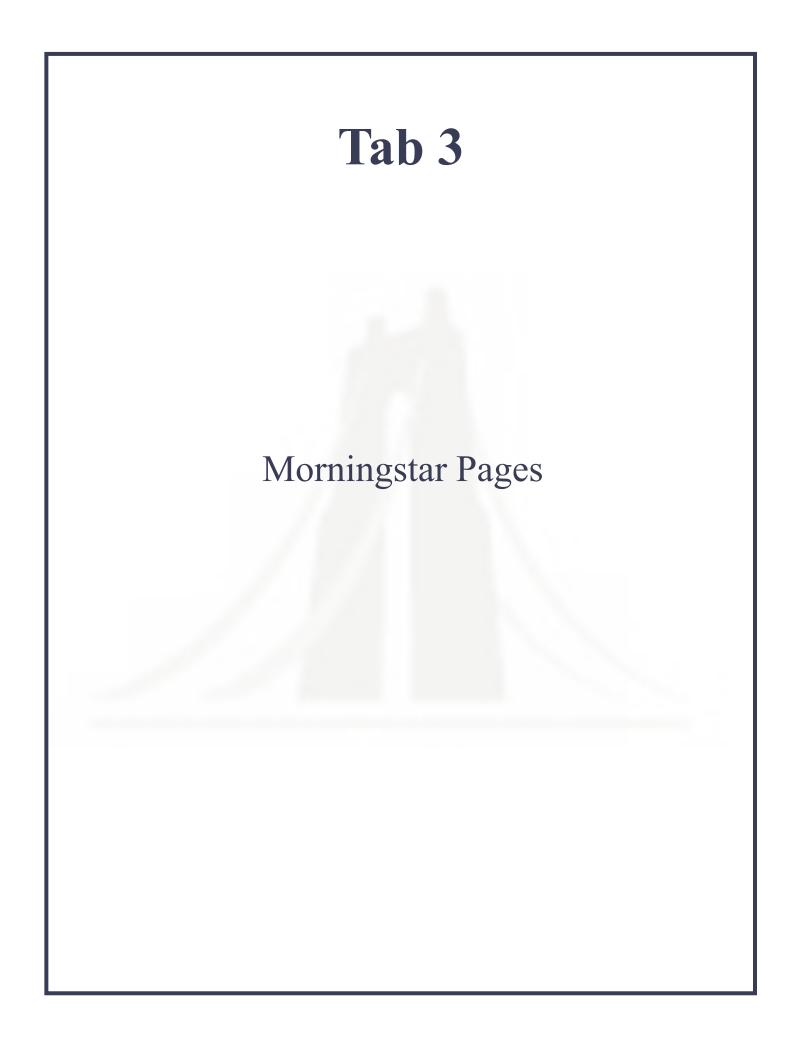
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# Vanguard 500 Index Admiral

Benchmark 1: Russell 1000 TR USD Benchmark 2: S&P 500 TR USD

Morningstar Analyst Rating 03-09-18

# 🗱 Gold

| Morningstar Pillars |  |  |  |  |
|---------------------|--|--|--|--|
| Positive            |  |  |  |  |
|                     |  |  |  |  |

### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

### Analyst Rating Spectrum

| 👽 Gold      | 🐺 Silver | 🐺 Bronze   | Neutral | Negative |
|-------------|----------|------------|---------|----------|
| Pillar Spec | trum:    |            |         |          |
| A Positivo  |          | A Nogativo |         | Noutral  |

Total

1.36

### Performance 06-30-18 1st Qtr 2nd Qtr 3rd Qtr 4th Qti 2014 1.79 5.22 1.12 4.92 13.64 2015 0.94 0.28 -6.45 7.04 3 82 11.93 2016 134 2 4 5 3 84 2017 6 0 5 3 07 4.48 6.64 21.79 2018 -0.77 3.42 Trailing ⊢/- Bmark Total - Bmark %Rank Growth of Return% Cat \$10.000 3 Mo 3.42 -0.15 -0.01 30 10.342 10,263 6 Mo 2.63 -0.22 -0.02 29 14.34 -0.20 -0.04 28 11,434 1 Yr 3 Yr Ava 11.89 -0.04 12 14,008 0.25 18,738 5 Yr Avg 13.38 0.01 -0.0411

| 10 Yr Avg<br>15 Yr Avg | 10.16<br>9.28 | -0.<br>-0. |           |              | 20,010    |
|------------------------|---------------|------------|-----------|--------------|-----------|
| Tax Analysis           | Tax Ad        | Rtn%       | %Rank Cat | Tax-Cost Rat | %Rank Cat |
| 3 Yr (estimate         | ed) ·         | 11.22      | 8         | 0.60         | 25        |
| 5 Yr (estimate         | ed) '         | 12.63      | 8         | 0.66         | 23        |
| 10 Yr (estima          | ted)          | 9.60       | 12        | 0.51         | 17        |

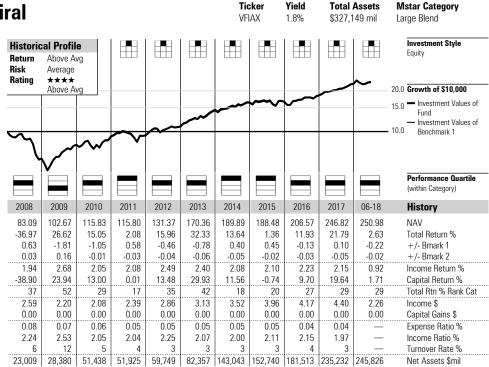
Potential Capital Gain Exposure: 38% of assets

### Morningstar's Take by Adam McCullough 03-09-18

Vanguard S&P 500 is a compelling option for exposure to U.S. large-cap stocks. This fund gains a leg up over most of its category peers by efficiently tracking a broadly diversified and representative benchmark at a low cost. It earns a Morningstar Analyst Rating of Gold.

The fund tracks the S&P 500, a market-cap-weighted index that includes large-cap stocks representing about 80% of the U.S. stock market. A committee selects the index's holdings, which offers more flexibility than indexes that adhere to rigid rules but also reduces transparency. But the S&P 500's performance has been, and should continue to be, highly correlated with largecap indexes that follow mechanical rules.

Market-cap-weighting pulls the portfolio toward the largest U.S. stocks and accurately reflects the composition of the market. The fund's average market capitalization of just under \$100 billion is nearly double the market capitalization of the average fund in the category. Its top 10 holdings make up about 20% of its portfolio and include household names like Apple AAPL, Microsoft MSFT, and Amazon.com AMZN.



Yield

| Ratin                                      | g and Ris                     | k                         |                            |                    |
|--|-------------------------------|---------------------------|----------------------------|--------------------|
| Time<br>Period<br>1 Yr                     | Load-Adj<br>Return %<br>14.34 | Morningstar<br>Rtn vs Cat | Morningstar<br>Risk vs Cat |                    |
| 3 Yr<br>5 Yr                               | 11.89<br>13.38                | +Avg<br>+Avg              | Avg<br>Avg                 | ****<br>*****      |
| 10 Yr<br>Incept                            | 10.16<br>6.10                 | +Avg                      | Avg                        | ****               |
| Other Measures                             |                               | Standard Index            |                            | Best Fit Index     |
| Alpha<br>Beta<br>R-Squared                 |                               | 0.0<br>1.00<br>100        |                            | 0.0<br>1.00<br>100 |
| Standard Deviation<br>Mean<br>Sharpe Ratio |                               |                           | 10.16<br>11.89<br>1.09     |                    |

Low turnover is a key advantage of the fund's broad market-cap-weighted approach. Lower turnover equates to lower transaction costs and a smaller likelihood of taxable capital gains distributions. The fund's average turnover over the past decade was 5% compared with an average figure of over 60% for its category peers. Tax efficiency adds to the fund's appeal. It has not distributed any capital gains since its inception.

The durable cost advantage has translated into strong category-relative performance. During the past decade through February 2018, its Admiral share class outpaced the large-blend Morningstar Category by 1.6% annually. Its risk-adjusted returns, as measured by its Sharpe ratio, landed in the category's top quintile over the same period. Because this index fund remains fully invested, it suffered a larger drawdown than the category average during the financial crisis. But its smaller cash drag pays off during bull markets. Its performance during the market recovery more than made up for its larger drawdown

| Address:     | Vanguard Index Funds   | Minimum Purchase:    | \$10000   | Add: \$1 | IRA: —    |
|--------------|------------------------|----------------------|-----------|----------|-----------|
|              | Valley Forge, PA 19482 | Min Auto Inv Plan:   |           | Add: —   |           |
|              | 800-662-7447           | Sales Fees:          | No-load   |          |           |
| Web Address: | www.vanguard.com       | Management Fee:      | 0.03%     |          |           |
| Inception:   | 11-13-00               | Actual Fees:         | Mgt:0.03% | Dist:    |           |
| Advisor:     | Vanguard Group Inc     | Expense Projections: | 3Yr:\$13  | 5Yr:\$23 | 10Yr:\$51 |
| Subadvisor:  | None                   | Income Distribution: | Quarterly |          |           |

| Portfolio Analysis 05-31-18 |            |           |          |
|-----------------------------|------------|-----------|----------|
| Total Stocks: 507           |            |           |          |
| Share change since 04-30-18 | Sector     | YTD Ret % | % Assets |
| Apple Inc                   | Technology | 10.19     | 4.09     |
| ① Microsoft Corp            | Technology | 16.26     | 3.28     |
| Amazon.com Inc              | Cnsmr Cyc  | 45.35     | 2.82     |
| Facebook Inc A              | Technology | 10.12     | 1.98     |
| 🕀 JPMorgan Chase & Co       | Finan Svcs | -1.51     | 1.58     |
| Berkshire Hathaway Inc B    | Finan Svcs | -5.84     | 1.52     |
| Exxon Mobil Corp            | Energy     | 0.81      | 1.48     |
| Alphabet Inc A              | Technology | 7.19      | 1.42     |
| Alphabet Inc C              | Technology | _         | 1.42     |
| 🕀 Johnson & Johnson         | HIth Care  | -11.91    | 1.38     |
| Bank of America Corporati   | Finan Svcs | -3.69     | 1.20     |
| Intel Corp                  | Technology | 8.99      | 1.11     |
| Chevron Corp                | Energy     | 2.78      | 1.02     |
| Visa Inc Class A            | Finan Svcs | 16.53     | 1.02     |
| 🕀 Wells Fargo & Co          | Finan Svcs | -7.33     | 1.02     |
| ⊕ UnitedHealth Group Inc    | HIth Care  | 12.03     | 1.01     |
| The Home Depot Inc          | Cnsmr Cyc  | 4.03      | 0.94     |
| Pfizer Inc                  | HIth Care  | 2.04      | 0.92     |
| ① Cisco Systems Inc         | Technology | 13.97     | 0.89     |
| AT&T Inc                    | Comm Svcs  | -14.84    | 0.86     |

| Value Blend Growth | Market C | ap %     |
|--------------------|----------|----------|
|                    | Giant    | 57.1     |
| Large Mid          | Large    | 34.6     |
| Aid                | Mid      | 8.3      |
| Smal               | Small    | 0.0      |
| =                  | Micro    | 0.0      |
|                    | Avg \$m  | il:      |
|                    | 99,633   |          |
| Value Measures     | Rel      | Category |
| Price/Earnings     | 17.10    | 1.04     |
| Price/Book         | 2.94     | 1.04     |
| Price/Sales        | 2.17     | 1.12     |
| Price/Cash Flow    | 12.75    | 1.09     |
| Dividend Yield %   | 1.97     | 0.99     |
| Growth Measures    | % Rel    | Category |
| Long-Term Erngs    | 12.27    | 0.99     |
| Book Value         | 4.83     | 1.00     |
| Sales              | 3.80     | 0.96     |
| Cash Flow          | 3.35     | 0.78     |
| Historical Erngs   | 9.08     | 0.84     |
| Profitability      |          | %        |
| Return on Equity   |          | 22.02    |
| Return on Assets   |          | 7.44     |
| Net Margin         |          | 14.26    |

M RNINGSTAR

**Mutual Funds** 

| Sec        | tor             | % of    | Rel     |
|------------|-----------------|---------|---------|
| Weightings |                 | Stocks  | Bmark 1 |
| Դ          | Cyclical        | 33.50   | 0.97    |
| <b>.</b>   | BasicMat        | 2.68    | 0.96    |
| A          | CnsmrCyc        | 12.05   | 0.97    |
| L.         | FinanSvcs       | 16.53   | 1.04    |
| n          | Real Est        | 2.24    | 0.67    |
| w          | Sensitive       | 42.77   | 1.01    |
|            | CommSrvs        | 3.00    | 0.98    |
| 0          | Energy          | 6.26    | 1.02    |
| ¢          | Industrl        | 10.40   | 1.00    |
|            | Technlgy        | 23.11   | 1.02    |
| <b>→</b>   | Defensive       | 23.72   | 1.02    |
|            | CnsmrDef        | 7.09    | 1.02    |
| ٠          | Hlthcare        | 13.83   | 1.03    |
| Ç          | Utilities       | 2.80    | 0.99    |
| Cor        | nposition - Net |         |         |
|            |                 | Cash    | 0.5     |
|            |                 | Stocks  |         |
|            |                 | Bonds   | 0.0     |
|            |                 | Other   | 0.0     |
|            |                 | Foreigr | ı 0.9   |

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# Vanguard Dividend Appreciation Index Adm

Benchmark 1: Russell 1000 TR USD Benchmark 2: S&P 500 TR USD

Morningstar Analyst Rating 05-10-18

# 👽 Gold

| Morningstar Pillars |          |  |  |  |
|---------------------|----------|--|--|--|
| Process             | Positive |  |  |  |
| Performance         | Positive |  |  |  |
| People              | Positive |  |  |  |
| Parent              | Positive |  |  |  |
| Price               | Positive |  |  |  |

### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

### Analyst Rating Spectrum

| 👽 Gold      | 🐺 Silver | 🐺 Bronze | Neutral | Negative                    |
|-------------|----------|----------|---------|-----------------------------|
| Pillar Spec | trum     |          |         |                             |
| Positive    |          | Negative | ;       | <ul> <li>Neutral</li> </ul> |

### Performance 06-30-18

| Felloline    |         | -30-10     |             |            |           |
|--------------|---------|------------|-------------|------------|-----------|
|              | 1st Qtr | 2nd Qtr    | 3rd Qtr     | 4th Qtr    | Total     |
| 2014         | 0.39    | 4.12       | -0.74       | 6.07       | 10.04     |
| 2015         | -0.08   | -2.02      | -5.62       | 6.14       | -1.93     |
| 2016         | 4.93    | 3.05       | 1.27        | 2.09       | 11.79     |
| 2017         | 6.17    | 3.60       | 2.81        | 8.08       | 22.22     |
| 2018         | -0.47   | 1.11       | —           | _          | _         |
| Trailing     | Total   | +/- Bmark  | +/- Bmark   | %Rank      | Growth of |
|              | Return% | 1          | 2           | Cat        | \$10,000  |
| 3 Mo         | 1.11    | -2.46      | -2.32       | 88         | 10,111    |
| 6 Mo         | 0.64    | -2.21      | -2.01       | 73         | 10,064    |
| 1 Yr         | 11.82   | -2.72      | -2.55       | 66         | 11,182    |
| 3 Yr Avg     | 11.27   | -0.37      | -0.66       | 33         | 13,775    |
| 5 Yr Avg     | —       | _          | _           | _          | —         |
| 10 Yr Avg    | _       | _          | _           | _          | _         |
| 15 Yr Avg    | _       | _          | —           | _          | _         |
| Tax Analysi  | s Tax A | dj Rtn% %l | Rank Cat Ta | x-Cost Rat | %Rank Cat |
| 3 Yr (estima | ated)   | 10.71      | 17          | 0.50       | 16        |
| 5 Yr (estima | ated)   | _          | _           | _          | _         |
| 10 Yr (estin | nated)  | _          | _           | _          | _         |
|              |         |            |             |            |           |

Potential Capital Gain Exposure: 23% of assets

### Morningstar's Take by Adam McCullough 05-10-18

Vanguard Dividend Appreciation Index is an excellent fund that offers a diversified portfolio of highly profitable U.S. dividend-paying stocks. Focusing on dividend growth reduces the fund's exposure to firms with weak fundamentals that may not be able to sustain their dividend payments, which is a risk that often accompanies a narrow focus on yield. The fund's low fee contributes to its edge over the long run and supports its Morningstar Analyst Rating of Gold.

The fund tracks the Nasdaq U.S. Dividend Achievers Select Index, which includes stocks that have increased their dividend for at least 10 consecutive years. This restricts the fund to holding highly profitable firms with shareholder-friendly management teams that have consistently raised dividend payments. This high bar also precludes the fund from holding companies like Apple AAPL that initiated their dividend payment less than 10 years ago but are profitable with stable cash flow. The fund applies additional proprietary screens to filter out firms that may not be able to sustain their dividend growth.

| lation Index Adm                            |          |      |      |      |       | VD        | ADX                                    | 1.9%  | \$7,063 | 8 mil | Large Blend  |
|---|----------|------|------|------|-------|-----------|--|-------|---------|-------|--|
| <b>Historic</b><br>Return<br>Risk<br>Rating | Above Av |      |      |      |       |           |  |       |         |       | Investment Style Equity 16.0   |
| g   | Above Av | vg   |      |      |       | <i>ji</i> | ~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~ |       | المر    | ×     | <ul> <li>10.0 Growth of \$10,000</li> <li>14.0 — Investment Values of Fund</li> <li>12.0 Investment Values of Benchmark 1</li> <li>10.0</li> </ul> |
|   |          |      |      |      |       |           |  |       |         |       | <b>Performance Quartile</b><br>(within Category)   |
| 2008  | 2009     | 2010 | 2011 | 2012 | 2013  | 2014      | 2015                                   | 2016  | 2017    | 06-18 | History  |
|   |          | _    | _    |      | 20.43 | 22.03     | 21.11                                  | 23.09 | 27.66   | 27.57 | NAV  |
| _   | _        | _    |      | —    | _     | 10.04     | -1.93                                  | 11.79 | 22.22   | 0.64  | Total Return %   |
| —   | —        | —    | —    | —    | —     | -3.19     | -2.85                                  | -0.26 | 0.54    | -2.22 | +/- Bmark 1  |
| —   | —        | —    | —    | —    | —     | -3.64     | -3.31                                  | -0.17 | 0.39    | -2.01 | +/- Bmark 2  |
| —   | —        | —    | —    | —    | —     | 2.12      | 2.26                                   | 2.36  | 2.27    | 0.95  | Income Return %  |
| —   | —        |      | —    | —    | —     | 7.92      | -4.19                                  | 9.43  | 19.96   | -0.31 | Capital Return %   |
| —   | —        | —    | —    | —    | —     | 70        | 63                                     | 29    | 24      | 73    | Total Rtn % Rank Ca  |
| —   | —        | —    | —    | —    | —     | 0.43      | 0.49                                   | 0.50  | 0.52    | 0.26  | Income \$  |
| —   | —        |      | —    | —    | —     | 0.00      | 0.00                                   | 0.00  | 0.00    | 0.00  | Capital Gains \$   |
| _   | —        | _    | -    | —    | —     | 0.10      | 0.10                                   | 0.09  | 0.08    | 0.08  | Expense Ratio %  |
| —   | —        | —    | —    | —    | —     | 2.08      | 2.14                                   | 2.21  | 2.20    | 2.06  | Income Ratio %   |
| —   | —        | —    | —    | —    | —     | 3         | 20                                     | 22    | 19      | 14    | Turnover Rate %  |
|   | — I      | _    |      | —    | 397   | 2,828     | 3,230                                  | 4.061 | 5,683   | 5,996 | Net Assets \$mil   |

Ticker

Yield

**Total Assets** 

Mstar Category

| Ratin              | g and Ris | k           |                |                 |  |
|--------------------|-----------|-------------|----------------|-----------------|--|
| Time               | Load-Adj  | Morningstar | Morningstar    | Morningstar     |  |
| Period             | Return %  | Rtn vs Cat  | Risk vs Cat    | Risk-Adj Rating |  |
| 1 Yr               | 11.82     |             |                |                 |  |
| 3 Yr               | 11.27     | +Avg        | Low            | ****            |  |
| 5 Yr               | _         | _           | _              | _               |  |
| 10 Yr              | _         | _           |                | _               |  |
| Incept             | 9.62      |             |                |                 |  |
| Other Measures     |           | Stand       | Standard Index |                 |  |
| Alpha              |           |             | 1.1            |                 |  |
| Beta               |           |             | 0.84           | 0.84            |  |
| R-Squar            | red       |             | 90             | 90              |  |
| Standard Deviation |           |             | 9.01           |                 |  |
| Mean               |           |             | 11.27          |                 |  |
| Sharpe Ratio       |           |             | 1.15           |                 |  |

This portfolio favors profitable companies with durable competitive advantages. Because it doesn't pursue the highest-yielding names, its dividend yield lands near the Russell 1000 Index's. But it has been able to avoid some firms that have cut their dividend payment. For example, the fund dropped ConocoPhillips COP from its holdings before the firm slashed its dividend in early 2016.

The fund's tilt toward more-stable stocks has helped it shine during market downturns. Its drawdown during the October 2007-March 2009 bear market measured 46% versus 55% for the Russell 1000 Index. And its tilt toward profitable names is evident in its portfolio composition. As of this writing, the fund's return on invested capital measured 14.3% compared with an average measure of 9.9% for the large-blend Morningstar Category.

Despite taking less market risk than its average peer, the fund outpaced the category average by 1.8% annually during the past decade through April 2018. This translated into one of the best risk-adjusted showings in the category.

| Address:     | Vanguard Specialized Funds | Minimum Purchase:    | \$10000   | Add: \$1 | IRA: —     |
|--------------|----------------------------|----------------------|-----------|----------|------------|
|              | Valley Forge PA 19482      | Min Auto Inv Plan:   | _         | Add: —   |            |
|              | 800-662-7447               | Sales Fees:          | No-load   |          |            |
| Web Address: | www.vanguard.com           | Management Fee:      | 0.07%     |          |            |
| nception:    | 12-19-13                   | Actual Fees:         | Mgt:0.07% | Dist:    |            |
| Advisor:     | Vanguard Group Inc         | Expense Projections: | 3Yr:\$26  | 5Yr:\$45 | 10Yr:\$103 |
| Subadvisor:  | None                       | Income Distribution: | Quarterly |          |            |

| Portfolio Analysis 05-31-18   |            |           |          |
|-------------------------------|------------|-----------|----------|
| Total Stocks: 182             |            |           |          |
| Share change since 04-30-18   | Sector     | YTD Ret % | % Assets |
| Microsoft Corp                | Technology | 16.26     | 4.26     |
| 🕀 Johnson & Johnson           | HIth Care  | -11.91    | 3.73     |
| Walmart Inc                   | Cnsmr Def  | -12.21    | 3.71     |
| PepsiCo Inc                   | Cnsmr Def  | -7.77     | 3.21     |
| McDonald's Corp               | Cnsmr Cyc  | -7.79     | 2.86     |
| ⊕ 3M Co                       | Industrl   | -15.27    | 2.64     |
| Medtronic PLC                 | HIth Care  | 6.59      | 2.63     |
| Union Pacific Corp            | Industrl   | 6.74      | 2.51     |
| Texas Instruments Inc         | Technology | 6.75      | 2.48     |
| Abbott Laboratories           | HIth Care  | 7.85      | 2.42     |
| United Technologies Corp      | Industrl   | -0.89     | 2.25     |
| Accenture PLC A               | Technology | 7.73      | 2.16     |
| Nike Inc B                    | Cnsmr Cyc  | 28.03     | 2.10     |
| Caterpillar Inc               | Industrl   | -12.91    | 2.04     |
| Lockheed Martin Corp          | Industrl   | -6.73     | 2.02     |
| ⊕ Costco Wholesale Corp     ■ | Cnsmr Def  | 12.86     | 1.96     |
| Lowe's Companies Inc          | Cnsmr Cyc  | 3.71      | 1.78     |
| NextEra Energy Inc            | Utilities  | 8.36      | 1.76     |
| FedEx Corp                    | Industrl   | -8.55     | 1.50     |
| Stryker Corp                  | HIth Care  | 9.66      | 1.47     |

| Current Investmen  |        |              |
|--------------------|--------|--------------|
| Value Blend Growth | Marke  |              |
| Large              | Giant  |              |
| e Mid              | Large  | 41.3         |
| lid                | Mid    | 12.7         |
| Small              | Small  | 1.6          |
|                    | Micro  | 0.0          |
|                    | Avg \$ | Smil:        |
|                    | 57,92  | 2            |
| Value Measures     | F      | Rel Category |
| Price/Earnings     | 18.12  | 1.10         |
| Price/Book         | 4.10   | 1.45         |
| Price/Sales        | 1.49   | 0.77         |
| Price/Cash Flow    | 15.14  | 1.29         |
| Dividend Yield %   | 2.03   | 1.02         |
| Growth Measures    | % F    | Rel Category |
| Long-Term Erngs    | 10.97  | 0.89         |
| Book Value         | 4.98   | 1.03         |
| Sales              | 6.10   | 1.54         |
| Cash Flow          | 1.79   | 0.42         |
| Historical Erngs   | 4.69   | 0.43         |
| Profitability      |        | %            |
| Return on Equity   |        | 25.40        |
| Return on Assets   |        | 8.41         |
| Net Margin         |        | 11.96        |

|          | otilitioo       | 0.00                      | 1.70    |
|----------|-----------------|---------------------------|---------|
|          | Industrl        | -8.55                     | 1.50    |
|          | HIth Care       | 9.66                      | 1.47    |
|          |                 |                           |         |
|          | tor             | % of                      | Rel     |
| We       | ightings        | Stocks E                  | 3mark 1 |
| Դ        | Cyclical        | 25.19                     | 0.73    |
| ÷.       | BasicMat        | 4.94                      | 1.77    |
|          | CnsmrCyc        | 11.39                     | 0.92    |
| L.       | FinanSvcs       | 8.86                      | 0.56    |
| æ        | Real Est        | 0.00                      | 0.00    |
| w        | Sensitive       | 41.85                     | 0.99    |
| •        | CommSrvs        | 0.06                      | 0.02    |
| ♦<br>\$  | Energy          | 0.00                      | 0.00    |
| ٥        | Industrl        | 30.23                     | 2.91    |
|          |                 | 11.56                     | 0.51    |
| <b></b>  | Defensive       | 32.95                     | 1.42    |
| ¥.       | CnsmrDef        | 15.27                     | 2.20    |
| •        | Hlthcare        | 14.54                     | 1.08    |
| Ç        | Utilities       | 3.14                      | 1.11    |
| <u>.</u> |                 |                           |         |
| Cor      | nposition - Net | -                         |         |
|          |                 | Cash                      | 0.0     |
|          |                 | Stocks                    |         |
|          |                 | Bonds                     | 0.0     |
|          |                 | <ul> <li>Other</li> </ul> |         |
|          | _               | Foreign<br>(% of Sto      |         |
|          |                 | 1% 01 210                 | UKJ     |

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Average

Average

\*\*\*\*

2009

24.82

28.37

6.60

6.60

1.56

23

0.31

0.00

1.50

1.65

2,659

32

26.81

2010

26.79

12.04

-0.30

-0.30

1.30

47

0.32

0.64

1.34

1.32

4,813

32

10.74

2011

26.78

3.02

2.43

2.43

1.16

1 86

0.31

0.51

1.25

0.89

7,479

32

13

2012

29.29

10.33

-1.72

-1.72

0.45

9.88

0.12

0.12

1.26

0.62

9,917

26

79

Above Avo

Return

Rating

2008

19.59

-20.55

1.64

1.64

1.47

10

0.37

0.23

1.34

2.06

1,191

29

**Rating and Risk** 

-22.03

Risk

# FPA Crescent

Benchmark 1: Morningstar Mod Tgt Risk TR USD Benchmark 2: Morningstar Mod Tgt Risk TR USD

# Morningstar Analyst Rating 05-18-18

# 🗱 Gold

| Morningstar Pillars |          |
|---------------------|----------|
| Process             | Positive |
| Performance         | Positive |
| People              | Positive |
| Parent              | Positive |
| Price               | Negative |

### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

### Analyst Rating Spectrum

| 👽 Gold      | 🐺 Silver | 🐺 Bronze | Neutral | Negative |
|-------------|----------|----------|---------|----------|
| Pillar Spec | trum:    |          |         |          |
|             | 1        | Nenative |         | Neutral  |

### Performance 06-30-18

| i ci i ci i ci i ci i ci | 100 00  | -30-10    |          |              |           |
|--------------------------|---------|-----------|----------|--------------|-----------|
|                          | 1st Qtr | 2nd Qtr   | 3rd Q    | tr 4th Qtr   | Total     |
| 2014                     | 2.03    | 2.94      | -0.9     | 6 2.51       | 6.64      |
| 2015                     | 0.15    | -0.15     | -4.7     | 3 2.80       | -2.06     |
| 2016                     | -0.19   | 0.39      | 5.2      | 9 4.51       | 10.25     |
| 2017                     | 3.37    | 1.84      | 1.9      | 0 2.90       | 10.39     |
| 2018                     | -0.98   | 0.32      | _        |              | —         |
| Trailing                 | Total   | +/- Bmark | +/- Bmar | k %Rank      | Growth of |
|                          | Return% | 1         |          | 2 Cat        | \$10,000  |
| 3 Mo                     | 0.32    | -0.24     | -0.2     | 4 78         | 10,032    |
| 6 Mo                     | -0.66   | -0.35     | -0.3     | 5 68         | 9,934     |
| 1 Yr                     | 4.16    | -2.76     | -2.7     | 6 88         | 10,416    |
| 3 Yr Avg                 | 5.79    | -0.62     | -0.6     | 1 48         | 11,841    |
| 5 Yr Avg                 | 6.89    | -0.03     | -0.0     | 4 56         | 13,950    |
| 10 Yr Avg                | 6.86    | 0.58      | 0.5      | 9 37         | 19,421    |
| 15 Yr Avg                | 8.29    | 0.99      | 0.9      | 96           | 33,025    |
| Tax Analysis             | Tax A   | dj Rtn% % | Rank Cat | Tax-Cost Rat | %Rank Cat |
| 3 Yr (estimation         | ted)    | 4.58      | 38       | 1.15         | 41        |
| 5 Yr (estimation         | ted)    | 5.68      | 43       | 1.13         | 38        |
| 10 Yr (estimation        | ated)   | 5.85      | 30       | 0.95         | 35        |
|                          |         |           |          |              |           |

Potential Capital Gain Exposure: 21% of assets

### Morningstar's Take by Dan Culloton 05-18-18

This fund has evolved, but its managers' experience, patience and independent investing style still earn it a Morningstar Analyst Rating of Gold.

This is no longer a one-man show. Steve Romick owns the fund's excellent record since its 1993 inception, but he's had the help of comanagers Brian Selmo and Mark Landecker since 2013. The team now also inc eight analysts with an average of nearly four years a

The larger team has helped broaden the fund investment universe as its asset size has grown. Landecker and Selmo have built a reservoir of com with durable business models and earnings prower which the team can pounce when their shares loo inexpensive. Other analysts have helped the team prepare quickly for other contrarian opportunities, as the fund's late 2017 purchase of Puerto Rico b

The team remains cautious and value-minded. bull market and the rise of adaptable and disruptiv business models, such as Amazon.com AMZN, ha fostered perilous market conditions marked by hig valuations and perishable competitive advantages managers say. Low yields don't compensate bond

| FPA Funds Trust             |
|-----------------------------|
| Los Angeles, CA 90064       |
| 800-982-4372                |
| www.fpafunds.com            |
| 06-02-93                    |
| First Pacific Advisors, LLC |
| None                        |
|                             |

| ncludes<br>at FPA.<br>I's<br>npanies<br>ress on<br>ok<br>n<br>, such<br>ronds.<br>. A long | picked its spots in r<br>fund bought Faceb<br>concerns drove its<br>first quarter and ac<br>discounts to par va<br>Though this fu<br>admirable, it's not<br>all-time high of nea<br>crafted to capture<br>parents and overva<br>Naspers and Tenc | ook FB will<br>shares do<br>Ided the F<br>alue in 20<br>nd's long-<br>without ri<br>arly 11% o<br>the sprea<br>alued affili | hen privacy a<br>bwn more that<br>Puerto Rico de<br>17.<br>term risk rew<br>sk. Short exp<br>f assets owin<br>d between un<br>ates, such as | nd regulato<br>in 9% in 20°<br>ebt at a big<br>vard profile i<br>osure is at a<br>g to pair tra<br>ndervalued<br>, respective |
|--|--|---|---|---|
| ve<br>as<br>gh<br>s, the<br>d  | managers still find  | it compe  | lling.  |   |
|  | Minimum Purchase:  | \$1500  | Add: \$100  | IRA: \$100  |

| Minimum Purchase:    | \$1500 Add: \$100   |
|----------------------|---------------------|
| Min Auto Inv Plan:   | \$100 Add: \$100    |
| Sales Fees:          | No-load, 2.00%R     |
| Management Fee:      | 1.00%, 0.01%A       |
| Actual Fees:         | Mgt:1.00% Dist:     |
| Expense Projections: | 3Yr:\$350 5Yr:\$606 |
| Income Distribution: | Semi-Annually       |

| Portfolio Analysis 03-31-18                   |            |           |          |
|---|------------|-----------|----------|
| Total Stocks: 46                              |            |           |          |
| Share change since 12-31-17                   | Sector     | YTD Ret % | % Assets |
| Tencent Holdings Ltd                          | Technology | —         | 5.57     |
| Naspers Ltd Class N                           | Technology | —         | 4.24     |
| Oracle Corp                                   | Technology | —         | 3.69     |
| ① American International Gr                   | Finan Svcs | _         | 3.05     |
| <ul> <li>Microsoft Corp</li> </ul>            | Technology | _         | 2.99     |
| <ul> <li>Bank of America Corporati</li> </ul> | Finan Svcs | _         | 2.84     |
| United Technologies Corp                      | Industrl   | _         | 2.82     |
| Aon PLC                                       | Finan Svcs | _         | 2.75     |
| $\ominus$ CIT Group Inc                       | Finan Svcs | _         | 2.38     |
| Date of                                       |            | Value     | %        |

| Total Fixed Income: 43 | Maturity | Amount 000 | \$000   | Assets |
|------------------------|----------|------------|---------|--------|
| United States Treasury | 08-31-18 | 300,000    | 299,484 | 1.78   |
| United States Treasury | 07-31-18 | 291,000    | 289,950 | 1.72   |

|  | ı<br>lend<br>arge-Cap          | -   |  | <b>Fixed</b><br>Durati<br>Qualit |  |   |  |
|--|--------------------------------|---|--|----------------------------------|--|---|--|
| Value Measu<br>Price/Earnir<br>Price/Book<br>Price/Sales<br>Price/Cash<br>Dividend Yi                        | ngs<br>Flow                    | Rel<br>14.72<br>1.61<br>1.60<br>8.64<br>1.77  | Category<br>0.92<br>0.68<br>0.89<br>0.91<br>0.76                           | Avg (<br>Avg (<br>Avg )          | ff Duration <sup>1</sup><br>ff Maturity<br>Credit Quality<br>Ntd Coupon<br>e provided by fu                  | nd as of 03-  | <br><br>4.09%<br>-31-18  |
| Growth Meas<br>Long-Term<br>Book Value<br>Sales<br>Cash Flow<br>Historical E<br>Market Cap<br>Giant<br>Large | rngs<br>K<br>45.2 Si<br>33.0 M |   | Category<br>1.02<br>3.14<br>-2.24<br>-0.88<br>0.34<br>3.5<br>0.0<br>48,749 |                                  | nr<br>htings<br>Cyclical<br>BasicMat<br>ChsmrCyc<br>FinanSvcs<br>Real Est<br>Sensitive<br>CommSrvs<br>Energy | % of<br>Stocks<br>44.12<br>3.65<br>7.07<br>33.40<br>0.00<br>49.31<br>0.00<br>3.44 | Rel<br>Bmark 1<br>1.05<br>0.66<br>0.63<br>1.90<br>0.00<br>1.36<br>0.00<br>0.54 |
| Composition  | n - Net                        | <ul> <li>Cash</li> <li>Stocks</li> <li>Bonds</li> <li>Other</li> <li>Foreigi<br/>(% of Stocks)</li> </ul> | 7.3<br>5.4<br>1 21.5   |                                  | ndustrl<br>Fechnlgy<br>Defensive<br>CnsmrDef<br>Hthcare<br>Jtilities   | 11.58<br>34.29<br>6.57<br>0.86<br>4.52<br>1.19                                    | 1.04<br>2.21<br>0.30<br>0.11<br>0.43<br>0.36                                   |

**Mutual Funds** 

10Yr:\$1340

•

Mstar Category Allocation--50% to 70% Fauity

|      | ,  |
|------|--|
|      | Investment Style                         |
|      | Equity                                   |
|      |  |
|      |  |
| 20.0 |  |
| 17.5 | Growth of \$10,000                       |
| 15.0 | <ul> <li>Investment Values of</li> </ul> |
| 12.5 | Fund                                     |
| 12.5 | <ul> <li>Investment Values of</li> </ul> |
| 10.0 | Benchmark 1                              |
|      |  |

Performance Quartile (within Category)

History

Total Return %

NAV

7.5

| 7.64   | 1.75   | -0.27  | 1.68   | -4.27  | -0.35  | +/- Bmark 1          |
|--------|--------|--------|--------|--------|--------|----------------------|
| 7.64   | 1.75   | -0.27  | 1.68   | -4.27  | -0.35  | +/- Bmark 2          |
| 0.74   | 0.94   | 0.87   | 0.90   | 1.03   | 0.00   | Income Return %      |
| 21.21  | 5.70   | -2.93  | 9.35   | 9.36   | -0.66  | Capital Return %     |
| 6      | 43     | 66     | 13     | 86     | 68     | Total Rtn % Rank Cat |
| 0.21   | 0.31   | 0.29   | 0.28   | 0.33   | 0.01   | Income \$            |
| 2.28   | 1.10   | 1.68   | 1.35   | 0.95   | 0.20   | Capital Gains \$     |
| 1.23   | 1.20   | 1.11   | 1.09   | 1.10   | —      | Expense Ratio %      |
| 0.34   | 0.45   | 0.53   | 0.77   | 0.66   | _      | Income Ratio %       |
| 22     | 31     | 48     | 35     | 18     | —      | Turnover Rate %      |
| 15,904 | 19,984 | 18,120 | 16,556 | 17,485 | 16,569 | Net Assets \$mil     |

2016

32.61

10.25

2017

34.69

10.39

06-18

34.46

-0.66

Yield

0.9%

Ticker

FPACX

2013

32.96

21.95

2014

33.74

6.64

2015

31.06

-2.06

**Total Assets** 

\$16.569 mil

| Time<br>Period | Load-Adj<br>Return % | Morningstar<br>Rtn vs Cat | Morningstar<br>Risk vs Cat | Morningstar<br>Risk-Adj Rating |  |  |  |
|----------------|----------------------|---------------------------|----------------------------|--------------------------------|--|--|--|
| 1 Yr           | 4.16                 |                           |                            | , ,                            |  |  |  |
| 3 Yr           | 5.79                 | Avg                       | +Avg                       | ***                            |  |  |  |
| 5 Yr           | 6.89                 | Avg                       | Avg                        | ***                            |  |  |  |
| 10 Yr          | 6.86                 | Avg                       | -Avg                       | ****                           |  |  |  |
| Incept         | 10.14                |                           |                            |                                |  |  |  |
| Other M        | easures              | Stand                     | Standard Index             |                                |  |  |  |
| Alpha          |                      |                           | -0.7                       |                                |  |  |  |
| Beta           |                      |                           | 1.04                       |                                |  |  |  |
| R-Squa         | red                  |                           | 74                         |                                |  |  |  |
| Standar        | d Deviation          |                           | 7.41                       |                                |  |  |  |
| Mean           |                      |                           | 5.79                       |                                |  |  |  |
| Sharpe         | Patio                |                           | 0.70                       |                                |  |  |  |

investors for the risk of rising rates or defaults among high-vield bonds. As a result, the fund has been content to hold a lot of cash and, when it has deployed capital, to do so selectively in large-cap companies with enduring earnings power rather than statistically cheap but competitively compromised businesses. It also has ations. The equlatory 6 in 2018's it a big

orofile is e is at an pair trades /alued pectively, but the

# **Diamond Hill Small Cap I**

Benchmark 1: Russell 2000 Value TR USD Benchmark 2: S&P 500 TR USD

### Morningstar Analyst Rating 11-30-17

# 🔄 Silver

| Positive |
|----------|
| Positive |
| Positive |
| Positive |
| Positive |
|          |

### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

### Analyst Rating Spectrum

| 👽 Gold      | 🐺 Silver | 🐺 Bronze | Neutral | Negative |
|-------------|----------|----------|---------|----------|
| Pillar Spec | :trum    |          |         |          |
| Positive    | ;        | Negative | )       | Neutral  |

### Performance 06-30-18

|              | 1st Qtr | 2nd Qtr    | 3rd Qtr    | 4th Qtr     | Total     |
|--------------|---------|------------|------------|-------------|-----------|
| 2014         | 2.02    | 6.16       | -5.86      | 2.84        | 4.86      |
| 2015         | 2.78    | -0.09      | -5.22      | -0.83       | -3.47     |
| 2016         | 0.61    | 1.91       | 3.46       | 7.90        | 14.45     |
| 2017         | 0.86    | 0.94       | 4.93       | 3.86        | 10.95     |
| 2018         | -0.97   | 1.59       | _          | —           | —         |
| Trailing     | Total   | +/- Bmark  | +/- Bmark  |             | Growth of |
|              | Return% | 1          | 2          |             | \$10,000  |
| 3 Mo         | 1.59    | -6.71      | -1.84      | 98          | 10,159    |
| 6 Mo         | 0.61    | -4.83      | -2.04      | 86          | 10,061    |
| 1 Yr         | 9.64    | -3.46      | -4.73      | 76          | 10,964    |
| 3 Yr Avg     | 6.29    | -4.93      | -5.64      | 86          | 12,008    |
| 5 Yr Avg     | 8.45    | -2.73      | -4.97      | 79          | 15,002    |
| 10 Yr Avg    | 8.65    | -1.23      | -1.52      | 71          | 22,933    |
| 15 Yr Avg    | _       | _          | _          | —           | —         |
| Tax Analysis | Tax A   | dj Rtn% %l | Rank Cat T | ax-Cost Rat | %Rank Cat |
| 3 Yr (estima | ited)   | 5.24       | 79         | 0.99        | 42        |
| 5 Yr (estima | ited)   | 7.21       | 64         | 1.15        | 38        |
| 10 Yr (estim | nated)  | 7.79       | 62         | 0.79        | 32        |
|              |         |            |            |             |           |

Potential Capital Gain Exposure: 33% of assets

### Morningstar's Take by Linda Abu Mushrefova 11-30-17

We expect Diamond Hill Small Cap to offer investors impressive risk-adjusted returns over the long term. Lead portfolio manager Tom Schindler has been at the helm of the strategy since January 2008 and is backed by an impressive bench of analysts that are responsible for five to 15 names each, allowing them to conduct deep analysis. He took over in January 2008 after comanaging the fund under Ric Dillon's lead from 2001 to 2008.

Shindler's approach is based on the same intrinsic value philosophy as all Diamond Hill funds, and he runs a compact, low-turnover, sector-agnostic portfolio. Schindler selects only firms that trade below his estimates of their intrinsic value and sells stocks that reach his estimate of intrinsic value. This is consistent with the intrinsic value approach characterized by other Diamond Hill mutual fund offerings. Where he deviates from the group's other managers is on debt. The portfolio's debt/capital ratio is now 49%, relative to the Russell 2000 Index's 38% and the small-value Morningstar Category average of 36%. This additional leverage increases the risk of the portfolio. Another key difference is his persistently high cash position, with an

| Address:     | Diamond Hill Funds                  | Mi  |
|--------------|-------------------------------------|-----|
|              | Columbus, OH 43215                  | Mi  |
|              | 888-226-5595                        | Sa  |
| Web Address: | www.diamond-hill.com                | Ma  |
| Inception:   | 04-29-05                            | Ac  |
| Advisor:     | Diamond Hill Capital Management Inc | Ex  |
| Subadvisor:  | None                                | Inc |
|              |                                     |     |

|                 |                                      |                |                |                |                | DH            | SIX            | 0.6%           | \$1,454        | mil           | Small Value   |
|-----------------|--------------------------------------|----------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---------------|---|
| Return<br>Risk  | <b>cal Profil</b><br>Below Av<br>Low | -              |                |                |                |               |                |                |                |               | Investment Style<br>Equity  |
| Rating          | ***<br>Neutral                       | <u></u>        | $\approx$      | $\approx$      | ¢.             |               | ~~~            |                |                | <b>&gt;</b>   | 20.0 <b>Growth of \$10,000</b><br>15.0 — Investment Values of<br>Fund<br>10.0 Benchmark 1 |
| 2008            | 2009                                 | 2010           | 2011           | 2012           | 2013           | 2014          | 2015           | 2016           | 2017           | 06-18         | <b>Performance Quartile</b><br>(within Category)<br><b>History</b>                        |
|                 |                                      |                |                |                |                |               |                |                |                |               | •   |
| 16.55<br>-25.69 | 21.41<br>29.43                       | 26.01<br>23.39 | 23.27<br>-6.91 | 25.21<br>13.17 | 33.10<br>40.08 | 33.04<br>4.86 | 31.28<br>-3.47 | 34.87<br>14.45 | 36.15<br>10.95 | 36.37<br>0.61 | NAV<br>Total Beturn %   |
| -25.09          | 29.43                                | -1.11          | -0.91          | -4.88          | 40.08          | 0.65          | -3.47          | -17.29         | 3.11           | -4.84         | +/- Bmark 1   |
| 11.30           | 2.97                                 | 8.33           | -9.02          | -2.83          | 7.69           | -8.82         | -4.86          | 2.49           | -10.88         | -2.04         | +/- Bmark 2   |
| 0.84            | 0.07                                 | 0.00           | 0.13           | 0.66           | 0.46           | 0.17          | 0.62           | 0.24           | 0.76           | 0.00          | Income Return %   |
| -26.53          | 29.36                                | 23.39          | -7.04          | 12.51          | 39.63          | 4.69          | -4.09          | 14.21          | 10.19          | 0.61          | Capital Return %  |
| 7               | 48                                   | 77             | 76             | 72             | 21             | 38            | 21             | 98             | 29             | 86            | Total Rtn % Rank Cat  |
| 0.19            | 0.01                                 | 0.00           | 0.03           | 0.15           | 0.11           | 0.05          | 0.20           | 0.07           | 0.25           | 0.00          | Income \$   |
| 0.03            | 0.00                                 | 0.41           | 0.88           | 0.95           | 2.06           | 1.57          | 0.41           | 0.86           | 2.25           | 0.00          | Capital Gains \$  |
| 0.98            | 0.99                                 | 1.00           | 1.04           | 1.06           | 1.06           | 1.05          | 1.02           | 0.99           | 0.98           | —             | Expense Ratio %   |
| 1.17            | 0.30                                 | 0.20           | -0.03          | 0.56           | 0.22           | -0.06         | 0.16           | 0.32           | 0.41           | —             | Income Ratio %  |
| 47              | 47                                   | 35             | 28             | 13             | 43             | 16            | 17             | 15             | 7              | —             | Turnover Rate %   |
| 42              | 107                                  | 312            | 315            | 291            | 550            | 658           | 880            | 1,074          | 878            | 902           | Net Assets \$mil  |

Ticker

Yield

**Total Assets** 

Mstar Category

| Rating and Risk    |          |             |                |                 |
|--------------------|----------|-------------|----------------|-----------------|
| Time               | Load-Adj | Morningstar | Morningstar    | Morningstar     |
| Period             | Return % | Rtn vs Cat  | Risk vs Cat    | Risk-Adj Rating |
| 1 Yr               | 9.64     |             |                |                 |
| 3 Yr               | 6.29     | -Avg        | Low            | **              |
| 5 Yr               | 8.45     | -Avg        | Low            | ***             |
| 10 Yr              | 8.65     | -Avg        | Low            | ***             |
| Incept             | 8.31     |             |                |                 |
| Other Measures     |          | Stand       | Standard Index |                 |
| Alpha              |          |             | -1.8           |                 |
| Beta               |          |             | 0.68           |                 |
| R-Squared          |          |             | 57             |                 |
| Standard Deviation |          |             | 9.17           |                 |
| Mean               |          |             | 6.29           |                 |
| Sharpe Ratio       |          |             | 0.63           |                 |

allocation of 12% as of October 2017 (but it has been over 20% during his tenure) which at least partially offsets the additional risk brought on by the higher debt levels. However, this outsize allocation to cash has been a drag on performance as the market has continued to rise and has caused the fund to look less impressive than other options in the Diamond Hill suite. This means that although the process has generated consistent success at the firm's large- and mid-cap strategies, it hasn't fully translated to its small-cap offerings.

As a result, the fund has delivered over the long term but is out of step at times. Its risk-adjusted returns from January 2008 to October 2017 outpace its bogies, but during the trailing five years the fund has not been able to keep pace primarily because of its large cash position. Nevertheless, over a full market cycle, we expect patient investors to reap the rewards of this team's conservative approach.

| nd Hill Funds                  | Minimum Purchase:    | \$5000     | Add: —     | IRA: —      |
|--------------------------------|----------------------|------------|------------|-------------|
| ous, OH 43215                  | Min Auto Inv Plan:   | \$5000     | Add: \$100 |             |
| 6-5595                         | Sales Fees:          | No-load    |            |             |
| liamond-hill.com               | Management Fee:      | 0.80%, 0.1 | 7%A        |             |
| 05                             | Actual Fees:         | Mgt:0.80%  | Dist:      |             |
| nd Hill Capital Management Inc | Expense Projections: | 3Yr:\$312  | 5Yr:\$542  | 10Yr:\$1201 |
|                                | Income Distribution: | Annually   |            |             |
|                                |                      |            |            |             |

| Portfolio Analysis 05-31-18          |            |           |          |
|--------------------------------------|------------|-----------|----------|
| Total Stocks: 68                     |            |           |          |
| Share change since 04-30-18          | Sector     | YTD Ret % | % Assets |
| 🕀 State Street Instl Liquid          | —          | _         | 11.75    |
| 🕀 Diamond Hill Short Durati          | —          | —         | 3.76     |
| <ul> <li>Vail Resorts Inc</li> </ul> | Cnsmr Cyc  | 30.43     | 3.69     |
| Live Nation Entertainment            | Cnsmr Cyc  | 14.09     | 3.19     |
| Avis Budget Group Inc                | Industrl   | -25.93    | 3.06     |
| BankUnited Inc                       | Finan Svcs | 1.35      | 2.65     |
| Navigators Group Inc                 | Finan Svcs | 17.33     | 2.63     |
| Red Rock Resorts Inc A               | Cnsmr Cyc  | _         | 2.63     |
| Trinity Industries Inc               | Industrl   | -7.85     | 2.58     |
| iStar Inc                            | Real Est   | -4.51     | 2.40     |
| ⊖ Hub Group Inc Class A              | Industrl   | 3.97      | 2.32     |
| Enstar Group Ltd                     | Finan Svcs | 3.26      | 2.31     |
| Cimarex Energy Co                    | Energy     | -16.42    | 2.24     |
| 😑 Brown & Brown Inc                  | Finan Svcs | 8.36      | 2.03     |
| Aircastle Ltd                        | Industrl   | -9.96     | 1.99     |
| ⊖ Popular Inc                        | Finan Svcs | —         | 1.98     |
| UGI Corp                             | Utilities  | 11.99     | 1.92     |
| Validus Holdings Ltd                 | Finan Svcs | 45.69     | 1.92     |
| Nationstar Mortgage Holdi            | Finan Svcs | -5.24     | 1.77     |
| Bank of the Ozarks Inc               | Finan Svcs | -6.24     | 1.66     |

| Current Investment   | t Style  |  |
|--|--|--|
| Value Blend Growth<br>arge Mid Small   | Market Cap<br>Giant<br>Large<br>Mid<br>Small<br>Micro<br>Avg \$mil:<br>3,673 | %<br>0.0<br>1.0<br>56.9<br>39.7<br>2.5 |
| Value Measures   | Rel Ca   | teaorv                                 |
| Price/Earnings<br>Price/Book<br>Price/Sales<br>Price/Cash Flow<br>Dividend Yield % | 14.42<br>1.77<br>1.07<br>4.22<br>1.50  | 0.98<br>1.10<br>1.10<br>0.56<br>0.81   |
| Growth Measures  | % Rel Ca   | tegory                                 |
| Long-Term Erngs<br>Book Value<br>Sales<br>Cash Flow<br>Historical Erngs            | 4.51   | 1.30<br>-4.19<br>-3.88<br>0.02<br>2.34 |
| Profitability  |  | %                                      |
| Return on Equity<br>Return on Assets<br>Net Margin                                 |  | 15.00<br>3.78<br>11.90                 |

|                   | Finan Svcs<br>Finan Svcs<br>Finan Svcs | 45.69<br>-5.24<br>-6.24 | 1.92<br>1.77<br>1.66 |  |
|-------------------|--|-------------------------|----------------------|--|
|                   | Filidii SVCS                           | -0.24                   | 1.00                 |  |
| Sec<br>We         | tor<br>ightings                        | % of<br>Stocks          | Rel<br>Bmark 1       |  |
| ∿                 | Cyclical                               | 53.51                   | 0.96                 |  |
|                   | BasicMat                               | 0.74                    | 0.15                 |  |
| A                 | CnsmrCyc                               | 14.89                   | 1.41                 |  |
| L.                | FinanSvcs                              | 29.97                   | 1.14                 |  |
| 伧                 | Real Est                               | 7.91                    | 0.55                 |  |
| w,                | Sensitive                              | 33.24                   | 1.10                 |  |
| •                 | CommSrvs                               | 0.57                    | 0.55                 |  |
| 0                 | Energy                                 | 4.36                    | 0.72                 |  |
| ٥                 | Industrl                               | 25.03                   | 2.00                 |  |
|                   | Technlgy                               | 3.28                    | 0.31                 |  |
| <b>→</b>          | Defensive                              | 13.26                   | 0.96                 |  |
|                   | CnsmrDef                               | 6.18                    | 1.83                 |  |
|                   | Hlthcare                               | 4.31                    | 1.04                 |  |
| Ç                 | Utilities                              | 2.77                    | 0.44                 |  |
|                   |  |                         |                      |  |
| Composition - Net |  |                         |                      |  |
|                   |  | Cash                    | 11.9                 |  |
|                   |  | Stocks                  | 84.5                 |  |
|                   |  | Bonds                   | 3.6                  |  |
|                   |  | Other                   | 0.0                  |  |
|                   |  | Foreign                 | 39                   |  |

### **Mutual Funds** M RNINGSTAR

# Foreign 3.9 (% of Stock)

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### Westwood Income Oppor

Benchmark 1: Morningstar Mod Tgt Risk TR USD Benchmark 2: Morningstar Mod Tgt Risk TR USD

### Morningstar Analyst Rating 08-18-17

# **Bronze**

| Morningstar Pillars |          |  |  |  |
|---------------------|----------|--|--|--|
| Process             | Positive |  |  |  |
| Performance         | Positive |  |  |  |
| People              | Positive |  |  |  |
| Parent              | Neutral  |  |  |  |
| Price               | Neutral  |  |  |  |

### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

### Analyst Rating Spectrum

| 👽 Gold      | 🐺 Silver | 🐺 Bronze | Neutral | Negative  |
|-------------|----------|----------|---------|-----------|
| Pillar Spec | trum:    |          |         |           |
| O Positive  | •        | Negative |         | O Neutral |

## Performance 06-30-18

| renomia       |         | -30-10    |            |             |           |
|---------------|---------|-----------|------------|-------------|-----------|
|               | 1st Qtr | 2nd Qtr   | 3rd Qti    | 4th Qtr     | Total     |
| 2014          | 2.60    | 4.59      | -0.13      | 1.80        | 9.10      |
| 2015          | 0.43    | -1.15     | -4.86      | 3.16        | -2.57     |
| 2016          | 1.57    | 3.68      | 0.54       | 0.74        | 6.66      |
| 2017          | 3.77    | 2.08      | 1.36       | 3.35        | 10.96     |
| 2018          | -2.20   | 0.69      | _          | _           | —         |
| Trailing      | Total   | +/- Bmark | +/- Bmark  |             | Growth of |
|               | Return% | 1         | 2          |             | \$10,000  |
| 3 Mo          | 0.69    | 0.13      | 0.13       | 62          | 10,069    |
| 6 Mo          | -1.53   | -1.22     | -1.21      | 88          | 9,847     |
| 1 Yr          | 3.16    | -3.76     | -3.76      | 95          | 10,316    |
| 3 Yr Avg      | 4.58    | -1.83     | -1.82      | 80          | 11,439    |
| 5 Yr Avg      | 5.32    | -1.60     | -1.60      | 88          | 12,959    |
| 10 Yr Avg     | 7.11    | 0.83      | 0.83       | 31          | 19,871    |
| 15 Yr Avg     | _       | —         | _          |             | —         |
| Tax Analysis  | Tax A   | dj Rtn% % | Rank Cat T | ax-Cost Rat | %Rank Cat |
| 3 Yr (estimat | ted)    | 3.68      | 60         | 0.86        | 27        |
| 5 Yr (estimat | ted)    | 4.45      | 73         | 0.83        | 22        |
| 10 Yr (estima | ated)   | 6.18      | 22         | 0.87        | 28        |

Potential Capital Gain Exposure: 15% of assets

### Morningstar's Take by Jeff Holt 08-18-17

Westwood Income Opportunity's long-standing, concentrated approach distinguishes it from many multiasset income peers. With a manager who has been at the helm since the fund's late 2005 inception, investors have good reason to believe the fund will stick to the approach that has delivered attractive long-term results. The fund receives a Morningstar Analyst Rating of Bronze.

This fund holds far fewer securities than most multiasset income funds. Lead manager Mark Freeman aims to hold 50-70 securities and has generally stayed within that range; other multiasset income funds often hold several hundreds or thousands of securities. Freeman, who has also served as Westwood's chief investment officer since 2012, relies heavily on the bottom-up, fundamental research of the firm's 17 analysts. Freeman reviews the stock buy list of companies and determines where to invest on the capital structure, opting to invest in preferred stocks, convertibles, or credit in some cases. He also leverages analysts' research on REITs and master limited partnerships, which have a continual presence in the fund.

| Address:     | Westwood Funds           |
|--------------|--------------------------|
|              | 0AKS PA 19087            |
|              | 877-386-3944             |
| Web Address: | www.westwoodfunds.com    |
| Inception:   | 12-19-05                 |
| Advisor:     | Westwood Management Corp |
| Subadvisor:  | None                     |

| unit                            | y Ins                            | stl                            |                               |                                 |                                |                               | FickerYieldNHGIX1.7%             |                                 |                                  |                                  | s Mstar Category<br>Allocation50% to 70%<br>Equity  |  |
|---------------------------------|----------------------------------|--------------------------------|-------------------------------|---------------------------------|--------------------------------|-------------------------------|----------------------------------|---------------------------------|----------------------------------|----------------------------------|---|--|
| Return<br>Risk                  | Average                          | e                              |                               |                                 |                                |                               |                                  |                                 |                                  |                                  | Investment Style<br>Equity  |  |
| Rating                          | Above A                          | vg                             | $\sim$                        | {}                              |                                |                               | ~~~~                             |                                 |                                  | ~                                | 20.0<br>17.5 <b>Growth of \$10,000</b><br>15.0 Investment Values of<br>Fund<br>12.5 Investment Values of<br>Benchmark 1 |  |
|                                 |                                  |                                |                               |                                 |                                |                               |                                  |                                 |                                  |                                  | 7.5<br>Performance Quartile<br>(within Category)  |  |
| 2008                            | 2009                             | 2010                           | 2011                          | 2012                            | 2013                           | 2014                          | 2015                             | 2016                            | 2017                             | 06-18                            | History   |  |
| 9.20<br>-4.58<br>17.61<br>17.61 | 10.03<br>12.18<br>-9.59<br>-9.59 | 11.10<br>13.77<br>1.44<br>1.44 | 11.59<br>7.10<br>6.51<br>6.51 | 12.27<br>7.95<br>-4.10<br>-4.10 | 13.84<br>14.49<br>0.18<br>0.18 | 14.70<br>9.10<br>4.21<br>4.21 | 14.10<br>-2.57<br>-0.78<br>-0.78 | 14.75<br>6.66<br>-1.91<br>-1.91 | 15.81<br>10.96<br>-3.69<br>-3.69 | 15.42<br>-1.53<br>-1.21<br>-1.21 | NAV<br>Total Return %<br>+/- Bmark 1<br>+/- Bmark 2   |  |
| 3.45<br>-8.03                   | 3.04<br>9.14                     | 2.94<br>10.83                  | 2.63<br>4.47                  | 2.05<br>5.90                    | 1.44<br>13.05                  | 1.76<br>7.34                  | 1.33<br>-3.89                    | 1.52<br>5.14                    | 1.67<br>9.29                     | 0.94<br>-2.46                    | Income Return %<br>Capital Return %   |  |
| 0.34<br>0.00                    | 92<br>0.28<br>0.00               | 6<br>0.29<br>0.00              | 5<br>0.29<br>0.00             | 74<br>0.24<br>0.00              | 73<br>0.18<br>0.02             | 17<br>0.24<br>0.15            | 75<br>0.19<br>0.03               | 52<br>0.21<br>0.07              | 81<br>0.24<br>0.30               | 88<br>0.15<br>0.00               | Total Rtn % Rank Cat<br>Income \$<br>Capital Gains \$   |  |
| 1.24<br>3.57<br>99              | 1.11<br>3.22<br>91               | 0.96<br>3.18<br>34             | 0.90<br>2.93<br>26            | 0.90<br>2.63<br>24              | 0.86<br>2.07<br>24             | 0.84<br>1.79<br>19            | 0.84<br>1.66<br>24               | 0.84<br>1.74<br>22              | 0.83<br>1.72<br>34               |                                  | Expense Ratio %<br>Income Ratio %<br>Turnover Rate %  |  |
| 80                              | 146                              | 223                            | 504                           | 815                             | 1,512                          | 2,269                         | 2,277                            | 2,311                           | 2,639                            | 2,595                            | Net Assets \$mil  |  |

| Rating and Risk                            |                              |                           |                            |                    |  |  |  |
|--|------------------------------|---------------------------|----------------------------|--------------------|--|--|--|
| Time<br>Period<br>1 Yr                     | Load-Adj<br>Return %<br>3.16 | Morningstar<br>Rtn vs Cat | Morningstar<br>Risk vs Cat |                    |  |  |  |
| 3 Yr<br>5 Yr<br>10 Yr<br>Incept            | 4.58<br>5.32<br>7.11<br>6.66 | -Avg<br>-Avg<br>+Avg      | Low<br>Low<br>Low          | **<br>**<br>****   |  |  |  |
| Other M                                    | easures                      | Standard Index            |                            | Best Fit Index     |  |  |  |
| Alpha<br>Beta<br>R-Squared                 |                              | -1.3<br>0.91<br>89        |                            | -0.9<br>0.76<br>89 |  |  |  |
| Standard Deviation<br>Mean<br>Sharpe Ratio |                              |                           | 5.96<br>4.58<br>0.66       |                    |  |  |  |

Like many of its multiasset income peers, the fund's asset mix changes based on the prevailing market. Opportunities identified by the analyst team lead Freeman to shift the portfolio, rather than a top-down view of the economic landscape. The fund has kept roughly half the portfolio in equities, including MLPs and REITs, since inception, but that exposure has fluctuated between 19% and 58%. The exposure to niche areas like MLPs and preferred stock also changes. The fund's cash stake-nearly 20% of the portfolio as of June 2017--varies, as Freeman uses the asset class strategically to keep volatility in check and to have cash available for new opportunities.

This approach has delivered solid results over the long run. True, the fund's 12-month yield--only 1.4% as of June 2017--comes in lower than most multiasset income peers, but the combination of competitive returns and modest volatility has produced impressive riskadjusted results.

| d Funds           | Minimum Purchase:    | \$100000  | Add: —    | IRA: —      |
|-------------------|----------------------|-----------|-----------|-------------|
| 19087             | Min Auto Inv Plan:   | \$100000  | Add: \$25 |             |
| 1944              | Sales Fees:          | No-load   |           |             |
| stwoodfunds.com   | Management Fee:      | 0.75%     |           |             |
|                   | Actual Fees:         | Mgt:0.75% | Dist:—    |             |
| d Management Corp | Expense Projections: | 3Yr:\$274 | 5Yr:\$477 | 10Yr:\$1061 |
|                   | Income Distribution: | Quarterly |           |             |
|                   |                      |           |           |             |

| Portfolio Analysis 03                       | -31-18   |                  |           |           |
|---|----------|------------------|-----------|-----------|
| Total Stocks: 30                            |          |                  |           |           |
| Share change since 12-31-17                 |          | Sector           | YTD Ret % | % Assets  |
| <ul> <li>SEI Government F (SDIT)</li> </ul> |          | _                | _         | 12.01     |
| Bank of America Corpora                     | ıti      | Finan Svcs       | _         | 2.65      |
| Honeywell International I                   |          | Industrl         | _         | 2.36      |
| ⊖ The Home Depot Inc                        |          | Cnsmr Cyc        | _         | 2.31      |
| PepsiCo Inc                                 |          | Cnsmr Def        | _         | 2.30      |
| ⊖ US Bancorp                                |          | Finan Svcs       | _         | 2.30      |
| Alexandria Real Estate E                    | a        | Real Est         | _         | 2.20      |
| Boston Properties Inc                       |          | Real Est         | _         | 2.20      |
| ⊖ Comcast Corp Class A                      |          | Comm Svcs        | _         | 2.14      |
|   |          | 00000            |           | 2.11      |
|   | Date of  |                  | Value     | %         |
| Total Fixed Income: 26                      | Maturity | Amount 000       | \$000     | Assets    |
| United States Treasury                      | 08-15-19 | 52,384           | 53,362    | 1.98      |
| Morgan Stanley FXD-FRN                      | 12-29-49 | 33,363           | 33,964    | 1.26      |
| Citigroup Inc. FXD-FRN                      | 12-31-49 | 32,682           | 33,703    | 1.25      |
| JPMorgan Chase & Co. FX                     | 12-31-49 | 33,476           | 33,647    | 1.25      |
| JPMorgan Chase & Co. FX                     | 12-29-49 | 33,355           | 33,652    | 1.25      |
|   |          | ,                | -1        |           |
| Equity Style                                |          | Fixed-Income Sty | le        | $\square$ |
| Style: Blend                                |          | Duration: —      |           |           |
| Size: Large-Cap                             |          | Quality: —       |           |           |
|   |          |                  |           |           |

**Mstar Category** 

| oizo. Luigo c    | up [       |          | Cuulty.                            |                |                 |
|------------------|------------|----------|------------------------------------|----------------|-----------------|
| Value Measures   | Rel        | Category | Avg Eff Duration <sup>1</sup>      |                | _               |
| Price/Earnings   | 17.13      | 1.07     | Avg Eff Maturity                   |                | _               |
| Price/Book       | 2.92       | 1.22     | Avg Credit Quality                 |                | _               |
| Price/Sales      | 2.67       | 1.48     | Avg Wtd Coupon                     |                | 3.48%           |
| Price/Cash Flow  | 13.11      | 1.38     | <sup>1</sup> figure provided by fu | nd as of 03-   | -31-18          |
| Dividend Yield % | 3.07       | 1.31     | -                                  |                |                 |
| Growth Measures  | % Rel      | Category | Sector<br>Weightings               | % of<br>Stocks | Rel<br>Brnark 1 |
| Long-Term Erng:  | 3 10.66    | 0.88     |                                    |                |                 |
| Book Value       | 5.11       | 2.71     | ✤ Cyclical                         | 30.75          | 0.73            |
| Sales            | 4.71       | -1.71    | 🏯 BasicMat                         | 0.00           | 0.00            |
| Cash Flow        | 7.93       | -2.84    | CnsmrCyc                           | 5.07           | 0.46            |
| Historical Erngs | 9.77       | 0.97     | ¢ FinanSvcs                        | 16.02          | 0.91            |
| Market Cap %     |            |          | ✿ Real Est                         | 9.66           | 1.25            |
| Giant 54.2       | Small      | 0.0      | 🕶 Sensitive                        | 52.68          | 1.45            |
| Large 26.2       | Micro      | 0.0      | CommSrvs                           | 4.71           | 1.45            |
| Mid 19.7         | Avg \$mil: | 60,584   | Energy                             | 16.18          | 2.54            |
|                  | 0          |          | Industrl                           | 20.64          | 1.85            |
| Composition - Ne | t          |          | Technlgy                           | 11.15          | 0.72            |
|                  | Cash       | 18.3     | → Defensive                        | 16.57          | 0.76            |
|                  | Stocks     |          | 🔚 CnsmrDef                         | 5.06           | 0.65            |
|                  | Bonds      | 27.5     | HIthcare                           | 9.07           | 0.86            |
|                  | Other      | 8.7      | Utilities                          | 2.44           | 0.74            |
|                  | Foreigr    |          | _                                  |                |                 |
|                  | (% of St   | OCK)     |                                    |                |                 |

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# **American Funds Europacific Growth F2**

Benchmark 1: MSCI ACWI Ex USA Growth NR USD Benchmark 2: MSCI ACWI Ex USA NR USD

## Morningstar Analyst Rating 10-02-17

# 🗱 Gold

| Morningstar Pillars |          |
|---------------------|----------|
| Process             | Positive |
| Performance         | Positive |
| People              | Positive |
| Parent              | Positive |
| Price               | Positive |

#### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis

#### Analyst Rating Spectrum

| 👽 Gold      | 🐺 Silver | 🐺 Bronze | Neutral | Negative  |
|-------------|----------|----------|---------|-----------|
| Pillar Spec | strum    |          |         |           |
| O Positive  | ;        | Negative |         | O Neutral |

#### Performance 06-30-18

| renorma      | ince oo | -30-10     |             |             |           |
|--------------|---------|------------|-------------|-------------|-----------|
|              | 1st Qtr | 2nd Qtr    | 3rd Qtr     | 4th Qtr     | Total     |
| 2014         | 0.69    | 2.92       | -4.24       | -1.66       | -2.41     |
| 2015         | 5.95    | 1.10       | -9.85       | 2.95        | -0.57     |
| 2016         | -2.34   | -0.34      | 8.20        | -4.17       | 0.92      |
| 2017         | 9.34    | 7.66       | 6.83        | 4.19        | 31.02     |
| 2018         | 1.02    | -2.85      | _           | —           | —         |
| Trailing     | Total   | +/- Bmark  | +/- Bmark   | %Rank       | Growth of |
|              | Return% | 1          | 2           | Cat         | \$10,000  |
| 3 Mo         | -2.85   | -1.43      | -0.24       | 88          | 9,715     |
| 6 Mo         | -1.86   | 0.42       | 1.90        | 72          | 9,814     |
| 1 Yr         | 9.24    | -0.66      | 1.96        | 53          | 10,924    |
| 3 Yr Avg     | 6.39    | -0.17      | 1.33        | 45          | 12,043    |
| 5 Yr Avg     | 8.23    | 1.05       | 2.24        | 30          | 14,851    |
| 10 Yr Avg    |         | _          | _           | _           | _         |
| 15 Yr Avg    | _       | _          | _           | —           | —         |
| Tax Analysis | Tax A   | dj Rtn% %l | Rank Cat Ta | ax-Cost Rat | %Rank Cat |
| 3 Yr (estima | ted)    | 5.32       | 52          | 1.01        | 93        |
| 5 Yr (estima | ted)    | 7.31       | 35          | 0.85        | 80        |
| 10 Yr (estim | ated)   | _          | _           | _           | _         |

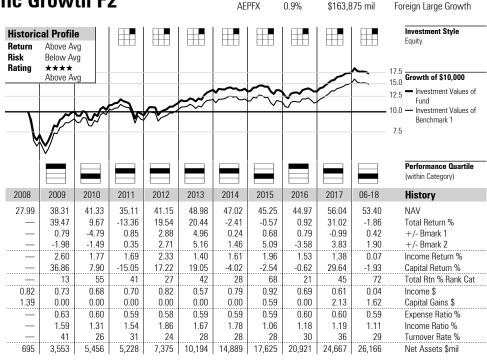
Potential Capital Gain Exposure: 27% of assets

#### Morningstar's Take by Gregg Wolper 10-02-17

American Funds Europacific Growth remains impressive: It has a very experienced management group, an appealingly low cost, a strong performance record, and a reliable parent. It retains its Morningstar Analyst Rating of Gold.

All but one of this fund's nine managers, who run sleeves of the portfolio independently, have been on the roster for at least nine years, several for much longer. In theory, combining many managers with differing styles could result in a bland overall portfolio, but it hasn't here. While the top of the portfolio certainly includes many household names, the fund's consistently heavy stake in emerging markets--much higher than those of most peers--itself shows that the fund goes its own way. Sector weightings also differ markedly from those of the MSCI ACWI ex-US Index and the foreign large-growth Morningstar Category averages.

Another advantage enjoyed by this fund is its relatively low cost. At 0.85%, the expense ratio for its A shares is 45 basis points below the median for front-load funds in the foreign large-cap Morningstar Categories.



Ticker

Yield

**Total Assets** 

Mstar Category

| Ratin          | g and Risl           | k                         |                            |                                |  |  |  |
|----------------|----------------------|---------------------------|----------------------------|--------------------------------|--|--|--|
| Time<br>Period | Load-Adj<br>Return % | Morningstar<br>Rtn vs Cat | Morningstar<br>Risk vs Cat | Morningstar<br>Risk-Adj Rating |  |  |  |
| 1 Yr           | 9.24                 |                           |                            |                                |  |  |  |
| 3 Yr           | 6.39                 | Avg                       | Avg                        | ***                            |  |  |  |
| 5 Yr           | 8.23                 | +Avg                      | -Avg                       | ****                           |  |  |  |
| 10 Yr          | —                    |                           | _                          | _                              |  |  |  |
| Incept         | 5.26                 |                           |                            |                                |  |  |  |
| Other M        | leasures             | Stand                     | Standard Index             |                                |  |  |  |
| Alpha          |                      |                           | 1.7                        | 0.2                            |  |  |  |
| Beta           |                      |                           | 0.89                       |                                |  |  |  |
| R-Squa         | red                  |                           | 91                         | 93                             |  |  |  |
| Standar        | d Deviation          |                           | 11.40                      |                                |  |  |  |
| Mean           |                      |                           | 6.39                       |                                |  |  |  |
| Sharpe         | Ratio                |                           | 0.54                       |                                |  |  |  |
|                |                      |                           |                            |                                |  |  |  |

Other share classes are also far cheaper than nearly all actively managed competitors.

That low cost is made possible in part by a massive asset base--currently around \$150 billion--which could raise concerns. Many funds that have had major growth spurts change their styles to accommodate the bulk, and performance suffers. That possibility should not be ignored here; the fund did own a greater percentage of mid-caps 15 to 20 years ago when it was much smaller. But it still has mid-single-digit exposure to such stocks and that hasn't changed in more than 10 years, nor has the cash stake expanded. Meanwhile, outperformance has continued. The fund has beaten the index and the foreign large-growth and foreign large-blend Morningstar Category averages not just for the trailing 15-year period but also the three- and five-year stretches, when it already had more than \$120 billion.

This fund will have down periods due if nothing else to its hefty emerging-markets stake, but it remains a strong choice.

| Address:     | Europacific Growth Fund                 | Minimum Purchase:    | \$250 Add: \$50 IRA: —         |
|--------------|---|----------------------|--------------------------------|
|              | Los Angeles, CA 90071-1406              | Min Auto Inv Plan:   | \$50 Add: \$50                 |
|              | 800-421-4225                            | Sales Fees:          | No-load                        |
| Web Address: | www.americanfunds.com                   | Management Fee:      | 0.69% mx./0.39% mn., 0.05%A    |
| Inception:   | 08-01-08                                | Actual Fees:         | Mgt:0.41% Dist:                |
| Advisor:     | Capital Research and Management Company | Expense Projections: | 3Yr:\$192 5Yr:\$335 10Yr:\$750 |
| Subadvisor:  | None                                    | Income Distribution: | Semi-Annually                  |

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#### Portfolio Analysis 03-31-18 T

| FULLUIU Allalysis 03-31-10               |            |                |          |
|--|------------|----------------|----------|
| Total Stocks: 261                        |            |                |          |
| Share change since 12-31-17              | Sector     | Country        | % Assets |
| ○ Samsung Electronics Co Lt              | Technology | South Korea    | 2.62     |
| AIA Group Ltd                            | Finan Svcs | Hong Kong      | 2.59     |
| Airbus SE                                | Industrl   | Netherlands    | 2.28     |
| 🕀 British American Tobacco               | Cnsmr Def  | United Kingdom | 2.16     |
| Alibaba Group Holding Ltd                | Cnsmr Cyc  | China          | 2.11     |
| Taiwan Semiconductor Manu                | Technology | Taiwan         | 2.06     |
| Nintendo Co Ltd                          | Technology | Japan          | 1.98     |
| HDFC Bank Ltd                            | Finan Svcs | India          | 1.92     |
| Reliance Industries Ltd                  | Energy     | India          | 1.86     |
| ⊖ ASML Holding NV                        | Technology | Netherlands    | 1.65     |
| ⊖ SoftBank Group Corp                    | Comm Svcs  | Japan          | 1.64     |
| <ul> <li>Tencent Holdings Ltd</li> </ul> | Technology | China          | 1.51     |
| ⊖ Sony Corp                              | Technology | Japan          | 1.47     |
| Hyanair Holdings PLC ADR                 | Industrl   | Ireland        | 1.45     |
| UniCredit SpA                            | Finan Svcs | Italy          | 1.39     |
| Prudential PLC                           | Finan Svcs | United Kingdom | 1.28     |
| Baidu Inc ADR                            | Technology | China          | 1.11     |
| Glencore PLC                             | Basic Mat  | United Kingdom | 1.11     |
| Orsted A/S                               | Utilities  | Denmark        | 1.05     |
| Kotak Mahindra Bank Ltd                  | Finan Svcs | India          | 1.00     |
|  |            |                |          |

| Current Investment Style |          |          |          |  |  |  |  |  |  |  |
|--------------------------|----------|----------|----------|--|--|--|--|--|--|--|
| Value Blend (            | Growth   | Market C | ap %     |  |  |  |  |  |  |  |
|                          | Large    | Giant    | 62.6     |  |  |  |  |  |  |  |
|                          | e Mid    | Large    | 29.6     |  |  |  |  |  |  |  |
|                          |          | Mid      | 7.7      |  |  |  |  |  |  |  |
|                          | Smal     | Small    | 0.1      |  |  |  |  |  |  |  |
|                          | =        | Micro    | 0.0      |  |  |  |  |  |  |  |
|                          |          | Avg \$mi |          |  |  |  |  |  |  |  |
|                          |          | 47,131   |          |  |  |  |  |  |  |  |
|                          |          |          |          |  |  |  |  |  |  |  |
| Value Meas               |          |          | Category |  |  |  |  |  |  |  |
| Price/Earni              | ings     | 14.79    | 0.80     |  |  |  |  |  |  |  |
| Price/Book               | (        | 1.90     | 0.67     |  |  |  |  |  |  |  |
| Price/Sale:              | s        | 1.51     | 0.74     |  |  |  |  |  |  |  |
| Price/Cash               | n Flow   | 5.10     | 0.52     |  |  |  |  |  |  |  |
| Dividend Y               | 'ield %  | 1.84     | 0.93     |  |  |  |  |  |  |  |
| Growth Mea               | asures   | % Rel    | Category |  |  |  |  |  |  |  |
| Long-Term                | n Erngs  | 16.27    | 1.23     |  |  |  |  |  |  |  |
| Book Value               | е        | 2.41     | 0.31     |  |  |  |  |  |  |  |
| Sales                    |          | 2.92     | 0.48     |  |  |  |  |  |  |  |
| Cash Flow                |          | 12.76    | 1.12     |  |  |  |  |  |  |  |
| Historical I             | Erngs    | 26.27    | 1.61     |  |  |  |  |  |  |  |
| Compositio               | on - Net |          |          |  |  |  |  |  |  |  |
| Cash                     | 5.6      | Bonds    | 0.7      |  |  |  |  |  |  |  |

| Sector      |          | % of | Rel       |         |
|-------------|----------|------|-----------|---------|
| Weight      | ings     |      | Stocks    | Bmark 1 |
| <b>Դ</b> Cy | clical   |      | 41.32     | 1.19    |
| 🚓 Ba        | sicMat   |      | 9.19      | 1.10    |
| 🗂 Cr        | ismrCyc  |      | 11.79     | 0.83    |
| 🕫 Fir       | nanSvcs  |      | 19.10     | 1.89    |
| 🔂 Re        | al Est   |      | 1.24      | 0.67    |
| 🕶 Se        | ensitive |      | 40.29     | 1.01    |
| E Co        | mmSrvs   | S    | 3.12      | 1.33    |
| 👌 En        | ergy     |      | 5.47      | 1.88    |
| 🔅 Ind       | dustrl   |      | 10.25     | 0.70    |
| 😐 Te        | chnlgy   |      | 21.45     | 1.08    |
| → De        | fensive  |      | 18.39     | 0.72    |
| 🚍 Cr        | ismrDef  |      | 8.98      | 0.59    |
| 🔹 Hli       | thcare   |      | 6.75      | 0.72    |
| 🔉 Ut        | ilities  |      | 2.66      | 2.56    |
| Region      | al Expos | ure  |           | % Stock |
|             | Europe   |      | N. Ameri  | ca 6    |
| Japan       |          | 14   | Latn Ame  | erica 4 |
| Asia X      | Japan    | 34   | Other     | 2       |
| Country     | / Exposu | re   |           | % Stock |
| Japan .     |          | 14   | China     | 7       |
| UK          |          | 12   | South Kor | rea 7   |

8

•

**Mutual Funds** M RNINGSTAR

Other

0.1

97.6

India

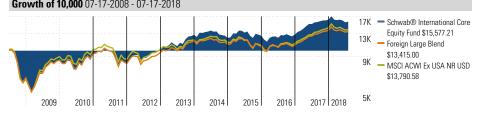
93.6

Foreign (% of Stock)

Stocks

# Schwab® International Core Equity Fund SICNX

| NAV \$ | NAV Day Change %  | Yield TTM % | Total Assets \$ Bil | Status | Min. Inv. | Load | Expenses | Morningstar Rating™ | Category            | Investment Style |  |
|--------|---|-------------|---------------------|--------|-----------|------|----------|---------------------|---------------------|------------------|--|
| 10.78  | <b>↑</b> 0.02   0.19  | 2.42        | 1.4                 | Open   | \$100     | None | 0.86%    | ****                | Foreign Large Blend | l 📕 Large Blend  |  |
| Grow   | Growth of 10,000 07-17-2008 - 07-17-2018 3 Year Average Morningstar Risk Measures |             |                     |        |           |      |          |                     |                     |                  |  |



#### **Investment Strategy**

The investment seeks long-term capital growth. The fund invests primarily in the stocks of publicly traded companies located in developed market countries excluding the United States. It invests at least 80% of its net assets (including, for this purpose, any borrowings for investment purposes) in equity securities. The fund typically invests a majority of its assets in the stocks of large-cap and mid-cap companies, but may invest a portion of its assets in small-cap companies.

| Performance 07-17-2018         |       |       |        |         |         |          |
|--------------------------------|-------|-------|--------|---------|---------|----------|
|                                | YTD   | 1 Mo  | 1 Yr   | 3Yr Ann | 5Yr Ann | 10Yr Ann |
| Growth of 10,000               | 9,694 | 9,818 | 10,219 | 11,509  | 13,773  | 15,422   |
| Fund                           | -3.06 | -1.82 | 2.19   | 4.80    | 6.61    | 4.43     |
| +/- MSCI ACWI Ex USA NR<br>USD | 0.03  | -0.24 | -3.09  | -0.16   | 1.40    | 1.37     |
| +/- Category                   | -0.97 | -0.40 | -2.89  | 0.49    | 1.44    | 1.28     |
| % Rank in Cat                  | 75    | 74    | 89     | 41      | 11      | 18       |
| # of Funds in Cat              | 779   | 808   | 752    | 609     | 518     | 362      |
| * Currency is displayed in USD |       |       |        |         |         |          |

Top Holdings 06-30-2018 Weight % Last Price Day Chg % 52 Week Range  $\oplus$  Total SA 2.32 52.50 USD 42.22 - 54.95 -0.47 🕹 Roche Holding AG Dividend Right Cert. 2.29 234.90 USD 206.35 - 252.85  $\oplus$ 1.25 🛧 ⊕ Lloyds Banking Group PLC 2.19 62.63 USD 60.50 - 72.68 0.28 🛧 ⊕ Basf SE 2.19 84.23 USD 78.97 - 98.80 1.38 🕇 Sony Corp 2.02 ---- USD 4,039.00 - 6,100.00 -0.52 🕹 % Assets in Top 5 Holdings 11.01

1 0

⊕ Increase 🛛 👄 Decrease 🛛 🗱 New to Portfolio

| op Sectors 06-30-2018 |       |           |          |         |  |
|-----------------------|-------|-----------|----------|---------|--|
|                       | Fund  | 3 Yr High | 3 Yr Low | Cat Avg | 🔳 Fund 🔻 Cat Avg                       |
| Financial Services    | 20.83 | 21.66     | 20.54    | 20.53   | <b></b>                                |
| Technology            | 13.69 | 13.69     | 9.71     | 10.78   | <b>—</b>                               |
| Industrials           | 12.67 | 16.58     | 12.67    | 13.66   | •••••••••••••••••••••••••••••••••••••• |
| Consumer Defensive    | 12.36 | 12.36     | 9.12     | 10.70   |  |
| Healthcare            | 10.41 | 10.93     | 10.26    | 9.14    | Ť                                      |
| -                     |       |           |          |         | 0 10 20 30 4                           |

### **Dividend and Capital Gains Distributions**

| Distribution<br>Date | Distribution<br>NAV | Long-Term<br>Capital Gain | Short-Term<br>Captial Gain | Return of<br>Capital | Dividend<br>Income | Distribution<br>Total |
|----------------------|---------------------|---------------------------|----------------------------|----------------------|--------------------|-----------------------|
| 12-08-2017           | 10.90               | 0.0318                    | 0.0000                     | 0.0000               | 0.2587             | 0.2905                |
| 12-12-2016           | 9.04                | 0.0000                    | 0.0000                     | 0.0000               | 0.2272             | 0.2272                |
| 12-10-2015           | 9.11                | 0.0000                    | 0.0000                     | 0.0000               | 0.1867             | 0.1867                |
| 12-09-2014           | 9.18                | 0.1847                    | 0.0000                     | 0.0000               | 0.1500             | 0.3347                |
| 12-05-2013           | 9.40                | 0.0000                    | 0.0000                     | 0.0000               | 0.2558             | 0.2558                |

### 

-Ava

+Avg

low

Risk vs. Category

Return vs. Category

(623)

(623)

Pillars

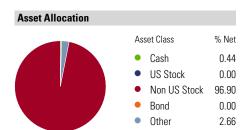
Process

Parent

Performance People

Deep Core Core Core High Val Val Grow Grow





Micro

| Management    |            |
|---------------|------------|
|               | Start Date |
| Jonas Svallin | —          |
| Wei Li        | _          |
| lain Clayton  | _          |

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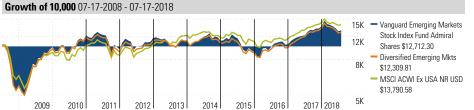
**Morningstar Analyst Rating** 

Avg

High

# Vanguard Emerging Markets Stock Index Fund Admiral Shares VFMAX

|        |                      | • |                 | • | • | • • • • • • • • • • • • • • • • • • |          |                     | ••••••              |                  |
|--------|----------------------|---|-----------------|---|---|-------------------------------------|----------|---------------------|---------------------|------------------|
| NAV \$ | NAV Day Change %     | Yield TTM %                             | Total Assets \$ | Status                                  | Min. Inv.                               | Load                                | Expenses | Morningstar Rating™ | Category            | Investment Style |
| 35.65  | <b>↑</b> 0.16   0.45 | 2.60                                    | 83              | Open                                    | \$10,000                                | None                                | 0.14%    | ***                 | Diversified Emergin | g 📮 Large Blend  |



### Risk vs. Catego (688) Return vs. Cate (688)

Pillars

Process

People

Parent

Price

Rating

Performance

| 3 Year Average Morni                              | ngsta      | r Risk M | easures |      |
|---|------------|----------|---------|------|
| Risk vs. Category<br>(688)<br>Return vs. Category | Avg<br>Avg |          |         |      |
| (688)   |            | Low      | Avg     | High |

🖉 Bronze

Mkts

### Investment Strategy

03-23-2018

12-20-2017

09-19-2017

06-20-2017

38.32

37.22

36.95

33.53

0.0000

0.0000

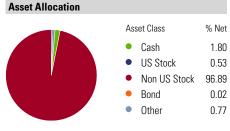
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The investment seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in emerging market countries. The fund employs an indexing investment approach designed to track the performance of the FTSE Emerging Markets All Cap China A Inclusion Index, a market-capitalization-weighted index that is made up of approximately 4,032 common stocks of large-, mid-, and small-cap companies located in emerging markets around the world.

| Performance 07-17-2018                                |                  |              |              |           |             |                          |
|---|------------------|--------------|--------------|-----------|-------------|--------------------------|
|   | YTD              | 1 Mo         | 1 Yr         | 3Yr Ann   | 5Yr Ann     | 10Yr Ann                 |
| Growth of 10,000                                      | 9,416            | 9,708        | 10,408       | 11,538    | 12,192      | 12,602                   |
| Fund  | -5.84            | -2.92        | 4.08         | 4.88      | 4.04        | 2.34                     |
| +/- MSCI ACWI Ex USA NR<br>USD                        | -2.76            | -1.34        | -1.20        | -0.07     | -1.17       | -0.72                    |
| +/- Category  | 0.47             | -0.01        | 0.94         | -0.68     | 0.33        | -0.31                    |
| % Rank in Cat   | 37               | 51           | 43           | 66        | 52          | 55                       |
| # of Funds in Cat                                     | 856              | 888          | 823          | 686       | 491         | 201                      |
| * Currency is displayed in USD                        |                  |              |              |           |             |                          |
| Top Holdings 06-30-2018                               |                  |              |              |           |             |                          |
|   |                  | Weight %     | Last Price   | Day       | Chg %       | 52 Week Range            |
| <ul> <li>Tencent Holdings Ltd</li> </ul>              |                  | 5.33         | 378.00 USD   | 0         | .59 🛧       | 288.80 - 476.60          |
| ⊕ Alibaba Group Holding Lt                            | d ADR            | 3.60         | 192.66 USD   | 1         | .21 🛧       | 147.50 - 211.70          |
| Naspers Ltd Class N                                   |                  | 2.00         | — USD        | -0        | .14 🕹       | 268,001.00<br>414,299.00 |
| <ul> <li>Taiwan Semiconductor M<br/>Co Ltd</li> </ul> | lanufacturing    | 1.91         | 223.00 USD   | 0         | .68 🔨       | 210.00 - 266.00          |
| China Construction Bank                               | Corp H           | 1.53         | 6.78 USD     | -0        | .15 🗸       | 6.32 - 9.39              |
| % Assets in Top 5 Holdings                            |                  | 14.36        |              |           |             |                          |
| ⊕ Increase  | New to Portfolio |              |              |           |             |                          |
|   |                  |              |              |           |             |                          |
| Top Sectors 06-30-2018                                |                  |              |              |           |             |                          |
| <b>-</b>  | Fund             | 3 Yr High    | 3 Yr Low     | Cat Avg   | Fund        | ▼ Cat Avg                |
| Technology  | 22.86            | 22.86        | 17.87        | 24.88     |             | <b>v</b>                 |
| Financial Services                                    | 22.20            | 24.57        | 22.20        | 24.43     |             | ¥                        |
| Consumer Cyclical                                     | 11.79            | 11.79        | 8.73         | 13.03     | <b>Y</b>    |                          |
| Basic Materials                                       | 8.14             | 9.20         | 8.14         | 6.27      | <b>••••</b> |                          |
| Energy  | 6.93             | 8.16         | 6.71         | 5.49      | 0 10        | 20 30 4                  |
| Dividend and Capital Gair                             | ne Dietrihuti    |              |              |           |             |                          |
| Distribution  | Distribution     | Long-Term    | Short-Term   | Return of | Dividend    | l Distributio            |
| Date  | NAV              | Capital Gain | Captial Gain | Capital   | Income      |                          |
| 06-21-2018  | 35.45            | 0.0000       | 0.0000       | 0.0000    | 0.2284      | 0.2284                   |
|   |                  |              |              |           |             |                          |

### Style Map Giant Weighted Average of holdings Large 75% of fund's stock Medium holdings Small Micro leep Core Core Core High 'al Val Grow Grow



| Management        |            |
|-------------------|------------|
|                   | Start Date |
| Aichael Perre     | —          |
| leffrey D. Miller | _          |

Page 1 of 1

# **Morningstar Analyst Rating**

0

0

0

0

0

Neutral

Neutral

Positive

Positive

Positive

😳 Bronze

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0.0000

0.0000

0.0000

0.0000

0.0739

0.1761

0.4340

0.2110

0.0739

0.1761

0.4340

0.2110

0.0000

0.0000

0.0000

0.0000



# Vanguard Total Bond Market Index Adm

4th Qtr

1.72

-0.60

-3.17

Total

5.89

0.40

2 60

Benchmark 1: BBgBarc US Agg Bond TR USD Benchmark 2: BBgBarc US Agg Bond TR USD

# Morningstar Analyst Rating 11-20-17

# 📰 Silver

| Morningstar Pillars |          |
|---------------------|----------|
| Process             | Positive |
| Performance         | Neutral  |
| People              | Positive |
| Parent              | Positive |
| Price               | Positive |

### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

### Analyst Rating Spectrum

2016

| 👽 Gold      | 🐺 Silver | 🐺 Bronze | Neutral | Negative                    |
|-------------|----------|----------|---------|-----------------------------|
| Pillar Spec | trum     |          |         |                             |
| Positive    |          | Negative |         | <ul> <li>Neutral</li> </ul> |

2.36

0 41

#### Performance 06-30-18 1st Qtr 2nd Qtr 3rd Qtr 2014 1.91 1.97 0.17 2015 1.65 -1.79 1.18 3.09

| 2017          | 0.91    | 1.48       | 0.73          | 0.40     | 3.56      |
|---------------|---------|------------|---------------|----------|-----------|
| 2018          | -1.47   | -0.17      |               | _        | —         |
| Trailing      | Total   | +/- Bmark  | +/- Bmark     | %Rank    | Growth of |
|               | Return% | 1          | 2             | Cat      | \$10,000  |
| 3 Mo          | -0.17   | -0.01      | -0.01         | 43       | 9,983     |
| 6 Mo          | -1.64   | -0.02      | -0.03         | 50       | 9,836     |
| 1 Yr          | -0.53   | -0.13      | -0.13         | 56       | 9,947     |
| 3 Yr Avg      | 1.67    | -0.05      | -0.05         | 49       | 10,509    |
| 5 Yr Avg      | 2.20    | -0.07      | -0.07         | 51       | 11,149    |
| 10 Yr Avg     | 3.66    | -0.06      | -0.06         | 65       | 14,325    |
| 15 Yr Avg     | 3.73    | -0.04      | -0.04         | 53       | 17,317    |
| Tax Analysis  | Tax A   | dj Rtn% %F | Rank Cat Tax- | Cost Rat | %Rank Cat |
| 3 Yr (estima  | ted)    | 0.56       | 43            | 1.09     | 43        |
| 5 Yr (estima  | ted)    | 1.06       | 43            | 1.11     | 43        |
| 10 Yr (estima | ated)   | 2.41       | 57            | 1.20     | 31        |

Potential Capital Gain Exposure: -2% of assets

#### Morningstar's Take by Phillip Yoo 11-20-17

Vanguard Total Bond Market's Treasury-heavy portfolio may keep it from posting returns at the top of the intermediate-term bond Morningstar Category, but its low price tag and high credit-quality portfolio should set it up for attractive risk-adjusted performance over a full market cycle. It warrants a Morningstar Analyst Rating of Silver

The fund tracks the market-cap-weighted Bloomberg Barclays U.S. Aggregate Bond Index, which includes investment-grade, U.S.-dollar-denominated bonds with at least one year until maturity. The portfolio currently consists of roughly 40% Treasury bonds, 20% government-guaranteed mortgage-backed securities, and 40% investment-grade corporate bonds. Accordingly, it carries low credit risk, which can limit its return potential. However, its cost advantage partially offsets this drawback.

Market-cap weighting tilts the portfolio toward highly rated bonds. AAA rated securities take up about 70% of the fund. The majority of the AAA rated portion of the portfolio is composed of low-yielding, yet secure U.S. Treasuries and agency mortgage-backed securities. The

| ket i                                | naex                          | k Au                          | m                               |                                 | ١                                | /BTLX                           | 2.7%                            | 3.12%                           | \$161                         | l,427 mil                        | Intermediate-Term<br>Bond                                      |
|--------------------------------------|-------------------------------|-------------------------------|---------------------------------|---------------------------------|----------------------------------|---------------------------------|---------------------------------|---------------------------------|-------------------------------|----------------------------------|--|
| Historic<br>Return<br>Risk<br>Rating | Average                       |                               |                                 |                                 |                                  |                                 |                                 |                                 |                               |                                  | Investment Style<br>Fixed Income                               |
|                                      | Neutral                       |                               |                                 |                                 |                                  |                                 |                                 | ~~~                             |                               | ~                                | 14.0 Growth of \$10,000  |
|                                      |                               | $\sim$                        | سر                              |                                 | ~                                |                                 |                                 |                                 |                               |                                  | 13.0 Investment Values of<br>Fund<br>12.0 Investment Values of |
|                                      |                               | ~~                            |                                 |                                 |                                  |                                 |                                 |                                 |                               |                                  | Benchmark 1<br>11.0  |
| $\sim \!\!\!\! \rightarrow$          |                               |                               |                                 |                                 |                                  |                                 |                                 |                                 |                               |                                  | 10.0   |
|                                      |                               |                               |                                 |                                 |                                  |                                 |                                 |                                 |                               |                                  | <b>Performance Quartile</b><br>(within Category)               |
| 2008                                 | 2009                          | 2010                          | 2011                            | 2012                            | 2013                             | 2014                            | 2015                            | 2016                            | 2017                          | 06-18                            | History  |
| 10.18<br>5.15<br>-0.09<br>-0.09      | 10.35<br>6.04<br>0.11<br>0.11 | 10.60<br>6.54<br>0.00<br>0.00 | 11.00<br>7.69<br>-0.16<br>-0.16 | 11.09<br>4.15<br>-0.06<br>-0.06 | 10.56<br>-2.15<br>-0.12<br>-0.12 | 10.87<br>5.89<br>-0.07<br>-0.07 | 10.64<br>0.40<br>-0.15<br>-0.15 | 10.65<br>2.60<br>-0.05<br>-0.05 | 10.75<br>3.56<br>0.02<br>0.02 | 10.43<br>-1.64<br>-0.03<br>-0.03 | NAV<br>Total Return %<br>+/- Bmark 1<br>+/- Bmark 2            |
| 4.89                                 | 4.32                          | 3.67                          | 3.35                            | 2.72                            | 2.45                             | 2.66                            | 2.46                            | 2.52                            | 2.57                          | 1.32                             | Income Return %  |
| 0.26                                 | 1.72<br>90                    | 2.86<br>70                    | 4.33                            | 1.43<br>83                      | -4.60<br>67                      | 3.23<br>30                      | -2.06<br>28                     | 0.08                            | 0.99<br>56                    | -2.96<br>50                      | Capital Return %<br>Total Rtn % Rank Cat                       |
| 0.49<br>0.00                         | 0.43<br>0.00                  | 0.37<br>0.05                  | 0.35                            | 0.30<br>0.07                    | 0.27                             | 0.28                            | 0.26                            | 0.26                            | 0.27                          | 0.14                             | Income \$<br>Capital Gains \$                                  |
| 0.11<br>4.82<br>61                   | 0.12<br>4.19<br>80            | 0.11<br>3.49<br>75            | 0.10<br>3.24<br>73              | 0.10<br>2.65<br>80              | 0.08<br>2.49<br>73               | 0.07<br>2.57<br>72              | 0.06<br>2.44<br>84              | 0.05<br>2.40<br>61              | 0.05<br>2.52<br>55            | —                                | Expense Ratio %<br>Income Ratio %<br>Turnover Rate %           |
|                                      |                               |                               |                                 |                                 | 1                                |                                 | 1                               | 1                               |                               |                                  |  |

12,978 17,932 27,200 31,366 35,533 33,450 54,198 60,783 72,592 82,839

Ticker

Yield

SEC Yield

**Total Assets** 

| Ratin              | g and Risl           | (                         |                            |                |  |
|--------------------|----------------------|---------------------------|----------------------------|----------------|--|
| Time<br>Period     | Load-Adj<br>Return % | Morningstar<br>Rtn vs Cat | Morningstar<br>Risk vs Cat |                |  |
| 1 Yr               | -0.53                |                           |                            |                |  |
| 3 Yr               | 1.67                 | Avg                       | +Avg                       | ***            |  |
| 5 Yr               | 2.20                 | Avg                       | +Avg                       | ***            |  |
| 10 Yr              | 3.66                 | Avg                       | Avg                        | ***            |  |
| Incept             | 3.97                 |                           |                            |                |  |
| Other Measures     |                      | Standard Index            |                            | Best Fit Index |  |
| Alpha              |                      |                           | -0.1                       |                |  |
| Beta               |                      |                           | 1.05                       |                |  |
| R-Squa             | red                  |                           | 99                         | 99             |  |
| Standard Deviation |                      | 2.80                      |                            |                |  |
| Mean               |                      | 1.67                      |                            |                |  |
| Sharpe             | Ratio                |                           | 0.34                       |                |  |
|                    |                      |                           |                            |                |  |

fund's exposure to Treasuries has increased over the past decade and is now 20 percentage points higher than the category average. However, this fund delivers a higher SEC yield than the category average because it has a slightly more aggressive interest-rate risk profile.

The portfolio's bias toward highly rated securities provides a safety net against market downturns, but it also limits its return potential. The fund's annual return of 4.1% over the trailing 10 years through October 2017 was behind the average return of its surviving peers by 20 basis points. Its risk-adjusted return, as measured by the Sharpe ratio, was slightly behind the category average as well.

The managers have kept the fund's performance close to its index. Over the trailing five years through October 2017, the fund trailed the Bloomberg Barclays U.S. Aggregate Bond Index by 0.07% annually. This gap is in line with the expense ratio of 0.05%.

| Address:     | Vanguard Bond Index Funds | Minimum Purchase:    | \$10000   | Add: \$1 | IRA: —    |
|--------------|---------------------------|----------------------|-----------|----------|-----------|
|              | Valley Forge PA 19482     | Min Auto Inv Plan:   |           | Add: —   |           |
|              | 800-662-7447              | Sales Fees:          | No-load   |          |           |
| Web Address: | www.vanguard.com          | Management Fee:      | 0.04%     |          |           |
| Inception:   | 11-12-01                  | Actual Fees:         | Mgt:0.04% | Dist:    |           |
| Advisor:     | Vanguard Group Inc        | Expense Projections: | 3Yr:\$16  | 5Yr:\$28 | 10Yr:\$64 |
| Subadvisor:  | None                      | Income Distribution: | Monthly   |          |           |

|                           | 00       |            |         |        |
|---------------------------|----------|------------|---------|--------|
|                           | Date of  |            | Value   | %      |
| Total Fixed Income: 17322 | Maturity | Amount 000 | \$000   | Assets |
| United States Treasury    | 05-15-25 | 975,222    | 933,775 | 0.46   |
| United States Treasury    | 02-15-20 | 858,024    | 843,274 | 0.42   |
| United States Treasury    | 12-31-22 | 867,125    | 846,670 | 0.42   |
| United States Treasury    | 11-15-20 | 853,684    | 856,083 | 0.42   |
| United States Treasury    | 05-15-23 | 846,053    | 809,300 | 0.40   |
| United States Treasury    | 03-15-20 | 796,130    | 785,183 | 0.39   |
| United States Treasury    | 11-15-27 | 838,084    | 795,526 | 0.39   |
| United States Treasury    | 08-15-19 | 766,942    | 778,684 | 0.39   |
| United States Treasury    | 02-28-22 | 781,447    | 757,027 | 0.38   |
| United States Treasury    | 10-31-19 | 741,575    | 732,654 | 0.36   |
| United States Treasury    | 11-15-25 | 750,907    | 722,282 | 0.36   |
| United States Treasury    | 05-15-46 | 776,992    | 701,235 | 0.35   |
| United States Treasury    | 11-15-20 | 720,670    | 707,835 | 0.35   |
| United States Treasury    | 03-31-21 | 709,298    | 684,359 | 0.34   |
| United States Treasury    | 02-15-27 | 711,270    | 678,039 | 0.34   |
| Government National Mor   | 06-01-48 | 670,590    | 674,466 | 0.33   |
| United States Treasury    | 02-15-48 | 673,277    | 671,069 | 0.33   |
| United States Treasury    | 11-30-22 | 693,075    | 673,690 | 0.33   |
| United States Treasury    | 11-15-46 | 656,620    | 638,563 | 0.32   |
| United States Treasury    | 05-15-26 | 716,160    | 654,391 | 0.32   |

83 958

Portfolio Analysis 05-31-18

Net Assets \$mil

Mstar Category

Intermediate\_Term

| Current Investment St         | tyle              | Sector Bre            | eakdown       |            | % Assets |
|-------------------------------|-------------------|-----------------------|---------------|------------|----------|
| Duration<br>Ltd Mod Ext       |                   | Governme              | ent           |            | 41       |
|                               |                   | Governme              | ent Relate    | ed         | 5        |
| Quality<br>High Med           |                   | Corporate             |               |            | 27       |
| Med                           |                   | Agency N              |               |            | 22       |
| 5 1 <sub>f</sub>              | igure provided by | Non-Ager              | icy Resid     | ential MBS | S 0      |
| fur                           |                   | Commerc               | ial MBS       |            | 1        |
| Avg Eff Duration <sup>1</sup> | 6.1               | Covered E             | Bond          |            | 0        |
| Avg Eff Maturity              | 8.4 Yrs           | Asset Bac             | ked           |            | 1        |
| Avg Credit Quality            | AA                | Municipal             |               |            | 1        |
| Avg Wtd Coupon                | 3.13%             | Cash & Eq             | uivalents     | 5          | 2        |
| Avg Wtd Price                 | 100.45% of par    | Other                 |               |            | 0        |
| Coupon Range                  | % of Bonds        | Compositi             | on - Net      |            |          |
| 0% PIK                        | 0.0               | Cash                  | 2.1           | Bonds      | 97.8     |
| 0% to 4%                      | 80.6              | Stocks                | 0.0           | Other      | 0.1      |
| 4% to 6%                      | 15.4              |                       |               |            |          |
| 6% to 8%                      | 3.5               | Special Se            | curities      |            |          |
| 8% to 10%                     | 0.5               | Restricted            | l/Illiquid \$ | Secs       | 1        |
| More than 10%                 | 0.0               | Emerging-Markets Secs |               |            | 1        |
|                               |                   | Options/F             | utures/W      | /arrants   | 0        |

| M RNINGSTAR <sup>®</sup> | Mutual Funds |
|--------------------------|--------------|
|--------------------------|--------------|

Below B

Not Rated

% bonds 05-31-18

0

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0

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Credit Analysis

70 BB

3 В

12

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(FI)

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# **Baird Aggregate Bond Ins**

Benchmark 1: BBgBarc US Agg Bond TR USD Benchmark 2: BBgBarc US Agg Bond TR USD

## Morningstar Analyst Rating 03-01-18

# 🔄 Silver

| Morningstar Pillars |          |
|---------------------|----------|
| Process             | Positive |
| Performance         | Positive |
| People              | Positive |
| Parent              | Positive |
| Price               | Positive |

#### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

#### Analyst Rating Spectrum

| 👽 Gold      | 🐺 Silver | 🐺 Bronze   | Neutral | Negative |
|-------------|----------|------------|---------|----------|
| Pillar Spec | trum:    |            |         |          |
| A Positive  | <b>.</b> | Avitenal 🖨 |         | Noutral  |

#### Performance 06-30-18

| 1 on on a     |         | 00 10      |          |              |           |
|---------------|---------|------------|----------|--------------|-----------|
|               | 1st Qtr | 2nd Qtr    | 3rd Qt   |              | Total     |
| 2014          | 2.36    | 2.38       | 0.24     |              | 6.89      |
| 2015          | 1.79    | -1.64      | 1.0      | 8 -0.64      | 0.55      |
| 2016          | 3.03    | 2.55       | 0.7      | 6 -2.76      | 3.52      |
| 2017          | 1.04    | 1.66       | 0.9      | 9 0.45       | 4.20      |
| 2018          | -1.52   | -0.24      | _        | - —          | —         |
| Trailing      | Total   | +/- Bmark  | +/- Bmar | k %Rank      | Growth of |
|               | Return% | 1          |          | 2 Cat        | \$10,000  |
| 3 Mo          | -0.24   | -0.08      | -0.0     | B 52         | 9,976     |
| 6 Mo          | -1.76   | -0.14      | -0.14    | 4 61         | 9,824     |
| 1 Yr          | -0.34   | 0.06       | 0.0      | 6 42         | 9,966     |
| 3 Yr Avg      | 2.10    | 0.38       | 0.3      | 8 28         | 10,643    |
| 5 Yr Avg      | 2.81    | 0.54       | 0.5      | 4 18         | 11,486    |
| 10 Yr Avg     | 4.43    | 0.71       | 0.7      | 1 27         | 15,427    |
| 15 Yr Avg     | 4.25    | 0.48       | 0.4      | 9 23         | 18,670    |
| Tax Analysis  | Tax A   | dj Rtn% %l | Rank Cat | Tax-Cost Rat | %Rank Cat |
| 3 Yr (estimat | ed)     | 0.98       | 17       | 1.10         | 44        |
| 5 Yr (estimat | ed)     | 1.62       | 10       | 1.15         | 48        |
| 10 Yr (estima |         | 2.92       | 25       | 1.45         | 65        |

Potential Capital Gain Exposure: -2% of assets

#### Morningstar's Take by Alaina Bompiedi 03-01-18

An experienced and collaborative process, clear objectives, and low fees position Baird Aggregate Bond for success, earning a Morningstar Analyst Rating of Silver.

Lead manager and Baird CIO Mary Ellen Stanek heads a five-manager team that has worked together on the fund since its inception in 2000. Providing support are five additional portfolio managers and nine dedicated analysts. While the team is somewhat smaller than those of some other firms, it sticks to sectors and bonds that it can thoroughly understand, and the group works in a relatively flat and collaborative structure.

Stanek and team curate the portfolio with credit, mortgages, and U.S. government bonds. They keep these allocations relatively close to the fund's Bloomberg Barclays U.S. Aggregate Bond Index benchmark, choosing to over- or underweight names within the benchmark to reflect their level of conviction. Duration is kept neutral to the index, and the fund avoids derivatives, leverage, and esoteric fare. These limitations allow the managers to focus on adding value through security

| st | t                               |                                 |                               |                               |                               |                                | <b>Ticker</b><br>BAGIX        | <b>Yield</b><br>2.7%          | <b>SEC Yiel</b><br>3.17%      |                               | <b>al Assets</b><br>546 mil      | <b>Mstar Category</b><br>Intermediate-Term<br>Bond  |
|----|---------------------------------|---------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|----------------------------------|---|
|    | Historic<br>Return<br>Risk      | al Profil<br>Above A<br>Average |                               |                               |                               |                                |                               |                               |                               |                               |                                  | Investment Style<br>Fixed Income  |
|    | Rating                          | Above A                         | vg                            |                               |                               | ~                              |                               | ~~~                           | $\sim$                        |                               | <b>~</b>                         | 16.0<br>Growth of \$10,000<br>14.0 — Investment Values of<br>Fund<br>12.0 — Investment Values of<br>Benchmark 1 |
|    |                                 |                                 |                               |                               |                               |                                |                               |                               |                               |                               |                                  | 10.0<br>Performance Quartile<br>(within Category)   |
|    | 2008                            | 2009                            | 2010                          | 2011                          | 2012                          | 2013                           | 2014                          | 2015                          | 2016                          | 2017                          | 06-18                            | History   |
|    | 9.74<br>-2.36<br>-7.60<br>-7.60 | 10.23<br>10.88<br>4.95<br>4.95  | 10.52<br>8.34<br>1.79<br>1.79 | 10.65<br>7.85<br>0.01<br>0.01 | 10.89<br>7.92<br>3.70<br>3.70 | 10.41<br>-1.25<br>0.77<br>0.77 | 10.81<br>6.89<br>0.93<br>0.93 | 10.61<br>0.55<br>0.00<br>0.00 | 10.70<br>3.52<br>0.87<br>0.87 | 10.87<br>4.20<br>0.66<br>0.66 | 10.54<br>-1.76<br>-0.14<br>-0.14 | NAV<br>Total Return %<br>+/- Bmark 1<br>+/- Bmark 2   |
|    | 5.42<br>-7.77<br>45             | 5.64<br>5.24<br>62              | 4.90<br>3.44<br>31            | 4.50<br>3.35<br>9             | 4.08<br>3.84<br>34            | 3.21<br>-4.47<br>36            | 3.02<br>3.87<br>8             | 2.44<br>-1.89<br>22           | 2.51<br>1.01<br>37            | 2.61<br>1.60<br>31            | 1.28<br>-3.04<br>61              | Income Return %<br>Capital Return %<br>Total Rtn % Rank Cat   |
|    | 0.56<br>0.00<br>0.30            | 0.54<br>0.00<br>0.30            | 0.49<br>0.06<br>0.30          | 0.46<br>0.21<br>0.30          | 0.43<br>0.16<br>0.30          | 0.34<br>0.00<br>0.30           | 0.31<br>0.00<br>0.30          | 0.26<br>0.00<br>0.30          | 0.26<br>0.02<br>0.30          | 0.28<br>0.00<br>0.30          | 0.14<br>0.00                     | Income \$<br>Capital Gains \$<br>Expense Ratio %  |
|    | 5.46<br>22<br>841               | 5.37<br>38<br>1,360             | 4.44<br>41<br>1,657           | 4.10<br>46<br>1,480           | 3.51<br>64<br>1,497           | 3.01<br>28<br>1,663            | 2.81<br>32<br>3,441           | 2.24<br>40<br>6,323           | 2.25<br>36<br>9,754           | 2.40<br>28<br>13,563          | <br>14,773                       | Income Ratio %<br>Turnover Rate %<br>Net Assets \$mil   |

Portfolio Analysis 03-31-18

| Ratin                      | g and Ris                     | k                         |                   |                   |
|----------------------------|-------------------------------|---------------------------|-------------------|-------------------|
| Time<br>Period<br>1 Yr     | Load-Adj<br>Return %<br>-0.34 | Morningstar<br>Rtn vs Cat |                   |                   |
| 3 Yr<br>5 Yr               | 2.10<br>2.81                  | +Avg<br>+Avg              | Avg<br>+Avg       | ****<br>****      |
| 10 Yr<br>Incept            | 4.43<br>5.18                  | +Avg                      | Avg               | ****              |
| Other M                    | leasures                      | Stand                     | Standard Index    |                   |
| Alpha<br>Beta<br>R-Squared |                               |                           | 0.4<br>0.99<br>98 | 0.4<br>0.99<br>98 |
| Standar                    | rd Deviation                  |                           | 2.64              |                   |

selection and diversification as well as an overlay of subtle sector rotation.

During the fund's 18-year life span, it has maintained persistent overweightings in corporate and securitized bonds at the expense of U.S. Treasuries. The team adjusts the fund's allocation to these two sectors based on their respective valuations. Since 2011, the fund has had a slight bias to credit, which has been a boon in the years since the financial crisis.

The fund's slight overweighting in credit can cause it to underperform its Treasury-heavy index when credit risk sells off, as in 2008, when the fund lagged the index by roughly 7 percentage points. That said, the team typically stays in the higher-quality credit tiers, utilizing little high yield (historically never more than 8%). That's helped the fund from going completely off the rails in more acute credit sell-offs, including the commodity-driven downturns of 2014 and 2015. In early 2018, the fund held just 0.8% in bonds rated below BBB, its smallest stake so far

| Address:     | Baird Funds Inc                    | Minimum Purchase:    | \$25000    | Add:      | IRA: \$25000 |
|--------------|------------------------------------|----------------------|------------|-----------|--------------|
|              | Milwaukee, WI 53202                | Min Auto Inv Plan:   | \$25000    | Add:      |              |
|              | 866-442-2473                       | Sales Fees:          | No-load    |           |              |
| Neb Address: | www.bairdfunds.com                 | Management Fee:      | 0.25%, 0.0 | )5%A      |              |
| nception:    | 09-29-00                           | Actual Fees:         | Mgt:0.259  | 6 Dist:—  |              |
| Advisor:     | Robert W. Baird & Co. Incorporated | Expense Projections: | 3Yr:\$97   | 5Yr:\$169 | 10Yr:\$381   |
| Subadvisor:  | None                               | Income Distribution: | Monthly    |           |              |

|                          | Date of  |            | Value   | %      |
|--------------------------|----------|------------|---------|--------|
| Total Fixed Income: 1079 | Maturity | Amount 000 | \$000   | Assets |
| United States Treasury   | 05-15-43 | 737,550    | 727,005 | 4.74   |
| United States Treasury   | 02-15-39 | 462,356    | 507,995 | 3.31   |
| United States Treasury   | 03-31-22 | 457,225    | 446,277 | 2.91   |
| United States Treasury   | 11-15-26 | 457,400    | 431,385 | 2.81   |
| United States Treasury   | 03-31-22 | 423,780    | 411,795 | 2.69   |
| United States Treasury   | 05-15-24 | 413,375    | 409,919 | 2.67   |
| United States Treasury   | 11-15-25 | 137,750    | 133,332 | 0.87   |
| Federal Home Loan Mortg  | 02-01-32 | 83,490     | 83,423  | 0.54   |
| Federal Home Loan Mortg  | 05-01-47 | 77,678     | 75,933  | 0.50   |
| FEDERAL HOME LN MTG      | 08-25-25 | 72,374     | 73,471  | 0.48   |
| COR                      |          |            |         |        |
| Federal Home Loan Mortg  | 10-01-46 | 73,458     | 71,808  | 0.47   |
| Federal National Mortga  | 05-01-46 | 72,192     | 72,425  | 0.47   |
| Federal National Mortga  | 10-01-43 | 70,723     | 71,302  | 0.47   |
| Federal Home Loan Mortg  | 01-25-24 | 68,125     | 69,955  | 0.46   |
| Federal National Mortga  | 09-01-43 | 63,800     | 64,460  | 0.42   |
| Federal National Mortga  | 11-01-46 | 63,104     | 63,366  | 0.41   |
| Federal National Mortga  | 05-01-37 | 60,762     | 63,019  | 0.41   |
| Federal National Mortga  | 01-01-32 | 57,358     | 58,606  | 0.38   |
| Federal National Mortga  | 02-01-42 | 53,169     | 54,958  | 0.36   |
| Diamond 1 Finance Corpo  | 06-15-21 | 50,575     | 51,878  | 0.34   |

| Current Investmer             | nt Style                |            | Sector Bre | akdown    |            | % Assets |
|-------------------------------|-------------------------|------------|------------|-----------|------------|----------|
| Duration                      |                         |            | Governme   | nt        |            | 20       |
| Ltd Mod Ext                   | P                       |            | Governme   | nt Relate | ed         | 0        |
| High                          | uality                  |            | Corporate  |           |            | 41       |
| Med                           |                         |            | Agency N   | IBS       |            | 24       |
| Low Low                       | <sup>1</sup> figure pro | wided hv   | Non-Agen   | cy Resid  | ential MBS | S 2      |
| <                             | fund                    | wided by   | Commerci   | ial MBS   |            | 4        |
| Avg Eff Duration <sup>1</sup> |                         | 6.1        | Covered E  | lond      |            | 0        |
| Avg Eff Maturity              |                         | 8.0 Yrs    | Asset Bac  | ked       |            | 4        |
| Avg Credit Quality            | y                       | А          | Municipal  |           |            | 1        |
| Avg Wtd Coupon                |                         | 3.51%      | Cash & Eq  | uivalents | 5          | 3        |
| Avg Wtd Price                 | 101.0                   | 5% of par  | Other      |           |            | 0        |
| Coupon Range                  |                         | % of Bonds | Compositi  | on - Net  |            |          |
| 0% PIK                        |                         | 0.0        | Cash       | 3.5       | Bonds      | 96.4     |
| 0% to 4%                      |                         | 77.4       | Stocks     | 0.0       | Other      | 0.1      |
| 4% to 6%                      |                         | 18.3       |            |           |            |          |
| 6% to 8%                      |                         | 3.0        | Special Se |           |            |          |
| 8% to 10%                     |                         | 1.3        | Restricted |           |            | 16       |
| More than 10%                 |                         | 0.0        | Emerging-  |           |            | 1        |
|                               |                         |            | Options/Fi | utures/W  | /arrants   | 0        |
| Credit Analysis               | % bond                  | s 03-31-18 |            |           |            |          |
| AAA 55                        | BB                      | 1          |            |           |            |          |

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# Vanguard High-Yield Corporate Adm

Benchmark 1: ICE BofAML US High Yield TR USD Benchmark 2: BBgBarc US Agg Bond TR USD

## Morningstar Analyst Rating 05-10-18

# 🖅 Silver

| Morningstar Pillars |          |
|---------------------|----------|
| Process             | Positive |
| Performance         | Positive |
| People              | Positive |
| Parent              | Positive |
| Price               | Positive |

### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

### Analyst Rating Spectrum

| 👽 Gold      | 🐺 Silver | 🐺 Bronze | Neutral | Negative                    |
|-------------|----------|----------|---------|-----------------------------|
| Pillar Spec | trum:    |          |         |                             |
| Positive    | 1        | Negative |         | <ul> <li>Neutral</li> </ul> |

### Performance 06-30-18

| Feriurina    |         | -30-10    |          |              |           |
|--------------|---------|-----------|----------|--------------|-----------|
|              | 1st Qtr | 2nd Qtr   | 3rd Qt   | tr 4th Qtr   | Total     |
| 2014         | 2.77    | 2.21      | -1.3     | 9 1.07       | 4.69      |
| 2015         | 2.03    | -0.13     | -2.6     | 8 -0.47      | -1.30     |
| 2016         | 2.32    | 3.40      | 4.4      | 0.77         | 11.30     |
| 2017         | 2.25    | 2.57      | 2.0      | 4 0.11       | 7.13      |
| 2018         | -1.45   | 0.36      | _        |              | _         |
| Trailing     |         | +/- Bmark |          |              | Growth of |
|              | Return% | 1         |          | 2 Cat        | \$10,000  |
| 3 Mo         | 0.36    | -0.64     | 0.5      | 2 73         | 10,036    |
| 6 Mo         | -1.09   | -1.17     | 0.5      | 3 81         | 9,891     |
| 1 Yr         | 1.04    | -1.49     | 1.4      | 4 85         | 10,104    |
| 3 Yr Avg     | 4.54    | -1.01     | 2.8      | 2 37         | 11,424    |
| 5 Yr Avg     | 5.07    | -0.44     | 2.7      | 9 24         | 12,804    |
| 10 Yr Avg    | 7.04    | -1.00     | 3.3      | 1 33         | 19,736    |
| 15 Yr Avg    | 6.41    | -1.25     | 2.6      | 4 51         | 25,384    |
| Tax Analysis | Tax A   | dj Rtn% % | Rank Cat | Tax-Cost Rat | %Rank Cat |
| 3 Yr (estima | ted)    | 2.06      | 36       | 2.37         | 63        |
| 5 Yr (estima | ted)    | 2.55      | 17       | 2.39         | 49        |
| 10 Yr (estim | ated)   | 4.36      | 27       | 2.50         | 41        |

Potential Capital Gain Exposure: -3% of assets

### Morningstar's Take by Brian Moriarty 05-10-18

Vanguard High-Yield Corporate's combination of a relatively cautious approach to high-yield investing, a strong team, and rock-bottom fees continue to support a Morningstar Analyst Rating of Silver.

By design, this is one of the most conservative funds in the high-yield bond Morningstar Category, at least when it comes to credit risk. The fund's investment philosophy is informed by the asymmetrical risk/reward profile of the high-yield bond market: Investors can lose all or a significant portion of their investment when a company goes belly-up, but upside is limited, especially for a bond purchased at par. This approach is illustrated by the fund's relatively light exposure to debt rated CCC and below, which accounted for 7.7% of assets as of March 2018, compared with more than 11% for the median peer. Manager Michael Hong also manages liquidity carefully, using a mix of cash and Treasuries (more than 6% combined), as well as maintaining a focus on the market's larger names.

The preference for higher-rated debt means the fund has typically lagged peers during strong credit markets, such as 2009 and 2016, but it has held up much better

| SUCH as 2009 | anu 2010, but it has heiu up much better |                      |           |          |            |
|--------------|--|----------------------|-----------|----------|------------|
| Address:     | Vanguard Fixed Income Securities Funds   | Minimum Purchase:    | \$50000   | Add: \$1 | IRA: —     |
|              | Valley Forge PA 19482                    | Min Auto Inv Plan:   | _         | Add: —   |            |
|              | 800-662-7447                             | Sales Fees:          | No-load   |          |            |
| Neb Address: | www.vanguard.com                         | Management Fee:      | 0.12%     |          |            |
| nception:    | 11-12-01                                 | Actual Fees:         | Mgt:0.12% | Dist:    |            |
| Advisor:     | Wellington Management Company LLP        | Expense Projections: | 3Yr:\$42  | 5Yr:\$73 | 10Yr:\$166 |
| Subadvisor:  | None                                     | Income Distribution: | Monthly   |          |            |

| orate Adm  |                                  |                                |                               |                                 | N                             | /WEAX                         | 5.5%                           | 5.79%                          | \$23,                         | 516 mil                          | High Yield Bond  |
|--|----------------------------------|--------------------------------|-------------------------------|---------------------------------|-------------------------------|-------------------------------|--------------------------------|--------------------------------|-------------------------------|----------------------------------|--|
| Historical Profile<br>Return Average<br>Risk Average |                                  |                                |                               |                                 |                               |                               |                                |                                |                               | Investment Style<br>Fixed Income |  |
| Rating   | Above Av                         |                                | <b>~~</b> **                  | ~~                              | ~~~                           |                               | ~                              |                                |                               |                                  | 20.0<br>17.5<br><b>Growth of \$10,000</b><br>15.0<br>Investment Values of<br>Fund<br>12.5<br>Investment Values of<br>Benchmark 1 |
|  |                                  |                                |                               |                                 |                               |                               |                                |                                |                               |                                  | 7.5<br>Performance Quartile<br>(within Category)   |
| 2008   | 2009                             | 2010                           | 2011                          | 2012                            | 2013                          | 2014                          | 2015                           | 2016                           | 2017                          | 06-18                            | History  |
| 4.27<br>-21.19<br>5.20<br>-26.43                     | 5.47<br>39.27<br>-18.25<br>33.33 | 5.70<br>12.53<br>-2.66<br>5.99 | 5.69<br>7.24<br>2.86<br>-0.60 | 6.11<br>14.47<br>-1.12<br>10.25 | 6.03<br>4.64<br>-2.78<br>6.67 | 5.97<br>4.69<br>2.18<br>-1.28 | 5.54<br>-1.30<br>3.34<br>-1.85 | 5.83<br>11.30<br>-6.19<br>8.66 | 5.92<br>7.13<br>-0.35<br>3.59 | 5.70<br>-1.09<br>-1.16<br>0.53   | NAV<br>Total Return %<br>+/- Bmark 1<br>+/- Bmark 2  |
| 7.75   | 10.08                            | 8.15                           | 7.46                          | 6.89                            | 5.96                          | 5.79                          | 5.72                           | 5.91                           | 5.60                          | 2.66                             | Income Return %  |
| -28.94   | 29.18                            | 4.38                           | -0.22                         | 7.58                            | -1.32                         | -1.10                         | -7.01                          | 5.39                           | 1.53                          | -3.75                            | Capital Return %   |
| 21   | 81                               | 83                             | 1                             | 55                              | 91                            | 1                             | 15                             | 78                             | 36                            | 81                               | Total Rtn % Rank Ca  |
| 0.44<br>0.00   | 0.41<br>0.00                     | 0.43<br>0.00                   | 0.41<br>0.00                  | 0.38<br>0.00                    | 0.35<br>0.00                  | 0.34<br>0.00                  | 0.33<br>0.03                   | 0.32<br>0.00                   | 0.32<br>0.00                  | 0.16<br>0.00                     | Income \$<br>Capital Gains \$  |
| 0.13   | 0.15                             | 0.15                           | 0.13                          | 0.13                            | 0.13                          | 0.13                          | 0.13                           | 0.13                           | 0.13                          | 0.13                             | Expense Ratio %  |
| 7.46<br>26   | 8.45<br>21                       | 8.28<br>32                     | 7.71<br>38                    | 7.14<br>26                      | 6.35<br>30                    | 5.86<br>28                    | 5.56<br>35                     | 5.71<br>34                     | 5.58<br>26                    | 5.30<br>27                       | Income Ratio %<br>Turnover Rate %  |
| 3,417  | 5,825                            | 8,007                          | 9,447                         | 12,635                          | 11,840                        | 12,698                        | 13,320                         | 17,009                         | 20,562                        | 19,716                           | Net Assets \$mil   |

Ticker

Yield

SEC Yield

**Total Assets** 

Mstar Category

Value

\$000

306,645

248,828

248,515

248,085

190 622

186,670

167,054

159,000

%

Assets

1.29

1.05

1.05

1.05

0.80

0.79

0.71

0.67

| Ratin                                      | g and Ris                    | k                         |                            |              |  |
|--|------------------------------|---------------------------|----------------------------|--------------|--|
| Time<br>Period<br>1 Yr                     | Load-Adj<br>Return %<br>1.04 | Morningstar<br>Rtn vs Cat | Morningstar<br>Risk vs Cat |              |  |
| 3 Yr                                       | 4.54                         | Avg                       | -Avg                       | ****         |  |
| 5 Yr<br>10 Yr                              | 5.07<br>7.04                 | + Avg<br>Avg              | -Avg<br>Avg                | ****<br>**** |  |
| Incept                                     | 6.55                         | -                         | -                          |              |  |
| Other M                                    | leasures                     | Stand                     | Standard Index             |              |  |
| Alpha<br>Beta<br>R-Squared                 |                              |                           | 3.4<br>0.42<br>7           |              |  |
| Standard Deviation<br>Mean<br>Sharpe Ratio |                              |                           | 4.14<br>4.54<br>0.91       |              |  |

during credit sell-offs. For example, during the energydriven sell-off between June 2015 and February 2016, the fund's loss of 5% was better than more than 80% of peers. However, it's worth noting that the same qualities that protect it during credit downturns also make it more susceptible to interest-rate sell-offs. Indeed, the fund has lagged peers during recent periods of rising rates, such as the first guarter of 2018, the fourth guarter of 2016, and the 2013 taper tantrum.

Hong as been at the helm here since 2008 and is supported by an experienced group of 15 analysts and a handful of other portfolio managers from the high-yield and bank-loan team at Wellington, the fund's subadvisor. Low expenses give the fund a healthy head start relative to competitors.

| Sprint Corporation 7.88 | 09-15-23 | 300,264 |
|-------------------------|----------|---------|
| United States Treasury  | 08-31-18 | 250,000 |
| United States Treasury  | 10-15-18 | 250,000 |
| United States Treasury  | 01-15-19 | 250,000 |
| First Data Corporation  | 12-01-23 | 181,545 |
| Univision Commmunicatio | 02-15-25 | 200,720 |
| Navient Corporation 6.7 | 06-25-25 | 164,585 |
| Navient Corporation 6.5 | 06-15-22 | 154,369 |
| Caesars Resort Collecti | 10-15-25 | 159,911 |
| DISH DBS Corporation 6  | 06-01-21 | 152 345 |

Date of

Amount 000

Maturity

Portfolio Analysis 03-31-18

Total Fixed Income: 462

| Caesars Resort Collecti | 10-15-25 | 159,911 | 153,315 | 0.65 |
|-------------------------|----------|---------|---------|------|
| DISH DBS Corporation 6. | 06-01-21 | 152,345 | 153,488 | 0.65 |
| Building Materials Corp | 10-15-25 | 139,715 | 143,557 | 0.61 |
| Apx Group, Inc. 8.88%   | 12-01-22 | 134,375 | 141,934 | 0.60 |
| Adient Global Holdings  | 08-15-26 | 149,047 | 140,663 | 0.59 |
| Liberty Media Corporati | 02-01-30 | 126,903 | 136,421 | 0.58 |
| Sprint Capital Corporat | 11-15-28 | 147,060 | 137,317 | 0.58 |
| Aercap Global Aviation  | 06-15-25 | 125,050 | 134,741 | 0.57 |
| First Data Corporation  | 01-15-24 | 131,820 | 132,809 | 0.56 |
| Credit Suisse Group AG  |          | 124,760 | 127,876 | 0.54 |
| West Street Merger Sub  | 09-01-25 | 133,245 | 127,249 | 0.54 |
| Flex Acquisition Compan | 01-15-25 | 127,475 | 126,200 | 0.53 |
|                         |          |         |         |      |

| Current Investment            | Style                   |                       | Sector Bre | akdown    |            | % Assets |
|-------------------------------|-------------------------|-----------------------|------------|-----------|------------|----------|
| Duration<br>Itd Mod Ext       |                         |                       | Governme   | 3         |            |          |
|                               |                         |                       | Governme   | nt Relate | ed         | 0        |
| High                          |                         |                       | Corporate  |           |            | 93       |
| Med                           |                         |                       | Agency M   |           |            | 0        |
| Low                           | <sup>1</sup> figure pro | wided by              | Non-Agen   | cy Resid  | ential MBS | S 0      |
| <                             | Commerci                | al MBS                |            | 0         |            |          |
| Avg Eff Duration <sup>1</sup> |                         | 4.4                   | Covered B  | ond       |            | 0        |
| Avg Eff Maturity              |                         | 5.6 Yrs               | Asset Bac  | ked       |            | 0        |
| Avg Credit Quality            | Municipal               | 0                     |            |           |            |          |
| Avg Wtd Coupon                | Cash & Equivalents      |                       |            |           |            |          |
| Avg Wtd Price                 | 99.8                    | 3% of par             | Other      |           |            | 0        |
| Coupon Range                  |                         | % of Bonds            | Compositio | on - Net  |            |          |
| 0% PIK                        |                         | 0.0                   | Cash       | 4.0       | Bonds      | 91.3     |
| 0% to 4%                      |                         | 4.8                   | Stocks     | 0.0       | Other      | 4.7      |
| 4% to 6%                      |                         | 56.4                  |            |           |            |          |
| 6% to 8%                      |                         | 34.5                  | Special Se |           |            |          |
| 8% to 10%                     |                         | 4.3                   | Restricted |           |            | 36       |
| More than 10% 0.0             |                         | Emerging-Markets Secs |            |           | 1          |          |
|                               |                         |                       | Options/Fi | utures/W  | /arrants   | 0        |
| Credit Analysis               | % bond                  | s 03-31-18            |            |           |            |          |
| AAA 4                         | BB                      | 46                    |            |           |            |          |

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#### **Mutual Funds** M RNINGSTAR

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(FI)

# Fidelity® New Markets Income

Benchmark 1: JPM EMBI Global TR USD Benchmark 2: BBgBarc US Agg Bond TR USD

# Morningstar Analyst Rating 04-19-18

# 😨 Silver

| Morningstar Pillars |          |
|---------------------|----------|
| Process             | Positive |
| Performance         | Positive |
| People              | Positive |
| Parent              | Positive |
| Price               | Positive |

### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

### Analyst Rating Spectrum

| 👽 Gold      | 🐺 Silver | 🐺 Bronze | Neutral  | Negative |
|-------------|----------|----------|----------|----------|
| Pillar Spec | ctrum    |          |          |          |
| Positive    | ,        | Negative | <b>;</b> | Neutral  |

# Performance 06-30-18

| 1st Qtr | 2nd Qtr   | 3rd Qtr   | 4th Qtr   | Total   |
|---------|---|---|---|---|
| 3.63    | 6.54  | -2.31   | -3.28   | 4.32  |
| 0.75    | 1.50  | -3.24   | 1.31  | 0.24  |
| 4.55    | 7.11  | 4.83  | -2.28   | 14.72   |
| 4.54    | 2.02  | 2.75  | 0.52  | 10.15   |
| -1.19   | -4.97   | —   | —   | —   |
| Total   | +/- Bmark   | +/- Bmark   | %Rank   | Growth of   |
| Return% | 1   | 2   | Cat   | \$10,000  |
| -4.97   | -1.46   | -4.81   | 55  | 9,503   |
| -6.10   | -0.87   | -4.48   | 61  | 9,390   |
| -3.02   | -0.57   | -2.62   | 77  | 9,698   |
| 5.16    | 0.83  | 3.44  | 16  | 11,630  |
| 4.73    | 0.31  | 2.46  | 12  | 12,600  |
| 7.01    | 0.51  | 3.29  | 12  | 19,698  |
| 7.99    | 0.64  | 4.23  | 12  | 31,686  |
| Tax Ac  | lj Rtn% %F  | Rank Cat Tax  | -Cost Rat   | %Rank Cat   |
| ted)    | 2.68  | 10  | 2.37  | 75  |
| ted)    | 2.18  | 20  | 2.44  | 78  |
| ated)   | 4.49  | 13  | 2.36  | 80  |
|         | 3.63<br>0.75<br>4.55<br>4.54<br>-1.19<br>Total<br>Return%<br>-4.97<br>-6.10<br>-3.02<br>5.16<br>4.73<br>7.01<br>7.99<br>Tax Act<br>ted)<br>ted) | 3.63         6.54           0.75         1.50           4.55         7.11           4.54         2.02           -1.19         -4.97           Total         +/- Bmark           Return%         1           -4.97         -1.46           -6.10         -0.87           -3.02         -0.57           5.16         0.83           4.73         0.31           7.01         0.51           7.99         0.64           Tax Adj Rtm% %F           ted)         2.68           ted)         2.18 | $\begin{array}{c ccccccccccccccccccccccccccccccccccc$ | 3.63         6.54         -2.31         -3.28           0.75         1.50         -3.24         1.31           4.55         7.11         4.83         -2.28           4.54         2.02         2.75         0.52           -1.19         -4.97            Total +/-Bmark         +/-Bmark         %Rank           Returm%         1         2         Cat           -6.10         -0.87         -4.48         61           -3.02         -0.57         2.62         77           5.16         0.83         3.44         16           4.73         0.31         2.46         12           7.01         0.51         3.29         12           7.99         0.64         4.23         12           Tax Adj Rtn%         %Rank Cat         Tax-Cost Rat           ted)         2.68         10         2.37           ted)         2.18         20         2.44 |

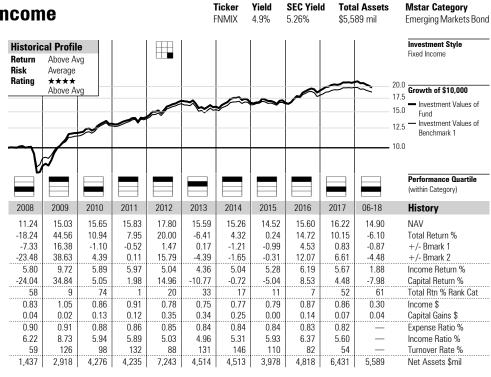
Potential Capital Gain Exposure: -8% of assets

### Morningstar's Take by Benjamin Joseph 04-19-18

Fidelity New Markets Income is run by veteran manager John Carlson, who has built a strong long-term record making credit and country calls within hard-currency emerging-markets debt. All considered, this fund retains its Morningstar Analyst Rating of Silver.

Carlson has been at the helm since 1995. Though his support team is relatively compact, its key players, including four additional portfolio managers, are experienced, and the group has grown as needs have arisen. The team also includes a research director, three sovereign analysts, three corporate analysts, a senior geopolitical analyst, and a research associate.

As local-currency sovereign debt has figured more prominently in competitors' portfolios--some emergingmarkets bond funds will stake half of assets in such debt-this fund's hard-currency focus (two thirds or more of assets) has had a big impact on its relative performance. Its 10.9% gain amid the U.S. dollar's slump in 2010 turned out to be one of the emerging-markets bond Morningstar Category's more sluggish. When the dollar's fortunes reversed in 2011, this fund's hard-currency makeup,



| g and Ris                     | k  |  |   |  |
|-------------------------------|--|--|---|--|
| Load-Adj<br>Return %<br>-3.02 | Morningstar<br>Rtn vs Cat  | Morningstar<br>Risk vs Cat   | Morningstar<br>Risk-Adj Rating  |  |
| 5.16                          | +Avg   | Avg  | ****  |  |
| 4.73                          | +Avg   | Avg  | ****  |  |
| 7.01                          | +Avg   | Avg  | ****  |  |
| 10.22                         |  |  |   |  |
| easures                       | Stand  | Standard Index   |   |  |
|                               |  | 3.1  |   |  |
|                               |  | 1.43   |   |  |
| ed                            |  | 32   |   |  |
| d Deviation                   |  | 6.71   |   |  |
|                               |  | 5.16   |   |  |
|                               |  | 0.67   |   |  |
|                               | Load-Adj<br>Return %<br>-3.02<br>5.16<br>4.73<br>7.01<br>10.22<br>easures<br>ed<br>d Deviation | Return %         Rtn vs Cat           -3.02         5.16         + Avg           4.73         + Avg           7.01         + Avg           10.22         easures         Stand | Load-Adj Morningstar<br>Return % Rtn vs Cat Risk vs Cat<br>-3.02<br>5.16 + Avg Avg<br>4.73 + Avg Avg<br>7.01 + Avg Avg<br>10.22<br>easures Standard Index<br>3.1<br>1.43<br>ed 32<br>d Deviation 6.71<br>5.16 |  |

combined with the manager's defensive moves, buoyed its 7.9% gain to the top of the heap.

That said, Carlson is willing to take on plenty of credit exposure if he thinks the price is right, even relative to peers. Historically, the fund has had 11%-12% positions in countries like Mexico or Russia, and positions in in Venezuela or Brazil have topped out at 16%. Carlson also brought the fund's stake in Petrobras to 7% (2 percentage points above the typical cap on individual issuers) in early 2016 as he believed it was "too big to fail" and extremely undervalued.

Such moves have made this fund vulnerable in creditdriven sell-offs: Its 18.2% slide in 2008 lagged the benchmark by 7 percentage points, and it landed near the category's bottom third in the late 2014 commodity selloff. But over time, Carlson's bets have worked out more often than not, and paired with a sensible diversification strategy, the fund has remained one of the category's top performers over the long term.

| Address:     | Fidelity Summer Street Trust             | Minimum Purchase:    | \$2500    | Add: —    | IRA: \$2500 |
|--------------|--|----------------------|-----------|-----------|-------------|
|              | Boston, MA 02109                         | Min Auto Inv Plan:   | _         | Add: —    |             |
|              | 800-544-8544                             | Sales Fees:          | No-load   |           |             |
| Web Address: | www.institutional.fidelity.com           | Management Fee:      | 0.55%     |           |             |
| Inception:   | 05-04-93                                 | Actual Fees:         | Mgt:0.66% | Dist:     |             |
| Advisor:     | Fidelity Management & Research Company   | Expense Projections: | 3Yr:\$262 | 5Yr:\$455 | 10Yr:\$1014 |
| Subadvisor:  | FMR Investment Management (U.K.) Limited | Income Distribution: | Monthly   |           |             |

## Portfolio Analysis 05-31-18

| FUILIDIIU Allalysis 00  | -31-10   |            |         |        |
|-------------------------|----------|------------|---------|--------|
|                         | Date of  |            | Value   | %      |
| Total Fixed Income: 296 | Maturity | Amount 000 | \$000   | Assets |
| Petroleos Mexicanos 6.5 | 06-02-41 | 124,835    | 116,346 | 1.98   |
| Argentina (Republic of) | 04-22-26 | 115,265    | 113,364 | 1.93   |
| Lebanese Republic 5.45% | 11-28-19 | 101,645    | 99,258  | 1.69   |
| Petroleos Mexicanos 6.6 | 06-15-35 | 82,390     | 79,828  | 1.36   |
| State of Kuwait 3.5%    | 03-20-27 | 81,405     | 78,988  | 1.34   |
| Russian Federation 5.25 | 06-23-47 | 79,000     | 75,000  | 1.27   |
| Ukraine (Republic of) 7 | 09-01-21 | 71,989     | 74,165  | 1.26   |
| Petroleos Mexicanos 6.8 | 08-04-26 | 67,365     | 71,065  | 1.21   |
| Ukraine (Republic of) 7 | 09-01-22 | 63,619     | 64,916  | 1.10   |
| Saudi Arabia (Kingdom o | 10-26-46 | 69,325     | 63,606  | 1.08   |
| Iraq (Republic Of) 5.8% | 01-15-28 | 65,340     | 61,773  | 1.05   |
| Southern Gas Corridor 6 | 03-24-26 | 54,940     | 59,610  | 1.01   |
| Ukraine (Republic of) 7 | 09-01-24 | 59,464     | 59,512  | 1.01   |
| Argentina (Republic of) | 01-26-27 | 62,065     | 58,465  | 0.99   |
| Lebanese Republic 6.1%  | 10-04-22 | 50,355     | 45,731  | 0.78   |
| The Government of Jorda | 10-10-47 | 46,975     | 45,030  | 0.77   |
| Brazil (Federative Repu | 01-20-34 | 36,920     | 43,990  | 0.75   |
| Lebanese Republic 6%    | 05-20-19 | 44,810     | 44,358  | 0.75   |
| BIZ Finance Plc 9.62%   | 04-27-22 | 41,880     | 43,178  | 0.73   |
| Turkey (Republic of) 6% | 03-25-27 | 42,015     | 40,280  | 0.68   |
|                         |          |            |         |        |

| Current Investr        | nen        | t Style    |              | Sector Br | eakdown      |            | % Assets |
|------------------------|------------|------------|--------------|-----------|--------------|------------|----------|
| Duration               |            |            |              | Governm   | ent          |            | 66       |
| Ltd Mod Ext            | 1.5        | 0          |              | Governm   | ent Relate   | ed         | 13       |
|                        | g,         |            |              | Corporate | )            |            | 9        |
|                        | High Med   | -          |              | Agency N  | <b>ABS</b>   |            | 0        |
|                        | Low        | 1 figure r | provided by  | Non-Ager  | ncy Resid    | ential MBS | S 0      |
|                        | <          | fund       | JIOVIGEG BY  | Commerc   |              |            | 0        |
| Avg Eff Duratio        | n <b>1</b> |            | _            | Covered I | Bond         |            | 0        |
| Avg Eff Maturi         |            |            | _            | Asset Ba  | cked         |            | 0        |
| Avg Credit Qua         |            | ,          | В            | Municipa  |              |            | 0        |
| Avg Wtd Coup           |            |            | 6.70%        | Cash & Ed | uivalents    | 5          | 12       |
| Avg Wtd Price          |            |            | _            | Other     |              |            | 1        |
| Coupon Range           |            |            | % of Bonds   | Compositi | ion - Net    |            |          |
| 0% PIK                 |            |            | 1.1          | Cash      | 12.3         | Bonds      | 85.9     |
| 0% to 4%               |            |            | 5.1          | Stocks    | 1.9          | Other      | 0.0      |
| 4% to 6%               |            |            | 31.6         |           |              |            |          |
| 6% to 8%               |            |            | 45.6         | Special S |              |            |          |
| 8% to 10%              |            |            | 12.8         | Restricte | d/Illiquid S | Secs       | 44       |
| More than 10%          | 6          |            | 3.8          | Emerging  | -Markets     | Secs       | 82       |
|                        |            |            |              | Options/F | utures/W     | /arrants   | 0        |
| <b>Credit Analysis</b> |            | % bo       | nds 04-30-18 |           |              |            |          |
| AAA                    | 8          | BB         | 18           |           |              |            |          |
| AA                     | 3          | В          | 31           |           |              |            |          |

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Not Rated

10

8

3

19

А

BBB

39

(FI)

# Baird Ultra Short Bond Fund Institutional Class BUBIX

| NAV \$ | NAV Day Change %     | Yield TTM % | Total Assets \$ Mil | Status | Min. Inv. | Load | Expenses | Morningstar Rating ™ | Category        | Investment Style |
|--------|----------------------|-------------|---------------------|--------|-----------|------|----------|----------------------|-----------------|------------------|
| 10.04  | <b>↓</b> 0.00   0.00 | 1.63        | 709.6               | Open   | \$25,000  | None | 0.15%    | ***                  | Ultrashort Bond | Med/Ltd          |



### **Investment Strategy**

The investment seeks current income consistent with preservation of capital. The fund normally invests at least 80% of its net assets in bonds, including the following types of U.S. dollardenominated debt obligations that are fixed, variable or floating rate instruments: U.S. government and other publicsector entities; assetbacked and mortgagebacked obligations of U.S. and foreign issuers; Corporate debt of U.S. and foreign issuers; money market instruments. It invests primarily in investmentgrade debt obligations, rated at the time of purchase by at least one major rating agency, but may invest up to 10% of its net assets in high yield bonds.

# Performance 07-17-2018

| Performance 0/-1/-2018                   |                  |          |          |               |            |           |
|--|------------------|----------|----------|---------------|------------|-----------|
|  | YTD              | 1 Mo     | 0 1 Yr   | 3Yr Ann       | 5Yr Ann    | 10Yr Ann  |
| Growth of 10,000                         | 10,097           | 10,017   | 7 10,154 | 10,373        | _          | _         |
| Fund                                     | 0.97             | 0.17     | 1.54     | 1.23          | _          | _         |
| +/- BBgBarc US Agg Bond<br>TR USD        | 2.32             | -0.44    | 1.85     | -0.55         | —          | _         |
| +/- Category                             | 0.13             | 0.00     | 0.12     | 0.05          | —          | _         |
| % Rank in Cat                            | 37               | 60       | ) 45     | 45            | _          | —         |
| # of Funds in Cat                        | 180              | 195      | 5 177    | 134           | 107        | 56        |
| * Currency is displayed in USD           |                  |          |          |               |            |           |
| Top Holdings 06-30-2018                  |                  |          |          |               |            |           |
|  |                  |          | Weight % | Maturity Date | Amount Mil | Value Mil |
| 💥 Capital One Multi Asset                | Execution Trus   | st 1.34% | 0.81     | 04-15-2022    | 5.70       | 5.63      |
| 💥 Air Liquide Finance 1.38               | %                |          | 0.79     | 09-27-2019    | 5.56       | 5.46      |
| 💥 Hyundai Auto Lease Sec                 | uritization Trus | st 1.97% | 0.77     | 07-15-2020    | 5.35       | 5.31      |
| Discover Card Execution Note Trust 2.12% |                  | 2%       | 0.75     | 12-15-2021    | 5.20       | 5.17      |
| Verizon Owner Trust 1.42%                |                  |          | 0.74     | 01-20-2021    | 5.17       | 5.14      |
|  |                  |          |          |               |            |           |

% Assets in Top 5 Holdings

🕀 Increase 🛛 🕤 Decrease 🛛 🗱 New to Portfolio

### Top Sectors 06-30-2018

|                | Fund  | BMark | Cat Avg | Fund 🔻 Cat Avg |
|----------------|-------|-------|---------|----------------|
| Corporate Bond | 49.96 | _     | 37.50   | ¥              |
| U.S. Treasury  | 22.49 | _     | 2.73    | ×              |
| Asset-Backed   | 20.82 | _     | 15.91   | <b>—</b>       |
| Convertible    | 0.53  | _     | 0.29    | ľ              |
| Agency MBS CMO | 0.11  | —     | 3.04    |                |
|                |       |       |         | 0 15 30 45 60  |

3.85

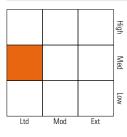
### **Dividend and Capital Gains Distributions**

| Distribution<br>Date | Distribution<br>NAV | Long-Term<br>Capital Gain | Short-Term<br>Captial Gain | Return of<br>Capital | Dividend<br>Income | Distribution<br>Total |
|----------------------|---------------------|---------------------------|----------------------------|----------------------|--------------------|-----------------------|
| 06-25-2018           | 10.02               | 0.0000                    | 0.0000                     | 0.0000               | 0.0167             | 0.0167                |
| 05-25-2018           | 10.03               | 0.0000                    | 0.0000                     | 0.0000               | 0.0163             | 0.0163                |
| 04-25-2018           | 10.02               | 0.0000                    | 0.0000                     | 0.0000               | 0.0167             | 0.0167                |
| 03-26-2018           | 10.02               | 0.0000                    | 0.0000                     | 0.0000               | 0.0139             | 0.0139                |
| 02-26-2018           | 10.02               | 0.0000                    | 0.0000                     | 0.0000               | 0.0132             | 0.0132                |
|                      |                     |                           |                            |                      |                    |                       |

| 3 Year Average Mor   | ningsta    | ar Risk | Measures |      |
|--|------------|---------|----------|------|
| Risk vs. Category<br>(139)<br>Return vs. Category<br>(139) | Avg<br>Avg |         |          |      |
| (135)  |            | Low     | Avg      | High |

| Pillars     |   |   |
|-------------|---|---|
| Process     | _ | _ |
| Performance | _ | _ |
| People      |   | — |
| Parent      | — | — |
| Price       | — | — |
| Rating      |   |   |

### Style Map 06-30-2018



| Bond Statistics                    | Value |
|------------------------------------|-------|
| Average Effective Duration         | 0.54  |
| Average Effective Maturity (Years) | 1.01  |
| Average Credit Quality             | А     |
| Average Weighted Coupon            | 2.54  |
| Average Weighted Price             | 99.94 |

#### Asset Allocation



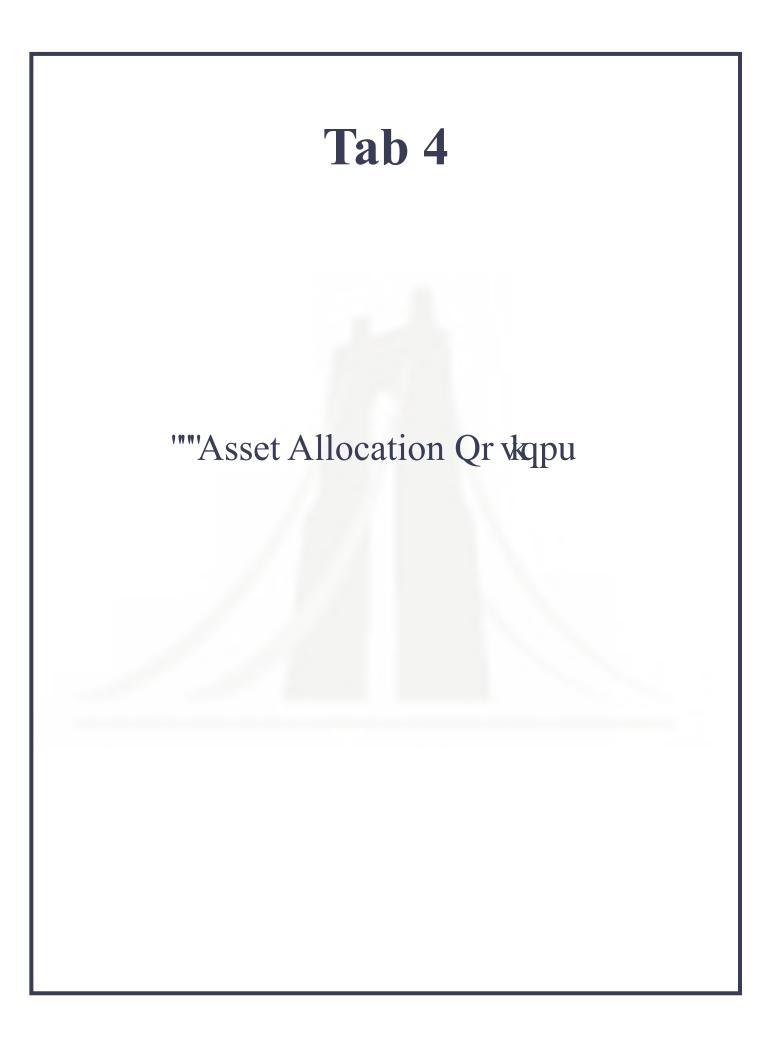
### Management

| M. Sharon deGuzman    | _ |
|-----------------------|---|
| Gary A. Elfe          | _ |
| Charles B. Groeschell |   |
| Warren D. Pierson     |   |
| Mary Ellen Stanek     |   |
| Daniel A. Tranchita   | _ |
|                       |   |

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## Morningstar Analyst Rating

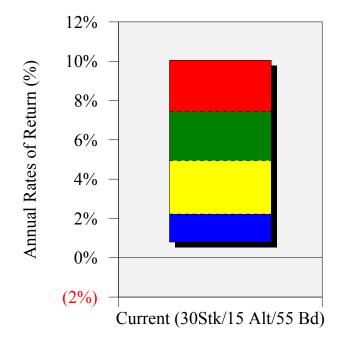
Start Date





# **Current Portfolio Expectations**

Range of Projected Rates of Return Projection Period: 10 Years Optimization Set: 10-YR Expectations

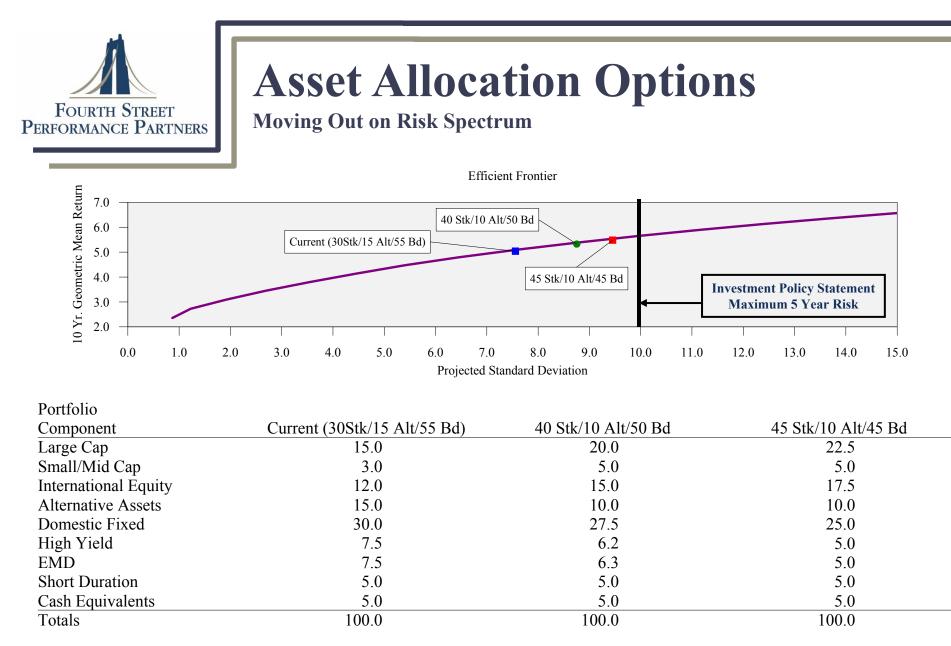


| Portfolio                    |                              |
|------------------------------|------------------------------|
| Component                    | Current (30Stk/15 Alt/55 Bd) |
| Large Cap                    | 15.0                         |
| Small/Mid Cap                | 3.0                          |
| International Equity         | 12.0                         |
| Alternative Assets           | 15.0                         |
| Domestic Fixed               | 30.0                         |
| High Yield                   | 7.5                          |
| EMD                          | 7.5                          |
| Short Duration               | 5.0                          |
| Cash Equivalents             | 5.0                          |
| Totals                       | 100.0                        |
|                              |                              |
| 10 Yr. Geometric Mean Return | rn 5.04%                     |
| Projected Standard Deviation | 7.56%                        |

# **Investment Policy Statement Changes**

Maximum 5 Year Standard Deviation changed from < 7.5% to now < 10%</p>

| 3rd Percentile  | 10.0% |
|-----------------|-------|
| 17th Percentile | 7.5%  |
| Median          | 4.9%  |
| 87th Percentile | 2.2%  |
| 97th Percentile | 0.8%  |



 10 Yr. Geometric Mean Return
 5.04%
 5.33%
 5.48%

 Projected Standard Deviation
 7.56%
 8.76%
 9.45%



# **Summary of Allocation Differences**

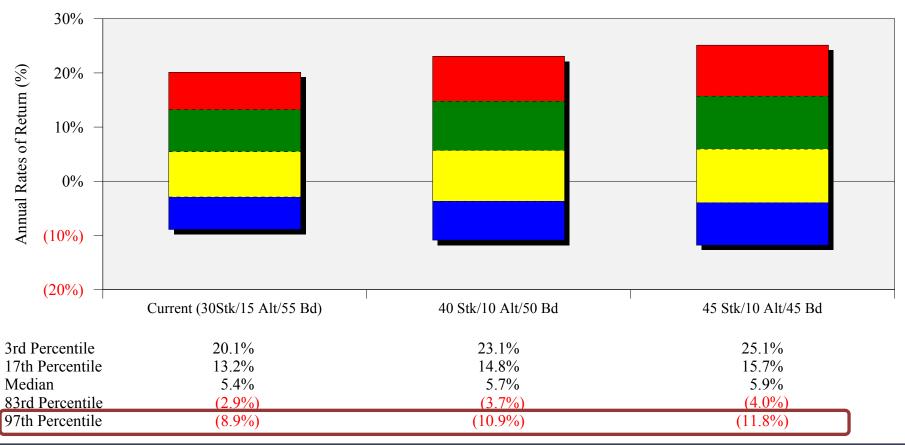
| <b>Current Portfol</b> | <u>io Target</u> | <u>40% Stoc</u> | <u>eks</u> | <u>45% Sto</u> | <u>cks</u> |
|------------------------|------------------|-----------------|------------|----------------|------------|
| Stocks                 | 30%              | Stocks          | 40%        | Stocks         | 45%        |
| Alternatives           | 15%              | Alternatives    | 10%        | Alternatives   | 10%        |
| Bonds/Cash             | <u>55%</u>       | Bonds/Cash      | <u>50%</u> | Bonds/Cash     | <u>45%</u> |
| Total                  | 100%             | Total           | 100%       | Total          | 100%       |
|                        |                  | Stocks          | +10%       | Stocks         | +15%       |
|                        |                  | Alternatives    | -5%        | Alternatives   | -5%        |
|                        |                  | Bonds           | -5%        | Bonds          | -10%       |

\*Moving to either portfolio would require modest changes to the investment policy statement.



# **Downside Potential in a Given Year**

Range of Projected Rates of Return Projection Period: 1 Year Optimization Set: 10-YR Expectations



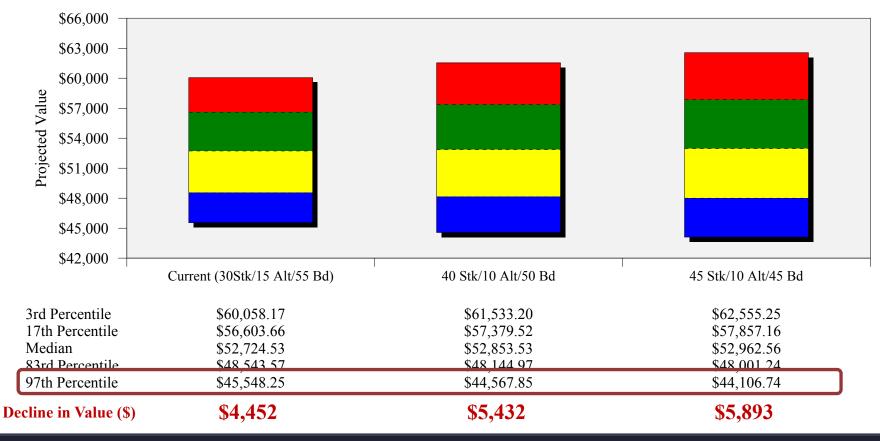
Past performance is no guarantee of future results.



# Potential Dollar Losses in a Given Year

Assuming a \$50,000 Trust

Range of Projected Dollar Growth Projection Period: 1 Year Initial Value: \$50,000.00 Optimization Set: 10-YR Expectations



Past performance is no guarantee of future results.



# **Summary of Manager Changes**

# **Current Portfolio Target**

| Vanavard S&D 500               | 8.00%        |
|--------------------------------|--------------|
| Vanguard S&P 500               | 8.00%        |
| Vanguard Dividend Appreciation | 7.00%        |
| Diamond Hill                   | 3.00%        |
| Schwab International           | 5.00%        |
| Europacific Growth             | 5.00%        |
| Vanguard Emerging Markets      | 2.00%        |
| FPA Crescent                   | 7.50%        |
| WHG Income Opportunity         | 7.50%        |
| Vanguard Total Bond Index      | 15.00%       |
| Baird Aggregate Bond           | 15.00%       |
| Vanguard High Yield Bond       | 7.50%        |
| Fidelity New Markets Income    | 7.50%        |
| Baird Ultra Short Fund         | 5.00%        |
| Cash                           | <u>5.00%</u> |
| Total                          | 100.00%      |

# 40% Stocks

| Vanguard S&P 500            | 10.00%       |
|-----------------------------|--------------|
| Primecap Odyssey Growth     | 5.00%        |
| Delaware Value              | 5.00%        |
| Vanguard Explorer Value     | 5.00%        |
| Schwab International        | 6.25%        |
| Europacific Growth          | 6.25%        |
| Vanguard Emerging Markets   | 2.50%        |
| FPA Crescent                | 5.00%        |
| AMG Chicago Eq Balanced     | 5.00%        |
| Vanguard Total Bond Index   | 13.75%       |
| Baird Aggregate Bond        | 13.75%       |
| Vanguard High Yield Bond    | 6.25%        |
| Fidelity New Markets Income | 6.25%        |
| Baird Ultra Short Fund      | 5.00%        |
| Cash                        | <u>5.00%</u> |
| Total                       | 100.00%      |

# 45% Stocks

|       | Vanguard S&P 500   | 11.25%                             |
|-------|--|------------------------------------|
| POGRX | Primecap Odyssey Growth  | 6.13%                              |
| DDVIX | Delaware Value   | 6.13%                              |
| VEVFX | Vanguard Explorer Value  | 5.00%                              |
|       | Schwab International   | 6.75%                              |
|       | Europacific Growth   | 6.75%                              |
|       | Vanguard Emerging Markets  | 3.00%                              |
|       | FPA Crescent   | 5.00%                              |
|       |  |                                    |
| MBESX | AMG Chicago Eq Balanced  | 5.00%                              |
| MBESX | AMG Chicago Eq Balanced<br>Vanguard Total Bond Index   | 5.00%<br>12.50%                    |
| MBESX | 8 1  |                                    |
| MBESX | Vanguard Total Bond Index  | 12.50%                             |
| MBESX | Vanguard Total Bond Index<br>Baird Aggregate Bond  | 12.50%<br>12.50%                   |
| MBESX | Vanguard Total Bond Index<br>Baird Aggregate Bond<br>Vanguard High Yield Bond                                | 12.50%<br>12.50%<br>5.00%          |
| MBESX | Vanguard Total Bond Index<br>Baird Aggregate Bond<br>Vanguard High Yield Bond<br>Fidelity New Markets Income | 12.50%<br>12.50%<br>5.00%<br>5.00% |

\*Remove Manager \*Add Manager



# **Highlights of Manager Changes**

# Large Cap U.S. Equities

- Remove Vanguard Dividend Appreciation Fund and replace it with two large cap managers, Primecap Odyssey Growth (POGRX) and Delaware Value Fund (DDVIX)
- Vanguard Dividend Appreciation is a conservative portfolio with downside protection
- Primecap and Delaware would be complementary large cap managers; Primecap focuses on growth stocks while Delaware is a value manager
- Both Primecap and Delaware have outstanding long term track records

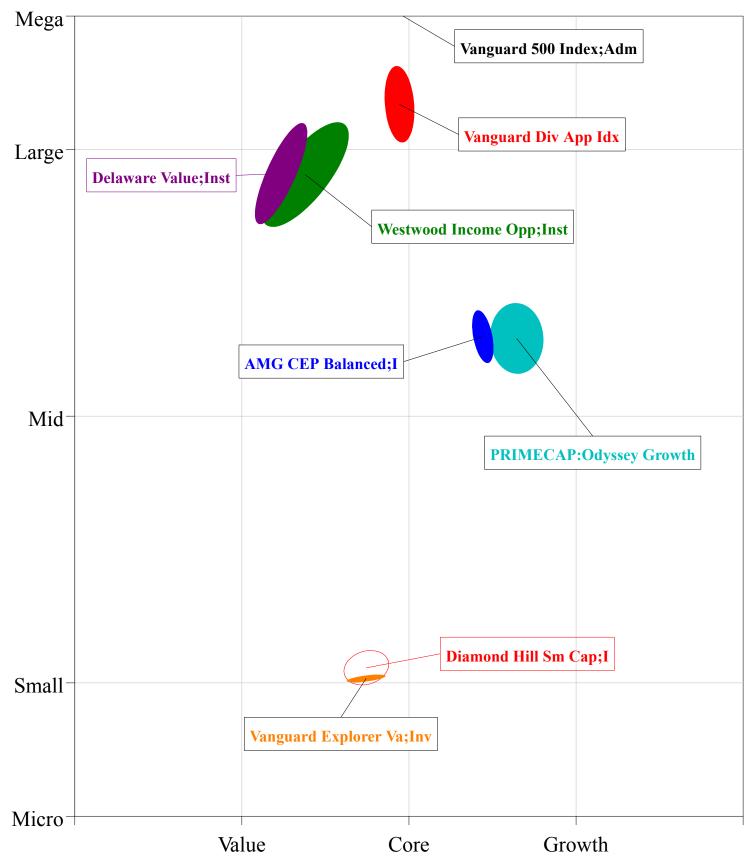
# Small Cap U.S. Equities

- Remove Diamond Hill Smallcap Fund and replace with Vanguard Explorer Value Fund (VEVFX)
- Diamond Hill is a conservative portfolio with high levels of cash holdings (15%)
- Vanguard Explorer Value is comprised of two small cap managers: Frontier Capital and Cardinal Capital; both with solid long term track records

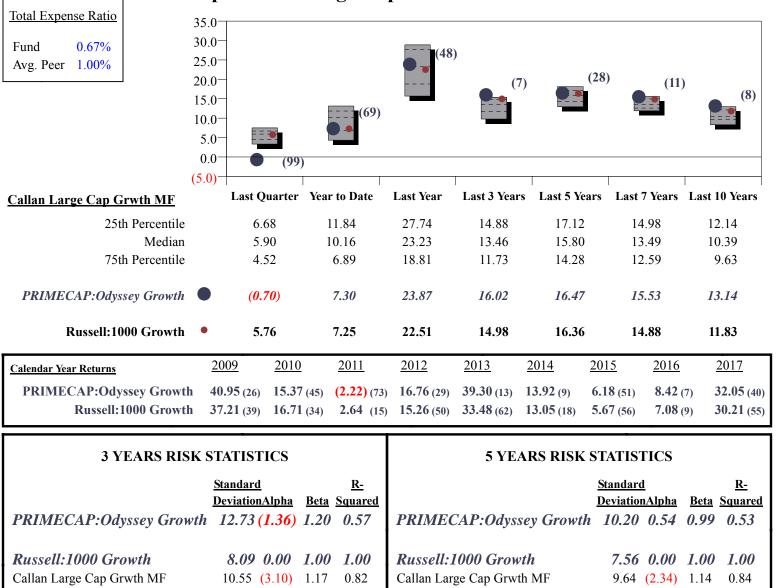
# **Alternatives**

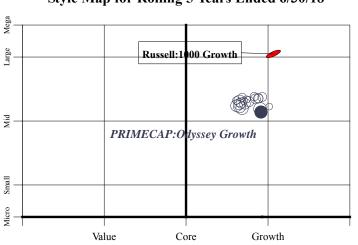
- Remove WHG Income Opportunity Fund and replace with AMG Chicago Equity Partners Balanced Fund (MBESX)
- > WHG Income Opportunity Fund lead portfolio manager just announced his resignation
- Chicago Equity Partners will maintain equity exposure between 50-70%; quantitative models will move the portfolio from growth and value, large cap and small cap

# Life's Plan Inc. Global Equity Style Map for 5 Years Ended June 30, 2018



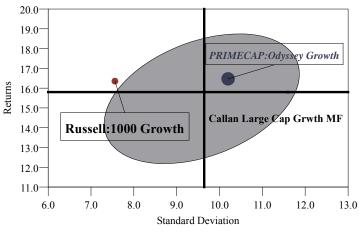
# PRIMECAP:Odyssey Growth for Periods Ended June 30, 2018 Group: Callan Large Cap Growth Mutual Funds





# Style Map for Rolling 5 Years Ended 6/30/18





# **PRIMECAP Odyssey Growth**

Benchmark 1: Russell 1000 Growth TR USD Benchmark 2: S&P 500 TR USD

### Morningstar Analyst Rating 08-18-17

# 👽 Gold

| Morningstar Pillars |          |
|---------------------|----------|
| Process             | Positive |
| Performance         | Positive |
| People              | Positive |
| Parent              | Positive |
| Price               | Positive |

### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

### Analyst Rating Spectrum

| 👽 Gold      | 🐺 Silver | 🐺 Bronze | Neutral | Negative |
|-------------|----------|----------|---------|----------|
| Pillar Spec | trum:    |          |         |          |
| O Positive  | •        | Negative |         | Neutral  |

## Performance 06-30-18

| renorma      | renominance 00-30-10              |            |             |            |           |  |  |  |  |
|--------------|-----------------------------------|------------|-------------|------------|-----------|--|--|--|--|
|              | 1st Qtr                           | 2nd Qtr    | 3rd Qtr     | 4th Qtr    | Total     |  |  |  |  |
| 2014         | 4.28                              | 2.44       | 0.91        | 5.68       | 13.92     |  |  |  |  |
| 2015         | 3.53                              | 0.89       | -7.46       | 9.84       | 6.18      |  |  |  |  |
| 2016         | -3.73                             | -1.86      | 13.17       | 1.41       | 8.42      |  |  |  |  |
| 2017         | 9.11                              | 4.83       | 5.74        | 9.18       | 32.05     |  |  |  |  |
| 2018         | 8.05                              | -0.70      | —           | _          | —         |  |  |  |  |
| Trailing     | Total                             | +/- Bmark  | +/- Bmark   | %Rank      | Growth of |  |  |  |  |
|              | Return%                           | 1          | 2           | Cat        | \$10,000  |  |  |  |  |
| 3 Mo         | -0.70                             | -6.46      | -4.13       | 100        | 9,930     |  |  |  |  |
| 6 Mo         | 7.30                              | 0.05       | 4.65        | 47         | 10,730    |  |  |  |  |
| 1 Yr         | 23.87                             | 1.36       | 9.50        | 29         | 12,387    |  |  |  |  |
| 3 Yr Avg     | 16.02                             | 1.04       | 4.09        | 10         | 15,617    |  |  |  |  |
| 5 Yr Avg     | 16.47                             | 0.11       | 3.05        | 22         | 21,435    |  |  |  |  |
| 10 Yr Avg    | 13.14                             | 1.31       | 2.97        | 7          | 34,372    |  |  |  |  |
| 15 Yr Avg    | —                                 | _          | —           | _          | —         |  |  |  |  |
| Tax Analysis | Tax Ac                            | dj Rtn% %l | Rank Cat Ta | x-Cost Rat | %Rank Cat |  |  |  |  |
| 3 Yr (estima | ted)                              | 15.37      | 6           | 0.56       | 22        |  |  |  |  |
| 5 Yr (estima | ted)                              | 15.73      | 15.73 14    |            | 22        |  |  |  |  |
| 10 Yr (estim | 10 Yr (estimated) 12.71 5 0.39 19 |            |             |            |           |  |  |  |  |

Potential Capital Gain Exposure: 41% of assets

### Morningstar's Take by David Kathman 08-18-17

Primecap Odyssey Growth is the second-most aggressive of the six funds managed by the Primecap team, and one of two that remains open to new investors. It earns a Morningstar Analyst Rating of Gold thanks to its deep and experienced management team, disciplined strategy, strong long-term track record, and low expenses relative to its peers.

The strategy, which the team has honed in more than 30 years managing Vanguard Primecap VPMCX, focuses on firms with strong growth potential but temporarily depressed valuations. The team is a meritocracy; each of the five portfolio managers (and several analysts) independently runs a sleeve of assets, making it easy to allocate credit (or blame) for the fund's performance. The managers invest for the long run, so portfolio turnover is very low, and they don't hesitate to make significant sector and industry bets in areas where they see a lot of long-term potential. In recent years, they've been particular fans of technology, biotechnology, and airline stocks across all of their funds. Such sector bets are more pronounced in this fund and sibling Primecap Odyssey

| th             |                                  |       |       |       |       |          | GRX       | 0.3%  | \$12,95 | i6 mil | Large Growth  |
|----------------|----------------------------------|-------|-------|-------|-------|----------|-----------|-------|---------|--------|---|
| Return<br>Risk | <b>al Profil</b><br>High<br>High |       |       |       |       |          |           |       |         |        | <b>Investment Style</b><br>Equity   |
| Rating         | Highest                          | *     |       | ~~    | ¢.    | <u>~</u> | <i>~~</i> | ~~~~  |         |        | 30.0       25.0       Growth of \$10,000       20.0       Investment Values of       15.0       Fund       10.0 |
|                |                                  |       |       |       |       |          |           |       |         |        | <b>Performance Quartile</b><br>(within Category)  |
| 2008           | 2009                             | 2010  | 2011  | 2012  | 2013  | 2014     | 2015      | 2016  | 2017    | 06-18  | History   |
| 9.50           | 13.36                            | 15.40 | 14.94 | 17.34 | 23.61 | 26.06    | 27.32     | 28.64 | 37.25   | 39.97  | NAV   |
| -34.25         | 40.95                            | 15.37 | -2.22 | 16.76 | 39.30 | 13.92    | 6.18      | 8.42  | 32.05   | 7.30   | Total Return %  |
| 4.19           | 3.74                             | -1.34 | -4.87 | 1.51  | 5.82  | 0.87     | 0.51      | 1.35  | 1.84    | 0.05   | +/- Bmark 1   |
| 2.75           | 14.48                            | 0.31  | -4.34 | 0.76  | 6.91  | 0.23     | 4.79      | -3.54 | 10.22   | 4.65   | +/- Bmark 2   |
| 0.23           | 0.31                             | 0.10  | 0.37  | 0.70  | 0.46  | 0.69     | 0.38      | 0.50  | 0.39    | 0.00   | Income Return %   |
| -34.48         | 40.64                            | 15.27 | -2.59 | 16.06 | 38.84 | 13.22    | 5.80      | 7.92  | 31.66   | 7.30   | Capital Return %  |
| 8              | 24                               | 49    | 52    | 32    | 11    | 11       | 30        | 12    | 22      | 47     | Total Rtn % Rank Cat  |
| 0.03           | 0.03                             | 0.01  | 0.06  | 0.10  | 0.08  | 0.16     | 0.10      | 0.14  | 0.11    | 0.00   | Income \$   |
| 0.00           | 0.00                             | 0.00  | 0.06  | 0.00  | 0.45  | 0.64     | 0.25      | 0.86  | 0.46    | 0.00   | Capital Gains \$  |
| 0.71           | 0.71                             | 0.68  | 0.66  | 0.67  | 0.65  | 0.63     | 0.64      | 0.65  | 0.66    | —      | Expense Ratio %   |
| 0.26           | 0.35                             | 0.15  | 0.26  | 0.55  | 0.51  | 0.54     | 0.53      | 0.47  | 0.39    | —      | Income Ratio %  |
| 13             | 12                               | 5     | 13    | 12    | 10    | 10       | 5         | 9     | 5       |        | Turnover Rate %   |
| 390            | 854                              | 1,623 | 1,798 | 2,221 | 3,884 | 5,003    | 6,557     | 7,078 | 10,605  | 12,956 | Net Assets \$mil  |

Vield

Total Assets

Mstar Category

Ticker

| Ratin          | Rating and Risk |             |                |                 |  |  |  |  |  |
|----------------|-----------------|-------------|----------------|-----------------|--|--|--|--|--|
| Time           | Load-Adj        | Morningstar | Morningstar    | Morningstar     |  |  |  |  |  |
| Period<br>1 Yr | Return %        | Rtn vs Cat  | Risk vs Cat    | Risk-Adj Rating |  |  |  |  |  |
|                | 23.87           |             |                |                 |  |  |  |  |  |
| 3 Yr           | 16.02           | High        | High           | ****            |  |  |  |  |  |
| 5 Yr           | 16.47           | +Avg        | High           | ****            |  |  |  |  |  |
| 10 Yr          | 13.14           | High        | +Avg           | *****           |  |  |  |  |  |
| Incept         | 11.93           |             |                |                 |  |  |  |  |  |
| Other M        | leasures        | Stand       | Standard Index |                 |  |  |  |  |  |
| Alpha          |                 |             | 2.2            |                 |  |  |  |  |  |
| Beta           |                 |             | 1.17           |                 |  |  |  |  |  |
| R-Squared      |                 |             | 71             |                 |  |  |  |  |  |
| Standar        | d Deviation     |             | 14.10          |                 |  |  |  |  |  |
| Mean           |                 |             | 16.02          |                 |  |  |  |  |  |
| Sharpe         | Ratio           |             | 1.08           |                 |  |  |  |  |  |

Aggressive Growth POAGX than in the more corelike Primecap Odyssey Stock POSKX.

This approach has worked very well over time. Through July 31, 2017, this fund's returns ranked in the large-blend Morningstar Category's top decile during the trailing five and 10 years and since its November 2004 inception. Even so, the low turnover and tendency toward sector bets has made it prone to occasional periods of short-term underperformance when the strategy is out of sync with the market. Weakness in the fund's healthcare holdings resulted in mediocre relative returns in 2010 and 2011, but the managers stuck to their guns, and those same stocks were big contributors to the fund's subsequent rally.

In general, this fund is a bit more volatile and aggressive than the Primecap team's three Vanguard funds and Primecap Odyssey Stock, but less volatile than Primecap Odyssey Aggressive Growth. It's a fine choice for new investors who want exposure to this standout management team and have a bit of risk tolerance.

| Address:     | PRIMECAP Odyssey Funds      | Minimum Purchase:    | \$2000    | Add: \$100 | IRA: \$1000 |
|--------------|-----------------------------|----------------------|-----------|------------|-------------|
|              | Pasadena, CA 91101          | Min Auto Inv Plan:   | _         | Add: \$100 |             |
|              | 800-729-2307                | Sales Fees:          | No-load   |            |             |
| Web Address: | www.odysseyfunds.com        | Management Fee:      | 0.60% mx  | /0.55% mn. |             |
| Inception:   | 11-01-04                    | Actual Fees:         | Mgt:0.55% | 6 Dist:—   |             |
| Advisor:     | PRIMECAP Management Company | Expense Projections: | 3Yr:\$214 | 5Yr:\$373  | 10Yr:\$835  |
| Subadvisor:  | None                        | Income Distribution: | Annually  |            |             |

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|--|
| purposes; is not an offer to buy/sell a security; and is not warranted to be correct, complete or accurate. Morningstar is not responsible for any trading |
| decisions, damages or losses resulting from, or related to, the data and analyses or their use.  |

| Portfolio Analysis 03-31-18 |            |           |          |
|-----------------------------|------------|-----------|----------|
| Total Stocks: 140           |            |           |          |
| Share change since 12-31-17 | Sector     | YTD Ret % | % Assets |
| Nektar Therapeutics Inc     | HIth Care  | —         | 6.30     |
| Abiomed Inc                 | HIth Care  | _         | 4.35     |
| Dreyfus Treasury Secs Cas   | _          | _         | 3.70     |
| Alkermes PLC                | HIth Care  | _         | 3.63     |
| Micron Technology Inc       | Technology | _         | 2.71     |
| Seattle Genetics Inc        | HIth Care  | —         | 2.63     |
| United Continental Holdin   | Industrl   | _         | 2.61     |
| American Airlines Group I   | Industrl   | _         | 2.50     |
| Alibaba Group Holding Ltd   | Cnsmr Cyc  | _         | 2.31     |
| E*TRADE Financial Corp      | Finan Svcs | _         | 2.29     |
| Adobe Systems Inc           | Technology | —         | 2.23     |
| Eli Lilly and Co            | HIth Care  | _         | 2.13     |
| Insulet Corp                | HIth Care  | _         | 1.86     |
| Splunk Inc                  | Technology | _         | 1.85     |
| Amgen Inc                   | HIth Care  | _         | 1.83     |
| NetApp Inc                  | Technology | —         | 1.81     |
| Microsoft Corp              | Technology | _         | 1.70     |
| Sony Corp ADR               | Technology | _         | 1.62     |
| Southwest Airlines Co       | Industrl   | _         | 1.55     |
| -                           |            |           |          |

⊖ Royal Caribbean Cruises L

M RNINGSTAR

| Current Investment   | Stule                                  |                                      |
|--|--|--------------------------------------|
| Value Blend Growth Value Blend Growth | Market Cap<br>Giant<br>Large<br>Mid    | 29.8<br>35.0<br>30.1                 |
|  | Small<br>Micro<br>Avg \$mil:<br>29,817 | 4.9<br>0.2                           |
| Value Measures   | Rel Ca                                 | ategory                              |
| Price/Earnings<br>Price/Book<br>Price/Sales<br>Price/Cash Flow<br>Dividend Yield %   | 3.56<br>2.11                           | 0.72<br>0.77<br>0.68<br>0.66<br>0.92 |
| Growth Measures  | % Rel Ca                               | ategory                              |
| Long-Term Erngs<br>Book Value<br>Sales<br>Cash Flow<br>Historical Erngs  | 13.63<br>4.50<br>2.86<br>5.45<br>0.72  | 0.93<br>0.50<br>0.35<br>0.47<br>0.05 |
| Profitability  |  | %                                    |
| Return on Equity<br>Return on Assets<br>Net Margin   |  | 11.13<br>2.50<br>5.35                |

|           | Cnsmr Cyc         | —              | 1.45           |  |  |  |  |  |
|-----------|-------------------|----------------|----------------|--|--|--|--|--|
| Sec<br>We | tor<br>ightings   | % of<br>Stocks | Rel<br>Bmark 1 |  |  |  |  |  |
| ∿         | Cyclical          | 19.75          | 0.66           |  |  |  |  |  |
| <b>.</b>  | BasicMat          | 0.52           | 0.32           |  |  |  |  |  |
| A         | CnsmrCyc          | 10.95          | 0.62           |  |  |  |  |  |
| L È       | FinanSvcs         | 8.28           | 0.95           |  |  |  |  |  |
| ŵ         | Real Est          | 0.00           | 0.00           |  |  |  |  |  |
| w         | Sensitive         | 44.61          | 0.87           |  |  |  |  |  |
| •         | CommSrvs          | 0.00           | 0.00           |  |  |  |  |  |
| 0         | Energy            | 0.29           | 0.29           |  |  |  |  |  |
| ٥         | Industrl          | 14.01          | 1.09           |  |  |  |  |  |
|           | Technlgy          | 30.31          | 0.84           |  |  |  |  |  |
| <b>→</b>  | Defensive         | 35.66          | -0.04          |  |  |  |  |  |
|           | CnsmrDef          | 0.20           | 0.03           |  |  |  |  |  |
|           | Hlthcare          | 35.46          | 2.69           |  |  |  |  |  |
| Ç         | Utilities         | 0.00           | —              |  |  |  |  |  |
| Con       | Composition - Net |                |                |  |  |  |  |  |
|           |                   | Cash           | 3.7            |  |  |  |  |  |
|           |                   | Stocks         | 96.3           |  |  |  |  |  |
|           |                   | Bonds          | 0.0            |  |  |  |  |  |
|           |                   | Other          | 0.0            |  |  |  |  |  |

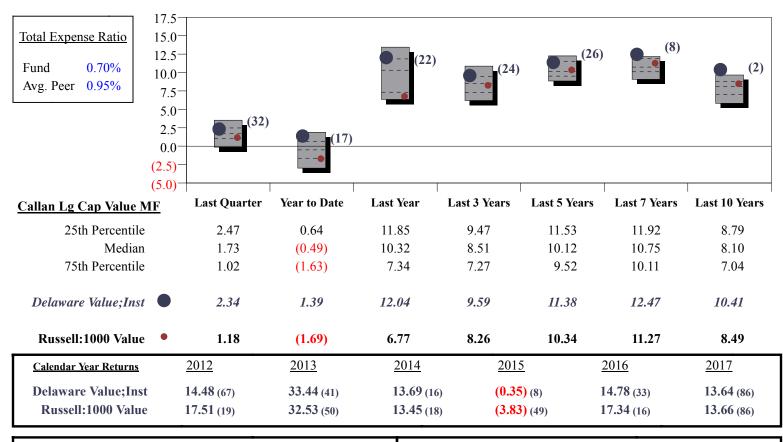
Foreign (% of Stock)

•

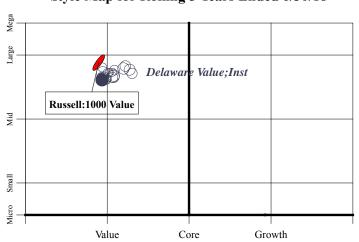
**Mutual Funds** 

12.4

# Delaware Value;Inst for Periods Ended June 30, 2018 Group: Callan Large Cap Value Mutual Funds

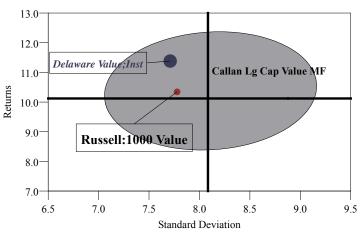


| 3 YEAR                                    | <b>3 YEARS RISK STATISTICS</b>      |              |              |                      | 5 YEAR                                    | S RISK S                     | TATIST       | ICS          |                      |
|---|-------------------------------------|--------------|--------------|----------------------|---|------------------------------|--------------|--------------|----------------------|
|   | <u>Standard</u><br><u>Deviation</u> | <u>Alpha</u> | <u>Beta</u>  | <u>R-</u><br>Squared |   | <u>Standard</u><br>Deviation | <u>Alpha</u> | <u>Beta</u>  | <u>R-</u><br>Squared |
| Delaware Value;Inst<br>Russell:1000 Value | 8.59<br>8.32                        | 2.14<br>0.00 | 0.89<br>1.00 | 0.74<br>1.00         | Delaware Value;Inst<br>Russell:1000 Value | 7.71<br>7.78                 | 2.31<br>0.00 | 0.86<br>1.00 | 0.76<br>1.00         |
| Callan Lg Cap Value MF                    | 8.78                                | 0.29         | 0.99         | 0.86                 | Callan Lg Cap Value MF                    | 8.08                         | 0.38         | 0.97         | 0.87                 |



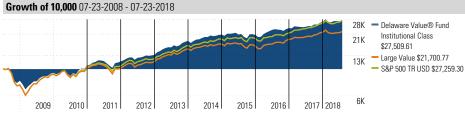
# Style Map for Rolling 5 Years Ended 6/30/18

# Risk vs. Return for 5 Years Ending 6/30/18



# Delaware Value® Fund Institutional Class DDVIX

| NAV \$ | NAV Day Change %       | Yield TTM % | Total Assets \$ | Status | Min. Inv. | Load | Expenses | Morningstar Rating ™ | Category    | Investment Style |
|--------|------------------------|-------------|-----------------|--------|-----------|------|----------|----------------------|-------------|------------------|
| 22.13  | <b>↓</b> -0.03   -0.14 | 1.59        | 13              | Open   | _         | None | 0.70%    | ****                 | Large Value | Large Value      |





Pillars

### **Investment Strategy**

The investment seeks long-term capital appreciation. Under normal circumstances, the fund will invest at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in securities of large-capitalization companies (the 80% policy). It invests primarily in securities of large-capitalization companies that the Manager believes have long-term capital appreciation potential. The fund's advisor currently defines large-capitalization stocks as those with market capitalizations of \$5 billion or greater at the time of purchase.

| Performance 07-23-2018 |
|------------------------|
|------------------------|

|                    | YTD    | 1 Mo   | 1 Yr   | 3Yr Ann | 5Yr Ann | 10Yr Ann |
|--------------------|--------|--------|--------|---------|---------|----------|
| Growth of 10,000   | 10,392 | 10,082 | 11,387 | 13,409  | 16,645  | 27,195   |
| Fund               | 3.92   | 0.82   | 13.87  | 10.27   | 10.73   | 10.52    |
| +/- S&P 500 TR USD | -2.18  | -1.19  | -1.88  | -2.16   | -2.24   | 0.02     |
| +/- Category       | 2.66   | -0.17  | 3.77   | 1.25    | 1.49    | 2.08     |
| % Rank in Cat      | 10     | 63     | 14     | 29      | 17      | 7        |
| # of Funds in Cat  | 1,282  | 1,298  | 1,250  | 1,079   | 932     | 674      |
|                    |        |        |        |         |         |          |

\* Currency is displayed in USD

| Top Holdings 05-31-2018               |          |            |           |                |
|---------------------------------------|----------|------------|-----------|----------------|
|                                       | Weight % | Last Price | Day Chg % | 52 Week Range  |
| <ul> <li>Marathon Oil Corp</li> </ul> | 3.33     | 20.85 USD  | 1.91 🛧    | 10.55 - 22.74  |
| ⊖ Intel Corp                          | 3.31     | 52.18 USD  | -0.25 🗸   | 34.38 - 57.60  |
| ⊖ Occidental Petroleum Corp           | 3.31     | 83.46 USD  | 1.23 🕇    | 58.44 - 87.67  |
| ⊖ Lowe's Companies Inc                | 3.26     | 100.00 USD | -0.68 🗸   | 70.76 - 108.98 |
| ⊖ ConocoPhillips                      | 3.25     | 70.85 USD  | 1.24 🛧    | 42.26 - 72.57  |
| % Assets in Top 5 Holdings            | 16.45    |            |           |                |

% Assets in Top 5 Holdings

Increase ⊖ Decrease 🛛 🕸 New to Portfolio

| Top Sectors 05-31-2018         |       |           |          |         |  |
|--------------------------------|-------|-----------|----------|---------|--|
|                                | Fund  | 3 Yr High | 3 Yr Low | Cat Avg | Fund Cat Avg                           |
| <ul> <li>Healthcare</li> </ul> | 24.30 | 25.01     | 23.57    | 13.48   | · · · · · · · · · · · · · · · · · · ·  |
| 😝 Financial Services           | 14.87 | 14.87     | 12.29    | 22.70   |  |
| Energy                         | 13.02 | 16.01     | 13.02    | 10.73   |  |
| Technology                     | 12.62 | 12.62     | 9.34     | 12.00   |  |
| Industrials                    | 9.04  | 9.52      | 9.04     | 9.46    | •••••••••••••••••••••••••••••••••••••• |
|                                |       |           |          |         | 0 10 20 30 4                           |

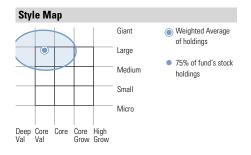
| <b>Dividend and Capital</b> | <b>Gains Distribution</b> | IS                        |                            |                      |                    |                       |
|-----------------------------|---------------------------|---------------------------|----------------------------|----------------------|--------------------|-----------------------|
| Distribution<br>Date        | Distribution<br>NAV       | Long-Term<br>Capital Gain | Short-Term<br>Captial Gain | Return of<br>Capital | Dividend<br>Income | Distribution<br>Total |
| 06-22-2018                  | 21.95                     | 0.0000                    | 0.0000                     | 0.0000               | 0.0860             | 0.0860                |
| 03-22-2018                  | 21.03                     | 0.0000                    | 0.0000                     | 0.0000               | 0.1000             | 0.1000                |
| 12-22-2017                  | 21.52                     | 0.3040                    | 0.2140                     | 0.0000               | 0.0960             | 0.6140                |
| 09-22-2017                  | 20.76                     | 0.0000                    | 0.0000                     | 0.0000               | 0.0700             | 0.0700                |
| 06-22-2017                  | 20.17                     | 0.0000                    | 0.0000                     | 0.0000               | 0.0900             | 0.0900                |

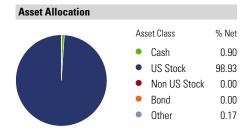
## Process Performance People Parent Price Rating

-Avg

High

low





| Management             |            |
|------------------------|------------|
|                        | Start Date |
| D. Tysen Nutt          | _          |
| Robert A. Vogel        | _          |
| Nikhil G. Lalvani      | _          |
| Kristen E. Bartholdson | _          |

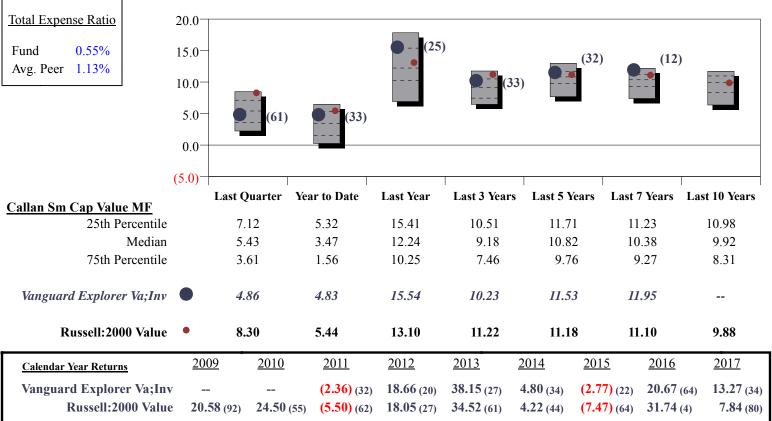
**Morningstar Analyst Rating** 

Avg

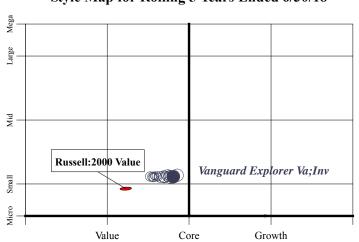
High

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# Vanguard Explorer Va;Inv for Periods Ended June 30, 2018 Group: Callan Small Cap Value Mutual Funds

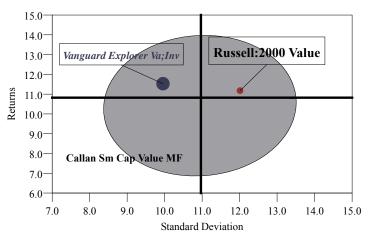


| 3 YEARS RIS              | 5 YEARS RIS     | K STAT   | ISTICS      |                |                          |                  |          |             |                |
|--------------------------|-----------------|----------|-------------|----------------|--------------------------|------------------|----------|-------------|----------------|
|                          | <u>Standarc</u> | <u>1</u> |             | <u>R-</u>      |                          | <u>Standard</u>  | <u>l</u> |             | <u>R-</u>      |
|                          | Deviation       | nAlpha   | <u>Beta</u> | <u>Squared</u> |                          | <b>Deviation</b> | 1Alpha   | <u>Beta</u> | <u>Squared</u> |
| Vanguard Explorer Va;Inv | 9.61            | 1.93     | 0.71        | 0.86           | Vanguard Explorer Va;Inv | 9.96             | 2.59     | 0.78        | 0.88           |
| Russell:2000 Value       | 12.50           | 0.00     | 1.00        | 1.00           | Russell:2000 Value       | 12.01            | 0.00     | 1.00        | 1.00           |
| Callan Sm Cap Value MF   | 11.24           | 0.18     | 0.81        | 0.87           | Callan Sm Cap Value MF   | 10.97            | 1.10     | 0.85        | 0.85           |



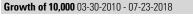
# Style Map for Rolling 5 Years Ended 6/30/18

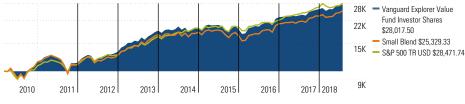
# Risk vs. Return for 5 Years Ending 6/30/18



# Vanguard Explorer Value Fund Investor Shares VEVFX

| NAV \$ | NAV Day Change %     | Yield TTM % | Total Assets \$ | Status | Min. Inv. | Load | Expenses | Morningstar Rating™ | Category    | Investment Style |
|--------|----------------------|-------------|-----------------|--------|-----------|------|----------|---------------------|-------------|------------------|
| 39.44  | <b>↑</b> 0.01   0.03 | 0.73        | 724             | Open   | \$3,000   | None | 0.55%    | ***                 | Small Blend | Small Blend      |





#### **Investment Strategy**

The investment seeks to provide long-term capital appreciation. The fund invests mainly in the stocks of small and mid-size U.S. companies, choosing stocks considered by an advisor to be undervalued. Undervalued stocks are generally those that are out of favor with investors and are trading at prices that an advisor feels are below average in relation to measures such as cash flow and book value. These stocks may have above-average dividend yields. The fund uses multiple investment advisors.

| Performance 07-23-201                   | 8           |          |            |         |            |                 |  |
|---|-------------|----------|------------|---------|------------|-----------------|--|
|   | YTD         | 1 Mo     | 1 Yr       | 3Yr Ann | 5Yr Ann    | 10Yr Ann        |  |
| Growth of 10,000                        | 10,758      | 10,048   | 11,742     | 14,037  | 16,547     | _               |  |
| Fund                                    | 7.58        | 0.48     | 17.42      | 11.97   | 10.60      |                 |  |
| +/- S&P 500 TR USD                      | 1.48        | -1.53    | 1.67       | -0.46   | -2.37      | _               |  |
| +/- Category                            | -0.62       | -0.08    | 1.08       | 0.94    | 0.46       |                 |  |
| % Rank in Cat                           | 61          | 61       | 44         | 38      | 47         |                 |  |
| # of Funds in Cat                       | 781         | 799      | 763        | 621     | 527        | 382             |  |
| * Currency is displayed in USE          | )           |          |            |         |            |                 |  |
| Top Holdings 03-31-201                  | 8           |          |            |         |            |                 |  |
|   |             | Weight % | Last Price | Day     | Chg %      | 52 Week Range   |  |
| <ul> <li>IAC/InterActiveCorp</li> </ul> |             | 2.70     | 152.71 USD | -0      | ).61 🦊 🦷 1 | 100.57 - 166.64 |  |
| <ul> <li>PacWest Bancorp</li> </ul>     |             | 2.38     | 50.56 USD  | -1      | .13 🕹      | 43.08 - 55.86   |  |
| ↔ KAR Auction Services Inc              |             | 2.29     | 58.94 USD  | -1      | -1.06 🗸    |                 |  |
| Columbia Banking Sys                    | tem Inc     | 1.69     | 42.35 USD  | -0      | -0.82 🗸    |                 |  |
| Genesee & Wyoming                       | Inc Class A | 1.61     | 83.07 USD  | -0      | ).86 🗸     | 64.31 - 85.10   |  |

🕀 Increase 🗢 Decrease 🛛 💥 New to Portfolio

% Assets in Top 5 Holdings

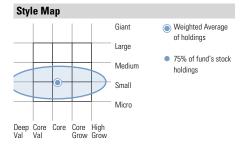
| Top Sectors 03-31-2018 |       |           |          |         |                  |
|------------------------|-------|-----------|----------|---------|------------------|
|                        | Fund  | 3 Yr High | 3 Yr Low | Cat Avg | 🔳 Fund 🔻 Cat Avg |
| 😝 Financial Services   | 23.66 | 25.40     | 22.68    | 19.19   |                  |
| Consumer Cyclical      | 14.56 | 16.25     | 12.09    | 13.58   |                  |
| Technology             | 13.86 | 13.86     | 13.20    | 15.29   |                  |
| Industrials            | 11.96 | 14.48     | 11.96    | 17.17   |                  |
| ▲ Real Estate          | 10.03 | 10.36     | 10.03    | 6.60    |                  |
| —                      |       |           |          |         | 0 10 20 30 40    |

10.68

#### **Dividend and Capital Gains Distributions** Distribution Distribution Long-Term Short-Term Return of Dividend Distribution Date NAV Capital Gain Captial Gain Capital Income Total 0.0000 12-18-2017 36.61 0.6877 0.4109 0.2877 1.3863 12-23-2016 33.88 0.4265 0.0253 0.0000 0.3080 0.7598 12-16-2015 28.74 0.0000 0.0000 0.2630 1.7970 1.5340 0.0000 0.2720 12-17-2014 30.17 1.0720 0.5110 1.8550 12-17-2013 30.39 1.3440 0.6980 0.0000 0.1680 2.2100



| Pillars     |   |   |
|-------------|---|---|
| Process     | _ | _ |
| Performance | _ | _ |
| People      | _ | _ |
| Parent      | _ | _ |
| Price       | — | — |
| Rating      |   | — |

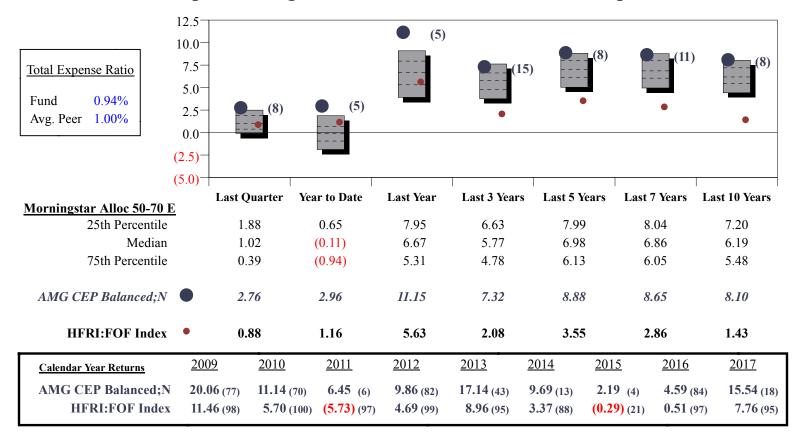




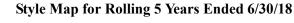
| Start Date<br>Thomas W. Duncan —<br>Eugene Fox —<br>Robert B. Kirkpatrick —<br>William A. Teichner —<br>Rachel D. Matthews — | Management            |            |
|--|-----------------------|------------|
| Eugene Fox —<br>Robert B. Kirkpatrick —<br>William A. Teichner —   |                       | Start Date |
| Robert B. Kirkpatrick —<br>William A. Teichner —   | Thomas W. Duncan      | —          |
| William A. Teichner —  | Eugene Fox            | —          |
|  | Robert B. Kirkpatrick | _          |
| Rachel D. Matthews —   | William A. Teichner   | _          |
|  | Rachel D. Matthews    | _          |
| Robert H. Fields —   | Robert H. Fields      | —          |

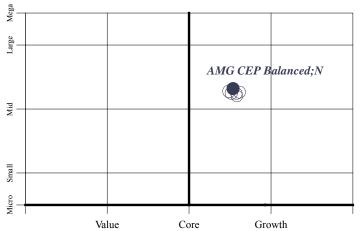
**Morningstar Analyst Rating** 

# AMG CEP Balanced;N for Periods Ended June 30, 2018 Group: Morningstar Allocation--50%% - 70%% Eq Fds

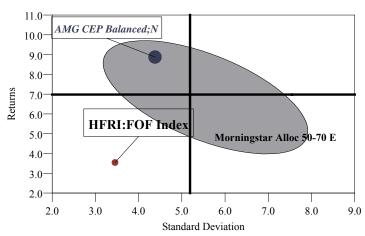


| 3 YEARS RISK STATISTICS                     |                              |                     |                     |                      | 5 YEARS RISK STATISTICS                            |                              |                     |                     |                      |
|---|------------------------------|---------------------|---------------------|----------------------|--|------------------------------|---------------------|---------------------|----------------------|
|   | <u>Standard</u><br>Deviation |                     | <u>Beta</u>         | <u>R-</u><br>Squared |  | <u>Standard</u><br>Deviation |                     | <u>Beta</u>         | <u>R-</u><br>Squared |
| AMG CEP Balanced;N                          | 4.72                         | 5.17                | 1.01                | 0.71                 | AMG CEP Balanced;N                                 | 4.38                         | 5.06                | 1.05                | 0.69                 |
| HFRI:FOF Index<br>Morningstar Alloc 50-70 E | <b>3.95</b><br>5.48          | <b>0.00</b><br>3.63 | <b>1.00</b><br>1.08 | <b>1.00</b><br>0.58  | <b>HFRI:FOF Index</b><br>Morningstar Alloc 50-70 E | <b>3.45</b><br>5.19          | <b>0.00</b><br>3.04 | <b>1.00</b><br>1.14 | <b>1.00</b><br>0.57  |





# Risk vs. Return for 5 Years Ending 6/30/18



### AMG Chicago Equity Part

Benchmark 1: Morningstar Mod Tgt Risk TR USD Benchmark 2: Morningstar Mod Tgt Risk TR USD

# Morningstar Analyst Rating 08-22-17

# Neutral

| Morningstar Pillars |          |
|---------------------|----------|
| Process             | Neutral  |
| Performance         | Positive |
| People              | Positive |
| Parent              | Neutral  |
| Price               | Negative |

### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

### Analyst Rating Spectrum

| 👽 Gold      | 🐺 Silver | 🐺 Bronze | Neutral | Negative                    |
|-------------|----------|----------|---------|-----------------------------|
| Pillar Spec | trum:    |          |         |                             |
| Positive    |          | Negative | ;       | <ul> <li>Neutral</li> </ul> |

### Performance 06-30-18

| Performa     | Ince Ut | -30-10    |             |             |           |
|--------------|---------|-----------|-------------|-------------|-----------|
|              | 1st Qtr | 2nd Qtr   | 3rd Qtr     | 4th Qtr     | Total     |
| 2014         | 2.28    | 3.97      | 0.55        | 2.81        | 9.93      |
| 2015         | 3.40    | -0.48     | -3.81       | 3.33        | 2.29      |
| 2016         | 0.05    | 1.98      | 2.22        | 0.47        | 4.79      |
| 2017         | 4.55    | 2.45      | 3.22        | 4.66        | 15.71     |
| 2018         | 0.17    | 2.90      | _           | _           | —         |
| Trailing     | Total   | +/- Bmark | +/- Bmark   | %Rank       | Growth of |
|              | Return% | 1         | 2           | Cat         | \$10,000  |
| 3 Mo         | 2.90    | 2.34      | 2.34        | 7           | 10,290    |
| 6 Mo         | 3.07    | 3.38      | 3.38        | 5           | 10,307    |
| 1 Yr         | 11.35   | 4.43      | 4.42        | 5           | 11,135    |
| 3 Yr Avg     | 7.50    | 1.09      | 1.09        | 13          | 12,422    |
| 5 Yr Avg     | 9.08    | 2.16      | 2.16        | 7           | 15,441    |
| 10 Yr Avg    | _       | _         | _           | _           | _         |
| 15 Yr Avg    | _       | _         | _           | _           | —         |
| Tax Analysis | Tax A   | dj Rtn% % | Rank Cat Ta | ax-Cost Rat | %Rank Cat |
| 3 Yr (estima | ted)    | 6.36      | 9           | 1.05        | 36        |
| 5 Yr (estima | ted)    | 7.09      | 16          | 1.82        | 76        |
| 10 Yr (estim | ated)   | —         | —           | —           | —         |

Potential Capital Gain Exposure: 13% of assets

### Morningstar's Take by Jonathan Wallace 08-22-17

AMG Chicago Equity Partners Balanced is subadvised by a small, stable, and long-tenured group of proven professionals. The team uses a quantitative approach for asset allocation and security selection. The fund has a strong long-term record, but the team made changes to the models that drive the investment process in recent years, leading to meaningful changes in the equity portfolio. The fund is also pricey. The fund earns a Morningstar Analyst Rating of Neutral.

The team here is seasoned and stable. Robert Kramer is the fund's longest-tenured manager, but Chicago Equity Partners takes a team approach to running the equity, fixed-income, and allocation aspects of this portfolio. His comanagers all have long tenure with the group and have contributed to this fund's strong record.

The process is quantitative. A model estimates three market conditions--expansion, downturn, and rebound-and drives asset allocation and and the types of stocks to emphasize. The fund's allocation can change rapidly based on the output of the models, giving it a tactical bent. The Russell 3000 Index is the fund's investable universe for equities. The teams keeps the portfolio's

| ners                                 | Balanced I Ticker MBESX 0.9% \$221 mil |      |      |       |       |       |          | Allocation_b0% to 70% |       |       |   |
|--------------------------------------|--|------|------|-------|-------|-------|----------|-----------------------|-------|-------|---|
| Historic<br>Return<br>Risk<br>Rating | High<br>Below Av                       | /g   |      |       |       |       |          |                       |       |       | Investment Style  |
|                                      | Highest                                |      |      |       | ./    | y an  | <u> </u> |                       |       | ~     | 16.0 <b>Growth of \$10,000</b><br>14.0 Investment Values of<br>Fund<br>Investment Values of<br>12.0 Benchmark 1 |
|                                      |  |      |      |       |       |       |          |                       |       |       | • 10.0  |
|                                      |  |      |      |       |       |       |          |                       |       |       | <b>Performance Quartile</b><br>(within Category)  |
| 2008                                 | 2009                                   | 2010 | 2011 | 2012  | 2013  | 2014  | 2015     | 2016                  | 2017  | 06-18 | History   |
| _                                    | _                                      | _    | _    | 14.29 | 15.26 | 15.23 | 15.05    | 15.59                 | 17.19 | 17.63 | NAV   |
| _                                    | —                                      | —    | —    | _     | 17.54 | 9.93  | 2.29     | 4.79                  | 15.71 | 3.07  | Total Return %  |
| _                                    | —                                      | —    | —    | _     | 3.23  | 5.04  | 4.08     | -3.78                 | 1.05  | 3.38  | +/- Bmark 1   |
| —                                    | —                                      | —    | —    | —     | 3.23  | 5.04  | 4.08     | -3.78                 | 1.05  | 3.38  | +/- Bmark 2   |
| —                                    | —                                      | —    | —    | —     | 0.81  | 0.87  | 0.91     | 1.10                  | 0.86  | 0.50  | Income Return %   |
|                                      | —                                      |      | —    |       | 16.73 | 9.06  | 1.38     | 3.69                  | 14.85 | 2.57  | Capital Return %  |
|                                      | —                                      | —    | —    | —     | 44    | 10    | 2        | 86                    | 16    | 5     | Total Rtn % Rank Cat  |
| _                                    | -                                      | —    | -    | 0.06  | 0.12  | 0.13  | 0.14     | 0.16                  | 0.13  | 0.09  | Income \$   |
|                                      |  |      | —    | 0.69  | 1.41  | 1.42  | 0.39     | 0.01                  | 0.71  | 0.00  | Capital Gains \$  |
| —                                    | -                                      | —    | —    | 1.62  | 1.39  | 1.20  | 1.21     | 1.10                  | 0.99  | —     | Expense Ratio %   |
| _                                    | -                                      | _    | -    | 1.90  | 0.83  | 0.91  | 0.80     | 1.09                  | 0.78  | _     | Income Ratio %  |
|                                      |  |      | —    | 110   | 90    | 92    | 105      | 119                   | 75    |       | Turnover Rate %   |
| _                                    | -                                      | _    | -    | 0     | 2     | 14    | 60       | 76                    | 115   | 139   | Net Assets \$mil  |

Portfolio Analysis 05-31-18

| Ratin                     | g and Ris                     | k                         |                            |                    |
|---------------------------|-------------------------------|---------------------------|----------------------------|--------------------|
| Time<br>Period<br>1 Yr    | Load-Adj<br>Return %<br>11.35 | Morningstar<br>Rtn vs Cat | Morningstar<br>Risk vs Cat |                    |
| 3 Yr<br>5 Yr              | 7.50<br>9.08                  | + Avg<br>High             | -Avg<br>-Avg               | ****<br>*****      |
| 10 Yr<br>Incept           | 9.32                          | _                         | _                          | _                  |
| Other M                   | leasures                      | Stand                     | ard Index                  | Best Fit Index     |
| Alpha<br>Beta<br>R-Squa   | red                           |                           | 1.4<br>0.94<br>87          | -0.7<br>0.54<br>95 |
| Standar<br>Mean<br>Sharpe | d Deviation<br>Ratio          |                           | 6.19<br>7.50<br>1.08       |                    |

equity sector weighting in line with the benchmark. The team made changes to the model that increased the number of stocks held to more than 600 in 2016, from around 100 in 2012, before settling at its current level of around 500. Small-cap holdings also increased since 2012, to the teens from the the single digits.

On the fixed-income side, this fund differs from many of its peers in the allocation--50% to 70% equity Morningstar Category largely by avoiding high-yield debt and taking a conservative approach. Management prefers to maintain high credit quality in the fixed-income portfolio to serve as a buffer against downturns in equity.

The fund's long-term performance is strong, beating its benchmark and category peers in the trailing 10 and 15 years. It has also been less volatile than most of its rivals and held up much better during the October 2007-March 2009 bear market.

| Address:     | AMG Funds II                 | Minimum Purchase:    | \$100000   | Add: \$100 | IRA: \$25000 |
|--------------|------------------------------|----------------------|------------|------------|--------------|
|              | Greenwich, Connecticut 06830 | Min Auto Inv Plan:   | _          | Add:       |              |
|              | 800-835-3879                 | Sales Fees:          | No-load    |            |              |
| Web Address: | www.amgfunds.com             | Management Fee:      | 0.60%, 0.1 | 5%A        |              |
| nception:    | 11-30-12                     | Actual Fees:         | Mgt:0.609  | 6 Dist:—   |              |
| Advisor:     | AMG Funds LLC                | Expense Projections: | 3Yr:\$310  | 5Yr:\$542  | 10Yr:\$1208  |
| Subadvisor:  | Chicago Equity Partners LLC  | Income Distribution: | Quarterly  |            |              |

| I Ultiono Analysis of              | 0110     |                  |           |          |
|------------------------------------|----------|------------------|-----------|----------|
| Total Stocks: 449                  |          |                  |           |          |
| Share change since 04-30-18        |          | Sector           | YTD Ret % | % Assets |
| Apple Inc                          |          | Technology       | 10.19     | 2.66     |
| Amazon.com Inc                     |          | Cnsmr Cyc        | 45.35     | 2.20     |
| ① Microsoft Corp                   |          | Technology       | 16.26     | 1.82     |
| <ul> <li>Alphabet Inc A</li> </ul> |          | Technology       | 7.19      | 1.78     |
| Facebook Inc A                     |          | Technology       | 10.12     | 1.40     |
| Texas Instruments Inc              |          | Technology       | 6.75      | 0.78     |
| Caterpillar Inc                    |          | Industrl         | -12.91    | 0.76     |
| UnitedHealth Group Inc             |          | HIth Care        | 12.03     | 0.76     |
| Boeing Co                          |          | Industrl         | 14.93     | 0.74     |
|                                    | Date of  |                  | Value     | %        |
| Total Fixed Income: 274            | Maturity | Amount 000       | \$000     | Assets   |
| United States Treasury             | 07-31-20 | 2,145            | 2,108     | 1.02     |
| Federal Home Loan Mortg            | 01-01-46 | 1,990            | 1,993     | 0.96     |
| United States Treasury             | 01-31-20 | 2,015            | 1,983     | 0.96     |
| United States Treasury             | 01-31-20 | 2,005            | 1,993     | 0.96     |
| United States Treasury             | 08-31-20 | 1,960            | 1,914     | 0.92     |
| United States Treasury             | 08-15-47 | 1,950            | 1,860     | 0.90     |
| United States Treasury             | 05-15-24 | 1,790            | 1,767     | 0.85     |
| United States Treasury             | 02-15-27 | 1,700            | 1,624     | 0.78     |
| United States Treasury             | 11-15-24 | 1,585            | 1,538     | 0.74     |
| Equity Style                       | F        | ixed-Income Styl | le        |          |
| Style: Growth                      |          | uration: Moderat | te        |          |

Mstar Category

| <b>Equity Style</b><br>Style: Grow<br>Size: Large   |   | <b>Fixed-Income Style</b><br>Duration: Moderate<br>Quality: High   |  |  |
|---|---|--|--|--|
| Value Measures<br>Price/Earnings<br>Price/Book<br>Price/Sales<br>Price/Cash Flov<br>Dividend Yield  |   | Avg Eff Duration <sup>1</sup><br>Avg Eff Maturity<br>Avg Credit Quality<br>Avg Wtd Coupon<br><sup>1</sup> figure provided by func  | d as of 05-  | 5.9<br>7.7 Yrs<br>AA<br>2.75%<br>-31-18  |
| Growth Measure<br>Long-Term Ern<br>Book Value<br>Sales<br>Cash Flow<br>Historical Erng:<br>Market Cap %<br>Giant 40.4<br>Large 26.5<br>Mid 27.8 | s         % Rel Category           js         13.34         1.10           3.52         1.87           4.30         -1.56           5.23         -1.88           s         11.34         1.13           Small         4.6           Micro         0.7 | Sector<br>Weightings<br>↓ Cyclical<br>BasicMat<br>△ CnsmrCyc<br>← FinanSvcs<br>← Real Est<br>✓ Sensitive<br>■ CommSrvs<br>↓ Energy | % of<br>Stocks<br>34.40<br>2.89<br>14.74<br>13.52<br>3.25<br>43.90<br>2.14<br>4.26 | Rel<br>Bmark 1<br>0.82<br>0.52<br>1.32<br>0.77<br>0.42<br>1.21<br>0.66<br>0.67 |
| Composition - N   | let<br>Cash 1.5<br>Stocks 64.3<br>Bonds 34.2<br>Other 0.0<br>Foreign 6.1<br>(% of Stock)  | <ul> <li>Industrl</li> <li>Irechnlgy</li> <li>→ Defensive</li> <li>CnsmrDef</li> <li>Hlthcare</li> <li>Utilities</li> </ul>        | 12.44<br>25.06<br>21.68<br>7.81<br>11.86<br>2.01                                   | 1.12<br>1.62<br>1.00<br>1.00<br>1.12<br>0.61                                   |

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# Market Assumptions (next 10 Years)

# Risk and Return Assumptions Optimization Set: 10-YR Expectations

| Asset Class          | 10 Yr. Geometric<br>Mean Return | Projected Standard<br>Deviation | Projected Sharpe<br>Ratio |
|----------------------|---------------------------------|---------------------------------|---------------------------|
| Inflation            | 2.26%                           | 1.50%                           | 0.00%                     |
| Large Cap            | 6.76%                           | 17.40%                          | 0.33%                     |
| Small/Mid Cap        | 7.01%                           | 22.60%                          | 0.31%                     |
| International Equity | 6.75%                           | 19.70%                          | 0.31%                     |
| Alternative Assets   | 5.04%                           | 9.15%                           | 0.34%                     |
| Domestic Fixed       | 3.02%                           | 3.75%                           | 0.21%                     |
| High Yield           | 4.77%                           | 10.35%                          | 0.29%                     |
| EMD                  | 4.48%                           | 9.60%                           | 0.27%                     |
| Cash Equivalents     | 2.27%                           | 0.90%                           | 0.00%                     |
| Short Duration       | 2.60%                           | 2.10%                           | 0.17%                     |



# **Statement of Disclosure**

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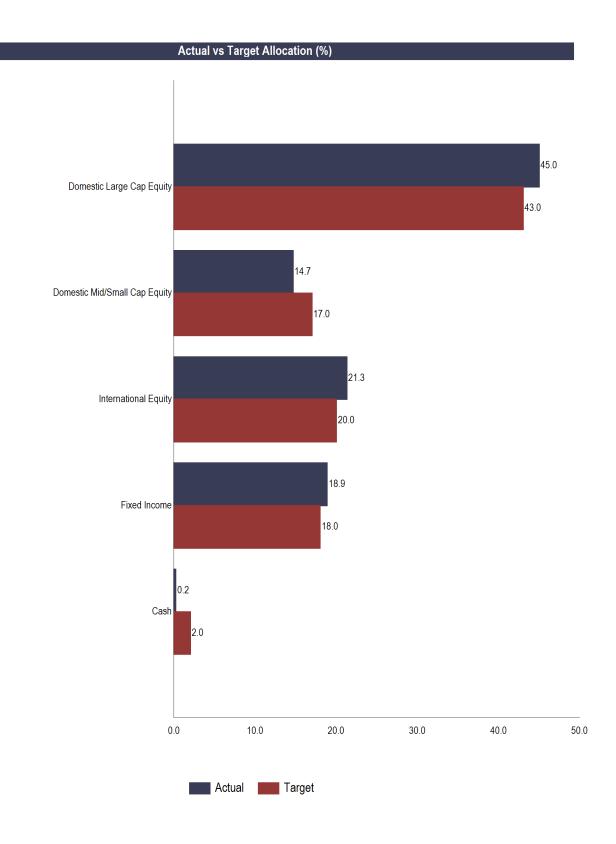
# Comparative Market Return

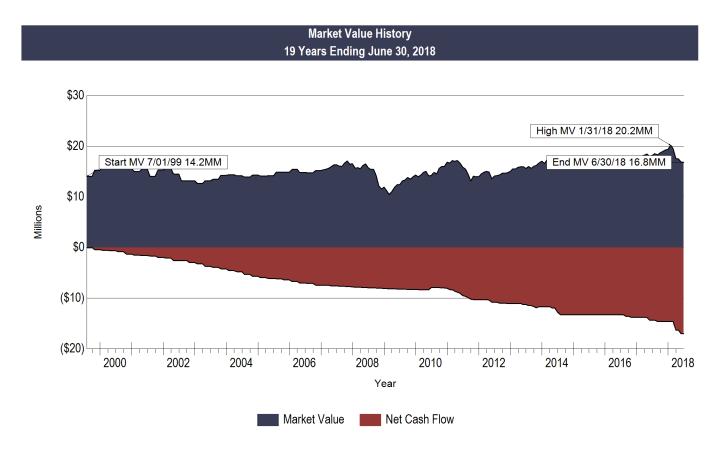
| Comparative Market Returns<br>Average Annual Compound Return (%) |       |      |      |       |       |       |       |       |       |        |        |
|--|-------|------|------|-------|-------|-------|-------|-------|-------|--------|--------|
| Name   | Q2-18 | YTD  | 1 Yr | 2 Yrs | 3 Yrs | 4 Yrs | 5 Yrs | 6 Yrs | 7 Yrs | 10 Yrs | 15 Yrs |
| US Equity  |       |      |      |       |       |       |       |       |       |        |        |
| Russell 3000   | 3.9   | 3.2  | 14.8 | 16.6  | 11.6  | 10.5  | 13.3  | 14.6  | 13.0  | 10.2   | 9.6    |
| S&P 500  | 3.4   | 2.6  | 14.4 | 16.1  | 11.9  | 10.8  | 13.4  | 14.6  | 13.2  | 10.2   | 9.3    |
| Russell 1000   | 3.6   | 2.9  | 14.5 | 16.3  | 11.6  | 10.6  | 13.4  | 14.6  | 13.1  | 10.2   | 9.5    |
| Russell 1000 Growth  | 5.8   | 7.3  | 22.5 | 21.5  | 15.0  | 13.9  | 16.4  | 16.5  | 14.9  | 11.8   | 10.3   |
| Russell 1000 Value   | 1.2   | -1.7 | 6.8  | 11.1  | 8.3   | 7.2   | 10.3  | 12.7  | 11.3  | 8.5    | 8.6    |
| Russell MidCap   | 2.8   | 2.3  | 12.3 | 14.4  | 9.6   | 8.8   | 12.2  | 14.3  | 11.9  | 10.2   | 11.2   |
| Russell 2000   | 7.8   | 7.7  | 17.6 | 21.0  | 11.0  | 9.8   | 12.5  | 14.3  | 11.8  | 10.6   | 10.5   |
| Russell 2000 Growth  | 7.2   | 9.7  | 21.9 | 23.1  | 10.6  | 11.0  | 13.6  | 15.3  | 12.5  | 11.2   | 10.9   |
| Russell 2000 Value   | 8.3   | 5.4  | 13.1 | 18.8  | 11.2  | 8.5   | 11.2  | 13.3  | 11.1  | 9.9    | 9.9    |
| International Equity   |       |      |      |       |       |       |       |       |       |        |        |
| MSCI ACWI  | 0.5   | -0.4 | 10.7 | 14.7  | 8.2   | 6.3   | 9.4   | 10.6  | 8.0   | 5.8    | 8.2    |
| MSCI World ex USA  | -0.7  | -2.8 | 7.0  | 13.1  | 4.9   | 2.2   | 6.2   | 8.0   | 4.5   | 2.6    | 7.3    |
| MSCI EAFE  | -1.2  | -2.7 | 6.8  | 13.4  | 4.9   | 2.5   | 6.4   | 8.4   | 4.9   | 2.8    | 7.3    |
| MSCI Emerging Markets  | -8.0  | -6.7 | 8.2  | 15.7  | 5.6   | 2.8   | 5.0   | 4.7   | 1.4   | 2.3    | 10.7   |
| Fixed Income   |       |      |      |       |       |       |       |       |       |        |        |
| 91 Day T-Bills   | 0.5   | 0.8  | 1.4  | 1.0   | 0.7   | 0.5   | 0.4   | 0.4   | 0.3   | 0.3    | 1.2    |
| BBgBarc US Aggregate TR  | -0.2  | -1.6 | -0.4 | -0.4  | 1.7   | 1.8   | 2.3   | 1.8   | 2.6   | 3.7    | 3.8    |
| BBgBarc US Govt/Credit TR  | -0.3  | -1.9 | -0.6 | -0.5  | 1.8   | 1.8   | 2.3   | 1.8   | 2.8   | 3.8    | 3.7    |
| BBgBarc US Municipal TR  | 0.9   | -0.2 | 1.6  | 0.5   | 2.9   | 2.9   | 3.5   | 3.0   | 3.9   | 4.4    | 4.1    |
| BBgBarc US High Yield TR   | 1.0   | 0.2  | 2.6  | 7.5   | 5.5   | 4.0   | 5.5   | 6.2   | 6.3   | 8.2    | 7.8    |
| Citi WGBI  | -3.4  | -0.9 | 1.9  | -1.2  | 2.8   | -0.3  | 1.1   | 0.1   | 0.5   | 2.1    | 3.5    |
| Citi WGBI ex US  | -5.1  | -0.9 | 3.2  | -1.0  | 3.7   | -0.9  | 1.0   | -0.1  | -0.1  | 1.8    | 3.5    |
| Real Estate  |       |      |      |       |       |       |       |       |       |        |        |
| FTSE NAREIT AII REIT   | 8.3   | 1.1  | 4.8  | 3.1   | 9.2   | 7.8   | 9.0   | 9.1   | 9.6   | 8.5    | 9.7    |
| NCREIF Property Index  |       |      |      |       |       |       |       |       |       |        |        |
| Alternatives   |       |      |      |       |       |       |       |       |       |        |        |
| HFRI Fund of Funds Composite                                     | 0.8   | 1.0  | 5.5  | 6.0   | 2.0   | 2.5   | 3.5   | 4.1   | 2.9   | 1.4    | 3.5    |
| Index  | 0.0   | 1.0  | 0.0  | 0.0   | 2.0   | 2.0   | 0.0   | т. 1  | 2.5   | T.1    | 0.0    |
| Inflation  |       |      |      |       |       |       |       |       |       |        |        |
| Consumer Price Index   | 1.0   | 2.2  | 2.9  | 2.3   | 1.8   | 1.4   | 1.5   | 1.6   | 1.6   | 1.4    | 2.1    |

|  |                   |            | Perfo       | rmance       | Summ         | ary Tab       | le            |                  |                   |                      |                   |
|--|-------------------|------------|-------------|--------------|--------------|---------------|---------------|------------------|-------------------|----------------------|-------------------|
|  | 2018<br>Q2<br>(%) | YTD<br>(%) | 1 Yr<br>(%) | 3 Yrs<br>(%) | 5 Yrs<br>(%) | 10 Yrs<br>(%) | 15 Yrs<br>(%) | Inception<br>(%) | Inception<br>Date | Market Value<br>(\$) | % of<br>Portfolio |
| Total Fund Composite                               | -0.2              | -0.8       | 7.2         | 7.0          | 8.4          | 6.3           | 7.4           | 6.8              | Jun-99            | 16,832,054           | 100.0             |
| Balanced Index                                     | 1.8               | 0.9        | 10.2        | 8.4          | 9.5          | 8.1           | 7.4           | 5.8              |                   |                      |                   |
| CPI + 4.25%  | 2.0               | 4.4        | 7.2         | 6.2          | 5.8          | 5.9           | 7.1           | 7.5              |                   |                      |                   |
| Domestic Equity Composite                          | 1.2               | 0.5        | 10.3        | 9.7          | 11.4         | 7.7           | 9.7           | 8.1              | Jun-99            | 10,037,643           | 59.6              |
| Russell 3000                                       | 3.9               | 3.2        | 14.8        | 11.6         | 13.3         | 10.2          | 9.6           | 6.2              |                   |                      |                   |
| Large-Cap Equity Composite                         | 0.6               | 1.6        | 13.3        | 12.7         | 13.5         | 10.2          |               | 7.8              | Apr-07            | 7,570,770            | 45.0              |
| S&P 500  | 3.4               | 2.6        | 14.4        | 11.9         | 13.4         | 10.2          |               | 7.9              |                   |                      |                   |
| Vanguard 500 Index                                 | 3.4               | 2.6        | 14.3        | 11.9         | 13.4         | 10.2          | 9.3           | 7.9              | Apr-07            | 2,714,020            | 16.1              |
| S&P 500  | 3.4               | 2.6        | 14.4        | 11.9         | 13.4         | 10.2          | 9.3           | 7.9              |                   |                      |                   |
| Fidelity Contrafund                                | 6.3               | 9.5        | 24.0        | 14.9         | 16.0         | 10.9          | 11.9          | 15.8             | Jul-10            | 1,294,761            | 7.7               |
| Russell 1000 Growth                                | 5.8               | 7.3        | 22.5        | 15.0         | 16.4         | 11.8          | 10.3          | 16.4             |                   |                      |                   |
| PRIMECAP Odyssey Growth                            | -0.7              | 7.3        | 23.9        | 16.0         | 16.5         | 13.1          |               | 16.8             | Jul-10            | 1,268,001            | 7.5               |
| Russell 1000 Growth                                | 5.8               | 7.3        | 22.5        | 15.0         | 16.4         | 11.8          |               | 16.4             |                   |                      |                   |
| Lyrical Asset Management                           | -4.8              | -8.5       | -0.1        | 5.6          | 11.3         | 13.4          | 11.6          | 8.9              | Nov-13            | 2,293,989            | 13.6              |
| Russell 1000 Value                                 | 1.2               | -1.7       | 6.8         | 8.3          | 10.3         | 8.5           | 8.6           | 9.2              |                   |                      |                   |
| Small/Mid-Cap Composite                            | 2.9               | 1.2        | 7.8         | 4.1          |              |               |               | 6.1              | Oct-13            | 2,466,872            | 14.7              |
| Russell 2500                                       | 5.7               | 5.5        | 16.2        | 10.3         |              |               |               | 10.4             |                   |                      |                   |
| NewSouth Capital<br>Management                     | 1.5               | 2.9        | 10.7        | 4.6          | 9.5          | 10.4          | 12.7          | 8.0              | Oct-13            | 1,208,456            | 7.2               |
| Russell 2500 Value                                 | 5.8               | 3.0        | 11.5        | 9.8          | 10.8         | 10.1          | 10.4          | 9.2              |                   |                      |                   |
| SouthernSun Asset<br>Management                    | 4.2               | -0.6       | 5.0         | 3.5          | 7.2          | 11.4          | 12.4          | 4.0              | Oct-13            | 1,258,416            | 7.5               |
| Russell 2500 Value                                 | 5.8               | 3.0        | 11.5        | 9.8          | 10.8         | 10.1          | 10.4          | 9.2              |                   |                      |                   |
| International Equity Composite                     | -4.0              | -4.5       | 5.0         | 4.1          | 6.0          | 3.4           |               | 2.6              | Apr-07            | 3,581,651            | 21.3              |
| Blended International Equity<br>Index              | -2.6              | -3.8       | 7.3         | 5.1          | 6.0          | 2.0           |               | 1.0              |                   |                      |                   |
| American Funds EuPac Growth                        | -2.9              | -2.0       | 9.0         | 6.1          | 8.0          | 4.5           | 9.0           | 4.0              | Apr-07            | 1,707,673            | 10.1              |
| MSCI EAFE  | -1.2              | -2.7       | 6.8         | 4.9          | 6.4          | 2.8           | 7.3           | 1.7              |                   |                      |                   |
| Dodge & Cox International                          | -5.1              | -7.1       | 0.5         | 2.1          | 5.8          | 3.7           | 9.4           | 2.4              | Apr-07            | 1,645,565            | 9.8               |
| MSCI EAFE  | -1.2              | -2.7       | 6.8         | 4.9          | 6.4          | 2.8           | 7.3           | 1.7              |                   |                      |                   |
| Oppenheimer Developing<br>Markets                  | -4.0              | -1.2       | 12.5        | 7.4          | 5.9          | 5.7           | 13.9          | 6.2              | Jun-12            | 228,413              | 1.4               |
| MSCI Emerging Markets                              | -8.0              | -6.7       | 8.2         | 5.6          | 5.0          | 2.3           | 10.7          | 4.7              |                   |                      |                   |
| Fixed Income Composite                             | -0.3              | -1.3       | 0.1         | 1.8          | 2.2          | 3.9           | 3.8           | 4.8              | Jun-99            | 3,175,602            | 18.9              |
| BBgBarc US Aggregate TR                            | -0.2              | -1.6       | -0.4        | 1.7          | 2.3          | 3.7           | 3.8           | 4.8              |                   |                      |                   |
| PNC Total Return Advantage                         | -0.4              | -2.0       | -0.8        | 1.4          | 2.0          | 3.7           |               | 3.9              | Jun-04            | 1,169,688            | 6.9               |
| BBgBarc US Aggregate TR                            | -0.2              | -1.6       | -0.4        | 1.7          | 2.3          | 3.7           |               | 4.0              |                   |                      |                   |
| DoubleLine Core Fixed Income                       | -0.2              | -0.9       | 0.6         | 2.4          | 3.2          |               |               | -0.6             | Oct-17            | 1,544,715            | 9.2               |
| BBgBarc US Aggregate TR                            | -0.2              | -1.6       | -0.4        | 1.7          | 2.3          |               |               | -1.3             |                   |                      |                   |
| PIMCO Income                                       | -0.4              | -0.7       | 2.5         | 5.3          | 5.9          | 9.3           |               | -0.1             | Oct-17            | 461,199              | 2.7               |
| ICE BofAML BB-B US High<br>Yield Non-Distressed TR | 0.6               | -0.6       | 1.8         | 5.0          | 5.4          | 6.8           |               | -0.6             |                   |                      |                   |

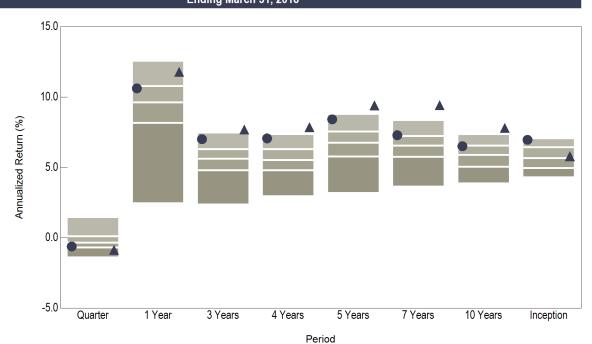
|  | Calendar Year Returns |       |      |      |       |      |      |      |       |      |      |  |  |
|--|-----------------------|-------|------|------|-------|------|------|------|-------|------|------|--|--|
|  | 2007                  | 2008  | 2009 | 2010 | 2011  | 2012 | 2013 | 2014 | 2015  | 2016 | 2017 |  |  |
|  | (%)                   | (%)   | (%)  | (%)  | (%)   | (%)  | (%)  | (%)  | (%)   | (%)  | (%)  |  |  |
| Total Fund Composite                               | 11.1                  | -26.3 | 21.9 | 15.7 | -4.7  | 13.5 | 17.8 | 6.8  | -2.0  | 9.5  | 17.6 |  |  |
| Balanced Index                                     | 4.7                   | -28.3 | 22.5 | 14.3 | 2.6   | 13.2 | 23.3 | 7.9  | -0.6  | 9.2  | 18.6 |  |  |
| CPI + 4.25%  | 10.3                  | 5.3   | 7.8  | 6.2  | 7.3   | 6.1  | 5.8  | 5.0  | 5.0   | 6.4  | 6.4  |  |  |
| Domestic Equity Composite                          | 13.3                  | -33.1 | 23.2 | 20.1 | -4.5  | 14.5 | 24.1 | 10.7 | -0.8  | 13.0 | 19.6 |  |  |
| Russell 3000                                       | 5.1                   | -37.3 | 28.3 | 16.9 | 1.0   | 16.4 | 33.6 | 12.6 | 0.5   | 12.7 | 21.1 |  |  |
| Large-Cap Equity Composite                         |                       | -32.9 | 22.5 | 15.6 | 0.8   | 14.3 | 31.2 | 12.6 | 2.8   | 12.7 | 23.3 |  |  |
| S&P 500  |                       | -37.0 | 26.5 | 15.1 | 2.1   | 16.0 | 32.4 | 13.7 | 1.4   | 12.0 | 21.8 |  |  |
| Vanguard 500 Index                                 | 5.5                   | -37.0 | 26.6 | 15.1 | 2.1   | 16.0 | 32.3 | 13.6 | 1.4   | 11.9 | 21.8 |  |  |
| S&P 500  | 5.5                   | -37.0 | 26.5 | 15.1 | 2.1   | 16.0 | 32.4 | 13.7 | 1.4   | 12.0 | 21.8 |  |  |
| Fidelity Contrafund                                | 19.8                  | -37.2 | 29.2 | 16.9 | -0.1  | 16.3 | 34.1 | 9.6  | 6.5   | 3.4  | 32.2 |  |  |
| Russell 1000 Growth                                | 11.8                  | -38.4 | 37.2 | 16.7 | 2.6   | 15.3 | 33.5 | 13.0 | 5.7   | 7.1  | 30.2 |  |  |
| PRIMECAP Odyssey Growth                            | 4.9                   | -34.2 | 40.9 | 15.4 | -2.2  | 16.8 | 39.3 | 13.9 | 6.2   | 8.4  | 32.1 |  |  |
| Russell 1000 Growth                                | 11.8                  | -38.4 | 37.2 | 16.7 | 2.6   | 15.3 | 33.5 | 13.0 | 5.7   | 7.1  | 30.2 |  |  |
| Lyrical Asset Management                           | -3.0                  | -44.3 | 78.7 | 24.3 | -1.0  | 18.8 | 59.4 | 12.2 | -5.3  | 14.8 | 19.9 |  |  |
| Russell 1000 Value                                 | -0.2                  | -36.8 | 19.7 | 15.5 | 0.4   | 17.5 | 32.5 | 13.5 | -3.8  | 17.3 | 13.7 |  |  |
| Small/Mid-Cap Composite                            |                       |       |      |      |       |      |      | 6.5  | -6.1  | 12.3 | 11.3 |  |  |
| Russell 2500                                       |                       |       |      |      |       |      |      | 7.1  | -2.9  | 17.6 | 16.8 |  |  |
| NewSouth Capital Management                        | 3.4                   | -30.0 | 59.8 | 34.6 | 0.5   | 16.3 | 28.0 | 11.0 | -1.5  | 8.5  | 10.9 |  |  |
| Russell 2500 Value                                 | -7.3                  | -32.0 | 27.7 | 24.8 | -3.4  | 19.2 | 33.3 | 7.1  | -5.5  | 25.2 | 10.4 |  |  |
| SouthernSun Asset Management                       | 12.1                  | -37.2 | 48.6 | 42.1 | 4.1   | 18.7 | 42.1 | 1.9  | -11.2 | 16.9 | 11.8 |  |  |
| Russell 2500 Value                                 | -7.3                  | -32.0 | 27.7 | 24.8 | -3.4  | 19.2 | 33.3 | 7.1  | -5.5  | 25.2 | 10.4 |  |  |
| International Equity Composite                     |                       | -43.5 | 43.0 | 11.2 | -15.0 | 19.5 | 19.2 | -2.3 | -8.0  | 4.4  | 27.8 |  |  |
| Blended International Equity Index                 |                       | -43.4 | 31.8 | 8.3  | -13.7 | 16.8 | 15.3 | -3.9 | -5.7  | 4.5  | 27.2 |  |  |
| American Funds EuPac Growth                        | 19.0                  | -40.5 | 39.1 | 9.4  | -13.6 | 19.2 | 20.2 | -2.6 | -0.8  | 0.7  | 30.7 |  |  |
| MSCI EAFE  | 11.2                  | -43.4 | 31.8 | 7.8  | -12.1 | 17.3 | 22.8 | -4.9 | -0.8  | 1.0  | 25.0 |  |  |
| Dodge & Cox International                          | 11.7                  | -46.7 | 47.5 | 13.7 | -16.0 | 21.0 | 26.3 | 0.1  | -11.4 | 8.3  | 23.9 |  |  |
| MSCI EAFE  | 11.2                  | -43.4 | 31.8 | 7.8  | -12.1 | 17.3 | 22.8 | -4.9 | -0.8  | 1.0  | 25.0 |  |  |
| Oppenheimer Developing Markets                     | 34.3                  | -47.8 | 82.1 | 27.4 | -17.8 | 21.3 | 8.7  | -4.6 | -13.8 | 7.2  | 35.1 |  |  |
| MSCI Emerging Markets                              | 39.4                  | -53.3 | 78.5 | 18.9 | -18.4 | 18.2 | -2.6 | -2.2 | -14.9 | 11.2 | 37.3 |  |  |
| Fixed Income Composite                             | 6.4                   | -2.7  | 14.9 | 6.7  | 6.1   | 6.1  | -1.0 | 5.3  | -0.6  | 3.0  | 4.1  |  |  |
| BBgBarc US Aggregate TR                            | 7.0                   | 5.2   | 5.9  | 6.5  | 7.8   | 4.2  | -2.0 | 6.0  | 0.5   | 2.6  | 3.5  |  |  |
| PNC Total Return Advantage                         | 6.4                   | -2.7  | 14.9 | 6.7  | 6.2   | 6.0  | -1.0 | 5.3  | -1.8  | 3.6  | 4.1  |  |  |
| BBgBarc US Aggregate TR                            | 7.0                   | 5.2   | 5.9  | 6.5  | 7.8   | 4.2  | -2.0 | 6.0  | 0.5   | 2.6  | 3.5  |  |  |
| DoubleLine Core Fixed Income                       |                       |       |      |      | 11.5  | 8.1  | -1.2 | 6.9  | 0.6   | 4.1  | 4.7  |  |  |
| BBgBarc US Aggregate TR                            |                       |       |      |      | 7.8   | 4.2  | -2.0 | 6.0  | 0.5   | 2.6  | 3.5  |  |  |
| PIMCO Income                                       |                       | -5.5  | 19.2 | 20.5 | 6.4   | 22.2 | 4.8  | 7.2  | 2.6   | 8.7  | 8.6  |  |  |
| ICE BofAML BB-B US High Yield<br>Non-Distressed TR |                       | -18.9 | 30.2 | 13.9 | 5.7   | 14.3 | 6.2  | 3.7  | -0.9  | 12.7 | 7.0  |  |  |

| Current | Target |   | Asset Alloc<br>As Of J | ation vs. T<br>une 30, 201 |            |          |               |                 |
|---------|--------|---|------------------------|----------------------------|------------|----------|---------------|-----------------|
|         |        |   | Current                | Current                    | Policy Dif | ference* | Policy Range  | Within<br>Range |
|         |        | Domestic Large Cap Equity                       | \$7,570,770            | 45.0%                      | 43.0%      | 2.0%     | 35.0% - 80.0% | Yes             |
|         |        | Vanguard 500 Index                              | \$2,714,020            | 16.1%                      |            |          |               |                 |
|         |        | Fidelity Contrafund                             | \$1,294,761            | 7.7%                       |            |          |               |                 |
|         |        | PRIMECAP Odyssey Growth                         | \$1,268,001            | 7.5%                       |            |          |               |                 |
|         |        | Lyrical Asset Management                        | \$2,293,989            | 13.6%                      |            |          |               |                 |
| 15.00/  | 43.0   | Demestic Mid/Ornell Can Faulty                  | \$2,466,872            | 14.7%                      | 17.0%      | -2.3%    | 0.0% - 30.0%  | Yes             |
| 45.0%   |        | NewSouth Capital<br>Management                  | \$1,208,456            | 7.2%                       |            |          |               |                 |
|         |        | SouthernSun Asset<br>Management                 | \$1,258,416            | 7.5%                       |            |          |               |                 |
|         |        | International Equity                            | \$3,581,651            | 21.3%                      | 20.0%      | 1.3%     | 10.0% - 30.0% | Yes             |
|         |        | American Funds EuPac<br>Growth                  | \$1,707,673            | 10.1%                      |            |          |               |                 |
|         |        | Dodge & Cox International                       | \$1,645,565            | 9.8%                       |            |          |               |                 |
|         |        | Oppenheimer Developing<br>Markets               | \$228,413              | 1.4%                       |            |          |               |                 |
|         |        | Fixed Income                                    | \$3,175,602            | 18.9%                      | 18.0%      | 0.9%     | 10.0% - 30.0% | Yes             |
| 14.7%   | 17.0   |   | \$1,169,688            | 6.9%                       |            |          |               |                 |
|         |        | DoubleLine Core Fixed<br>Income                 | \$1,544,715            | 9.2%                       |            |          |               |                 |
|         |        | PIMCO Income                                    | \$461,199              | 2.7%                       |            |          |               |                 |
|         |        | Cash  | \$37,158               | 0.2%                       | 2.0%       | -1.8%    | 0.0% - 5.0%   | Yes             |
|         |        | Cash  | \$33,791               | 0.2%                       |            |          |               |                 |
|         |        | Cash  | \$0                    | 0.0%                       |            |          |               |                 |
| 21.3%   | 20.0   |   | \$24                   | 0.0%                       |            |          |               |                 |
|         |        | Cash  | \$34                   | 0.0%                       |            |          |               |                 |
|         |        | Cash  | \$3,309                | 0.0%                       |            |          |               |                 |
|         |        | Total   | \$16,832,054           | 100.0%                     | 100.0%     |          |               |                 |
|         |        | *Difference between Policy and Current Allocati | on                     |                            |            |          |               |                 |
| 18.9%   | 18.0   | )%  |                        |                            |            |          |               |                 |
| 0.2%    | 2.09   | %   |                        |                            |            |          |               |                 |





| Summary of Cash Flows  |                |              |              |              |              |                 |  |  |  |  |  |  |
|------------------------|----------------|--------------|--------------|--------------|--------------|-----------------|--|--|--|--|--|--|
|                        | Second Quarter | One Year     | Three Years  | Five Years   | Ten Years    | Since<br>7/1/99 |  |  |  |  |  |  |
| Beginning Market Value | \$17,593,369   | \$18,204,257 | \$16,927,384 | \$15,611,326 | \$15,778,149 | \$14,152,909    |  |  |  |  |  |  |
| Net Cash Flow          | -\$727,753     | -\$2,679,272 | -\$3,772,176 | -\$5,773,296 | -\$9,101,022 | -\$17,054,074   |  |  |  |  |  |  |
| Net Investment Change  | -\$33,562      | \$1,307,069  | \$3,676,845  | \$6,994,024  | \$10,154,927 | \$19,733,218    |  |  |  |  |  |  |
| Ending Market Value    | \$16,832,054   | \$16,832,054 | \$16,832,054 | \$16,832,054 | \$16,832,054 | \$16,832,054    |  |  |  |  |  |  |



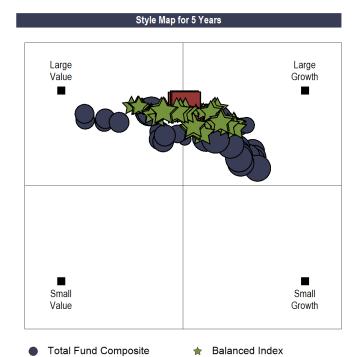
InvestorForce All E&F < \$50mm Net Return Comparison Ending March 31, 2018

|  | Return       | (Rank)       |              |              |            |            |            |            |            |            |            |             |            |             |            |             |
|--|--------------|--------------|--------------|--------------|------------|------------|------------|------------|------------|------------|------------|-------------|------------|-------------|------------|-------------|
| 5th Percentile   | 1.5          |              | 12.6         |              | 7.5        |            | 7.4        |            | 8.8        |            | 8.4        |             | 7.3        |             | 7.1        |             |
| 25th Percentile  | 0.1          |              | 10.8         |              | 6.3        |            | 6.3        |            | 7.6        |            | 7.2        |             | 6.6        |             | 6.4        |             |
| Median   | -0.3         |              | 9.6          |              | 5.6        |            | 5.5        |            | 6.8        |            | 6.6        |             | 5.9        |             | 5.7        |             |
| 75th Percentile  | -0.7         |              | 8.2          |              | 4.8        |            | 4.8        |            | 5.8        |            | 5.7        |             | 5.0        |             | 5.0        |             |
| 95th Percentile  | -1.4         |              | 2.5          |              | 2.4        |            | 3.0        |            | 3.2        |            | 3.6        |             | 3.9        |             | 4.3        |             |
| # of Portfolios  | 501          |              | 477          |              | 400        |            | 372        |            | 334        |            | 273        |             | 207        |             | 62         |             |
| <ul> <li>Total Fund Composite</li> <li>Balanced Index</li> </ul> | -0.6<br>-0.9 | (71)<br>(87) | 10.6<br>11.8 | (29)<br>(12) | 7.0<br>7.7 | (8)<br>(4) | 7.1<br>7.9 | (8)<br>(3) | 8.4<br>9.4 | (9)<br>(3) | 7.3<br>9.4 | (23)<br>(2) | 6.5<br>7.8 | (27)<br>(2) | 7.0<br>5.8 | (8)<br>(42) |

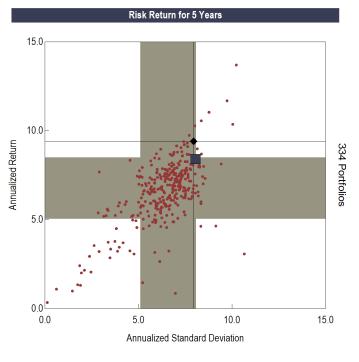
|   |             |             |             |             |             |             | Cale        | ndar Yea    | S           |             |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|   | 2008<br>(%) | 2009<br>(%) | 2010<br>(%) | 2011<br>(%) | 2012<br>(%) | 2013<br>(%) | 2014<br>(%) | 2015<br>(%) | 2016<br>(%) | 2017<br>(%) |
| Total Fund Composite                    | -26.3       | 21.9        | 15.7        | -4.7        | 13.5        | 17.8        | 6.8         | -2.0        | 9.5         | 17.6        |
| Balanced Index                          | -28.3       | 22.5        | 14.3        | 2.6         | 13.2        | 23.3        | 7.9         | -0.6        | 9.2         | 18.6        |
| InvestorForce All E&F < \$50mm Net Rank | 47          | 54          | 3           | 95          | 22          | 22          | 10          | 54          | 4           | 12          |

| Statistics Summary                        |             |        |           |      |  |  |  |  |  |
|---|-------------|--------|-----------|------|--|--|--|--|--|
| 3 Years Ending March 31, 2018             |             |        |           |      |  |  |  |  |  |
|   | Anlzd Alpha | Beta   | R-Squared |      |  |  |  |  |  |
| Total Fund Composite                      | 8.24%       | -0.46% | 0.97      | 0.97 |  |  |  |  |  |
| Balanced Index                            | 8.38%       | 0.00%  | 1.00      | 1.00 |  |  |  |  |  |
| InvestorForce All E&F < \$50mm Net Median | 6.67%       | -0.23% | 1.00      | 0.96 |  |  |  |  |  |

| 5 Years Ending March 31, 2018             |                             |             |      |           |  |  |  |  |  |
|---|-----------------------------|-------------|------|-----------|--|--|--|--|--|
|   | Anlzd Standard<br>Deviation | Anlzd Alpha | Beta | R-Squared |  |  |  |  |  |
| Total Fund Composite                      | 8.05%                       | -0.97%      | 1.00 | 0.97      |  |  |  |  |  |
| Balanced Index                            | 7.94%                       | 0.00%       | 1.00 | 1.00      |  |  |  |  |  |
| InvestorForce All E&F < \$50mm Net Median | 6.59%                       | -0.28%      | 1.01 | 0.95      |  |  |  |  |  |



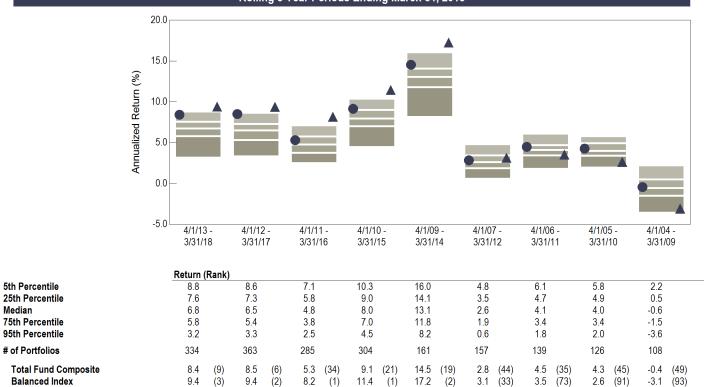
 Total Fund Composite
 Dow Jones U.S. Total Stock Market



- Total Fund Composite
- Balanced Index
- 68% Confidence Interval
- InvestorForce All E&F < \$50mm Net

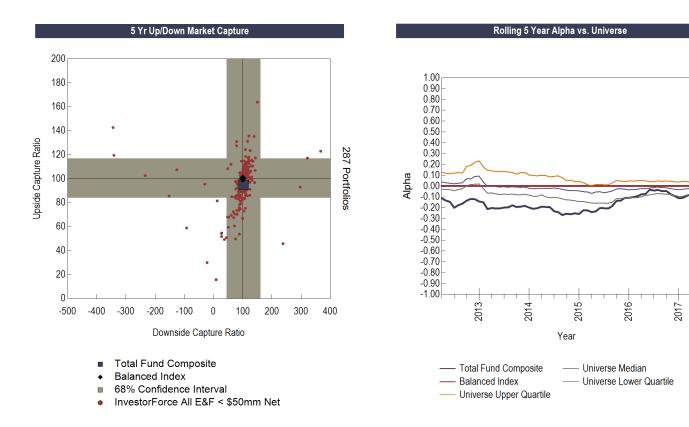
### **Total Fund Composite**

As of June 30, 2018

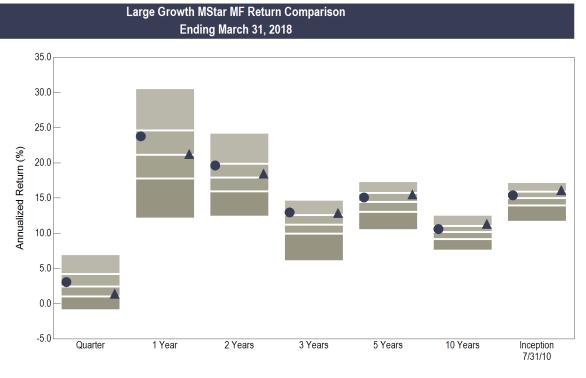


#### InvestorForce All E&F < \$50mm Net Return Comparison Rolling 5 Year Periods Ending March 31, 2018

**Balanced Index** 



As of June 30, 2018



Period

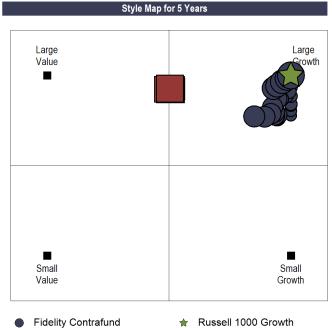
|  | Return (Rank)        |                        |                        |                        |                        |                        |                        |
|--|----------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| 5th Percentile   | 7.0                  | 30.6                   | 24.2                   | 14.7                   | 17.4                   | 12.6                   | 17.3                   |
| 25th Percentile  | 4.2                  | 24.6                   | 19.9                   | 12.6                   | 15.7                   | 11.0                   | 15.9                   |
| Median   | 2.5                  | 21.1                   | 17.9                   | 11.3                   | 14.5                   | 10.2                   | 15.0                   |
| 75th Percentile  | 1.0                  | 17.8                   | 16.0                   | 10.0                   | 13.1                   | 9.2                    | 14.0                   |
| 95th Percentile  | -0.9                 | 12.1                   | 12.4                   | 6.0                    | 10.4                   | 7.6                    | 11.6                   |
| # of Portfolios  | 317                  | 315                    | 306                    | 300                    | 290                    | 246                    | 266                    |
| <ul> <li>Fidelity Contrafund</li> <li>Russell 1000 Growth</li> </ul> | 3.1 (38)<br>1.4 (65) | 23.8 (28)<br>21.3 (48) | 19.6 (29)<br>18.5 (44) | 12.9 (21)<br>12.9 (21) | 15.1 (35)<br>15.5 (28) | 10.6 (36)<br>11.3 (20) | 15.4 (40)<br>16.1 (22) |

|                            |             |             |             |             |             |             | Cale        | ndar Yea    | r Returns   | S           |
|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                            | 2008<br>(%) | 2009<br>(%) | 2010<br>(%) | 2011<br>(%) | 2012<br>(%) | 2013<br>(%) | 2014<br>(%) | 2015<br>(%) | 2016<br>(%) | 2017<br>(%) |
| Fidelity Contrafund        | -37.2       | 29.2        | 16.9        | -0.1        | 16.3        | 34.1        | 9.6         | 6.5         | 3.4         | 32.2        |
| Russell 1000 Growth        | -38.4       | 37.2        | 16.7        | 2.6         | 15.3        | 33.5        | 13.0        | 5.7         | 7.1         | 30.2        |
| Large Growth MStar MF Rank | 25          | 80          | 41          | 33          | 40          | 47          | 62          | 34          | 49          | 22          |

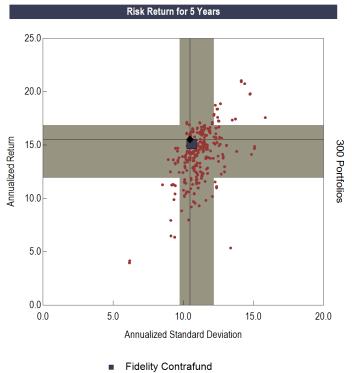
As of June 30, 2018

| Statistics Summary            |                             |             |      |           |  |  |  |  |  |
|-------------------------------|-----------------------------|-------------|------|-----------|--|--|--|--|--|
| 3 Years Ending March 31, 2018 |                             |             |      |           |  |  |  |  |  |
|                               | Anlzd Standard<br>Deviation | Anlzd Alpha | Beta | R-Squared |  |  |  |  |  |
| Fidelity Contrafund           | 11.19%                      | 0.39%       | 0.97 | 0.92      |  |  |  |  |  |
| Russell 1000 Growth           | 11.03%                      | 0.00%       | 1.00 | 1.00      |  |  |  |  |  |
| Large Growth MStar MF Median  | 11.36%                      | -1.73%      | 1.00 | 0.91      |  |  |  |  |  |

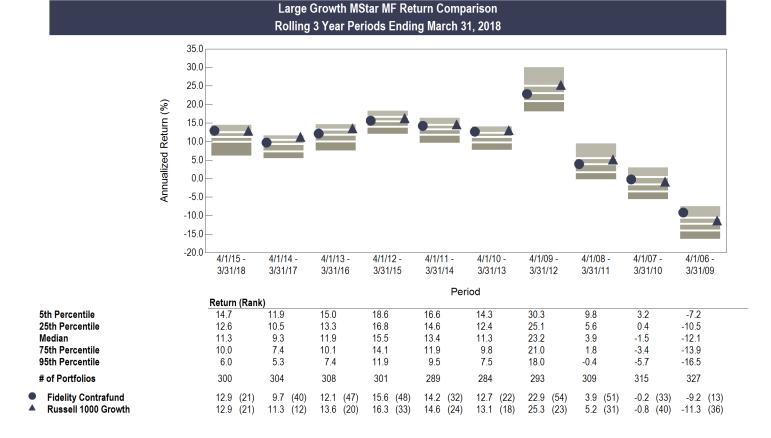
| 5 Years Ending March 31, 2018 |                             |             |      |           |  |  |  |  |  |
|-------------------------------|-----------------------------|-------------|------|-----------|--|--|--|--|--|
|                               | Anlzd Standard<br>Deviation | Anlzd Alpha | Beta | R-Squared |  |  |  |  |  |
| Fidelity Contrafund           | 10.59%                      | -0.04%      | 0.97 | 0.93      |  |  |  |  |  |
| Russell 1000 Growth           | 10.48%                      | 0.00%       | 1.00 | 1.00      |  |  |  |  |  |
| Large Growth MStar MF Median  | 10.97%                      | -1.35%      | 1.01 | 0.90      |  |  |  |  |  |

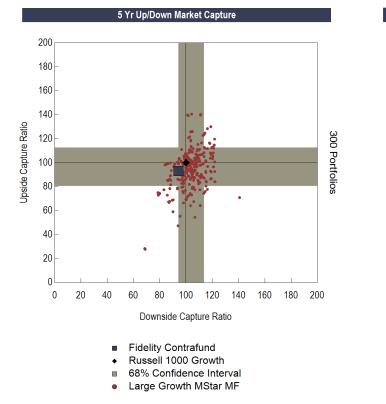


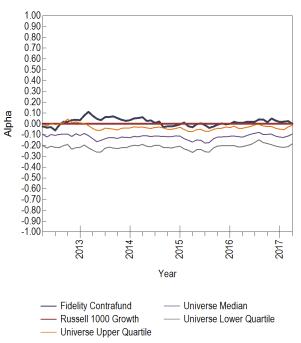
Fidelity Contrafund Dow Jones U.S. Total Stock Market



- Fidelity Contrafund
- Russell 1000 Growth ٠
- 68% Confidence Interval
- Large Growth MStar MF •







Rolling 5 Year Alpha vs. Universe

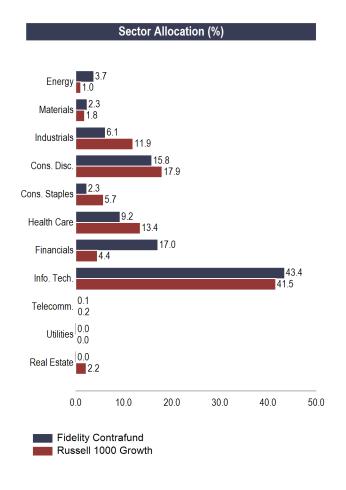
|                        | Largest Holdings       |                     |                 |  |  |  |  |  |  |  |
|------------------------|------------------------|---------------------|-----------------|--|--|--|--|--|--|--|
| Company Name           | GICS Sector            | Portfolio<br>Weight | Index<br>Weight |  |  |  |  |  |  |  |
| FACEBOOK CLASS A       | Information Technology | 6.72                | 2.93            |  |  |  |  |  |  |  |
| AMAZON.COM             | Consumer Discretionary | 6.28                | 4.51            |  |  |  |  |  |  |  |
| BERKSHIRE HATHAWAY 'A' | Financials             | 5.44                | 0.00            |  |  |  |  |  |  |  |
| MICROSOFT              | Information Technology | 3.54                | 5.30            |  |  |  |  |  |  |  |
| ALPHABET A             | Information Technology | 3.38                | 2.39            |  |  |  |  |  |  |  |
| ALPHABET 'C'           | Information Technology | 3.06                | 2.42            |  |  |  |  |  |  |  |
| UNITEDHEALTH GROUP     | Health Care            | 2.83                | 1.59            |  |  |  |  |  |  |  |
| VISA 'A'               | Information Technology | 2.74                | 1.69            |  |  |  |  |  |  |  |
| SALESFORCE.COM         | Information Technology | 2.69                | 0.62            |  |  |  |  |  |  |  |
| APPLE                  | Information Technology | 2.47                | 6.60            |  |  |  |  |  |  |  |

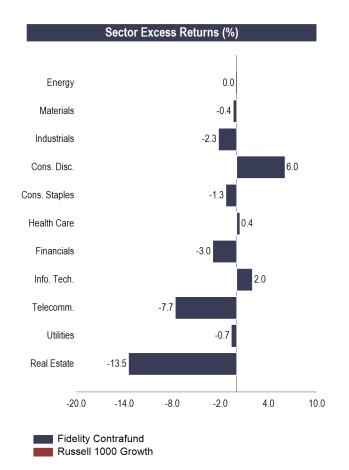
| Characteristics                 |           |                           |
|---------------------------------|-----------|---------------------------|
|                                 | Portfolio | Russell<br>1000<br>Growth |
| PORTFOLIO CHARACTERISTICS       |           |                           |
| Price To Earnings               | 54.57     | 27.41                     |
| P/E Excluding Negative Earnings | 59.98     | 28.12                     |
| P/E Median                      | 25.40     | 24.19                     |
| Price To Book                   | 9.42      | 8.07                      |
| Price To Book Median            | 5.14      | 5.58                      |
| Price To Cash Flow              | 23.84     | 24.19                     |
| Price To Sales                  | 6.27      | 5.49                      |
| Dividend Yield (%)              | 0.78      | 1.25                      |
| Weighted Avg. Market Cap. (\$B) | 247.52    | 247.27                    |
| Median Market Cap. (\$B)        | 19.02     | 11.99                     |
| Beta                            | 0.98      | 1.00                      |

| Top Contributors           |                   |          |  |  |  |  |  |  |
|----------------------------|-------------------|----------|--|--|--|--|--|--|
|                            | Relative          |          |  |  |  |  |  |  |
|                            | Contribution<br>% | Return % |  |  |  |  |  |  |
| FACEBOOK CLASS A (FB)      | 0.82%             | 21.61%   |  |  |  |  |  |  |
| NETFLIX (NFLX)             | 0.48%             | 32.53%   |  |  |  |  |  |  |
| SALESFORCE.COM (CRM)       | 0.36%             | 17.28%   |  |  |  |  |  |  |
| AMAZON.COM (AMZN)          | 0.31%             | 17.44%   |  |  |  |  |  |  |
| ACTIVISION BLIZZARD (ATVI) | 0.19%             | 13.13%   |  |  |  |  |  |  |
| ADOBE SYSTEMS (ADBE)       | 0.19%             | 12.83%   |  |  |  |  |  |  |
| UNITEDHEALTH GROUP (UNH)   | 0.19%             | 15.05%   |  |  |  |  |  |  |
| VISA 'A' (V)               | 0.11%             | 10.90%   |  |  |  |  |  |  |
| EOG RES. (EOG)             | 0.09%             | 18.40%   |  |  |  |  |  |  |
| PAYPAL HOLDINGS (PYPL)     | 0.09%             | 9.75%    |  |  |  |  |  |  |

| Bottom Contributors            |                |          |  |  |  |  |  |  |
|--------------------------------|----------------|----------|--|--|--|--|--|--|
|                                | Relative       |          |  |  |  |  |  |  |
|                                | Contribution % | Return % |  |  |  |  |  |  |
| APPLE (AAPL)                   | -0.44%         | 10.76%   |  |  |  |  |  |  |
| BERKSHIRE HATHAWAY 'A' (BRK.A) | -0.31%         | -5.70%   |  |  |  |  |  |  |
| NEKTAR THERAPEUTICS (NKTR)     | -0.22%         | -54.05%  |  |  |  |  |  |  |
| MICROSOFT (MSFT)               | -0.15%         | 8.51%    |  |  |  |  |  |  |
| BANK OF AMERICA (BAC)          | -0.11%         | -5.61%   |  |  |  |  |  |  |
| JP MORGAN CHASE & CO. (JPM)    | -0.10%         | -4.77%   |  |  |  |  |  |  |
| NIKE 'B' (NKE)                 | -0.10%         | 20.26%   |  |  |  |  |  |  |
| HOME DEPOT (HD)                | -0.09%         | 10.06%   |  |  |  |  |  |  |
| MORGAN STANLEY (MS)            | -0.09%         | -11.73%  |  |  |  |  |  |  |
| ALIGN TECHNOLOGY (ALGN)        | -0.06%         | 36.24%   |  |  |  |  |  |  |

| Fidelity Contrafund Performance Attribution vs. Russell 1000 Growth |         |           |                    |             |           |           |           |                |  |  |
|---|---------|-----------|--------------------|-------------|-----------|-----------|-----------|----------------|--|--|
|   |         |           | Attribution Effect | ts          | Re        | turns     | Secto     | Sector Weights |  |  |
|   | Total   | Selection | Allocation         | Interaction |           |           |           |                |  |  |
|   | Effects | Effect    | Effect             | Effects     | Portfolio | Benchmark | Portfolio | Benchmark      |  |  |
| Energy  | 0.06%   | 0.00%     | 0.06%              | 0.00%       | 9.95%     | 9.97%     | 2.25%     | 0.83%          |  |  |
| Materials   | 0.00%   | 0.00%     | 0.01%              | -0.01%      | 1.97%     | 2.40%     | 2.69%     | 3.10%          |  |  |
| Industrials   | 0.35%   | -0.29%    | 0.50%              | 0.14%       | -4.87%    | -2.59%    | 6.78%     | 12.77%         |  |  |
| Consumer Discretionary  | 0.79%   | 1.13%     | -0.13%             | -0.22%      | 15.33%    | 9.30%     | 15.12%    | 18.71%         |  |  |
| Consumer Staples  | 0.17%   | -0.09%    | 0.20%              | 0.05%       | -0.85%    | 0.49%     | 2.53%     | 6.37%          |  |  |
| Health Care   | 0.05%   | 0.05%     | 0.01%              | -0.01%      | 5.84%     | 5.45%     | 9.50%     | 12.58%         |  |  |
| Financials  | -1.47%  | -0.10%    | -0.91%             | -0.46%      | -3.15%    | -0.17%    | 18.80%    | 3.51%          |  |  |
| Information Technology  | 0.92%   | 0.77%     | 0.09%              | 0.06%       | 10.60%    | 8.63%     | 42.10%    | 38.78%         |  |  |
| Telecommunication<br>Services                                       | -0.01%  | -0.07%    | 0.00%              | 0.06%       | -2.11%    | 5.56%     | 0.14%     | 0.92%          |  |  |
| Utilities   | 0.00%   |           | 0.00%              |             |           | 0.65%     | 0.00%     | 0.01%          |  |  |
| Real Estate   | 0.00%   | -0.32%    | 0.01%              | 0.31%       | -8.13%    | 5.34%     | 0.10%     | 2.41%          |  |  |
| Cash  | 0.00%   |           |                    |             |           |           | 0.00%     | 0.00%          |  |  |
| Portfolio   | 0.85%   | = 1.07%   | + -0.14%           | + -0.08%    | 6.66%     | 5.80%     | 100.00%   | 100.00%        |  |  |
| Method Effect   |         |           |                    |             | -0.19%    | -0.05%    |           |                |  |  |
| Combined Performance  |         |           |                    |             | 6.47%     | 5.76%     |           |                |  |  |



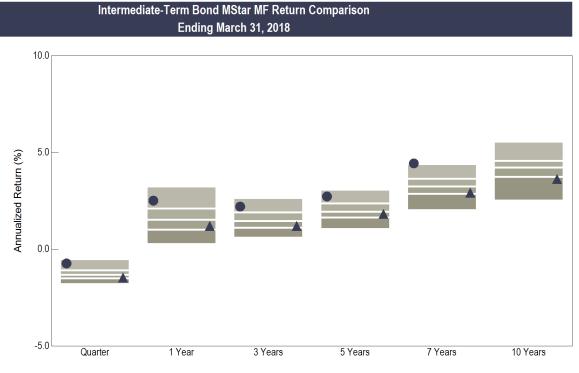


|                              | Performance By Characteristic<br>vs. Russell 1000 Growth for 4/1/2018 - 6/30/2018 |                 |                  |                            |                        |                         |                                 |                                |                    |                     |                   |  |
|------------------------------|---|-----------------|------------------|----------------------------|------------------------|-------------------------|---------------------------------|--------------------------------|--------------------|---------------------|-------------------|--|
|                              | Portfolio<br>Weight   | Index<br>Weight | Excess<br>Weight | Portfolio<br>USD<br>Return | Index<br>USD<br>Return | Excess<br>USD<br>Return | Allocation<br>Effect<br>(Local) | Selection<br>Effect<br>(Local) | Active<br>Contrib. | Passive<br>Contrib. | Total<br>Contrib. |  |
| Market Cap. Quintile (\$Bil) |   |                 |                  |                            |                        |                         |                                 |                                |                    |                     |                   |  |
| 1) Above 382.84              | 19.53%  | 19.44%          | 0.10%            | 15.88%                     | 13.34%                 | 2.54%                   | 0.01%                           | 0.50%                          | 0.50%              | 1.47%               | 1.97%             |  |
| 2) 141.33 - 382.84           | 29.71%  | 20.36%          | 9.35%            | 3.90%                      | 5.84%                  | -1.95%                  | 0.00%                           | -0.58%                         | -0.57%             | 0.01%               | -0.57%            |  |
| 3) 62.27 - 141.33            | 19.14%  | 20.51%          | -1.37%           | 7.53%                      | 2.62%                  | 4.91%                   | 0.04%                           | 0.94%                          | 0.98%              | -0.65%              | 0.33%             |  |
| 4) 23.61 - 62.27             | 18.26%  | 19.68%          | -1.42%           | 4.16%                      | 3.22%                  | 0.94%                   | 0.04%                           | 0.17%                          | 0.21%              | -0.51%              | -0.30%            |  |
| 5) 0.00 - 23.61              | 13.36%  | 20.02%          | -6.66%           | 1.48%                      | 4.24%                  | -2.76%                  | 0.10%                           | -0.37%                         | -0.27%             | -0.31%              | -0.58%            |  |
| Total                        |   |                 |                  | 6.66%                      | 5.80%                  | 0.85%                   | 0.20%                           | 0.66%                          | 0.85%              | 0.00%               | 0.85%             |  |

| Performance By Characteristic<br>vs. Russell 1000 Growth for 4/1/2018 - 6/30/2018 |                     |                 |                  |                            |                        |                         |                                 |                                |                    |                     |                   |
|---|---------------------|-----------------|------------------|----------------------------|------------------------|-------------------------|---------------------------------|--------------------------------|--------------------|---------------------|-------------------|
|   | Portfolio<br>Weight | Index<br>Weight | Excess<br>Weight | Portfolio<br>USD<br>Return | Index<br>USD<br>Return | Excess<br>USD<br>Return | Allocation<br>Effect<br>(Local) | Selection<br>Effect<br>(Local) | Active<br>Contrib. | Passive<br>Contrib. | Total<br>Contrib. |
| P/E Quintile  |                     |                 |                  |                            |                        |                         |                                 |                                |                    |                     |                   |
| 1) 16.44 And Below  | 24.76%              | 16.81%          | 7.95%            | 6.49%                      | 6.73%                  | -0.24%                  | 0.07%                           | -0.06%                         | 0.01%              | 0.16%               | 0.17%             |
| 2) 16.44 - 22.49  | 10.86%              | 21.96%          | -11.10%          | 0.16%                      | 2.98%                  | -2.82%                  | 0.31%                           | -0.31%                         | 0.01%              | -0.62%              | -0.61%            |
| 3) 22.49 - 28.05  | 19.24%              | 19.98%          | -0.75%           | 9.65%                      | 5.09%                  | 4.56%                   | 0.01%                           | 0.88%                          | 0.88%              | -0.14%              | 0.74%             |
| 4) 28.05 - 36.39  | 22.86%              | 21.12%          | 1.74%            | 3.23%                      | 6.68%                  | -3.45%                  | 0.02%                           | -0.79%                         | -0.77%             | 0.18%               | -0.59%            |
| 5) Above 36.39  | 22.28%              | 20.12%          | 2.16%            | 10.94%                     | 7.89%                  | 3.04%                   | 0.05%                           | 0.68%                          | 0.72%              | 0.42%               | 1.14%             |
| Total   |                     |                 |                  | 6.66%                      | 5.80%                  | 0.85%                   | 0.45%                           | 0.40%                          | 0.85%              | 0.00%               | 0.85%             |

## DoubleLine Core Fixed Income

As of June 30, 2018



Period

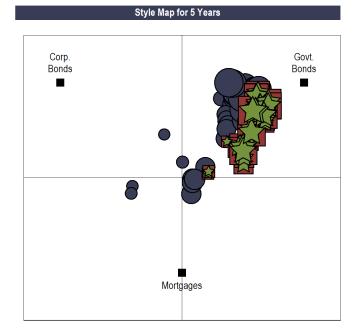
|   | Return (Rank)          |                     |                      |                      |                     |                |
|---|------------------------|---------------------|----------------------|----------------------|---------------------|----------------|
| 5th Percentile  | -0.5                   | 3.2                 | 2.6                  | 3.1                  | 4.4                 | 5.5            |
| 25th Percentile   | -1.1                   | 2.1                 | 1.9                  | 2.4                  | 3.7                 | 4.6            |
| Median  | -1.3                   | 1.5                 | 1.5                  | 1.9                  | 3.3                 | 4.2            |
| 75th Percentile   | -1.5                   | 1.0                 | 1.1                  | 1.6                  | 2.9                 | 3.8            |
| 95th Percentile   | -1.8                   | 0.3                 | 0.6                  | 1.1                  | 2.0                 | 2.5            |
| # of Portfolios   | 266                    | 263                 | 242                  | 231                  | 220                 | 199            |
| <ul> <li>DoubleLine Core Fixed Income</li> <li>BBgBarc US Aggregate TR</li> </ul> | -0.7 (10)<br>-1.5 (69) | 2.5 (9)<br>1.2 (67) | 2.2 (14)<br>1.2 (69) | 2.7 (10)<br>1.8 (60) | 4.4 (5)<br>2.9 (72) | ()<br>3.6 (79) |

|                                      |             |             |             |             |             |             | Calendar Year Returns |             |             |             |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------------|-------------|-------------|-------------|
|                                      | 2008<br>(%) | 2009<br>(%) | 2010<br>(%) | 2011<br>(%) | 2012<br>(%) | 2013<br>(%) | 2014<br>(%)           | 2015<br>(%) | 2016<br>(%) | 2017<br>(%) |
| DoubleLine Core Fixed Income         |             |             |             | 11.5        | 8.1         | -1.2        | 6.9                   | 0.6         | 4.1         | 4.7         |
| BBgBarc US Aggregate TR              | 5.2         | 5.9         | 6.5         | 7.8         | 4.2         | -2.0        | 6.0                   | 0.5         | 2.6         | 3.5         |
| Intermediate-Term Bond MStar MF Rank |             |             |             | 1           | 38          | 45          | 13                    | 24          | 32          | 24          |

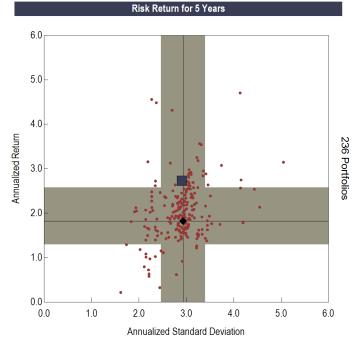
## DoubleLine Core Fixed Income

| Statistics Summary   |       |       |      |      |  |  |  |  |
|--|-------|-------|------|------|--|--|--|--|
| 3 Years Ending March 31, 2018  |       |       |      |      |  |  |  |  |
| Anlzd Standard Anlzd Alpha Beta R-Squared  |       |       |      |      |  |  |  |  |
| DoubleLine Core Fixed Income   | 2.48% | 1.17% | 0.86 | 0.88 |  |  |  |  |
| BBgBarc US Aggregate TR  | 2.69% | 0.00% | 1.00 | 1.00 |  |  |  |  |
| Intermediate-Term Bond MStar MF Median         2.63%         0.40%         0.92         0.90 |       |       |      |      |  |  |  |  |

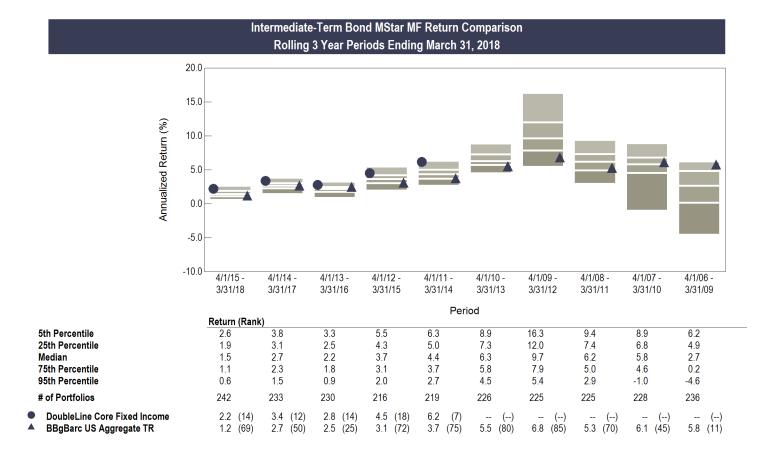
| 5 Years Ending March 31, 2018          |                             |             |      |           |  |  |  |  |
|--|-----------------------------|-------------|------|-----------|--|--|--|--|
|  | Anlzd Standard<br>Deviation | Anlzd Alpha | Beta | R-Squared |  |  |  |  |
| DoubleLine Core Fixed Income           | 2.91%                       | 1.03%       | 0.93 | 0.88      |  |  |  |  |
| BBgBarc US Aggregate TR                | 2.93%                       | 0.00%       | 1.00 | 1.00      |  |  |  |  |
| Intermediate-Term Bond MStar MF Median | 2.93%                       | 0.27%       | 0.96 | 0.91      |  |  |  |  |

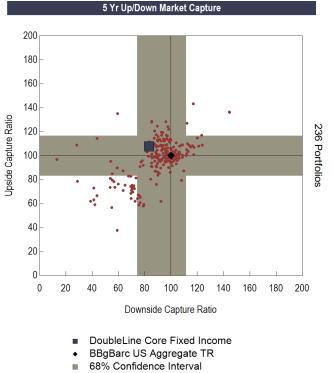


- DoubleLine Core Fixed Income
- BBgBarc US Aggregate TR
- BBgBarc US Aggregate TR

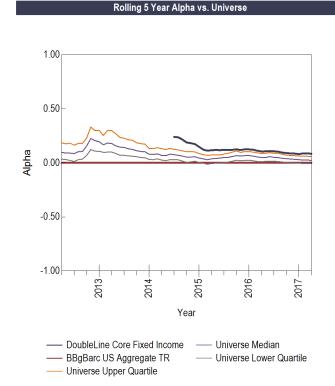


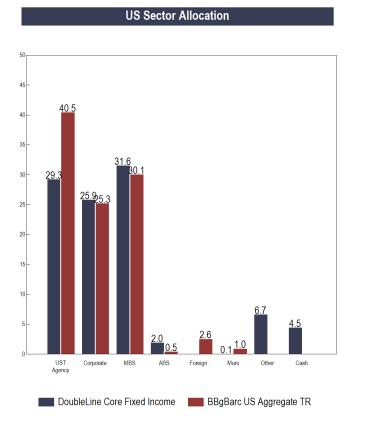
- DoubleLine Core Fixed Income
- BBgBarc US Aggregate TR
- 68% Confidence Interval
- Intermediate-Term Bond MStar MF

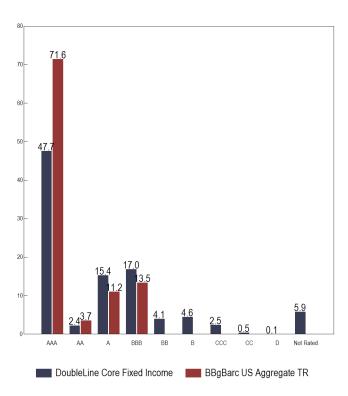




• Intermediate-Term Bond MStar MF







#### DoubleLine Core Fixed Income Fixed Income Characteristics vs. BBgBarc US Aggregate TR

| 101 8898410 00 7.99109410    |           |                            |
|------------------------------|-----------|----------------------------|
|                              | Portfolio | BBgBarc US<br>Aggregate TR |
|                              | Q1-18     | Q1-18                      |
| Fixed Income Characteristics |           |                            |
| Number of Issues             |           | 9,868                      |
| Current Yield                |           | 3.12                       |
| Yield to Maturity            | 3.48      | 2.97                       |
| Years to Maturity            |           | 8.42                       |
| Average Duration             |           | 6.08                       |
| Effective Duration           | 4.99      | 6.26                       |
| Average Mod Duration         |           | 6.23                       |
| Average Coupon               | 3.65      | 3.15                       |
| Average Convexity            | 0.11      | 0.79                       |
| Average Quality              | А         | AA                         |
| Average Price                |           | 101.93                     |
| Weighted Average Maturity    |           | 13.03                      |
| Weighted Average Life        | 7.12      | 8.17                       |
| Options Adjusted Spread      |           | 44.03                      |
| Yield To Worst               |           | 2.99                       |