



BURLINGTON EMPLOYEES' RETIREMENT SYSTEM

Robert Hooper
Chairman of the Board
Munir Kasti
Vice-Chairman

****Special Meeting****
Retirement Board Meeting Agenda
City Hall Conference Room 12
May 20, 2019 1:00pm – 4:30pm Time Certain

Stephanie Hanker
Retirement Administrator
802-865-7097
VT Relay – dial 711

1. Agenda
2. Public Forum
3. Direct Rate Smoothing – Action Item
4. Presentation – Core Fixed Income Manager Search
5. Performance Review - Dahab
6. Schedule Next Meeting of the Retirement Board
7. Other Business
8. Adjourn

Non-Discrimination

The City of Burlington will not tolerate unlawful harassment or discrimination on the basis of political or religious affiliation, race, color, national origin, place of birth, ancestry, age, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status or genetic information. The City is also committed to providing proper access to services, facilities, and employment opportunities. For accessibility information or alternative formats, please contact Human Resources Department at 865-7145.



Presented By:

Gilbert A. Garcia, CFA
Managing Partner

Janna Hamilton
Partner



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GARCIA HAMILTON & ASSOCIATES

Burlington Employees' Retirement System

May 20, 2019



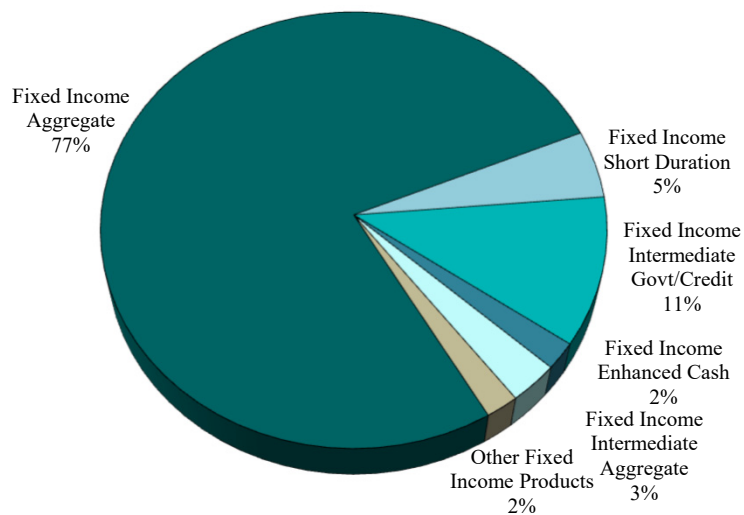
Awards/rankings may not represent client experiences and are not indicative of future performance. Go to www.garciahiltonassociates.com/awards/ for additional information on each award.

Organization

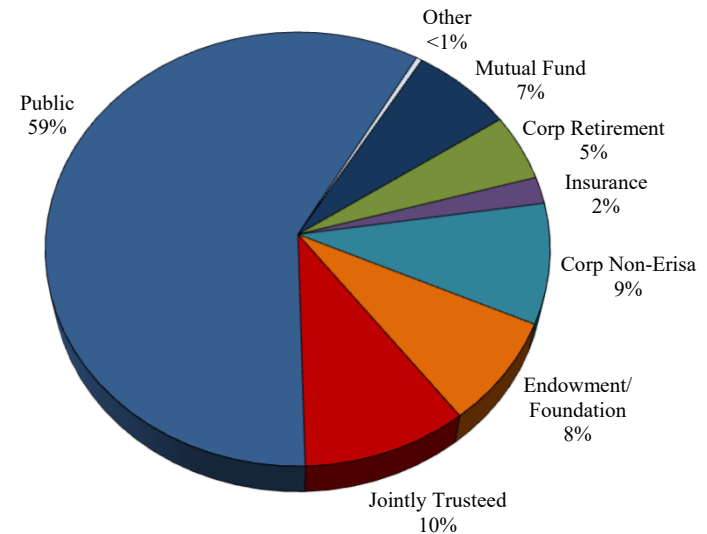
- Founded in 1988.
- Firm is 100% employee-owned and certified as a MBE firm.
- Firm has 33 employees located in Houston, Texas.
- The 10 members of the fixed income investment team have 198 years combined investment experience and over 80 years combined with the firm.
- Firm manages over \$13.4 billion in assets under management.
- High quality fixed income strategies designed to prevent “negative surprises.”
- No litigation. No debt.

Asset Breakdown

By Type



By Client



Data as of March 31, 2019

Partners



GILBERT ANDREW GARCIA, CFA
Managing Partner
Portfolio Manager
BA: Yale University
Year Hired: 2002
Industry Experience: 34 yrs
Ownership: 36.4%



JANNA HAMILTON
Marketing and Client Services
BA: Florida Atlantic University
AIMSE: Wharton School of Business
Year Hired: 1994
Industry Experience: 39 yrs
Ownership: 18.5%



RUBY MUÑOZ DANG
Director of Marketing and Client Services
BA: University of Houston – Downtown
Year Hired: 1995
Industry Experience: 26 yrs
Ownership: 9.3%



STEPHANIE J. ROBERTS
Marketing and Client Services
BBA: Texas Southern University
Year Hired: 2000
Industry Experience: 23 yrs
Ownership: 7.3%



NANCY RODRIGUEZ
Portfolio Manager
BS: University of Houston
Year Hired: 1998
Industry Experience: 32 yrs
Ownership: 5.3%



BENJAMIN D. MONKIEWICZ
Partner
Portfolio Manager
BA: Sam Houston State University
Year Hired: 2010
Industry Experience: 9 yrs
Ownership: 1.5%



GARY MONTGOMERY
Systems Manager
University of Houston – Downtown
Year Hired: 2007
Industry Experience: 17 yrs
Ownership: 1.5%



KAREN H. TASS, CFA
Portfolio Manager
BA: Texas A&M University
MBA: University of Houston
Year Hired: 2010
Industry Experience: 14 yrs
Ownership: 6.2%



BETH L. MCWILLIAMS
Chief Compliance Officer
Patricia Stevens Secretarial College
Year Hired: 1994
Industry Experience: 38 yrs
Ownership: 5.0%



JEFFREY D. DETWILER, CFA, AAMS
Portfolio Manager
BS: University of South Florida
MS: University of Houston
Year Hired: 2007
Industry Experience: 23 yrs
Ownership: 2.0%



KEVIN LUNDAY, CPA
Chief Operating Officer
BBA: Texas Tech University
Year Hired: 2007
Industry Experience: 18 yrs
Ownership: 7.0%

Fixed Income Investment Team



GILBERT ANDREW GARCIA, CFA
Managing Partner
Portfolio Manager
BA: Yale University
Year Hired: 2002
Industry Experience: 34 yrs



KAREN H. TASS, CFA
Partner
Portfolio Manager
BA: Texas A&M University
MBA: University of Houston
Year Hired: 2010
Industry Experience: 14 yrs
Coverage: Corporates



NANCY RODRIGUEZ
Partner
Portfolio Manager
BS: University of Houston
Year Hired: 1998
Industry Experience: 32 yrs
Coverage: Team Oversight



JEFFREY D. DETWILER, CFA, AAMS
Partner
Portfolio Manager
BS: University of South Florida
MS: University of Houston
Year Hired: 2007
Industry Experience: 23 yrs
Coverage: Short Term



BENJAMIN D. MONKIEWICZ
Partner
Portfolio Manager
BA: Sam Houston State University
Year Hired: 2010
Industry Experience: 9 yrs
Coverage: MBS/Agencies



REESE WELLER
Investment Analyst
BA: Texas Tech University
Year Hired: 2017
Industry Experience: 19 yrs



YVETTE M. DUEÑAS
Investment Analyst
BBA: University of Incarnate Word
MBA: Our Lady of the Lake University
Year Hired: 2016
Industry Experience: 12 yrs



CONNIE FALCON DAVIS
Investment Analyst
BS: University of Houston
Year Hired: 2012
Industry Experience: 7 yrs
Coverage: Analytics



DON ELSENBROCK
Portfolio Manager/ Strategist
BS: University of Houston
MA: University of Houston
Year Hired: 2014
Industry Experience: 27 yrs
Coverage: Strategist/ Short Term



BRIAN SIMON
Investment Associate
BA: Morehouse College
MBA: University of Houston-Victoria
Year Hired: 2003-2007, 2018
Industry Experience: 21 yrs

Representative Client List

Public Funds

City of Annapolis Police and Fire, MD
Addison Police, IL
Arkansas State Highway Employees, AR
Arkansas Local Police & Fire, AR
Buffalo Grove Police, IL
City of Atlanta GE, GA
City of Atlanta Police & Fire, GA
Town of Bay Harbor Islands GE, FL
City of Bloomington Police, IL
City of Boynton Beach GE, FL
City of Cape Coral Police & FF, FL
Chicago FF Annuity & Benefit, IL
Chicago Municipal Annuity & Benefit, IL
Chicago Public Schools, IL
Chicago Transit Authority, IL
Colorado FF & Police, CO
College of Micronesia Land Grant, FM
City of Coral Springs FF, FL
City of Coral Springs Police, FL
City of Corpus Christi FF, TX
Cook County Employees' & Officers' Annuity & Benefit, IL
Dallas Area Rapid Transit, TX
DFW International Airport, TX
Town of Davie Police, FL
Town of Davie FF, FL
City of DeLand Police, FL
Delray Beach Police, FF & GE, FL
City of Deerfield Beach Police, FL
City of Deerfield Beach FF, FL
Des Plaines FF, IL
Dukes County, MA
El Paso County Retirement, CO
Employees of H.N.S. Management, CT
ERS of Baltimore County, MD
ERF of the City of Dallas, TX
Englewood FF, FL
City of Evanston Police, IL
Fairfax County Uniformed RS, VA
City of Ft. Lauderdale GE, FL
City of Ft. Myers Police, FL
City of Ft. Walton Beach GE, FL
City of Ft. Walton Beach Police, FL
City of Ft. Walton Beach FF, FL
FSM Social Security Administration, FM
Government of Guam, GU
Greater Orlando Aviation Authority, FL
City of Hialeah FF, FL
City of Hollywood FF, FL
City of Hollywood Police, FL
Illinois State Board of Investments, IL

Illinois Student Assistance Commission, IL
Jackson County GE, MI
City of Jacksonville Beach ERS, FL
Lake Bluff Policy, IL
City of Lake Worth FF, FL
City of Lakeland, FL
Lantana FF, FL
Lantana Police Relief, FL
Lemont Police, IL
Lubbock Fire, TX
Macon-Bibb County, GA
Marianas Public Land Trust, MP
Matteson Fire, IL
Medford Retirement System, MA
City of Melbourne Police & FF, FL
Metropolitan Water Reclamation District, IL
Miami GE' & Sanitation ERS, FL
City of Miramar Police, FL
Municipality Of Anchorage, AK
MWRA Employees' RS, MA
NC Association of County Commissioners, NC
NC League of Municipalities, NC
City of New Port Richey Police, FL
City of North Miami Beach GE, FL
City of North Miami Beach Police & FF, FL
City of North Miami GE, FL
City of North Miami Police, FL
City of North Port Police, FL
Northern Marianas College, MP
City of Oakland Park Police & FF, FL
City of Ocoee Police & FF, FL
Oklahoma FF, OK
Town of Orange Park Police, FL
City of Ormond Beach Police, GE & FF, FL
City of Palm Beach Gardens FF, FL
Palm Beach County FF, FL
Town of Palm Beach, FL
Village of Palm Springs Police & GE, FL
City of Pembroke Pines OPEB Trust, FL
City of Pensacola GE & FF, FL
Philadelphia Gas Works, PA
City of Pinellas Park Police & GE, FL
City of Plantation Police, FL
City of Pontiac Police & FF, MI
Prince George's County Police & FF, MD
Prince William County Police, VA
City of Punta Gorda Police & GE, FL
Rantoul Police, IL
Republic of Palau Civil Service
Republic of Palau COFA Trust Fund
River Forest Police, IL

Riviera Beach GE, FL
City of Riviera Beach Police, FL
Road Commission for Oakland County, MI
Retiree Health Care Trust, MI
City of Roanoke, VA
City of Rockledge Police, GE & FF, FL
City of Sanford FF, FL
City of Sanford Police, FL
City of Sarasota Police, FL
City of Sebring Police, FL
City of St. Cloud Police & GE, FL
City of St. Louis FF, MO
St. Petersburg Police, FL
South Walton Fire Control District FF, FL
State Universities RS, IL
City of Sunrise Police, FL
City of Tamarac FF, FL
City of Tarpon Springs Police, FL
City of Taylor GE Retirement System, MI
Teachers' Retirement System, IL
City of Temple Terrace Police & FF, FL
City of Titusville Police & FF, FL
Urbana Police, IL
Utrik Atoll, Marshall Islands (MH)
City of Venice FF, FL
City of Venice Police, FL
City of Vero Beach Police, FL
Village of Palm Springs Police & GE, FL
Village of Tequesta Public Safety Officers, FL
City of West Palm Beach Police, FL
City of West Palm Beach GE, FL
City of West Palm Beach FF, FL
Westchester Police, IL
City of Westland Police & FF, MI
City of West Melbourne Police, FL
City of Wilton Manors Police & GE, FL
Winnetka Illinois Police & FF, IL
City of Winston-Salem, NC
City of Winter Garden GE, Police & FF, FL
City of Winter Haven Police, FL
Wood Dale Police, IL
Yap State Trust Fund, FM
Yorktown Independent School District, TX

Corporate Non-ERISA

Air Force Association, VA
American Baptist Home Mission Society, PA
American Speech-Language-Hearing Association, MD
American Quarter Horse Association, TX
AOA Deposit and Loan Fund, GA

Archbold Medical Center, Inc., GA
Archdiocese of Portland, OR
Attorney's Liability Assurance Society, IL
Banner Health, AZ
Baptist Health Assets, AR
Bethesda Inc., OH
Brazosport Regional Health System, TX
Catholic Education of North Georgia, GA
Century Insurance Company, GU
Church Extension Fund of the Michigan District, MI
City Public Service Decommissioning Trust, TX
Crime Stoppers of Houston, TX
District of Columbia Bar, DC
FSM Development Bank, FM
John P. McGovern Museum of Health & Medical Science, TX
KEW Management Investor, NY
Maryland Insurance Trust, MD
The Medical Foundation of North Carolina, NC
Micronesia Conservation Trust, FM
Operators Reinsurance Company, CI
Pacific Indemnity Insurance Company, GU
Paradigm Indemnity Corporation, OR
Pheasants Forever, MN
Roman Catholic Archdiocese of Atlanta, GA
Russell Hill Rogers Fund for the Arts, TX
Specialty Equipment Market Assoc., CA
Stetson University, Inc., FL
Strategic Investment Fund for La Raza, DC
St. Ignatius College Prep, IL
Sweeny Community Hospital, TX
Takecare Insurance Risk Management Services, GU
Terrapin Insurance Company, CI
University Athletic Association, Inc., GA
University of Maryland Medical System Pool, MD
Union Presbyterian Seminary, VA
United Regional Health Care System, TX
The Walters Art Gallery, MD
Wistar Institute of Anatomy and Biology, PA
The Widows Corporation, PA

Corporate ERISA

Atmos Energy Corporation, TX
D.W. McMillan Hospital/ Escambia County Healthcare, AL
Dimension Assurance LTD, CI
Dimensions Health Corporation Pension Plan, MD

Integrus Health, Inc., OK
Millers Group, TX
Nissan Motor Co., Ltd., TN
Operators Reinsurance Company, KY
Roman Catholic Archdiocese of Atlanta, GA
RPC, Inc., GA
STP Nuclear Operation Company, TX
Sulzer Pumps (US) Inc., TX
University Athletic Association, GA
University of Maryland Medical System Trust, MD

Endowments/Foundations

Arkansas State University Foundation, AR
Arkansas Tech University Foundation, AR
Bakersfield College Foundation, CA
Baptist Health Foundation of San Antonio, TX
Board of Higher Education and Ministry, The United Methodist Church, TN
The Boyd and Joan Kelley Charitable Foundation, TX
Briarwood-Brookwood, Inc., TX
Caribbean Biodiversity Fund, UK
Catholic Community Foundation of Minnesota, MN
Catholic Foundation of Oklahoma, OK
Children's Home Foundation, TX
Children's Home Society of Florida, FL
Community Foundation for the Fox Valley Region, WI
Community Foundation of Greater Flint, MI
Community Foundation for Northeast Florida, Inc., FL
Curtis Institute of Music, PA
E. Rhodes and Leona B. Carpenter Foundation, PA
Embry Riddle Aeronautical University, FL
Florida A&M University Foundation, FL
Fort Hays State University, KS
Gilbert Family Foundation, MI
Greater Milwaukee Foundation, MI
Guam Community College Foundation, GU
Hartford Foundation for Public Giving, CT
International Retinal Research Foundation Inc., AL
Jewish Senior Life Foundation, NY
Louisiana Baptist Foundation, LA
Marin Community Foundation, CA
Mary Institue & St. Louis Country Day School, MO
Mary Louise Curtis Bok Foundation, PA

McDaniel College, Inc., MD
Medical University of South Carolina Foundation, SC
Midwestern State University Foundation, TX
Northfield Mount Hermon School, MA
San Francisco Foundation, CA
Sarah Campbell Blaffer Foundation, TX
Seattle Foundation, WA
Shelby County Community Health Foundation, AL
Silicon Valley Community Foundation, CA
Southern Baptist Foundation, TN
Tallahassee Memorial HealthCare Foundation, FL
Triangle Community Foundation, NC
United Methodist Foundation, NC
University of Guam Endowment, GU
University of Hartford, CT
Waco Foundation, TX
Westminster Canterbury, VA
White's Residential & Family Services, IN
Wichita Falls Area Community Foundation, TX
Xavier University of Louisiana, LA

Taft – Hartley & Union

Bricklayers of Indiana, IN
District 1199J New Jersey Healthcare Employers, NJ
IBEW Local Union #129, OH
IBEW Local Union #351, NJ
Indiana Electrical Workers Pension Trust, ID
MARTA/ATU Local 732, GA
Palm Tran, Inc./ATU Local 1577, GA
Plumbers Local Union #68, TX
Sacramento Area Electrical Workers, CA
San Mateo HERE, CA
Service Employees International Union Health And Welfare Fund, DC
Sheet Metal, Air, Rail, and Transportation Association Local #33, OH
Sheet Metal Workers Health Plan, CA
Teamsters Union Local NO. 35, NJ
WMATA/ Local 922 Retirement Plan, DC

Other

American Beacon Garcia Hamilton Quality Bond Fund (Mutual Fund), TX
Bivium Capital Partners, LLC, CA
Progress Investment Management, CA

Clients who have retained GH&A for 10 years or more are noted in green. This representative client list is provided for informational purposes only and should not be construed as an endorsement of our services. These clients were chosen for name recognition and may be invested in products other than those included in the presentation.



Investment Goal

Investment Goal

Our goal is to outperform the benchmark, net of fees, over a full market cycle using a high quality strategy with less risk, and low turnover. By setting realistic expectations, we avoid taking unnecessary risks.

Achieving our goal is centered around several core principles:

- Preserve Principal
- Maintain Liquidity
- Provide High Current Income

Key Tools:

- Sector Rotation
- Controlled Interest Rate Anticipation
- Yield Curve Positioning

Investment Style

High Quality

Portfolio Dominated by U.S. Treasuries, Agency Debentures and Agency 15-Year MBS

Corporate Securities Rated A or Better

Spread Product Exclusively in the Short to Intermediate Maturities to Reduce Volatility

No Big Surprises

No Foreign Bonds/Yankees

No BBB Rated Securities

No Sin Names - Tobacco, Gambling, Alcohol

No Derivatives

No Leverage/ Dollar Rolls

No Pricing Overrides

Maintain a Manageable Number of Securities

No Soft Dollars

Flexibility

Actively Rotating Sectors

Actively Managing Yield Curve

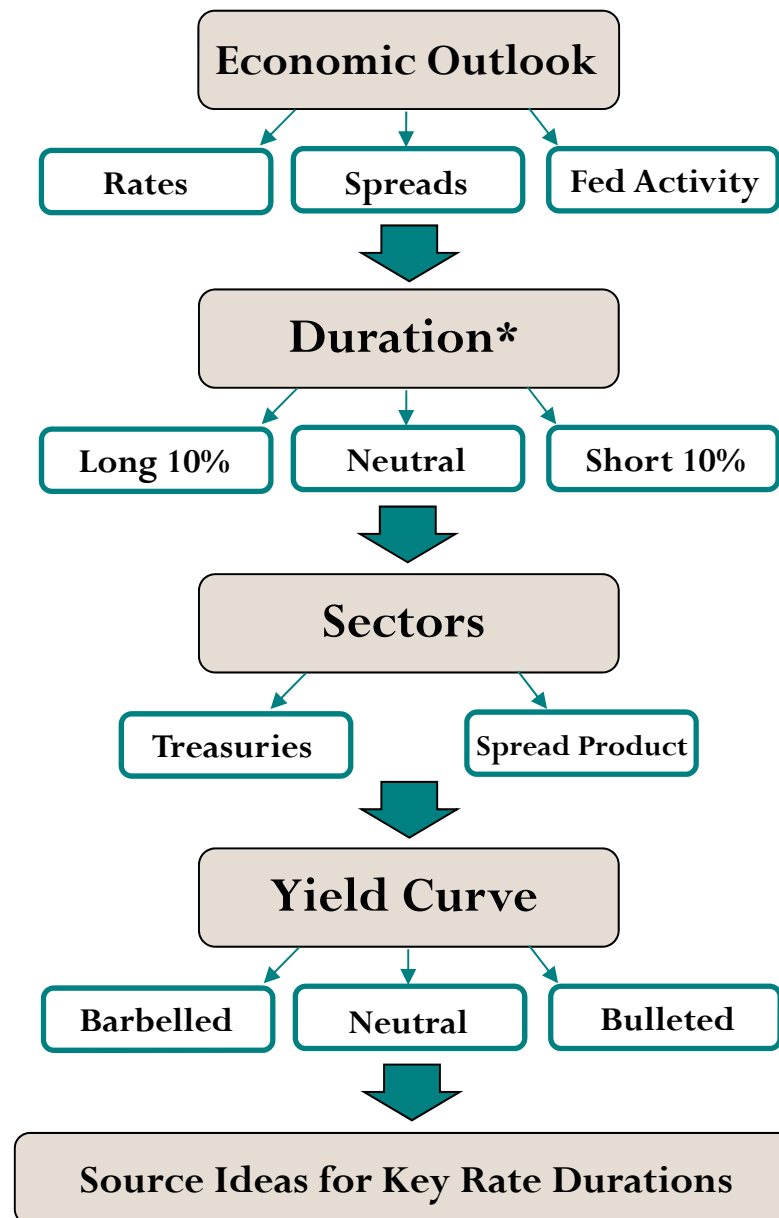
Exploiting Smaller Markets

Risk Controls

Percentage Sector Allocation, Duration Contribution by Sector, Credit Reviews, Yield Curve,

Performance Attribution, and Peer Group Performance Monitoring

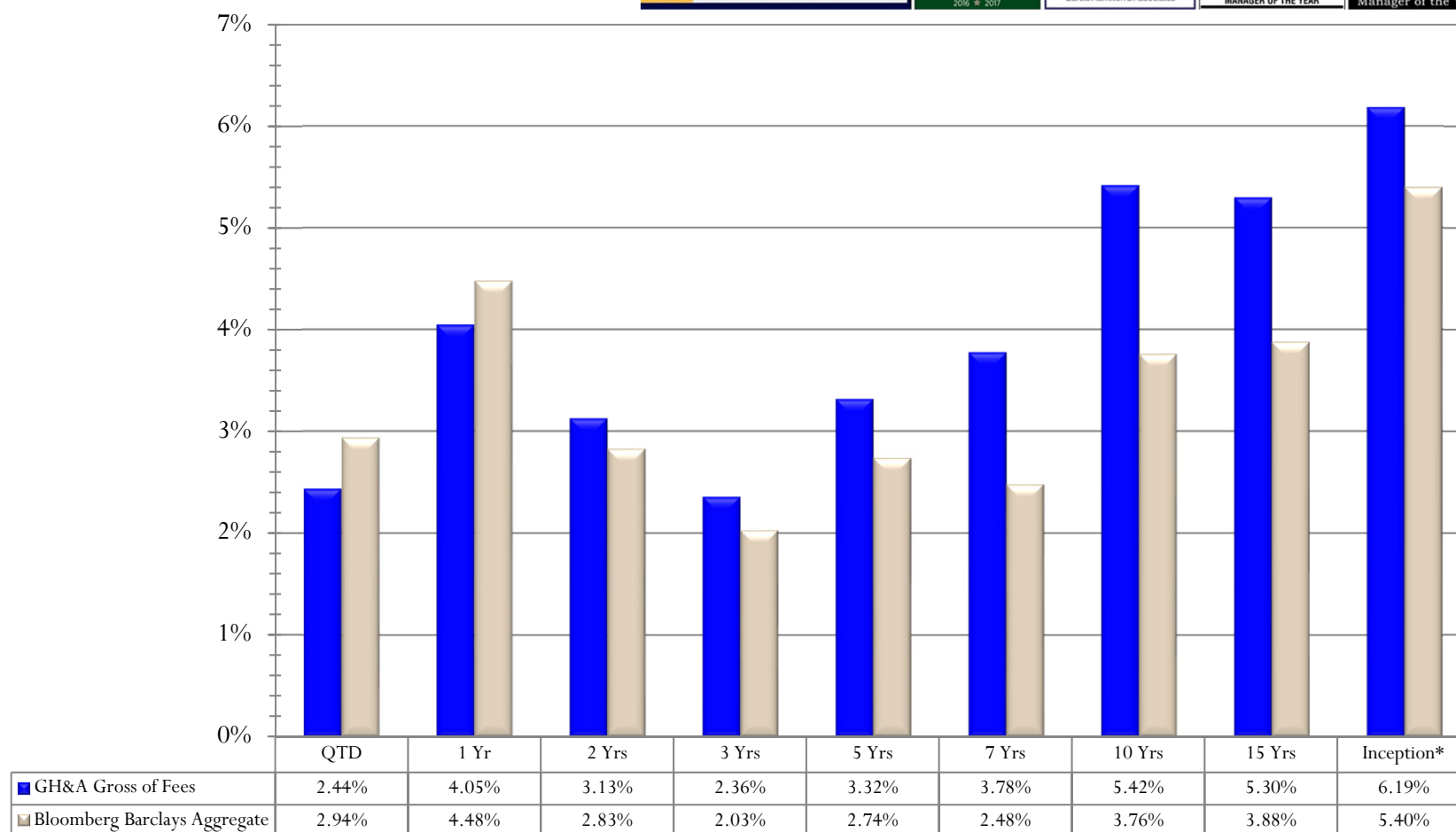
Portfolio Construction



Fixed Income Aggregate Composite Returns

Comparative Annualized Rates of Return

For periods ending March 31, 2019



*Inception December 31, 1991. Periods longer than 12 months are annualized

Additional information is in the performance disclosure.

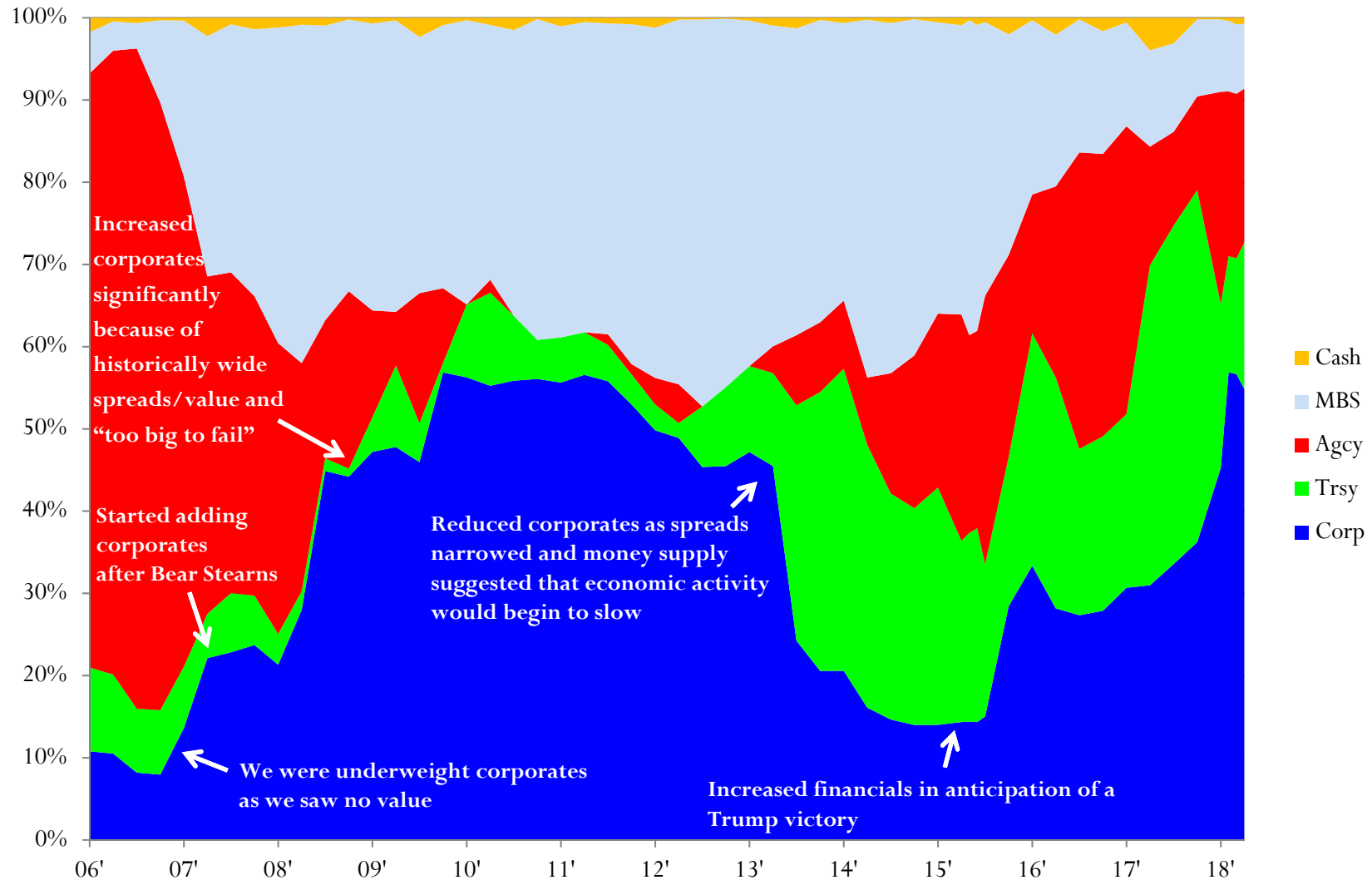


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Source: Barclays Live

Fixed Income Aggregate Historical Sector Weightings

March 31, 2019



The percent weights shown are those of an actual portfolio that is representative of this strategy. The percent weights may vary depending on the dates shown as well as client-imposed restrictions, cash flows, etc.

Diversity

Diversity is a central theme throughout the entire firm

- Certified as a MBE in several states
- Almost 91% of the firm owned by minority and female partners
- 61% owned by minority partners and 53% owned by Hispanic partners
- 85% of employees are ethnic minorities and women
- Executed over 60% of brokerage volume with MBE/MWBE/veteran firms over the past several years
- We also work with many minority and women-owned vendors in the areas of:
 - *Office Supplies, Temporary Staffing Services, Travel, Accounting, Auditors*
- The firm has a summer internship program for minority undergraduate and high school students
- We support and promote the LGBT community

Our firm directly supports numerous minority organizations in the community

Community Service

- Our Managing Partner, Gilbert Garcia, serves as a member of the SEC Fixed Income Market Structure Advisory Committee
- Our Managing Partner, Gilbert Garcia, serves as trustee on the Dallas Police and Fire Pension System Board of Trustees
- Our Managing Partner, Gilbert Garcia, served as Chairman of the Metropolitan Transit Authority of Harris County Board for six years
- Our Managing Partner, Gilbert Garcia, was the 2012 Houston Area Urban League Gala Honorary Chair
- Our Managing Partner, Gilbert Garcia, was a co-chair of the 103rd NAACP National Convention
- Our Managing Partner, Gilbert Garcia, served as a trustee on the Houston Municipal Employees Pension System Board of Trustees
- Our Partner and Director of Marketing and Client Services, Ruby Muñoz Dang, served as Trustee for the METRO Texas Non-Union Pension Plan
- Our Managing Partner, Gilbert Garcia, was awarded Houston Hispanic Chamber Male Entrepreneur of the Year

NASP

- National Association of Securities Professionals is a non-profit association of professionals that brings together minorities and women in the fields of asset management, public finance, investment banking, and other finance professions
- Our Partner, Stephanie Roberts, is highly involved with the organization and recently started the Texas chapter

SEO

- SEO is a non-profit organization that mentors young women and minority individuals in the development of careers in investment banking, corporate law, and other leading global companies
- Mr. Garcia is the longest serving board member (since 1988), He conducts interviews for candidates in our offices for placement within investment companies in New York
- Mr. Garcia was awarded the SEO Alumni Leadership Award at the 2015 Awards Dinner in New York City; Other honorees included Michael R. Bloomberg, three-term Mayor of New York City and Founder of Bloomberg LP & Bloomberg Philanthropies, and David M. Rubenstein, Co-Founder & Co-CEO of The Carlyle Group

LULAC

- The League of United Latin American Citizens is a non-profit organization created to advance the economic condition, educational attainment, political influence, housing, health and civil rights of the Hispanic population of the United States

GH&A Giving Back



Fee Schedule

Fixed Income

- .25% of first \$25 million
- .20% of the next \$25 million
- .18% of the next \$50 million
- .15% of the next \$100 million
- .12% thereafter

Fees are payable quarterly in arrears

Copies of ADV Part 2 are available upon request



Performance Disclosure

FIXED INCOME – AGGREGATE COMPOSITE (Disclosure Presentation as of December 31, 2018)

Garcia Hamilton & Associates, L.P.

Year End	Annual Composite Performance Results				Standard Deviation (3-yr)*		Composite Assets		Firm Assets	
	Gross Composite Total Return (% US\$)	Net Composite Total Return (% US\$)	Bloomberg Barclays Aggregate Index Return (%)	Composite Dispersion (%)	Composite (%)	Bloomberg Barclays Aggregate Index (%)	Number of Portfolios	Composite Assets Period End (US\$ mil)	Total Firm Assets Period End (US\$ mil)	% of Firm Assets
1992	8.2	7.8	7.4	NM	-	-	2	35	470	7
1993	10.8	10.4	9.8	NM	-	-	3	62	741	8
1994	-3.3	-3.8	-2.9	NM	-	-	3	60	1,079	6
1995	18.8	18.5	18.5	NM	-	-	4	89	1,490	6
1996	3.3	3.1	3.6	NM	-	-	3	84	1,785	5
1997	8.9	8.7	9.7	NM	-	-	3	107	2,219	5
1998	9.8	9.5	8.7	NM	-	-	3	117	3,543	3
1999	-2.1	-2.3	-0.8	NM	-	-	4	127	3,893	3
2000	11.8	11.6	11.6	NM	-	-	3	102	3,704	3
2001	7.9	7.7	8.4	NM	-	-	3	99	3,496	3
2002	10.4	10.2	10.3	NM	-	-	3	85	3,280	3
2003	4.1	3.9	4.1	NM	-	-	3	88	4,628	2
2004	4.9	4.8	4.3	NM	-	-	4	98	4,710	2
2005	3.8	3.6	2.4	NM	-	-	4	121	4,152	3
2006	4.2	4.0	4.3	NM	-	-	4	126	3,025	4
2007	8.6	8.4	7.0	0.1	-	-	6	184	2,215	8
2008	5.9	5.7	5.2	0.2	-	-	9	248	1,538	16
2009	12.1	11.9	5.9	1.7	-	-	16	419	1,939	22
2010	8.2	8.0	6.5	0.4	-	-	27	653	2,382	27
2011	5.3	5.1	7.8	0.3	3.5	2.8	42	983	2,704	36
2012	10.5	10.3	4.2	0.2	3.1	2.4	47	1,084	3,227	34
2013	0.1	-0.1	-2.0	0.2	3.4	2.7	59	1,372	3,387	40
2014	8.0	7.8	6.0	0.2	2.8	2.6	111	2,485	4,962	50
2015	0.8	0.7	0.6	0.1	3.2	2.9	146	3,768	6,340	59
2016	3.2	3.0	2.7	0.1	3.3	3.0	168	5,080	8,016	63
2017	3.8	3.6	3.5	0.1	3.1	2.8	185	7,135	10,071	71
2018	1.0	0.8	0.0	0.2	2.5	2.8	205	8,287	12,590	66

*Historical information not required prior to 2011.

NM = Not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

Source: Barclays Live

The GH&A Fixed Income-Aggregate Composite is comprised only of fully discretionary, fee paying institutional portfolios, including those portfolios no longer with the firm. The Fixed Income-Aggregate investment philosophy utilizes high-quality U.S. investment grade fixed income securities. To help control risk, the portfolios purchase spread product (non-Treasuries) with less than 10-year maturities, 15-year Agency Guaranteed Mortgage-Backed securities and Corporate Bonds rated a minimum of single “A”. The portfolios do not contain derivatives and do not employ leverage. The duration exposure is generally managed within a +/- 10% band around the Bloomberg Barclays Aggregate Index.

The composite benchmark is the Bloomberg Barclays Aggregate Index. The benchmark is used for comparative purposes only and generally reflects the risk or investment style of the product. For the period of January 1, 1992, through June 30, 1996, the minimum portfolio size for inclusion in the composite was \$1.0 million. Effective July 1, 1996 the minimum for inclusion in the composite was increased to \$2.0 million. The composite creation date is October 1, 1999.

Garcia Hamilton & Associates, L.P. (GH&A) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. GH&A has been independently verified for the periods January 1, 1993 through December 31, 2015 by Ashland Partners & Company LLP and from January 1, 2016 through June 30, 2017 by ACA Performance Services, LLC. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm’s policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

GH&A is defined as an independent investment management firm registered under the Investment Advisers Act of 1940 and prior to June 30, 2010, was known as Davis Hamilton Jackson & Associates. GH&A has chosen not to claim compliance prior January 1, 1993. A complete list and description of firm composites is available upon request. Past performance is no guarantee of future results.

The U.S. dollar is the currency used to express performance. Returns presented above are gross and net of management fees and include the reinvestment of all income. Net of fee results are calculated for the period of December 31, 1991 through December 31, 1994 by deducting the highest fee of .0375% from the monthly gross composite returns. Since January 1, 1995, the net of fees performance results are calculated based on actual fees. The management fee schedule for this composite is as follows: 0.25% of the first \$25 million, 0.20% of the next \$25 million, 0.18% of the next \$50 million, 0.15% of the next \$100 million, and 0.12% of the balance. In addition, some clients pay a percentage of annual outperformance of the portfolio versus the benchmark as agreed in the client specific fee schedule. Actual investment advisory fees incurred by clients may vary.

Additional information regarding policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Composite dispersion since January 1, 1993, is calculated using an asset value-weighted standard deviation of annual gross returns of those portfolios included in the composite the entire year. Standard deviation is presented as a 3-year annualized standard deviation measure of risk using monthly gross returns as of each annual period end.





CORE FIXED INCOME

DATA AS OF MARCH 31, 2019

Presented to: Burlington Employees' Retirement System

Presented by: Ryan Labs Asset Management
Michael Donelan, CFA, Managing Director, Portfolio Manager
Daniel J. Lucey, CFA, Managing Director, Portfolio Manager
Annette Serrao, CFA, Director, Credit Research
Chris Adair, Senior Managing Director

Presented on: May 20, 2019 at Burlington, VT

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THE SUN LIFE INVESTMENT MANAGEMENT GROUP OF COMPANIES



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ABOUT RYAN LABS ASSET MANAGEMENT

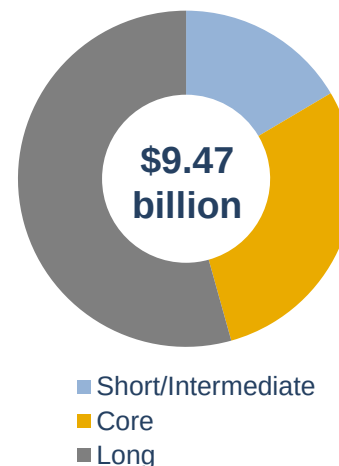
FIRM OVERVIEW

INTEGRATED ASSET MANAGEMENT

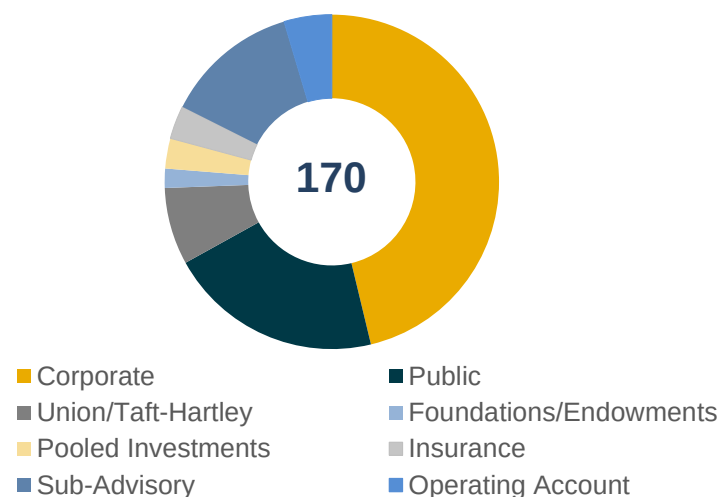
CONSISTENT RETURNS over market cycles with high information ratios

Core strategy has OUTPERFORMED Bloomberg Barclays US Aggregate Index over the last consecutive 17 years

Assets Under Management (US\$)



Client Accounts



*Note: As of 3/31/2019. Source: Informa Investment Solutions (www.informais.com). There are 107 Firms and 205 Products in the universe.

A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

SUN LIFE INVESTMENT MANAGEMENT

Part of the Sun Life Financial global organization

Providing a diverse range of insurance, wealth
and asset management solutions



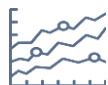
\$697B

Assets under management



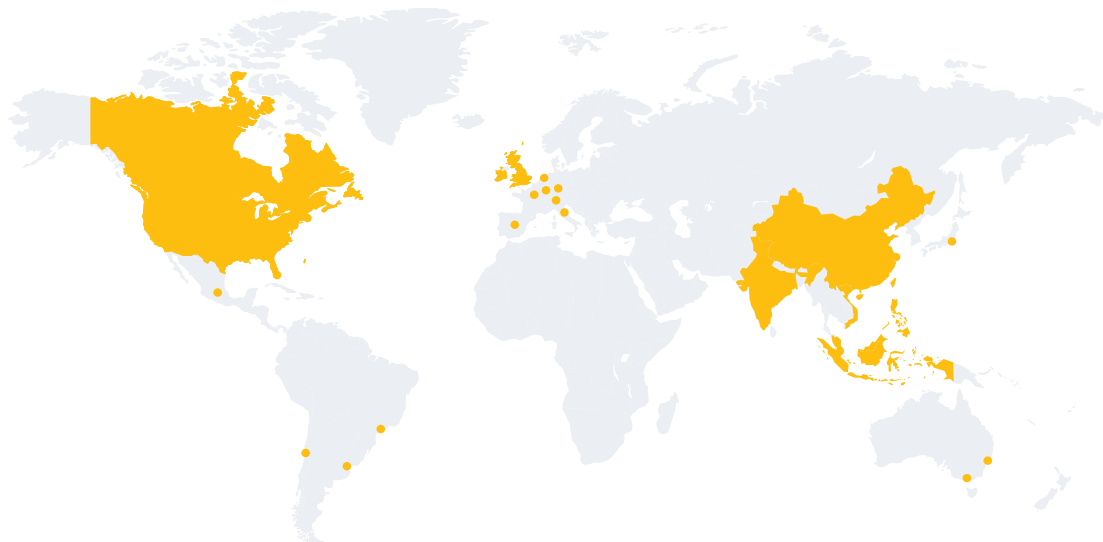
26

Countries with
SLF offices



\$20B

Market capitalization



**Our strategy is
focused on four key
pillars of growth**

1

Canada

2

U.S.

3

Asia

4

A leader in global asset management



Data as of December 31, 2018.

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BENEFITS OF A PARTNERSHIP



STABILITY

Stability of a leading, global financial services organization with over \$759 billion in AUM; operating through a balanced and diversified model focused on asset management

INFRASTRUCTURE

Leverage key operational infrastructure and investment capabilities across the Sun Life Investment Management companies

ALIGNMENT OF INTERESTS

Benefit of seed capital for new market ventures; potential opportunities to co-invest alongside Sun Life



WHY RYAN LABS?

Our Firm

EXPERIENCED INSTITUTIONAL INVESTOR

in domestic corporate credit, structured credit and high yield bonds.

INTEGRATED INVESTMENT TEAM

combining research, portfolio management and trading that leads to more effective decision making and execution.

INSTITUTIONAL MINDSET that ensures a consistent investment process and comprehensive risk management throughout the credit cycle.

Our Strategies

STRONG RISK ADJUSTED RETURNS in all market environments.

Issue selection and **VALUE GENERATION** in both up and down markets.

DIFFERENTIATED INVESTMENT MANAGEMENT STYLE to mega fixed income managers.



RYAN LABS ASSET MANAGEMENT TEAM

Executive Committee

Richard Familetti, CFA, President & Chief Investment Officer (2009 | 1986)

Thomas Keresztes, Chief Operations Officer & Chief Compliance Officer (2015 | 1987)

Chris Adair, Senior Managing Director - Head of Sales, Client Service & Strategy (2005 | 1992)

Asset Management

Richard Familetti, CFA, President & Chief Investment Officer (2009 | 1986)

Michael P. Donelan, CFA, Managing Director, Portfolio Manager (2003 | 1988)

Philip Mendonca, Managing Director, Portfolio Manager (2003 | 2003)

Matthew Salzillo, Managing Director, Portfolio Manager (2004 | 2004)

Daniel J. Lucey, CFA, Managing Director, Portfolio Manager (2009 | 2003)

Raghava Vudata, Director, Associate Portfolio Manager (2008 | 2008)

Annette Serrao, CFA, Director (2010 | 2010)

Shera Abella, Director (2017 | 2008)

Kenneth Szal, Director (2009 | 2009)

James Lizotte, CFA, Associate Director (2014 | 2014)

Marina Mestres, Analyst (2016 | 2016)

Alyssa Barchetta, Analyst (2018 | 2018)

Client Service & Strategy

Chris Adair, Senior Managing Director - Head of Sales, Client Service & Strategy (2015 | 1992)

Bradley D. Jacob, Managing Director (2008 | 2003)

John Linder, CFA, CPA, Managing Director (2018 | 1996)

Melissa Spadafora, Director (2016 | 2012)

Pawel Krasowski, Associate Director (2015 | 2015)

Joshua Hassell, Associate (2018 | 2018)

Mark Stefaniak, Analyst (2017 | 2017)

Vincent Spoleti, Analyst (2018 | 2018)

Tail Hedging and Overlay Strategies

Brett Pacific, CFA, Senior Managing Director, Portfolio Manager (2004 | 1993)

Peng Zhou, PhD., FSA, CFA, Managing Director, Portfolio Manager (2003 | 2003)

John Bichajian, CFA, Senior Director, Portfolio Manager (2009 | 2003)

Rawan El-Khatib, Director (2008 | 2008)

Kyle Chang, CFA, Director (2014 | 2012)

Leveraged Finance Group

Mark Pelletier, CFA, Senior Managing Director, Portfolio Manager (2018 | 1988)

Michael Cerullo, Managing Director, Portfolio Manager (2018 | 1988)

Christian Toro, CFA, CPA, Managing Director, Portfolio Manager (2018 | 1997)

Dana Dratch, CFA, Managing Director, Portfolio Manager (2018 | 1995)

Juan Estela, Managing Director, Portfolio Manager (2018 | 1999)

Shelly-Ann Glover, Director (2018 | 2000)

Operations, Research, & Indexes

Thomas Keresztes, Chief Operations Officer & Chief Compliance Officer (2015 | 1987)

Terry Lombardo, Director (2000 | 2000)

Theresa Arata, Director (2012 | 1985)

Alex Zambelli, Director (2015 | 2015)

Dhruv Trivedi, Director (2017 | 2004)

Thomas Watson, Director (2017 | 2012)

Jean Mimy, Analyst (1999 | 1988)

Tanzila Mahmood, Analyst (2019 | 2019)

(Ryan Labs Start | Industry Start)



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INTEGRATED INVESTMENT MANAGEMENT TEAM



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OUR INVESTMENT PHILOSOPHY

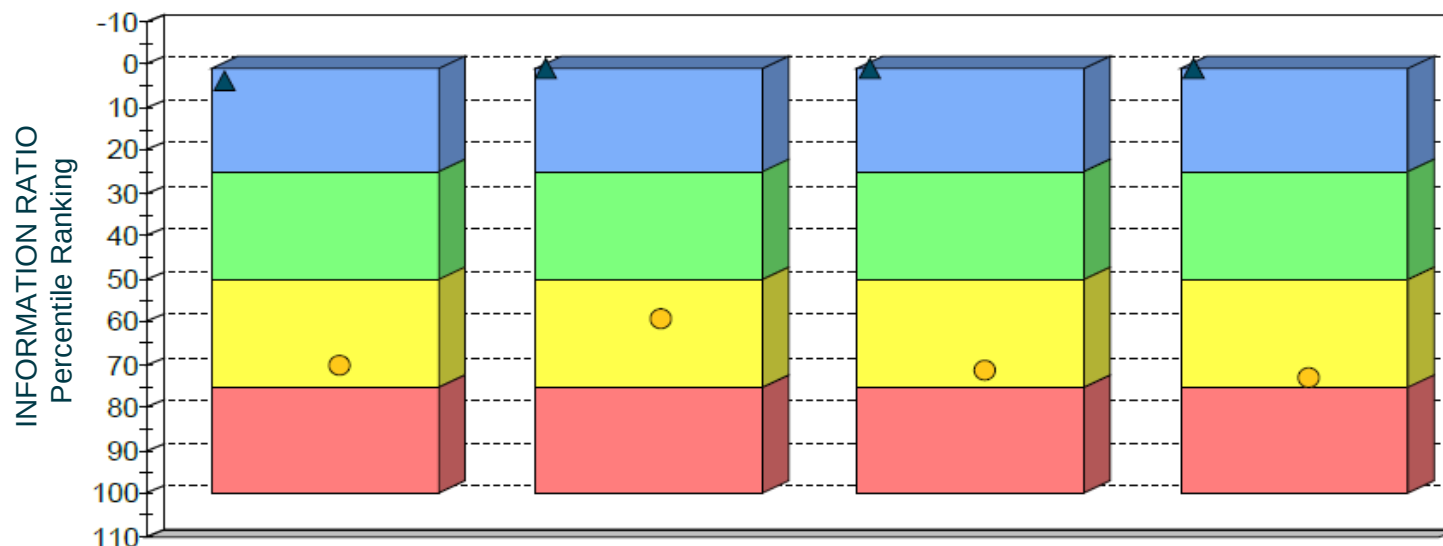
We are **OPPORTUNISTIC**: We believe in actively managing portfolios to seek relative value. We look for risk that is fundamentally or technically mispriced in order to find investment opportunities. Avoiding the downside is critical to outperformance, and we are willing to underweight any sector

We use a **REPEATABLE PROCESS**: We believe that bottom up security selection using a repeatable process creates value. We take a neutral stance on interest rates.

Our **TEAM is INTEGRATED**: We believe portfolios are best managed by nimble teams who integrate fundamental and technical credit analysis with portfolio management execution.



CONSISTENT EXCESS RETURNS OVER MEDIUM AND LONG TERM



PERCENTILE RANKING – INFORMATION RATIO

	3/2016-3/2019		3/2014-3/2019		3/2009-3/2019		6/1996-3/2019	
	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK
▲ Ryan Labs Core Fixed Income	1.77	4	1.52	1	1.32	1	0.82	1
● Bloomberg Barclays Aggregate	0.00	70	0.00	59	0.00	71	0.00	73

PERCENTILE RANKING – RATE OF RETURN

	3/2016-3/2019		3/2014-3/2019		3/2009-3/2019		6/1996-3/2019	
	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK
▲ Ryan Labs Core Fixed Income	2.92	17	3.50	10	4.81	30	5.91	8
● Bloomberg Barclays Aggregate	2.03	70	2.74	59	3.77	71	5.15	73

Data as of 3/31/2019. Source: Informa Investment Solutions (www.informais.com) Note: Performance presented above is gross of fees. There are 193 Firms and 391 Products in this universe.

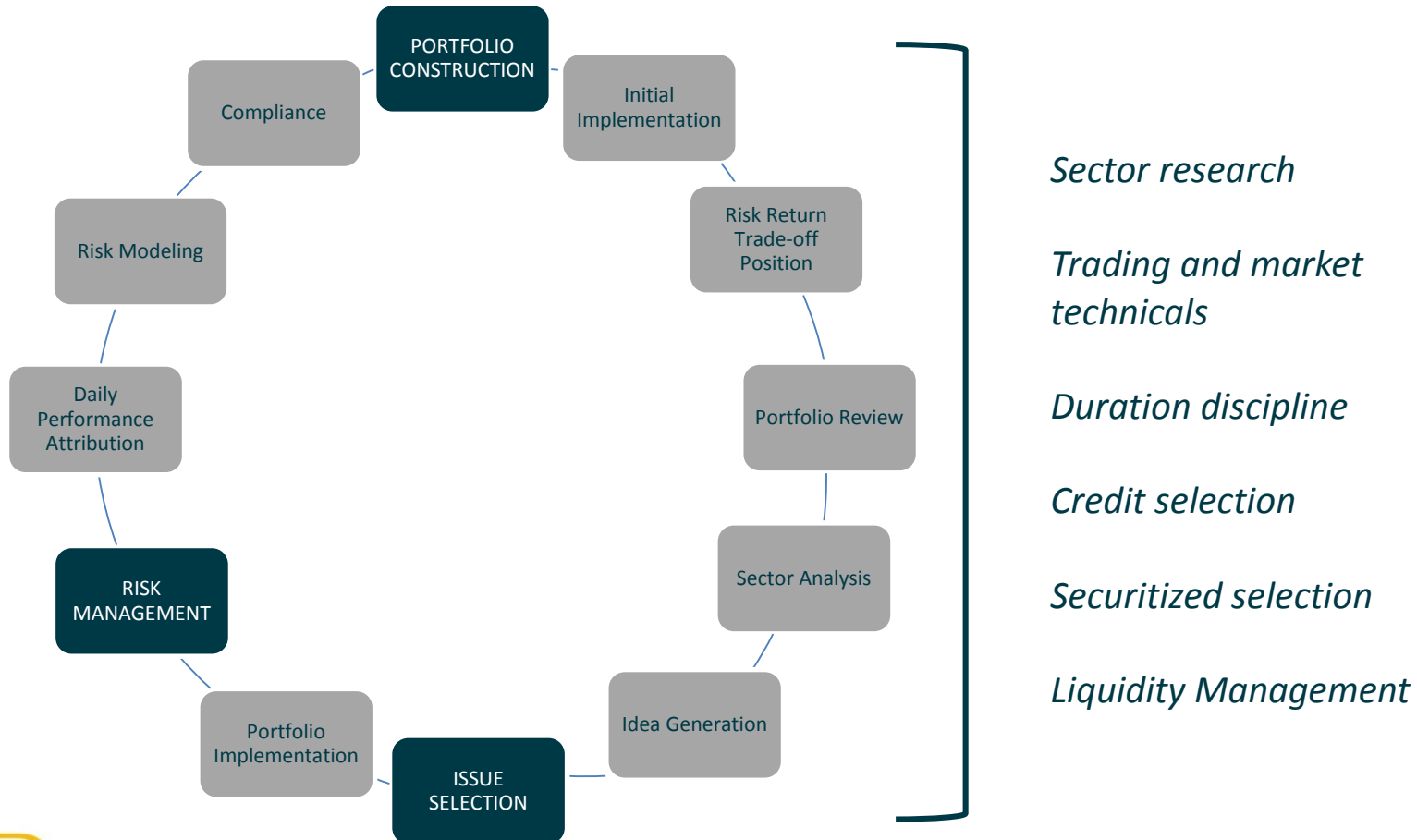


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CORE FIXED INCOME INVESTMENT PROCESS

INVESTMENT PROCESS

Our nimble team applies the same rigorous investment process to each portfolio, regardless of mandate and duration.



A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

INVESTMENT PROCESS



1	Create the initial portfolio	• Neutralize interest rate risk and term structure exposures versus its benchmark • Take a top down fundamental and economic view to determine sectors for active market positions
2	Position portfolio to best take advantage of risk/return trade-offs in the market	• Focus on short duration carry -- building positions in short-term assets with higher yield and attractive roll down characteristics • Focus on long duration opportunistic positioning – identify underweight and overweight based on valuation.
3	Regularly review the portfolio	• Portfolio managers constantly monitor fundamental credit risk within names and subsectors in the portfolio as well as manage overall portfolio risk versus the benchmark • Integrate analysis and portfolio management decisions for better sell discipline

INVESTMENT PROCESS



-
- | | | |
|----------|--|---|
| 1 | <p>Idea generation; seek potential for better credit and fundamental opportunities</p> | <p>Corporate credit</p> <ul style="list-style-type: none">• View fundamental considerations such as business outlook with leverage, operations, income statements, balance sheet• View technical considerations such as spread ranges, issuances, flow, equity price movement <p>Securitized credit</p> <ul style="list-style-type: none">• Focus on under-appreciated securities using a rigorous bottom-up approach that focuses on both fundamental credit and structural characteristics |
| <hr/> | | |
| 2 | <p>Portfolio implementation</p> | <ul style="list-style-type: none">• Determine how position would best fit into the portfolio• Look for a margin of safety and value before investing• Research how long conditions may persist before security prices will change both at the sector and the individual security level• Consider position on a number of fundamental and technical elements such as versus historical spreads (looking for mean reversion), current valuation and impact on portfolio liquidity |
-

SECTOR AND ISSUE SELECTION

Top-Down Macroeconomic Outlook



Domestic/Global

ISM, Sales, Inventory, Capacity,
Geopolitical, Legislation/Political



Consumer

Employment, Confidence,
Income, HPA, Debt Load



Credit

Availability, Volume, Leverage,
Terms, Profitability

Bottom-Up Credit Analysis



Credit Research

Management
Competence, Intention



Fundamentals

Profits, Liquidity, Industry
Dynamics, Coverage, Leverage



Technicals

Supply, Demand, Market
Factors, Equity, Spreads

Bottom-Up Securitized Collateral



Borrower

Loss Prepayment Curves (Vintage,
Credit), Delinquency Roll, Loan
Tiering, LTV, Debt Service
Coverage Ratio



Issuer Portfolio Trends

Yields, Excess Spreads, Payments
and Delinquencies), Sponsor
Profitability, Recovery Trends



Structure

Credit Support (Subordination,
Over Collateralization, Spread
Capture), Leverage & Triggers

INVESTMENT PROCESS



- 1 Analyze performance of portfolio versus benchmark daily
- 2 Monitor daily attribution to ensure consistency with expected sources of portfolio risk
- 3 Run daily risk models
- 4 Monitor pre- and post-trade compliance

CURRENT PORTFOLIO POSITIONING BY RATING

Cell	Representative Account					Bloomberg Barclays Aggregate					Difference				
	Weight (%)	Coupon (%)	YTW (%)	MDur (%)	Conv (Yrs ²)	Weight (%)	Coupon (%)	YTW (%)	MDur (%)	Conv (Yrs ²)	Weight (%)	Coupon (%)	YTW (%)	MDur (%)	Conv (Yrs ²)
Cash	3.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.13	0.00	0.00	0.00	0.00
AAA	41.75	3.21	2.97	8.31	1.31	72.62	2.90	2.67	5.51	0.68	-30.87	0.31	0.30	2.80	0.63
AA	2.16	3.24	3.46	4.65	0.25	3.53	3.39	2.97	5.97	0.84	-1.37	-0.15	0.49	-1.32	-0.59
A	12.05	3.79	3.60	5.56	0.60	10.34	3.78	3.33	7.18	1.03	1.71	0.02	0.28	-1.62	-0.43
BBB	37.81	4.22	4.14	5.66	0.63	13.51	4.47	4.01	7.39	1.06	24.29	-0.25	0.13	-1.73	-0.43
BB	1.35	5.51	9.11	2.96	0.10	0.00	0.00	0.00	0.00	0.00	1.35	5.51	9.11	2.96	0.10
B	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CCC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Not Rated	1.76	4.87	4.75	3.07	0.24	0.00	0.00	0.00	0.00	0.00	1.76	4.87	4.75	3.07	0.24
TOTAL	100.00	3.62	3.52	6.48	0.87	100.00	3.21	2.93	5.96	0.78	0.00	0.41	0.59	0.52	0.09

Notes: Based on a Core Fixed Income Representative Account

YTW = Yield to Worst

MDur = Modified Duration

Conv = Convexity



A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

CURRENT PORTFOLIO POSITIONING BY INDUSTRY

Cell	Representative Account					Bloomberg Barclays Aggregate					Difference				
	Weight (%)	Coupon (%)	YTW (%)	MDur (%)	Conv (Yrs ²)	Weight (%)	Coupon (%)	YTW (%)	MDur (%)	Conv (Yrs ²)	Weight (%)	Coupon (%)	YTW (%)	MDur (%)	Conv (Yrs ²)
Cash	3.13	0.000	0.00	0.00	0.00	0.00	0.000	0.00	0.00	0.00	3.13	0.000	0.00	0.00	0.00
Treasury	18.16	2.76	2.56	11.31	2.18	39.23	2.40	2.38	6.09	0.85	-21.07	0.36	0.18	5.22	1.33
Agency	0.26	5.00	4.82	15.51	3.51	2.73	3.02	2.89	4.22	0.41	-2.47	1.98	1.93	11.29	3.10
Local Authority	0.00	0.00	0.00	0.00	0.00	0.91	4.92	3.44	8.51	1.38	-0.91	-4.92	-3.44	-8.51	-1.38
Sovereign	0.39	4.00	3.28	4.03	0.19	0.96	4.99	3.75	8.77	1.40	-0.57	-0.99	-0.46	-4.74	-1.21
Supranational	0.00	0.00	0.00	0.00	0.00	1.45	2.22	2.41	3.15	0.17	-1.45	-2.22	-2.41	-3.15	-0.17
Industrial	10.71	4.48	4.30	7.01	0.93	14.86	4.12	3.70	7.80	1.20	-4.16	0.36	0.60	-0.79	-0.27
Utility	4.03	4.23	4.14	8.68	1.37	1.71	4.17	3.69	9.84	1.71	2.31	0.06	0.45	-1.16	-0.34
Finance	9.11	3.87	3.80	5.88	0.65	7.92	3.83	3.45	5.61	0.64	1.19	0.04	0.34	0.27	0.01
MBS Pass Thru	20.48	3.58	3.26	5.89	0.63	27.73	3.62	3.08	4.92	0.50	-7.24	-0.04	0.18	0.97	0.13
Asset Backed	18.18	4.00	3.83	3.58	0.18	0.51	2.72	2.70	2.04	0.08	17.67	1.28	1.13	1.54	0.10
CMBS	12.73	4.11	4.59	6.15	0.66	1.94	3.42	3.01	5.17	0.36	10.79	0.69	1.58	0.98	0.30
Covered	0.00	0.00	0.00	0.00	0.00	0.03	2.02	2.62	1.66	0.04	-0.03	-2.02	-2.62	-1.66	-0.04
CMO	2.82	3.87	3.80	3.14	0.13	0.00	0.00	0.00	0.00	0.00	2.82	3.87	3.80	3.14	0.13
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	100.00	3.62	3.52	6.48	0.87	100.00	3.21	2.93	5.96	0.78	0.00	0.41	0.59	0.52	0.09

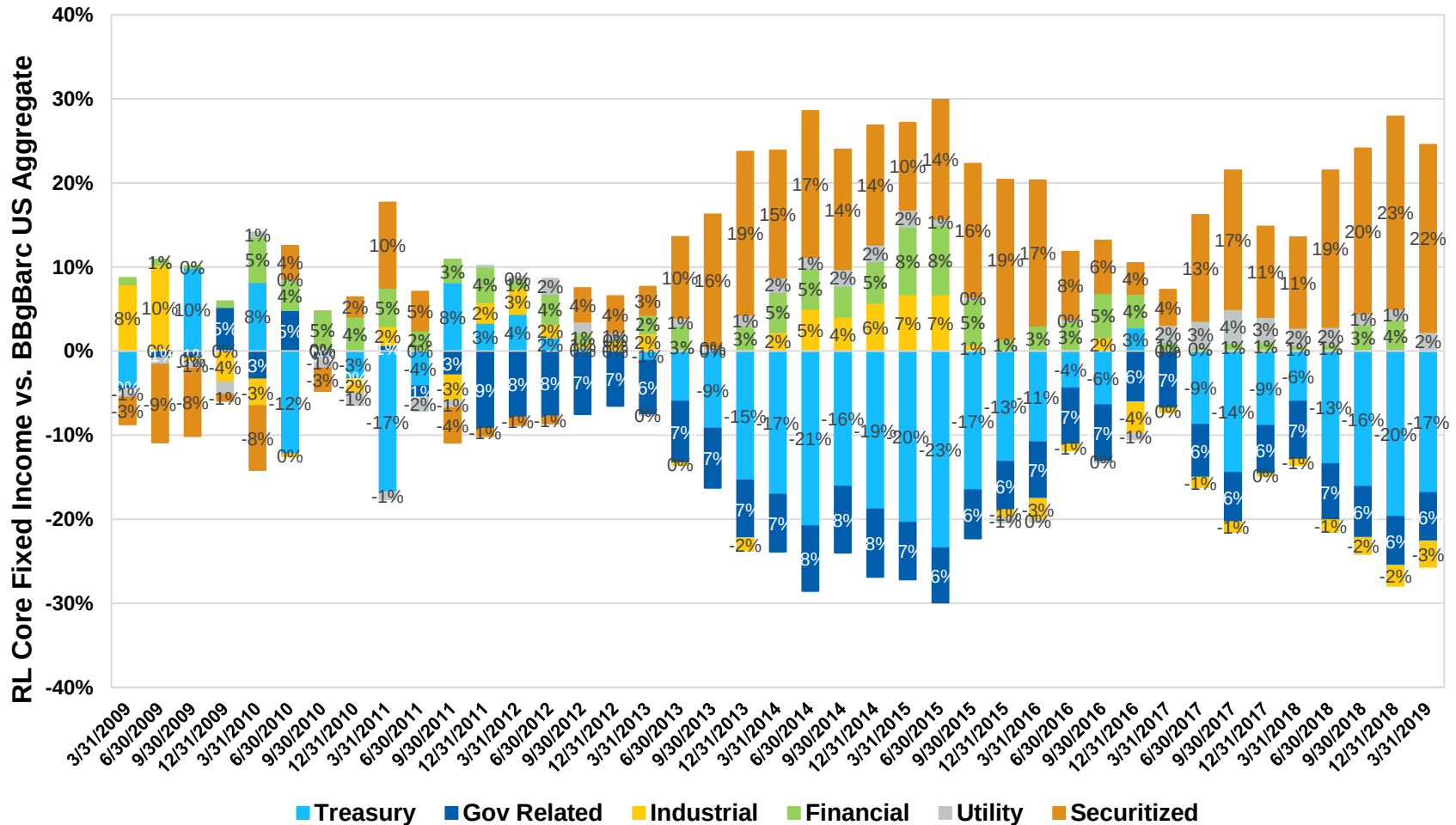
Notes: Based on a Core Fixed Income Representative Account
 YTW = Yield to Worst
 MDur = Modified Duration
 Conv = Convexity



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ACTIVE PORTFOLIO MANAGEMENT

RL Core Fixed Income vs. BBgBarc U.S. Aggregate



Source: Benchmark data from Barclays Live. RL Core Fixed Income from representative account.

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CORE FIXED INCOME ATTRIBUTION TWELVE YEARS ENDING 3/31/2019

Horizon: 3/31/2007 to 3/31/2019		Ryan Labs Core Fixed Income (Portfolio Gross Performance)	Bloomberg Barclays Aggregate (Benchmark Performance)	Difference
RISK				
1. Annualized Standard Deviation (Volatility)	%	3.31	3.20	0.11
2. Minimum Periodic Return	%	-2.33	-2.37	0.04
3. Maximum Periodic Return	%	3.88	3.73	0.15
4. Beta (Sensitivity to Benchmark)		96.63		
5. R-Squared	%	86.26		
6. Correlation	%	92.88		
7. Annualized Tracking Error	bp	117.92		
8. Shortfall Frequency	%	27.78		
9. Average Shortfall	bp	21.42		
10. Downside Capture Ratio	%	76.58	100.00	
REWARD				
11. Annualized Total Return	%	5.15	4.03	1.11
12. Average Periodic Return	bp	42.35	33.42	8.93
13. Cumulative Total Return	%	82.59	60.69	21.90
14. Excess Return Frequency	%	72.22		
15. Average Excess Return	bp	20.61		
16. Upside Capture Ratio	%	107.37	100.00	
RISK ADJUSTED RETURN				
17. Sharpe Ratio		1.30	1.00	0.31
18. Information Ratio		0.94		

All series and calculations are based upon monthly gross returns

Portfolio = Ryan Labs Core Fixed Income

Benchmark = Bloomberg Barclays Aggregate

Risk Free Rate = Merrill Lynch 91 day T-Bill



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WHY RYAN LABS AS AN ACTIVE vs PASSIVE MANAGER?

PROVEN INVESTMENT PROCESS: PROVIDING CONSISTENT EXCESS RETURNS VS PASSIVE MANAGERS

Ryan Labs

Demonstrated skill in adding value in sector and security selection

Consistent value add across multiple market cycles

Integrated team approach contributes to more active portfolio management

Duration neutral posture vs market benchmark reduces tracking error



Client benefit

Different alpha source versus active duration managers; sector/issue bets could be different versus other managers

Ryan Labs downside capture may help protect overall fixed income returns in poor markets

Many large fixed income managers might not be nimble enough to react to market developments

Focus on picking the right issues instead of forecasting macro-economic conditions



ALPHA GENERATION AT SIMILAR MARKET BETA: CONSISTENT RISK ADJUSTED RETURNS OVER PASSIVE INDEXING

CORE FIXED INCOME ANNUAL STATISTICS												
Total Performance	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Q1 19'
RL Core Fixed Income Return	6.87	7.92	8.72	7.99	6.18	(0.92)	7.06	0.80	3.91	4.55	0.09	3.44
Bloomberg Barclays US Aggregate Return	5.24	5.93	6.54	7.84	4.21	(2.02)	5.97	0.55	2.65	3.54	0.01	2.94
Performance Difference	1.63	1.99	2.18	0.15	1.97	1.10	1.09	0.25	1.26	1.01	0.08	0.50
RL Core Fixed Income Annualized Volatility	5.90	3.72	2.56	2.78	2.44	3.22	2.29	3.48	3.62	1.56	2.81	2.81
Bloomberg Barclays US Aggregate Annualized Volatility	6.09	3.34	2.91	2.35	2.01	3.19	2.31	2.95	3.71	1.52	3.12	2.81
Annualized Volatility Difference	(0.19)	0.38	(0.35)	0.43	0.43	0.03	(0.02)	0.53	(0.09)	0.04	(0.31)	0.00
Annualized Information Ratio	0.68	0.83	2.80	0.13	2.54	1.07	4.95	0.41	1.32	3.42	0.15	N/A
Annualized Tracking Error (bps)	240	240	78	112	77	104	22	61	87	29	55	19
Correlation (%)	84.37	70.95	88.67	84.16	87.85	86.84	91.25	91.27	89.10	90.02	90.58	N/A
Beta	0.89	0.86	0.85	1.08	1.16	0.96	0.99	1.18	0.95	1.01	0.89	1.00

*Information ratio is calculated on an annual basis.



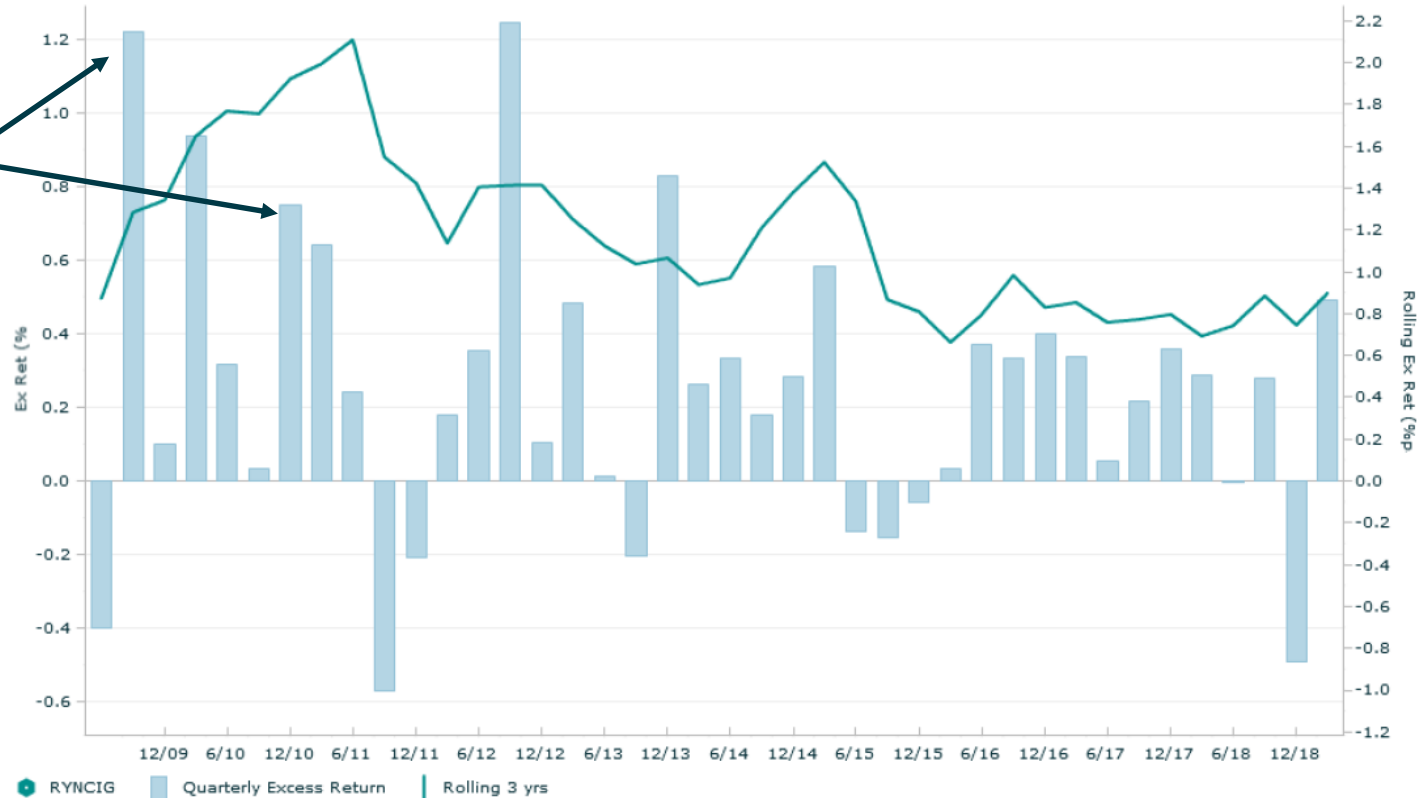
Source: Benchmark data from Barclays Live.

A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

PROVIDING CONSISTENT EXCESS RETURNS OVER PASSIVE INDEXING WHEN INTEREST RATES RISE AND FALL

Quarterly Excess Return vs. Bloomberg Barclays US Aggregate with rolling 3 yr line in \$US (before fees) over 10 yrs ending March-19

Positive excess return in most up and down interest rate environments



- Roughly 86%* of the Bloomberg Barclays US Aggregate returns can be attributed to changes in interest rates

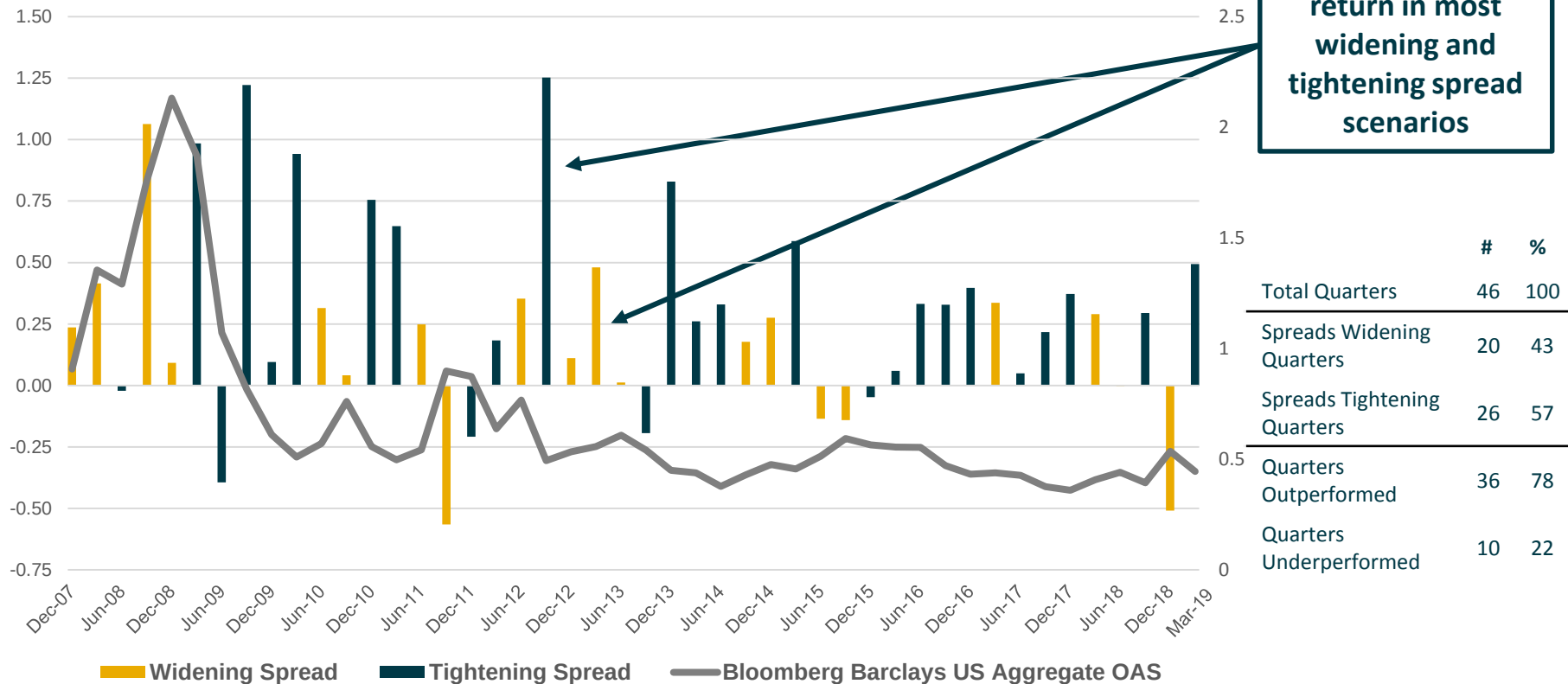
Source: Mercer. Data as of 3/31/2019. Output should be read in conjunction with, and is subject to, MercerInsight MPA™ : Important notices and Third-party data attributions.

Time period sample is last 10 years starting 2009, with rolling 3 year data including data from 2006.

*Since 3/31/2009-3/31/2019, -0.86 correlation between monthly index returns and monthly change yield of a market-weighted OTR Treasury index

A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

PROVIDING CONSISTENT EXCESS RETURNS OVER PASSIVE INDEXING WHEN CREDIT RISK RISE AND FALL



- Ryan Labs' focus on issue selection outperforms in both spread widening and tightening environments.

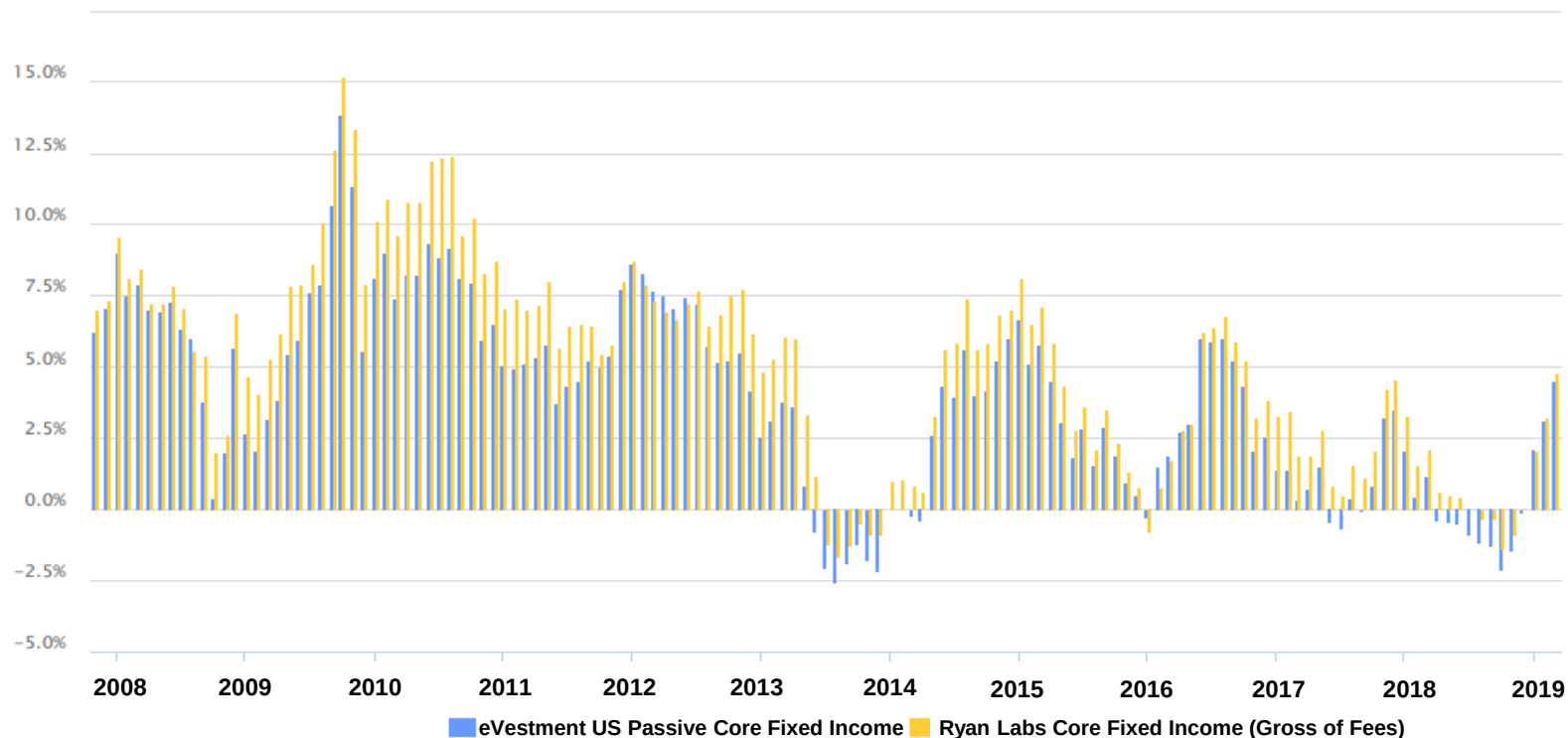


Source: Benchmark data from Barclays Live.

A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

COMPARATIVE ACTIVE vs PASSIVE ROLLING 12 MONTH PERFORMANCE FROM 12/31/2006 TO 3/31/2019

- Ryan Labs Core Fixed Income strategy has outperformed 138 out of 147 periods from 12/31/2006 to 3/31/2019 versus a passive index.

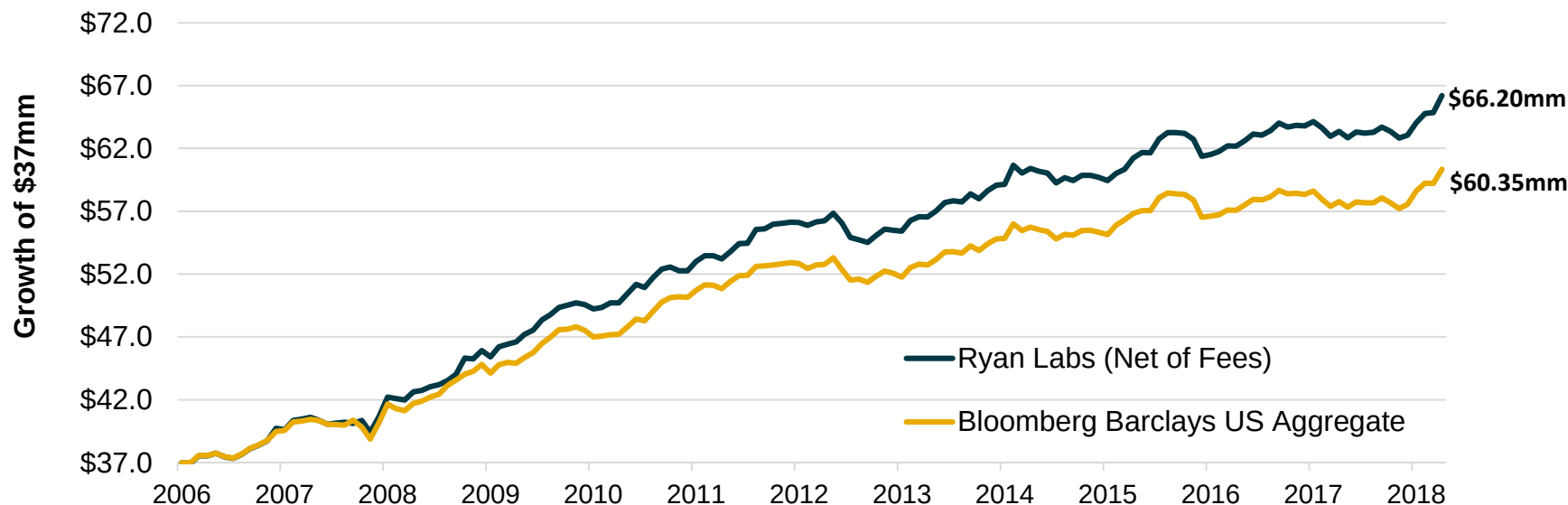


Source: eVestment



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COMPARATIVE ACTIVE vs PASSIVE GROWTH OF \$37MM FROM 12/31/2006 TO 3/31/2019



Time Period Ending 3/31/2019	Ryan Labs Core Fixed Income (Net of Fees) Return	Bloomberg Barclays US Aggregate Index Return
1 Year	4.50%	4.48%
3 Year	2.63%	2.03%
5 Year	3.20%	2.74%
10 Year	4.50%	3.77%
Since 12/31/2006	4.86%	4.07%

Source: Bloomberg



A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

CORE FIXED INCOME SOLUTIONS IN ACTION

FINANCIAL CRISIS 2007 -2010

Between 2007 and 2009, we experienced a volatile, dislocated credit environment due to the financial crisis.

Chapter 11 filing of New Century leads the team to develop a narrative that sub prime is not contained, financial institutions are over-levered and once asset prices cease their ascent/begin to decline - the debt overhang will result in a significant markdown of asset prices through forced liquidation.

In late 2007, we underweighted the Financial sector, as we believed on a leverage adjusted basis this sector was overvalued

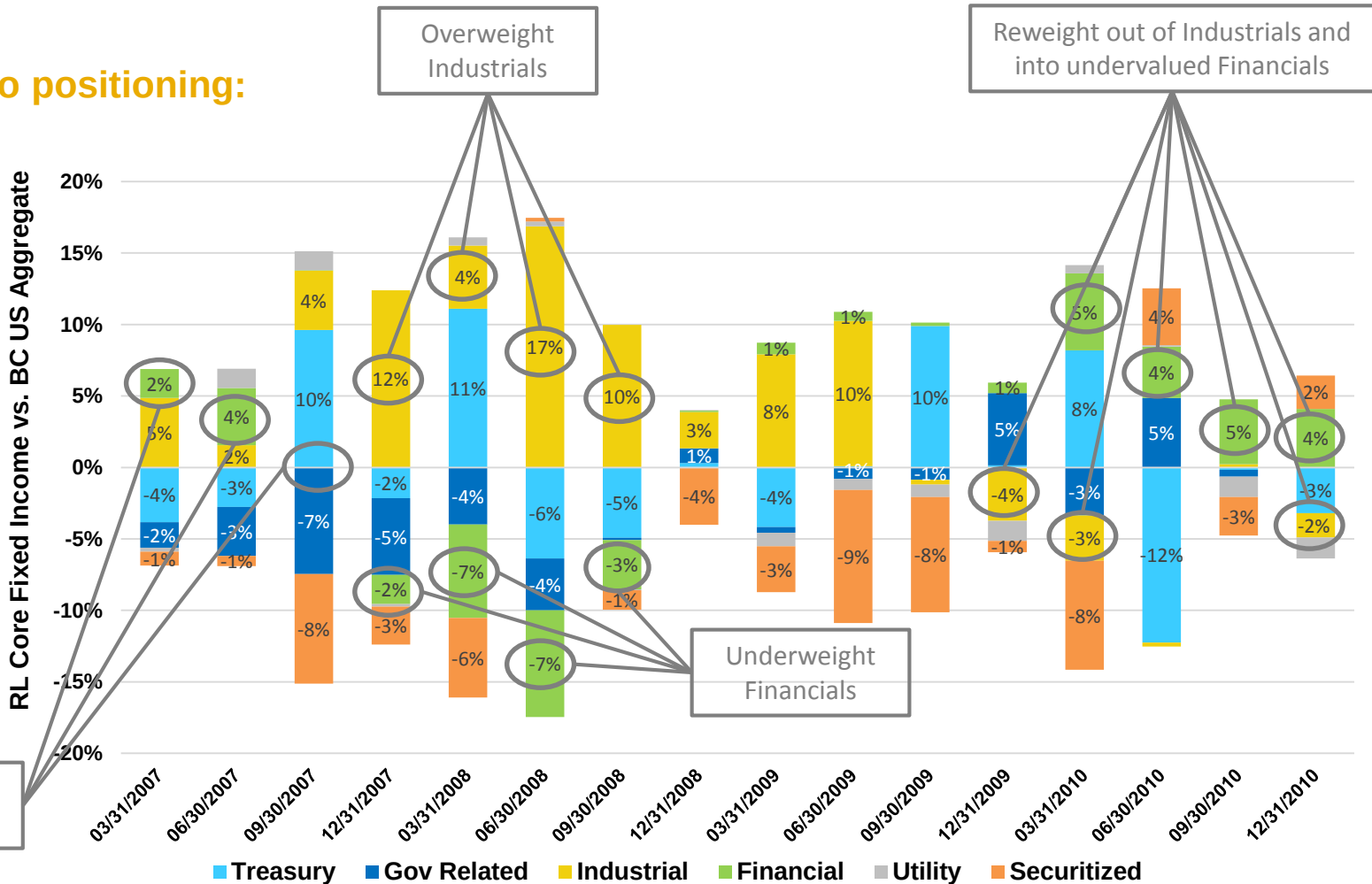
Evaluation of tight spreads in Financials caused us to sell holdings and rotate into the undervalued Industrial sector. This emphasizes the importance of sell discipline when valuations are not justified.

Throughout 2009, our agile team saw good opportunities and moved quickly to invest.



FINANCIAL CRISIS 2007 -2010

Portfolio positioning:



Source: Benchmark data from Barclays Live. RL Core Fixed Income from representative account.

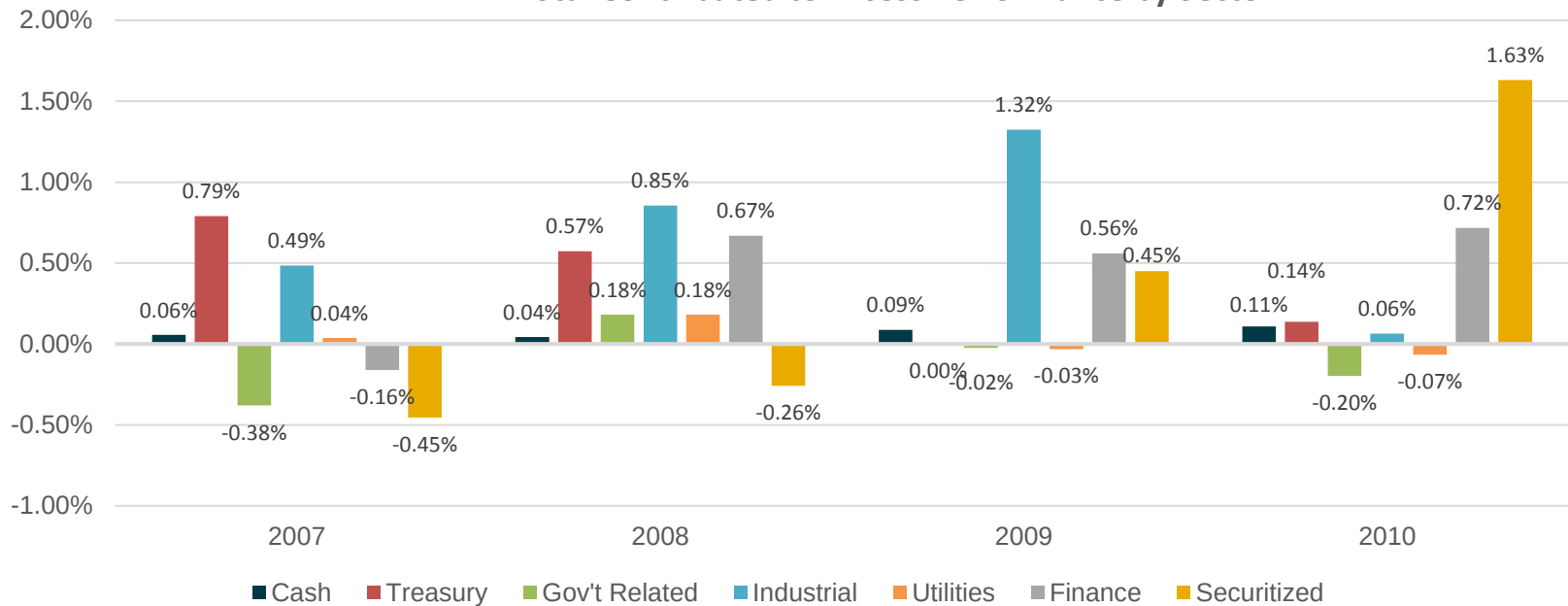
A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

FINANCIAL CRISIS 2007 -2010

Results:

Total Performance	2007	2008	2009	2010
RL Core Fixed Income	7.34	7.48	8.30	8.94
Bloomberg Barclays US Aggregate	6.97	5.24	5.93	6.54
Performance Difference	0.37	2.24	2.37	2.40
Total Excess Performance	0.37	2.24	2.37	2.40
Sector Allocation	-0.02	-2.83	2.74	0.92
Issue Selection	0.35	5.19	-0.23	1.84
Trading + Other	0.04	-0.11	-0.15	-0.37

Total Contributed to Excess Performance by Sector



Source: Benchmark data from Barclays Live. RL Core Fixed Income from representative account.

A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

OUTPERFORMANCE IN A TOUGH MARKET: 2011

Our focus on issue selection and targeted, focused trade ideas (not on a macro level) enabled us to weather this crisis.

In 2011, despite being in a formal macroeconomic recovery, the market experienced significant credit stress.

Eurozone crisis contagion and questions around Euro currency solvency put substantial stress on Portuguese, Italian, Greek and Spanish debt, creating wide spreads within certain sectors.

We remained duration neutral which helped mitigate risk as the absolute return of the portfolio was substantial.

As a result, we outperformed in a very tough credit year, providing 1st quartile returns.



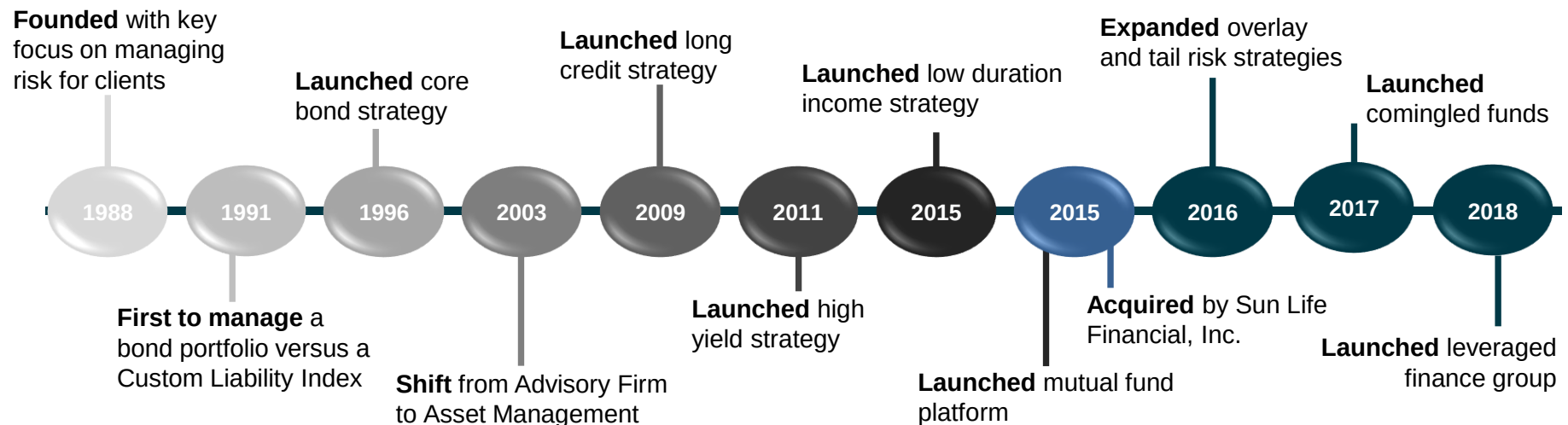
Source: In 2011, the RL Core Fixed Income strategy returned 7.99% on a gross basis versus the Barclays Aggregate's 7.84% return.

A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

APPENDIX

ALPHA FOCUSED + RISK OPPORTUNISTIC

Specializing in total return strategies and liability driven investment solutions for institutional investors.



A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

CHRIS ADAIR

SENIOR MANAGING DIRECTOR, SALES AND STRATEGY

Chris is the Senior Managing Director - Head of Sales, Client Service & Strategy. In this role, Chris provides customized comprehensive portfolio solutions, including traditional fixed income, overlay, and tail-hedging solutions. Chris works closely with clients and plan sponsors focusing on traditional fixed income allocations, opportunistic customized fixed income, de-risking glide paths, pension settlements and terminations. Additionally he works with clients on implementing overlay risk solutions at the portfolio level including tail-hedging solutions, passive and active duration, equity, and currency.

Chris has been advising and working with corporations, consultants, hedge funds, pension plans, endowments, and foundations on accessing and managing a variety of market beta risk for 23 years. Chris holds a B.S. in Finance from Babson College



MICHAEL DONELAN, CFA

MANAGING DIRECTOR, PORTFOLIO MANAGER

Michael Donelan is a Managing Director and Portfolio Manager for Ryan Labs. Mike joined the firm in 2003 as portfolio manager and Director of Trading. His experience includes fundamental and technical research as well as trading a wide spectrum of fixed income securities.

Prior to joining Ryan Labs, Mike held positions as principal investment officer for the New York State Insurance Fund, Director of Asset Management at Native Nations Asset Management, Senior Portfolio Manager with Butterfield Asset Management in Bermuda, portfolio manager and trader at ABN-AMRO Bank, and trader at Brown Brothers Harriman.

Mike holds a B.S. in finance from the Seton Hall University and an M.B.A from Fordham University. He is a CFA charterholder.



DANIEL J. LUCEY, CFA

MANAGING DIRECTOR, PORTFOLIO MANAGER

Daniel Lucey Jr. is a Managing Director and Portfolio Manager for Ryan Labs. D.J. joined the firm in 2009 as an institutional portfolio strategist. In that role, D.J. was responsible for liability driven investing and fixed income research, strategy and communicating Ryan Labs' investment philosophy, capital market climate and underlying positions to institutional clients. He also assisted Ryan Labs with asset/liability strategies and credit research.

In 2010, D.J. was promoted to Portfolio Manager, focusing on the structured product sector. He co-manages the short duration, core, and custom LDI portfolios as part of the Ryan Labs portfolio management team. His responsibilities include performing credit research and valuation, and managing and trading the ABS, CMBS, and MBS sectors. His prior experience includes actuarial analysis, pension fund asset and liability valuation, and pension industry research.

Prior to joining Ryan Labs, D.J. was a senior research analyst with Cerulli Associates, a strategy research and consulting firm specializing in the financial services industry. His primary research focus was on the institutional fund management industry. Past research and articles he has authored have covered institutional asset allocation and asset/liability management, liability-driven investment strategies and the use of alternatives in pensions.

D.J. holds a B.A. in economics from the College of the Holy Cross. He is a CFA charterholder.



ANNETTE SERRAO, CFA

DIRECTOR, CREDIT RESEARCH

Annette Serrao is a Credit Analyst at Ryan Labs. Her primary responsibilities include conducting detailed credit research, trading and supporting the portfolio management team.

Ms. Serrao joined the firm in July, 2010 as a marketing analyst. In 2014, she was promoted to a Portfolio Strategist position in which her responsibilities included conducting asset liability analysis and performance attribution analysis of fixed income portfolios, maintaining GIPS compliance and composite management.

Annette previously served as an Associate for two years at Tata Consultancy Services, India, Banking, Financial Services and Insurance sector (BFSI), leading data warehousing projects related to credit cards, mortgages, personal loans and auto loans across different geographies.

Annette is a graduate of Pace University, where she earned her M.B.A. degree from Lubin School of Business, with a major in Finance. She additionally holds a B.E. in Computer Engineering from Mumbai University, India. She is a CFA charter holder.



CORE FIXED INCOME ATTRIBUTION SINCE INCEPTION ENDING 3/31/2019

Horizon: 6/30/1996 to 3/31/2019		Ryan Labs Core Fixed Income (Portfolio Gross Performance)	Bloomberg Barclays Aggregate (Benchmark Performance)	Difference
RISK				
1. Annualized Standard Deviation (Volatility)	%	3.63	3.39	0.24
2. Minimum Periodic Return	%	-3.16	-3.36	0.20
3. Maximum Periodic Return	%	3.88	3.73	0.15
4. Beta (Sensitivity to Benchmark)		102.45		
5. R-Squared	%	90.86		
6. Correlation	%	95.32		
7. Annualized Tracking Error	bp	106.12		
8. Shortfall Frequency	%	36.63		
9. Average Shortfall	bp	17.62		
10. Downside Capture Ratio	%	92.85	100.00	
REWARD				
11. Annualized Total Return	%	5.91	5.15	0.76
12. Average Periodic Return	bp	48.54	42.40	6.14
13. Cumulative Total Return	%	269.50	213.33	56.16
14. Excess Return Frequency	%	63.37		
15. Average Excess Return	bp	19.87		
16. Upside Capture Ratio	%	107.26	100.00	
RISK ADJUSTED RETURN				
17. Sharpe Ratio		1.01	0.85	0.15
18. Information Ratio		0.72		

All series and calculations are based upon monthly gross returns

Portfolio = Ryan Labs Core Fixed Income

Benchmark = Bloomberg Barclays Aggregate

Risk Free Rate = Merrill Lynch 91 day T-Bill



A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

CORE FIXED INCOME ATTRIBUTION FIFTEEN YEARS ENDING 3/31/2019

Horizon: 3/31/2004 to 3/31/2019		Ryan Labs Core Fixed Income (Portfolio Gross Performance)	Bloomberg Barclays Aggregate (Benchmark Performance)	Difference
RISK				
1. Annualized Standard Deviation (Volatility)	%	3.32	3.21	0.11
2. Minimum Periodic Return	%	-2.70	-2.60	-0.10
3. Maximum Periodic Return	%	3.88	3.73	0.15
4. Beta (Sensitivity to Benchmark)		98.06		
5. R-Squared	%	88.70		
6. Correlation	%	94.18		
7. Annualized Tracking Error	bp	107.14		
8. Shortfall Frequency	%	30.00		
9. Average Shortfall	bp	17.91		
10. Downside Capture Ratio	%	82.89	100.00	
REWARD				
11. Annualized Total Return	%	4.81	3.89	0.92
12. Average Periodic Return	bp	39.67	32.25	7.42
13. Cumulative Total Return	%	102.28	77.16	25.12
14. Excess Return Frequency	%	70.00		
15. Average Excess Return	bp	18.28		
16. Upside Capture Ratio	%	106.67	100.00	
RISK ADJUSTED RETURN				
17. Sharpe Ratio		1.03	0.79	0.25
18. Information Ratio		0.86		

All series and calculations are based upon monthly gross returns

Portfolio = Ryan Labs Core Fixed Income

Benchmark = Bloomberg Barclays Aggregate

Risk Free Rate = Merrill Lynch 91 day T-Bill



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CORE FIXED INCOME ATTRIBUTION

TEN YEARS ENDING 3/31/2019

Horizon: 3/31/2009 to 3/31/2019		Ryan Labs Core Fixed Income (Portfolio Gross Performance)	Bloomberg Barclays Aggregate (Benchmark Performance)	Difference
RISK				
1. Annualized Standard Deviation (Volatility)	%	2.97	2.83	0.14
2. Minimum Periodic Return	%	-2.14	-2.37	0.22
3. Maximum Periodic Return	%	2.95	2.10	0.85
4. Beta (Sensitivity to Benchmark)		98.89		
5. R-Squared	%	87.21		
6. Correlation	%	93.39		
7. Annualized Tracking Error	bp	100.50		
8. Shortfall Frequency	%	27.50		
9. Average Shortfall	bp	19.33		
10. Downside Capture Ratio	%	82.23	100.00	
REWARD				
11. Annualized Total Return	%	4.80	3.77	1.04
12. Average Periodic Return	bp	39.54	31.18	8.35
13. Cumulative Total Return	%	59.86	44.72	15.14
14. Excess Return Frequency	%	72.50		
15. Average Excess Return	bp	18.85		
16. Upside Capture Ratio	%	109.79	100.00	
RISK ADJUSTED RETURN				
17. Sharpe Ratio		1.46	1.17	0.29
18. Information Ratio		1.03		

All series and calculations are based upon monthly gross returns

Portfolio = Ryan Labs Core Fixed Income

Benchmark = Bloomberg Barclays Aggregate

Risk Free Rate = Merrill Lynch 91 day T-Bill



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CORE FIXED INCOME ATTRIBUTION

FIVE YEARS ENDING 3/31/2019

Horizon: 3/31/2014 to 3/31/2019		Ryan Labs Core Fixed Income (Portfolio Gross Performance)	Bloomberg Barclays Aggregate (Benchmark Performance)	Difference
RISK				
1. Annualized Standard Deviation (Volatility)	%	2.91	2.83	0.07
2. Minimum Periodic Return	%	-2.14	-2.37	0.22
3. Maximum Periodic Return	%	2.58	2.10	0.48
4. Beta (Sensitivity to Benchmark)		100.67		
5. R-Squared	%	93.17		
6. Correlation	%	96.53		
7. Annualized Tracking Error	bp	55.98		
8. Shortfall Frequency	%	28.33		
9. Average Shortfall	bp	10.33		
10. Downside Capture Ratio	%	93.71	100.00	
REWARD				
11. Annualized Total Return	%	3.50	2.74	0.76
12. Average Periodic Return	bp	29.03	22.90	6.14
13. Cumulative Total Return	%	18.75	14.48	4.27
14. Excess Return Frequency	%	71.67		
15. Average Excess Return	bp	12.65		
16. Upside Capture Ratio	%	110.84	100.00	
RISK ADJUSTED RETURN				
17. Sharpe Ratio		0.94	0.70	0.24
18. Information Ratio		1.35		

All series and calculations are based upon monthly gross returns

Portfolio = Ryan Labs Core Fixed Income

Benchmark = Bloomberg Barclays Aggregate

Risk Free Rate = Merrill Lynch 91 day T-Bill



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CORE FIXED INCOME ATTRIBUTION

THREE YEARS ENDING 3/31/2019

Horizon: 3/31/2016 to 3/31/2019		Ryan Labs Core Fixed Income (Portfolio Gross Performance)	Bloomberg Barclays Aggregate (Benchmark Performance)	Difference
RISK				
1. Annualized Standard Deviation (Volatility)	%	2.86	2.93	-0.08
2. Minimum Periodic Return	%	-2.14	-2.37	0.22
3. Maximum Periodic Return	%	2.12	1.92	0.20
4. Beta (Sensitivity to Benchmark)		96.32		
5. R-Squared	%	92.40		
6. Correlation	%	96.13		
7. Annualized Tracking Error	bp	44.72		
8. Shortfall Frequency	%	27.78		
9. Average Shortfall	bp	7.01		
10. Downside Capture Ratio	%	87.14	100.00	
REWARD				
11. Annualized Total Return	%	2.91	2.03	0.88
12. Average Periodic Return	bp	24.27	17.09	7.18
13. Cumulative Total Return	%	8.99	6.20	2.78
14. Excess Return Frequency	%	72.22		
15. Average Excess Return	bp	12.64		
16. Upside Capture Ratio	%	110.19	100.00	
RISK ADJUSTED RETURN				
17. Sharpe Ratio		0.60	0.28	0.32
18. Information Ratio		1.98		

All series and calculations are based upon monthly gross returns

Portfolio = Ryan Labs Core Fixed Income

Benchmark = Bloomberg Barclays Aggregate

Risk Free Rate = Merrill Lynch 91 day T-Bill



A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

CORE FIXED INCOME ATTRIBUTION

ONE YEAR ENDING 3/31/2019

Horizon: 3/31/2018 to 3/31/2019		Ryan Labs Core Fixed Income (Portfolio Gross Performance)	Bloomberg Barclays Aggregate (Benchmark Performance)	Difference
RISK				
1. Annualized Standard Deviation (Volatility)	%	3.04	3.07	-0.03
2. Minimum Periodic Return	%	-0.82	-0.79	-0.03
3. Maximum Periodic Return	%	2.12	1.92	0.20
4. Beta (Sensitivity to Benchmark)		97.71		
5. R-Squared	%	82.07		
6. Correlation	%	90.59		
7. Annualized Tracking Error	bp	48.95		
8. Shortfall Frequency	%	33.33		
9. Average Shortfall	bp	13.14		
10. Downside Capture Ratio	%	89.33	100.00	
REWARD				
11. Annualized Total Return	%	4.76	4.48	0.28
12. Average Periodic Return	bp	39.21	36.99	2.23
13. Cumulative Total Return	%	4.76	4.48	0.28
14. Excess Return Frequency	%	66.67		
15. Average Excess Return	bp	9.91		
16. Upside Capture Ratio	%	100.21	100.00	
RISK ADJUSTED RETURN				
17. Sharpe Ratio		0.84	0.74	0.10
18. Information Ratio		0.57		

All series and calculations are based upon monthly gross returns

Portfolio = Ryan Labs Core Fixed Income

Benchmark = Bloomberg Barclays Aggregate

Risk Free Rate = Merrill Lynch 91 day T-Bill



A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

IMPLEMENTATION: STRUCTURE REPORT BY MATURITY 3/31/2019

Cell	Weight (%)	Num Issues	Par Value	Market Value	Coupon (%)	Price (\$)	YTW (%)	Term (Yrs.)	MDur (Yrs.)	Conv (Yrs²)
CASH	3.13	1	3,922,042	3,922,042	0.00	100.00	0.00	0.00	0.00	0.00
0.00 - 1.00	1.37	6	1,719,527	1,715,671	3.05	99.53	3.53	0.62	0.61	0.01
1.00 - 3.00	15.09	38	18,846,577	18,935,000	3.51	100.19	3.42	1.96	1.87	0.04
3.00 - 5.00	22.06	56	27,491,510	27,683,256	4.05	100.54	3.92	3.86	3.54	0.14
5.00 - 7.00	13.35	39	16,700,841	16,754,466	3.70	100.17	3.67	5.86	5.20	0.33
7.00 - 10.0	26.49	52	32,932,085	33,240,606	3.47	100.63	3.39	8.41	7.11	0.68
10.00 - 20.00	4.17	11	5,107,322	5,228,701	4.01	102.14	3.76	13.96	10.42	1.41
20.00 +	14.35	33	17,281,811	18,014,573	4.05	104.22	3.80	27.13	16.67	3.82
TOTAL	100.00	236	124,001,715	125,494,315	3.62	101.03	3.52	8.64	6.48	0.87

Notes: Based on a Core Fixed Income Representative Account

YTW = Yield to Worst
 Term = Term (to Workout Date)
 MDur = Modified Duration
 Conv = Convexity



A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

IMPLEMENTATION: STRUCTURE COMPARISON REPORT BY MATURITY 3/31/2019

Cell	Representative Account					Bloomberg Barclays Aggregate					Difference				
	Weight (%)	Coupon (%)	YTW (%)	MDur (%)	Conv (Yrs ²)	Weight (%)	Coupon (%)	YTW (%)	MDur (%)	Conv (Yrs ²)	Weight (%)	Coupon (%)	YTW (%)	MDur (%)	Conv (Yrs ²)
CASH	3.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.13	0.00	0.00	0.00	0.00
0.00 - 1.00	1.37	3.05	3.53	0.61	0.01	0.00	0.00	0.00	0.00	0.00	1.37	3.05	3.53	0.61	0.01
1.00 - 3.00	15.09	3.51	3.42	1.87	0.04	21.83	2.42	2.46	1.83	0.05	-6.74	1.08	0.96	0.04	-0.01
3.00 - 5.00	22.06	4.05	3.92	3.54	0.14	18.49	2.82	2.59	3.62	0.17	3.57	1.22	1.33	-0.08	-0.03
5.00 - 7.00	13.35	3.70	3.67	5.20	0.33	17.73	3.43	2.90	4.86	0.35	-4.38	0.28	0.77	0.34	-0.02
7.00 - 10.0	26.49	3.47	3.39	7.11	0.68	25.59	3.37	3.10	6.17	0.61	0.89	0.10	0.28	0.94	0.07
10.00 - 20.00	4.17	4.01	3.76	10.42	1.41	3.70	5.62	3.99	10.52	1.49	0.46	-1.61	-0.23	-0.10	-0.08
20.00 +	14.35	4.05	3.80	16.67	3.82	12.65	4.01	3.60	16.24	3.62	1.70	0.05	0.19	0.43	0.20
TOTAL	100.00	3.62	3.52	6.48	0.87	100.00	3.21	2.93	5.96	0.78	0.00	0.41	0.59	0.52	0.09

Notes: Based on a Core Fixed Income Representative Account

YTW = Yield to Worst

MDur = Modified Duration (to Workout Date)

Conv = Convexity



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PERFORMANCE REPORT BY SECTOR

3/31/2019

Cell	Representative Account						Bloomberg Barclays Aggregate						Difference					
	Weight (%)	Daily Return	MTD Return	QTD Return	YTD Return	Cumm Return	Weight (%)	Daily Return	MTD Return	QTD Return	YTD Return	Cumm Return	Weight (%)	Daily Return	MTD Return	QTD Return	YTD Return	Cumm Return
Cash	3.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.13	0.00	0.00	0.00	0.00	0.00
Treasury	18.16	0.01	3.31	3.32	3.32	6.22	39.23	-0.13	1.91	2.11	2.11	4.21	-21.07	0.14	1.40	1.21	1.21	2.01
Agency	0.26	0.01	4.88	16.98	16.98	17.61	2.73	-0.08	1.63	2.54	2.54	3.82	-2.47	0.10	3.25	14.44	14.44	13.78
Local Authority	0.00	0.00	0.00	0.00	0.00	0.00	0.91	-0.14	3.20	4.18	4.18	5.29	-0.91	0.14	-3.20	-4.18	-4.18	-5.29
Sovereign	0.39	0.01	2.19	4.36	4.36	4.42	0.96	0.01	2.86	6.22	6.22	6.36	-0.57	0.00	-0.67	-1.86	-1.86	-1.94
Supranational	0.00	0.00	0.00	0.00	0.00	0.00	1.45	-0.11	1.08	1.56	1.56	3.85	-1.45	0.11	-1.08	-1.56	-1.56	-3.85
Industrial	10.71	0.01	2.63	6.18	6.18	3.76	14.86	-0.08	2.73	5.50	5.50	4.96	-4.16	0.09	-0.10	0.68	0.68	-1.21
Utility	4.03	0.01	3.01	6.62	6.62	1.84	1.71	-0.11	3.27	4.57	4.57	3.62	2.31	0.13	-0.26	2.04	2.04	-1.78
Finance	9.11	0.01	2.06	4.69	4.69	3.69	7.92	-0.08	1.92	4.61	4.61	5.18	1.19	0.09	0.15	0.08	0.08	-1.49
MBS Pass Thru	20.48	0.01	1.58	2.35	2.35	4.70	27.73	-0.05	1.46	2.17	2.17	4.43	-7.24	0.06	0.13	0.18	0.18	0.27
Asset Backed	18.18	0.01	1.77	2.46	2.46	4.38	0.51	-0.07	0.72	1.48	1.48	3.68	17.67	0.08	1.05	0.98	0.98	0.70
CMBS	12.73	0.01	1.78	3.82	3.82	7.78	1.94	-0.20	1.75	3.24	3.24	5.43	10.79	0.21	0.03	0.58	0.58	2.35
Covered	0.00	0.00	0.00	0.00	0.00	0.00	0.03	-0.07	0.63	1.17	1.17	3.31	-0.03	0.07	-0.63	-1.17	-1.17	-3.31
CMO	2.82	0.01	1.41	1.71	1.71	3.78	0.00	0.00	0.00	0.00	0.00	0.00	2.82	0.01	1.41	1.71	1.71	3.78
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	100.00	0.01	2.15	3.53	3.53	4.70	100.00	-0.09	1.92	2.94	2.94	4.48	0.00	0.10	0.23	0.59	0.59	0.21

Notes:

- Based on a Core Fixed Income Representative Account
- % Weight = Percent of Total Portfolio Weight
- Daily Return = Total Return For the Day
- MTD Return = Total Return Since End Of Previous Month
- QTD Return = Total Return Since End of Last Calendar Quarter
- YTD Return = Total Return Since End Of Previous Year
- Cumm Ret = Cumulative Total Return Since 3/31/2018



CORE FIXED INCOME PERFORMANCE DATA

Year	Total Return Gross (%)	Total Return Net (%)	Benchmark Return (%)	Number of Portfolios	Composite 3-Yr Std Dev	Benchmark 3-Yr Std Dev	Dispersion (%)	Composite Assets (\$mil)	Firm Assets (\$mil)	% of Firm Assets
2008	6.87	6.55	5.24	5	N/A	N/A	N/A	149.71	2,174.68	6.88
2009	7.92	7.59	5.93	5	N/A	N/A	0.47	134.91	2,901.45	4.65
2010	8.72	8.40	6.54	5	N/A	N/A	0.16	148.64	3,479.72	4.27
2011	7.98	7.66	7.84	8	2.93	2.78	N/A	220.28	4,039.24	5.45
2012	6.17	5.86	4.22	8	2.50	2.38	0.47	322.34	4,449.82	7.25
2013	-0.92	-1.21	-2.02	9	2.92	2.71	0.15	419.81	4,096.52	10.25
2014	7.07	6.75	5.97	12	2.76	2.63	0.14	564.65	5,142.90	10.98
2015	0.80	0.50	0.55	16	3.06	2.88	0.09	763.32	5,715.41	13.36
2016	3.80	3.49	2.65	15	3.13	2.98	0.17	625.66	6,132.60	10.20
2017	4.55	4.25	3.54	19	2.98	2.81	0.25	1,347.60	7,706.24	17.49
2018	0.09	-0.16	0.01	22	2.81	3.12	0.09	1,636.86	8,331.13	19.65

Ryan Labs claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Ryan Labs has been independently verified for the periods 6/30/2003 to 12/31/2017. The verification report(s) is/are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Portfolios Characteristics: Ryan Labs Core Fixed Income Composite was created in June 30, 1996. The composite includes all non-wrap taxable investment grade fixed income portfolios benchmarked to the Bloomberg Barclays Aggregate Index with an asset allocation of 100% investment grade securities. A complete list and description of all the firm composites is available upon request. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Ryan Labs has adopted a significant cash flow policy if an account experiences a cash flow greater than 10% of market value. This policy is effective January 1, 2014.

The Bloomberg Barclays Aggregate Index is composed of domestic investment grade fixed income securities with maturities of 1-to-30 years. Pursuant to the rules of the Index, the Index's portfolio must (i) have at least one year to final maturity, (ii) have at least \$300 million par amount outstanding, (iii) be fixed rate, (iv) be U.S. dollar denominated and non-convertible, (v) and be publicly issued. Indexes are unmanaged and are not subject to transaction charges or expenses. An investor may not invest directly in an index.

Calculation Methodology: Gross-of-fees returns are calculated gross of management and custodial fees, and gross of taxes on dividends and interest, and net of transaction costs. Net-of-fees returns are calculated on a monthly basis using the highest annual management fee (25 bps) from Ryan Labs fee schedule, which is also outlined in the firm's Form ADV Part 2. Composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. The dispersion measure is the asset-weighted standard deviation of accounts in the composite for the entire year. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period.

Ryan Labs Asset Management is an investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Registration with the U.S. Securities and Exchange Commission as an investment advisor does not imply a certain level of skill or training. We offer actively managed fixed income separate account vehicles to institutional investors. Our fee schedule is: 0.250% on the first \$100 million, 0.150% on the next \$200 million, 0.120% on the next \$200 million, 0.100% on the next \$500 million, 0.080% on the next \$500 million, and 0.050% on the balance in excess of \$1.5 billion.

Disclosures & Footnotes: As of January 1, 2014, the composite name was changed from "Broad Market Enhanced(BME)" to "Core Fixed Income". There were no underlying changes to the strategy. Past performance of the account is not indicative of future results. Risk return characteristics are based on returns from the trailing five-year period, and do not reflect the deduction of advisory fees. Performance results are based on U.S. dollar returns. The investment advisory fee charged to each investor causes their return to be lower than the gross returns presented above. Investment results may vary. No assurance can be given that the investment objective will be achieved, and an investor may lose money. Due to current market volatility, current performance may be lower than that of the figures shown. This material is intended for informational purposes only and does not constitute investment advice, a recommendation, or an offer or solicitation to purchase or sell any security or other instrument. The account's total return will fluctuate over a wider range than money market investments due to greater sensitivity to (i) interest rates, (ii) market conditions, (iii) and maturities.



SEPARATE ACCOUNT FEE SCHEDULE

Market Enhanced Fee Schedule		
First	\$100,000,000	0.250%
Next	\$200,000,000	0.150%
Next	\$200,000,000	0.120%
Next	\$500,000,000	0.100%
Next	\$500,000,000	0.080%
Next	\$1,000,000,000	0.050%

Full fee schedule available in Form ADV.



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COMPOSITE PERFORMANCE SUMMARY

3/31/2019

<i>Discretionary Composites</i>	Current Quarter	1 Year	3 Years	5 Year	SID	Value Added ¹	Risk ^{2,3}	Start Date	Tracking ^{2,4} Error	Info ^{2,5} Ratio
Short Duration Government (Gross)	1.00%	2.69%	1.07%	1.06%	3.78%	0.33%	1.54%	12/31/1993	0.53%	0.62
Short Duration Government (Net)	0.94%	2.43%	0.79%	0.78%	3.47%	0.02%				
Barclays Treasury 1 to 3 Year Index	0.99%	2.73%	0.98%	0.98%	3.45%		1.53%			
Short Duration Government/Credit (Gross)	1.59%	3.35%	1.66%	1.44%	1.67%	0.19%	0.79%	6/30/2009	0.19%	0.99
Short Duration Government/Credit (Net)	1.52%	3.09%	1.39%	1.15%	1.37%	-0.11%				
Barclays Gov't/Credit 1 to 3 Year	1.21%	3.03%	1.32%	1.22%	1.48%		0.81%			
Low Duration Income (Gross)	2.16%	4.29%	2.97%		2.92%	1.56%	1.04%	8/31/2015	0.54%	2.91
Low Duration Income (Net)	2.05%	3.82%	2.57%		2.53%	1.17%				
Barclays Gov't/Credit 1 to 3 Year Index	1.21%	3.03%	1.32%		1.36%		0.86%			
Limited Duration Credit (Gross)	2.81%	4.53%	2.31%	2.23%	2.73%	0.08%	1.76%	6/30/2009	0.42%	0.20
Limited Duration Credit (Net)	2.75%	4.27%	2.05%	1.95%	2.48%	-0.17%				
Barclays Credit 0 to 5 Year Index	2.39%	4.27%	2.08%	2.05%	2.64%		1.85%			
Limited Duration Government/Credit (Gross)	2.05%	3.88%	1.93%		2.15%	0.47%	1.32%	11/30/2015	0.36%	1.29
Limited Duration Government/Credit (Net)	1.99%	3.62%	1.65%		1.87%	0.19%				
Barclays Gov't/Credit 1 to 5 Year Index	1.62%	3.54%	1.41%		1.68%		1.40%			
Intermediate Government/Credit (Gross)	2.48%	4.13%	2.03%	2.41%	4.82%	0.35%	2.95%	1/31/2000	0.75%	0.47
Intermediate Government/Credit (Net)	2.42%	3.87%	1.75%	2.12%	4.51%	0.04%				
Barclays Gov't/Credit Intermediate Index	2.32%	4.24%	1.66%	2.12%	4.47%		2.96%			
Core Fixed Income Intermediate (Gross)	3.63%	3.91%	3.03%		3.08%	1.17%	2.26%	12/31/2014	0.82%	1.42
Core Fixed Income Intermediate (Net)	3.57%	3.67%	2.79%		2.81%	0.90%				
Barclays Aggregate Intermediate Index	2.28%	2.79%	1.53%		1.91%		1.99%			

¹ Since inception value added over benchmark | ² Risk calculations based upon return since inception | ³ Annualized standard deviation of monthly returns (volatility) | ⁴ Annualized standard deviation of monthly differential returns

⁵ Value added per unit of tracking error

Past performance of the account is not indicative of future results. The performance above is gross of all fees and expenses for the stated period and assumes reinvestment of dividends and other earnings. Risk Return characteristics are based on returns from inception of each account through present and do not reflect the deduction of advisory fees. An advisory fee reduces the investor's return and any other expenses Ryan Labs may incur managing the investment advisory account. The investment advisory fees are described in Part II of the Ryan Labs Form ADV. The investment advisory fee charged to each investor causes their return to be lower than the gross returns presented above. Net of fees returns are calculated on a monthly basis using the highest annual management fee (30 bps) from Ryan Labs fee schedule. Gross of fees returns are calculated gross of management and custodial fees and net of transaction costs. Composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Accruals for all securities are included in calculations. No assurance can be given that the investment objective will be achieved, and an investor may lose money. Due to current market volatility, current performance may be lower than that of the figures shown.

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A full disclosure presentation is an integral part of this report, and is attached in the appendix. Returns shown are total returns gross of fees.

COMPOSITE PERFORMANCE SUMMARY

3/31/2019

<i>Discretionary Composites</i>	Current Quarter	1 Year	3 Years	5 Year	SID	Value Added ¹	Risk ^{2,3}	Start Date	Tracking ^{2,4} Error	Info ^{2,5} Ratio
Core Fixed Income (Gross)	3.44%	4.76%	2.91%	3.50%	5.91%	0.76%	3.63%	6/30/1996	1.06%	0.72
Core Fixed Income (Net)	3.37%	4.50%	2.63%	3.20%	5.60%	0.45%				
Barclays Aggregate Index	2.94%	4.48%	2.03%	2.74%	5.15%		3.39%			
Government/Credit (Gross)	3.31%	4.35%	2.26%	3.00%	5.08%	0.90%	3.90%	7/31/2007	0.92%	0.98
Government/Credit (Net)	3.24%	4.08%	1.99%	2.71%	4.77%	0.60%				
Barclays Gov't/Credit Index	3.26%	4.48%	2.12%	2.78%	4.18%		3.87%			
Long Credit (Gross)	8.22%	4.93%	5.47%	5.90%	9.06%	1.17%	7.74%	6/30/2009	1.07%	1.10
Long Credit (Net)	8.15%	4.67%	5.19%	5.60%	8.74%	0.86%				
Barclays Credit Long Index	7.86%	4.58%	5.21%	5.38%	7.88%		7.67%			
Long Government/Credit (Gross)	6.58%	5.35%	4.08%	5.89%	7.02%	0.53%	8.39%	12/31/2010	1.03%	0.52
Long Government/Credit (Net)	6.52%	5.09%	3.80%	5.59%	6.71%	0.22%				
Barclays Gov't/Credit Long Index	6.45%	5.24%	3.75%	5.35%	6.49%		8.39%			
Long Government (Gross)	4.63%	6.18%	1.50%	5.56%	6.45%	0.19%	11.02%	1/31/2010	0.60%	0.31
Long Government (Net)	4.57%	5.91%	1.22%	5.27%	6.14%	-0.12%				
Barclays Gov't Long Index	4.64%	6.20%	1.54%	5.43%	6.26%		10.71%			
Long Treasury (Gross)	4.63%	6.17%			4.21%	-0.02%	8.50%	5/31/2017	0.04%	-0.54
Long Treasury (Net)	4.57%	5.91%			3.97%	-0.26%				
Barclays Treasury Long Index	4.67%	6.24%			4.23%		8.51%			
High Yield (Gross)	7.23%	4.13%	7.80%	5.23%	7.00%	0.72%	5.55%	3/31/2011	1.20%	0.60
High Yield (Net)	7.03%	3.35%	7.19%	4.75%	6.57%	0.30%				
Barclays US High Yield	7.26%	5.93%	8.56%	4.68%	6.28%		5.84%			
Inflation Index Enhanced (Gross)	3.08%	2.55%	1.74%	2.08%	4.65%	0.00%	6.08%	5/31/2002	0.62%	0.00
Inflation Index Enhanced (Net)	3.02%	2.29%	1.47%	1.79%	4.34%	-0.31%				
Barclays US TIPS	3.19%	2.70%	1.70%	1.94%	4.65%		5.97%			

¹ Since inception value added over benchmark | ² Risk calculations based upon return since inception | ³ Annualized standard deviation of monthly returns (volatility) | ⁴ Annualized standard deviation of monthly differential returns

⁵ Value added per unit of tracking error

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COMPOSITE PERFORMANCE SUMMARY

3/31/2019

<i>Discretionary Composites</i>	Current Quarter	1 Year	3 Years	5 Year	SID	Value Added ¹	Risk ^{2,3}	Start Date	Tracking ^{2,4} Error	Info ^{2,5} Ratio
LDI Short Duration (Custom 1 to 3 years) (Gross)	2.89%	4.75%	2.21%	2.22%	3.30%	-0.40%	3.62%	10/31/2000	3.42%	-0.12
LDI Short Duration (Custom 1 to 3 years) (Net)	2.80%	4.38%	1.84%	1.85%	2.95%	-0.74%				
Custom Liability Index (1 to 3 Year)	2.10%	3.93%	1.87%	2.01%	3.69%		2.27%			
LDI Intermediate Duration (Custom 3 to 5 Years) (Gross)	2.41%	4.23%	1.76%	2.40%	4.81%	0.17%	3.23%	1/31/1997	0.76%	0.22
LDI Intermediate Duration (Custom 3 to 5 Years) (Net)	2.32%	3.86%	1.39%	2.03%	4.47%	-0.18%				
Custom Liability Index (3 to 5 Year)	1.95%	1.07%	1.79%	2.19%	4.60%		3.47%			
LDI Core Duration (Custom 5 to 7 Years) (Gross)	3.84%	5.20%	2.89%	3.52%	5.47%	0.42%	5.09%	7/31/2001	1.06%	0.39
LDI Core Duration (Custom 5 to 7 Years) (Net)	3.75%	4.83%	2.52%	3.15%	5.11%	0.06%				
Custom Liability Index (5 to 7 Year)	3.62%	4.72%	2.44%	3.36%	5.05%		5.28%			
LDI Long Duration (Custom 7 to 10 Years) (Gross)	4.70%	5.35%	3.02%	4.20%	8.13%	0.74%	7.73%	6/30/1991	1.52%	0.49
LDI Long Duration (Custom 7 to 10 Years) (Net)	4.60%	4.98%	2.65%	3.82%	7.78%	0.39%				
Custom Liability Index (7 to 10 Year)	4.52%	4.92%	2.57%	4.07%	7.39%		7.93%			
LDI Extended Duration (Custom 10 to 16 Years) (Gross)	5.23%	5.61%	3.24%	5.08%	8.44%	1.21%	9.45%	12/31/1999	2.11%	0.57
LDI Extended Duration (Custom 10 to 16 Years) (Net)	5.14%	5.24%	2.87%	4.70%	8.08%	0.85%				
Custom Liability Index (10 to 16 Year)	5.06%	4.98%	2.77%	4.82%	7.23%		9.80%			
Inflation Index Intermediate (Gross)	4.11%	2.46%	0.82%	1.52%	3.94%	0.10%	6.46%	4/30/2003	0.43%	0.24
Inflation Index Intermediate (Net)	4.05%	2.25%	0.57%	1.22%	3.61%	-0.23%				
Custom TIPS Index	4.34%	2.53%	0.86%	1.52%	3.84%		6.57%			

¹ Since inception value added over benchmark | ² Risk calculations based upon return since inception | ³ Annualized standard deviation of monthly returns (volatility) | ⁴ Annualized standard deviation of monthly differential returns

⁵ Value added per unit of tracking error

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DISCLOSURE

Ryan Labs Core Fixed Income composite commenced operations June 30, 1996, as Broad Market Enhanced. As of 1/1/2014, the composite name was changed from "Broad Market Enhanced (BME)" to "Core Fixed Income". There were no underlying changes to the strategy. Past performance of the account is not indicative of future results. Risk Return characteristics are based on returns from the trailing five year period, and do not reflect the deduction of advisory fees. Performance results are based on US dollar returns. The investment advisory fee charged to each investor causes their return to be lower than the gross returns presented above. Investment results may vary. No assurance can be given that the investment objective will be achieved, and an investor may lose money. Due to current market volatility, current performance may be lower than that of the figures shown. This material is intended for informational purposes only and does not constitute investment advice, a recommendation, or an offer or solicitation to purchase or sell any security or other instrument. The Account's total return will fluctuate over a wider range than money market investments due to greater sensitivity to (i) interest rates, (ii) market conditions, (iii) and maturities.

Ryan Labs Core Fixed Income Composite was created in June 30, 1996. The composite includes all taxable investment grade fixed income benchmarked to the Bloomberg Barclays U.S. Aggregate Index with an asset allocation of 100% investment grade securities. A complete list and description of all the firm composites is available upon request. All discretionary accounts managed against the Bloomberg Barclays Aggregate Index are included in the composite. New accounts that fit the composite definition are added at the beginning of the first full calendar month for which the account is under management. Closed account data is included in the composite through the last full month under management. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Gross of fees returns are calculated gross of management and custodial fees, and gross of taxes on dividends and interest, and net of transaction costs. Net of fees returns are calculated on a monthly basis using the highest annual management fee (30 bps) from Ryan Labs fee schedule, which is also outlined in the Firm's Form ADV Part 2. Composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Accruals for all securities are included in calculations. The dispersion measure is the asset-weighted standard deviation of accounts in the composite for the entire year. The three year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period.



DISCLOSURE

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Investment results may vary. No assurance can be given that the investment objective will be achieved, and an investor may lose money. Due to current market volatility, current performance may be lower than that of the figures shown. This material is intended for informational purposes only and does not constitute investment advice, a recommendation, or an offer or solicitation to purchase or sell any security or other instrument. The Account's total return will fluctuate over a wider range than money market investments due to greater sensitivity to (i) interest rates, (ii) market conditions, (iii) and maturities.

The term "modified duration" is derived from the duration of any security or series of securities and provides a measure of the risk with which the sensitivity of bonds or bond portfolios to interest rate changes can be estimated. A 1% increase (or decrease) in the interest rate accordingly produces a percentage fall (or rise) in the price in proportion to the modified duration. For example, assume that the modified duration of a bond portfolio is 4.5 years and the theoretical YTW is 5.3%. If the interest rate drops by 1% to 4.3%, the portfolio price increases by approximately 4.5%.





CORE FIXED INCOME

City of Burlington Employees' Retirement System

May 20, 2019



PRESENTERS & FIRM SUMMARY

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Johnson Asset Management is a national investment management firm based in Cincinnati, Ohio. We are an independent, 100% employee-owned firm with over \$3.4 billion in institutional assets under management and over \$11.5 billion in total firm wide assets under management. We have managed institutional assets since 1976.

Our proven and repeatable Quality-Yield investment approach to building portfolios combined with the extensive experience and continuity of our investment team, has continued to result in a high batting average of success for our clients. Throughout our firm's history, we have never lost an institutional portfolio manager and anyone who has ever directly contributed to our results is still involved in the process.

Our **Core Fixed Income** strategy has outperformed the Aggregate Index for 16 out of the past 17 years.*

Our **Intermediate Fixed Income** strategy has outperformed the Intermediate G/C Index for 16 out of the past 17 years. *

**This performance information is provided by eVestment as of December 31, 2018 and is reflected as gross-of-fees. We have included a complete table highlighting our institutional composite performance (gross and net) and a complete listing of our management fees within this update.*

**This information has been compiled for usage in one-on-one presentations. The performance figures presented are gross of fees and thus do not reflect the deduction of investment advisory fees. The annual investment management fee schedule for the strategy presented is as follows: 0.25% on the first \$50 million, 0.20% on the next \$50 million, 0.10% on the next \$400 million, and 0.05% thereafter. A client's return will be reduced by the advisory fees and any other expenses it may incur in the management of its advisory account. As an example and assuming a 4% annual rate of return, an advisory fee of 0.25% on a \$1,000,000 account diminishes the return by \$2,600 in year 1; \$5,297 by year 2; and \$8,095 by year 3. Further information on investment advisory fees can be found in Part 2A of Johnson Investment Counsel's Form ADV which is available upon request.*



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A STABLE FIRM BUILT FOR OUR CLIENT'S NEEDS

- » Founded in 1965
- » Based in Cincinnati, Ohio
- » Satellite Offices in Chicago and Indianapolis
- » Division of Johnson Investment Counsel
- » Independent and 100% employee-owned
- » Managing institutional assets since 1976
- » Over \$3.4 billion in institutional assets under management—over \$11.5 billion in total firm assets under management
- » Fixed Income Strategy Team has an average of over 20 years industry experience

“Tim Johnson founded the firm on the idea of merging proven portfolio management with his genuine interest in helping people and institutions.”

- Jason Jackman, CFA, President & Chief Investment Officer



A CLIENT FIRST CULTURE

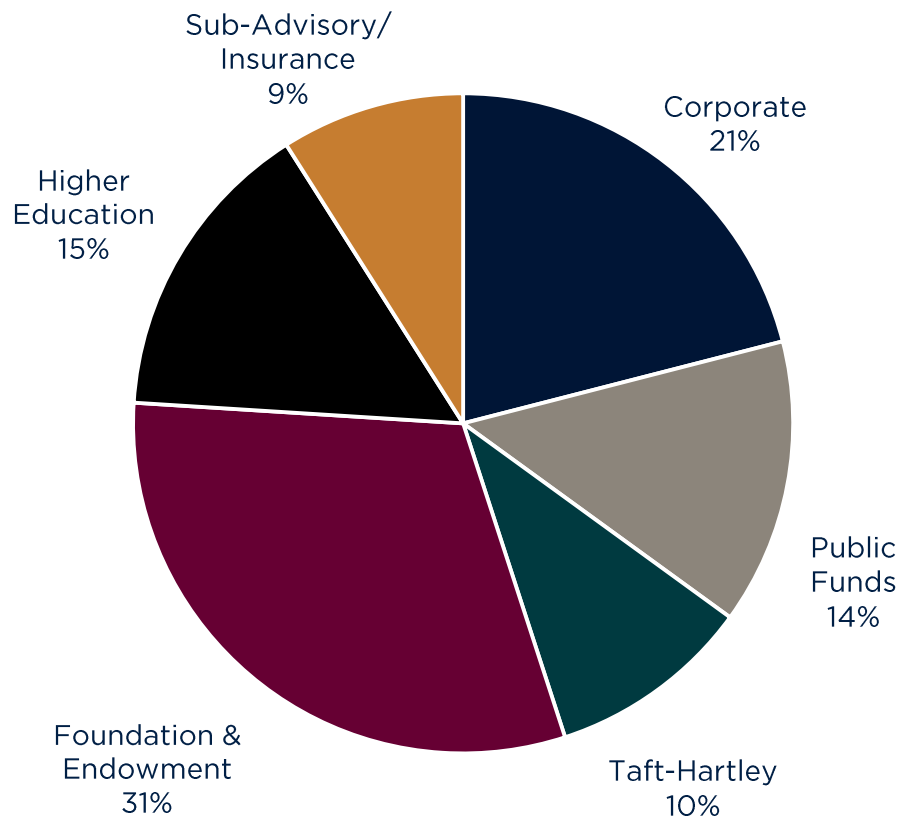
- » Customized institutional Fixed Income solutions since 1976
- » Dedicated client service and full access to the investment team
- » Our independence aligns our interests with that of the clients
- » Customized client reporting and service
- » Independent and 100% employee-owned
- » Open, proactive, and transparent communication in all aspects of our engagement
- » We take a personal approach to deep-rooted and long-term professional relationships

“We don’t sell products.
We build investment partnerships.”

Timothy Johnson, Ph.D.
Founder & Chairman

INSTITUTIONAL ASSETS & CAPABILITIES

Institutional Accounts by Client Type:



Fixed Income Investment Strategies

- Short Duration Fixed Income
- Intermediate Fixed Income
- Core Fixed Income
- Long Duration Fixed Income
- Custom Liability-Driven Investment

Equity Investment Strategies

- Enhanced Index
- SMID Cap Core Equity

Investment Vehicles

- Separate Accounts
- Mutual Funds:
 - Johnson Short Duration Bond Fund (JIBDX)
 - Johnson Intermediate Bond Fund (JIBEX)
 - Johnson Core Bond Fund (JIBFX)
 - Johnson Enhanced Return Fund (JENHX)
 - Johnson Opportunity Fund (JOPPX)

PARTNERING WITH A DIVERSE CLIENT BASE

Corporate

- Diocese of West Tennessee Endowment Corp.
- Mercy Health System
- NCR Corporation
- U.C. Health

Higher Education

- Baker College (MI)
- North Park University (IL)
- Ohio Inter-University Council
- Ohio University & Foundation
- Southern Illinois University
- University of Cincinnati
- University of Dayton

Sub-Advisory/Insurance

- CIRCA – Construction & Risk Captive of America Ltd.
- Covenant Trust Company (IL)
- Hilliard Lyons
- Johnson Bank (WI)
- Private Bank (IL)
- SeaCrest Wealth Management
- WMSH Insurance SPC, Ltd.

Endowment/Foundation

- ArtsWave
- Cincinnati Opera Association
- Cincinnati Playhouse in the Park
- Cincinnati Zoo Foundation
- Christian Theological Seminary
- Columbia St. Mary's Foundation (WI)
- Greater Cincinnati Foundation
- Great Parks of Hamilton County Foundation
- Interact For Health
- Kappa Alpha Theta
- Ohio School Boards Association
- Sacred Heart Schools (IL)
- Saint Thomas Health Fund (TN)
- St. Christopher's School Foundation (VA)
- United Way of Greater Cincinnati

Public Funds

- Chattanooga (TN) Fire and Police Pension Fund
- City of Chattanooga (TN) General Pension Plan
- City of Clawson (MI) Fire Department
- City of Highland Heights (KY)
- Guadalupe-Blanco (TX) River Authority
- Jefferson Health Plan (OH)
- Lyons (IL) Police Pension Fund
- Melrose Park (IL) Firefighters Pension Fund
- Melrose Park (IL) Police Pension Fund
- North Kansas City Police & Fire Retirement Fund
- Ohio Highway Patrol Retirement System
- Ohio School Employees Retirement System
- Vanderburgh County (IN) Police Pension Fund

Taft-Hartley

- Indiana Electrical Workers Pension Trust Fund, IBEW
- IUE Local 475
- Operative Plasterers & Cement Masons Local 109
- Teamsters Local 731 Excavators & Pavers Pension Fund
- Teamsters Local 731 Excavating, Grading & Asphalt Craft H&W Fund
- U.A. Local 198 Plumbers & Pipefitters Pension Fund
- Union Construction Workers Health Plan

FIXED INCOME INVESTMENT TEAM

Fixed Income Strategy Team

Jason Jackman, CFA
President & Chief
Investment Officer, Principal
25 years

Dale Coates, CFA
Vice President &
Portfolio Manager, Principal
36 years

Michael Leisring, CFA
Director of Fixed Income &
Portfolio Manager, Principal
19 years

Brandon Zureick, CFA
Portfolio Manager, Principal
10 years

David Theobald, CFA
Portfolio Manager
11 years

Research

Aaron Taylor, CFA
Research Analyst
Energy, Healthcare,
Materials, Utilities
23 years

William Jung, CFA
Research Analyst
Financials
18 years

Joe Edelstein, CFA
Research Analyst
Consumer Discretionary,
Consumer Staples
13 years

Chris Godby, CFA
Research Analyst
Technology, Telecom
12 years

Bryan Andress
Research Analyst
Industrials
5 years

Brad Morrissey
Research Associate
REITs
2 years

Trading

Ryan Martin, CFA
Research Analyst
5 years

Emilia Connor
Research Associate
& Trader
1 year

Compliance

Scott Bischoff, IACCP
Chief Compliance
Officer, Principal
30 years

Marc Figgins
Director of Fund Services
32 years

Kathy Sias
Risk Officer
21 years



INVESTMENT OBJECTIVE

Objective

Our primary objective across all duration mandates is to outperform the market with comparable volatility by utilizing our proprietary and unique **Quality Yield** investment approach and the deep experience and continuity of our team.

Overall we strive to deliver our clients consistent, long-term investment solutions based upon their unique investment objectives along with customized and proactive client service.

Portfolio

- » 100% investment grade securities
- » Duration between 80% - 120% of benchmark (110% normal)
- » Diversification by sector, issuer and maturity
- » Expected annual turnover between 20%-40%
- » Typical portfolio holds between 60-80 securities
- » No derivatives, no junk, no foreign currency exposure
- » No interest rate speculation



INVESTMENT PHILOSOPHY

Our Fixed Income investment philosophy is based on the following beliefs

- » We believe bonds should act like bonds, especially during periods of stress
- » We believe combining both Quality and Yield produces superior, risk-adjusted returns

The problem with focusing only on quality

- » Produces inferior yield and total return profile (tends to have high government allocation)
- » Limited buffer to rising interest rates
- » Managers often attempt to manufacture alpha through interest rate speculation

The problem with focusing only on yield

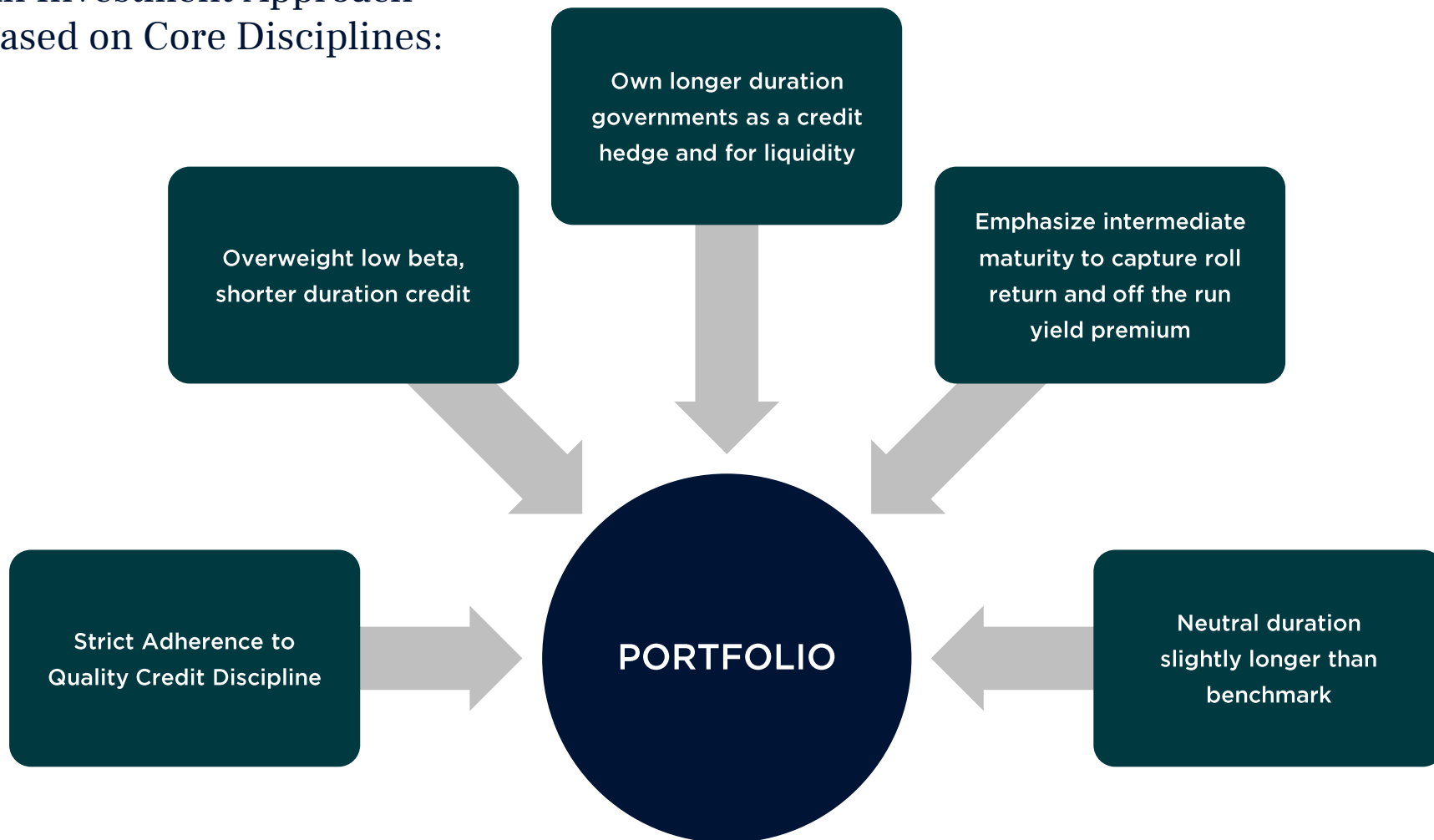
- » Limited downside protection – prone to unpleasant surprises
- » High correlation with equity markets – inferior portfolio diversifier
- » Managers add layers of additional risk – junk, non-dollar, derivatives

“Most managers offer Quality or Yield and miss the sweet spot of offering both.”

Jason Jackman, CFA
President & Chief Investment Officer

INVESTMENT DISCIPLINE

An Investment Approach
based on Core Disciplines:



CREDIT EMPHASIS WITH DOWNSIDE RISK PROTECTION

Performance during the Worst Quarters for Stocks since 1994*

QUARTER ENDING	S&P 500 INDEX	BARCLAYS HIGH YIELD	BARCLAYS AGGREGATE	JOHNSON CORE FIXED INCOME	RELATIVE PERFORMANCE
DEC-08	-21.9%	-17.88%	4.58%	8.37%	3.79%
SEP-02	-17.3%	-2.93%	4.58%	5.41%	0.83%
SEP-01	-14.7%	-4.23%	4.61%	4.98%	0.37%
SEP-11	-13.9%	-6.06%	3.82%	3.94%	0.12%
DEC-18	-13.5%	-4.53%	1.64%	1.40%	-0.24%
JUN-02	-13.4%	-6.41%	3.69%	4.34%	0.65%
MAR-01	-11.9%	6.36%	3.03%	3.68%	0.65%
JUN-10	-11.4%	-0.11%	3.49%	3.71%	0.22%
MAR-09	-11.0%	5.98%	0.12%	-0.25%	-0.37%
SEP-98	-10.0%	-4.55%	4.23%	5.30%	1.07%
MAR-08	-9.4%	-3.02%	2.17%	3.20%	1.03%
AVERAGE	-13.5%	-3.40%	3.27%	4.01%	0.74%

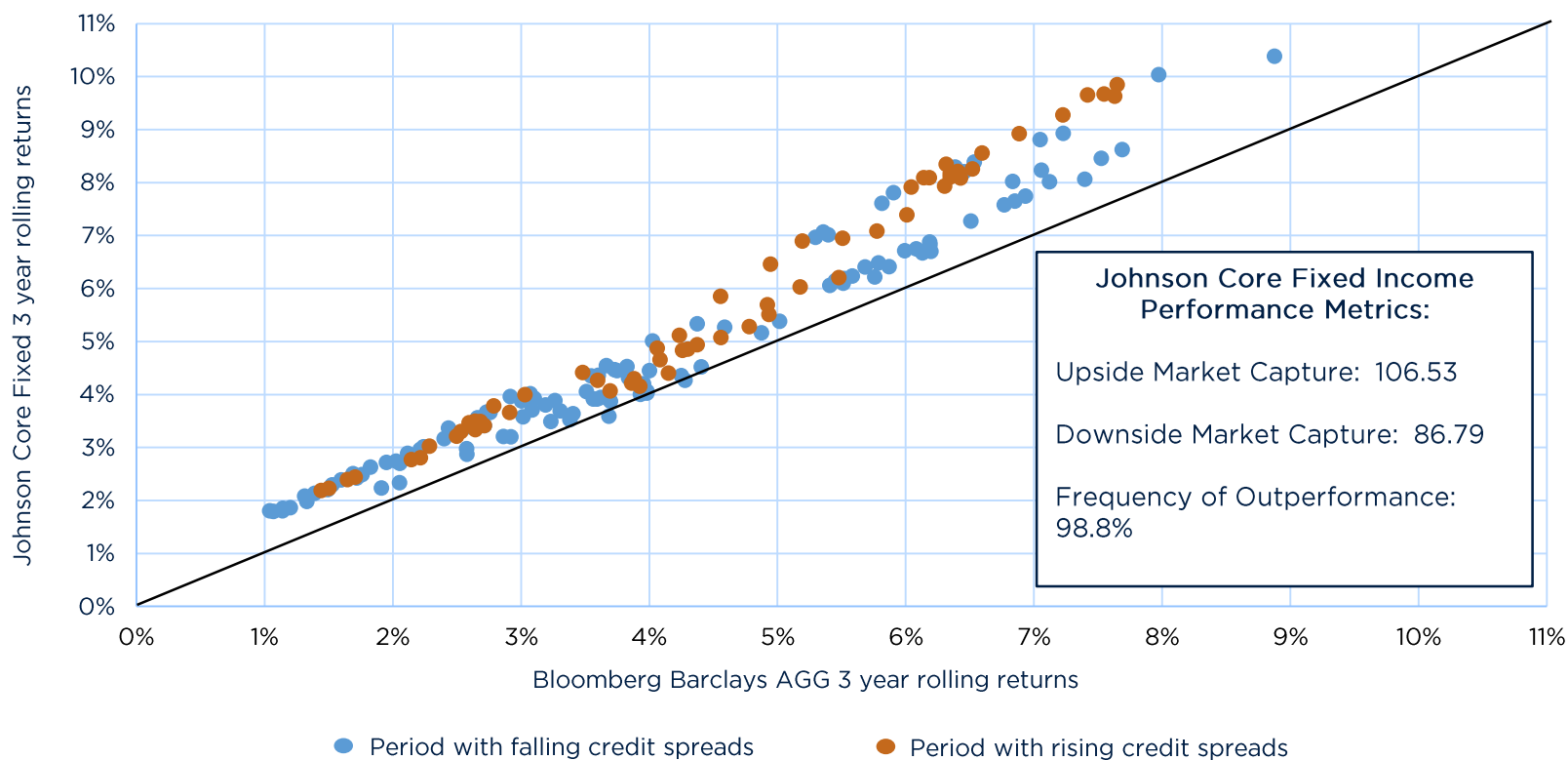
*The source for all data is the eVestment Alliance database. We have included a complete table highlighting our institutional composite performance (gross and net) and a complete listing of our management fees within this update.

*This information has been compiled for usage in one-on-one presentations. The performance figures presented are gross of fees and thus do not reflect the deduction of investment advisory fees. The annual investment management fee schedule for the strategy presented is as follows: 0.25% on the first \$50 million, 0.20% on the next \$50 million, 0.10% on the next \$400 million, and 0.05% thereafter. A client's return will be reduced by the advisory fees and any other expenses it may incur in the management of its advisory account. As an example and assuming a 4% annual rate of return, an advisory fee of 0.25% on a \$1,000,000 account diminishes the return by \$2,600 in year 1; \$5,297 by year 2; and \$8,095 by year 3. Further information on investment advisory fees can be found in Part 2A of Johnson Investment Counsel's Form ADV which is available upon request.



CONSISTENT OUTPERFORMANCE IN ALL MARKET ENVIRONMENTS

Johnson Core Fixed Income vs. Bloomberg Barclays Aggregate Rolling 3 Year Returns



The source for all data is the eVestment Alliance database. Rolling 3 year periods from 1/2002 to 3/2019. This information has been compiled for usage in one-on-one presentations. The performance figures presented are gross of fees and thus do not reflect the deduction of investment advisory fees. The annual investment management fee schedule for the strategy presented is as follows: 0.25% on the first \$50 million, 0.20% on the next \$50 million, 0.10% on the next \$400 million, and 0.05% thereafter. A client's return will be reduced by the advisory fees and any other expenses it may incur in the management of its advisory account. As an example and assuming a 4% annual rate of return, an advisory fee of 0.25% on a \$1,000,000 account diminishes the return by \$2,600 in year 1; \$5,297 by year 2; and \$32,133 by year 3. Further information on investment advisory fees can be found in Part 2A of Johnson Investment Counsel's Form ADV which is available upon request.

INVESTMENT PROCESS: BOTTOM-UP FUNDAMENTAL ANALYSIS



Rigorous fundamental credit analysis process to identify potential corporate issuers

- » Quality and yield are not incompatible
- » Screen out sectors and issuers that don't meet our quality yield discipline
- » Unanimous approval required from Fixed Income Strategy Team

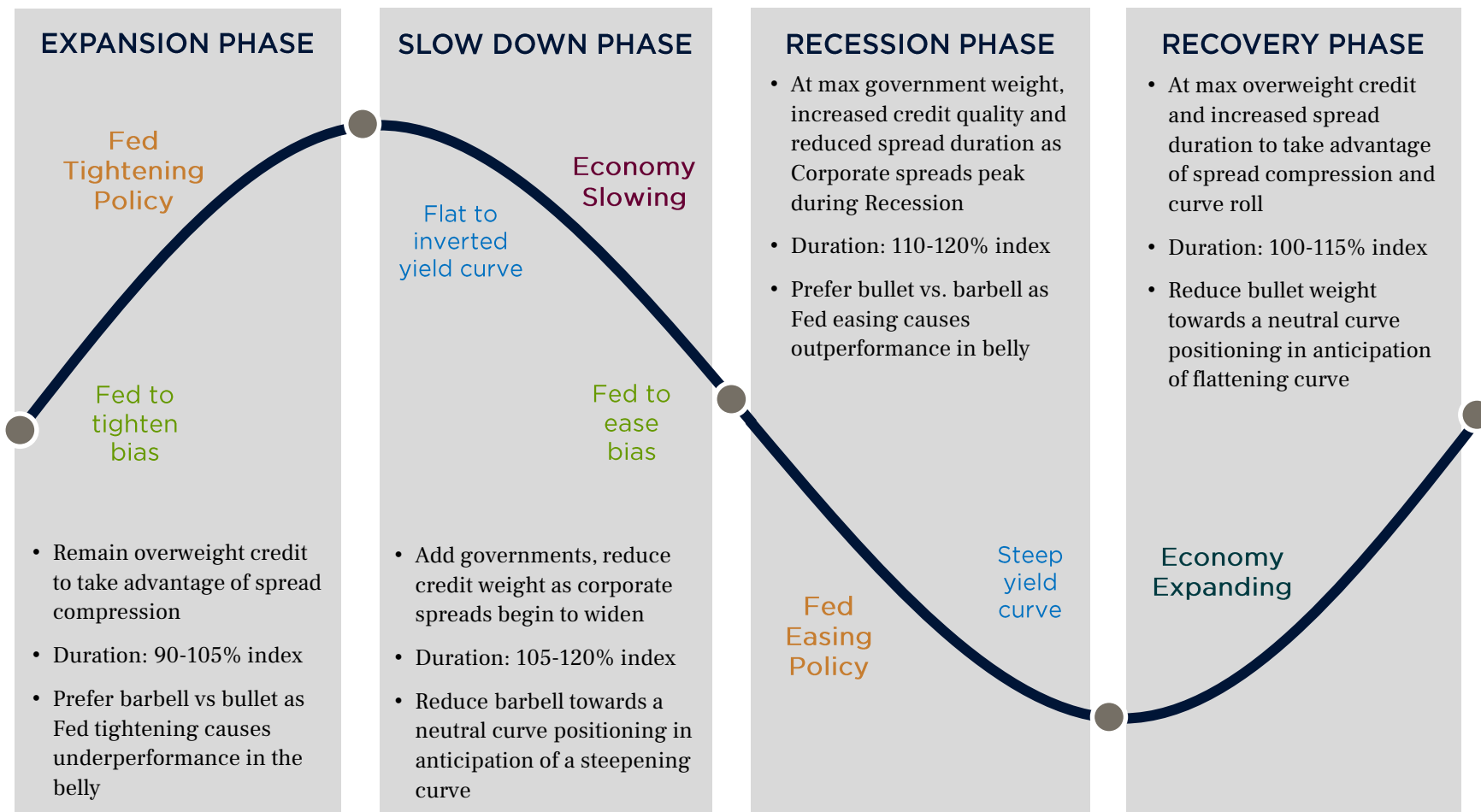
Relative value is always assessed within the framework of our quality discipline

- » Assess relative value amongst sectors, quality, issuers and individual credit curves
- » Relative value is more than just yield spread
- » Identify MBS with stable cash flow profiles that limit prepayment variability & duration extension risk

Exploit market and trading inefficiencies

- » Earn roll-down return
- » Take advantage of credit curve anomalies
- » Capture off-the-run yield premium

INVESTMENT PROCESS: TOP DOWN OVERLAY



RISK MANAGEMENT & SELL DISCIPLINE

RISK MANAGEMENT

SECURITY LEVEL

- Stable to improving fundamentals
- Avoidance of fundamental decline stories
- Identify and avoid credit cliffs
- Avoid cyclical and commodity sensitivity
- Able to withstand recessionary stress test

PORTFOLIO LEVEL

- Position sizes scaled between 1 - 5% based on quality
- Diversification by sector, maturity, quality and issuer
- Duration limit of 80 - 120% of benchmark
- Scenario analysis against risk factors

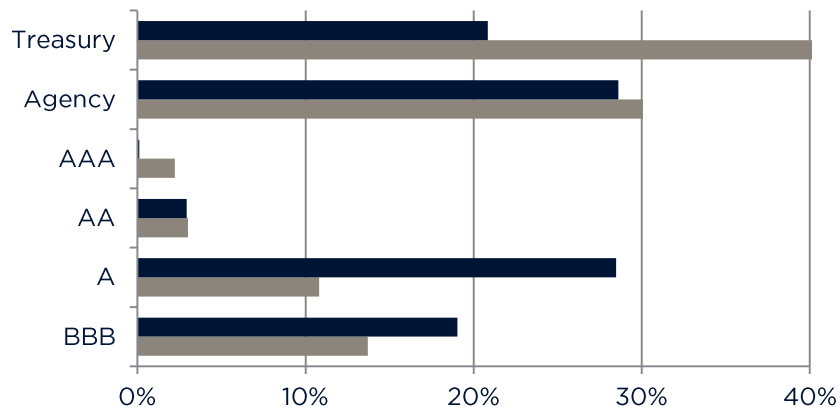
SELL DISCIPLINE

BONDS CAN BE SOLD FOR VARIOUS REASONS – WE DO NOT DEVIATE FROM OUR PROCESS.

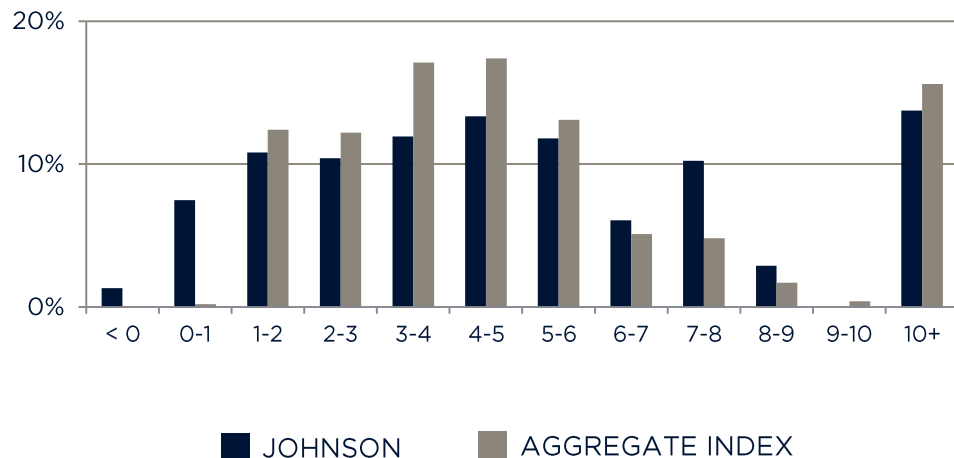
- Our credit monitoring process indicates a bond is at increased risk of an unexpected downgrade
- Our analysis indicates that a bond may underperform a more attractive opportunity
- A strategic sell is initiated in what we believe is an overpriced security
- A new strategy is being initiated within the portfolio

CORE PORTFOLIO COMPOSITION

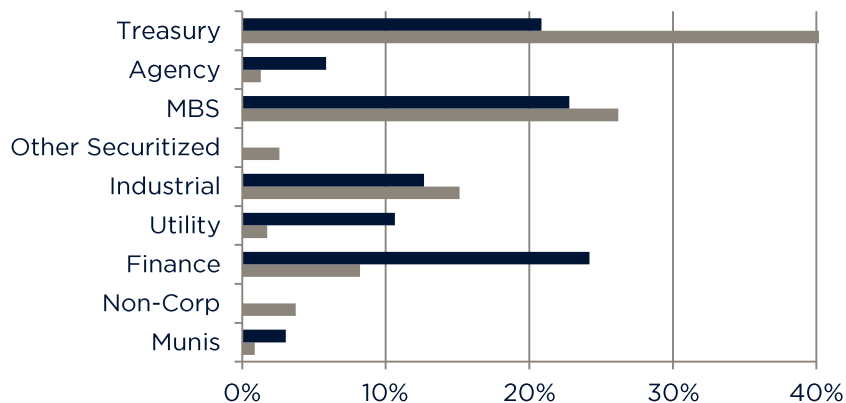
QUALITY WEIGHTINGS



DURATION ALLOCATION



SECTOR WEIGHTINGS

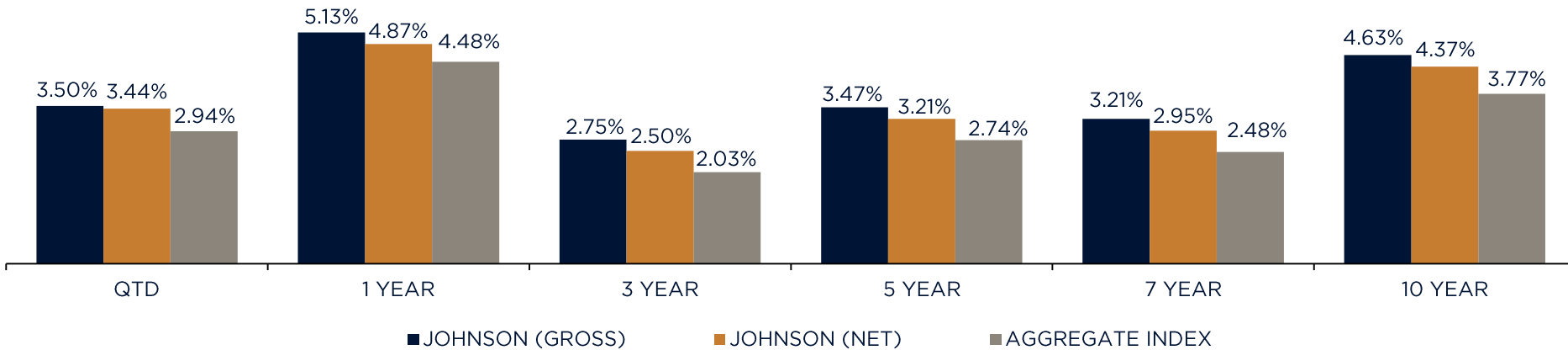


PORTFOLIO SUMMARY	JOHNSON	INDEX
COUPON	3.28%	3.23%
YIELD TO MATURITY	2.97%	2.93%
WEIGHTED AVG. MATURITY (IN YRS)	7.50	8.07
WEIGHTED AVG. DURATION (IN YRS)	6.09	5.82
CONVEXITY	0.28	0.13

PERFORMANCE

JOHNSON CORE FIXED INCOME

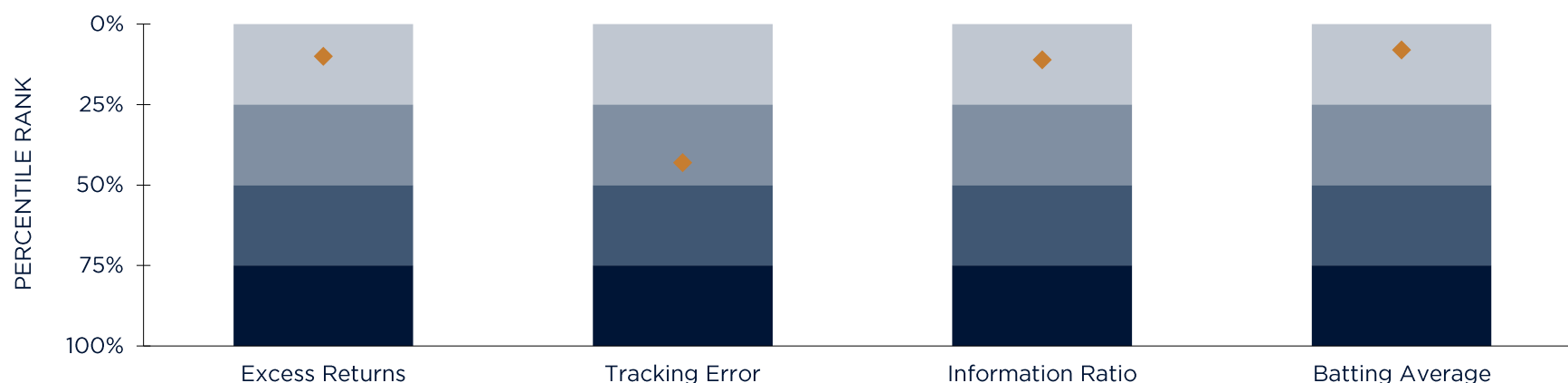
(periods ending 3/31/2019)



ANNUAL RETURNS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
JOHNSON (GROSS)	0.23%	4.12%	3.81%	1.16%	7.10%	-1.52%	5.29%	8.12%	7.09%	7.52%	8.82%
JOHNSON (NET)	-0.02%	3.86%	3.55%	0.91%	6.84%	-1.76%	5.03%	7.86%	6.83%	7.26%	8.55%
AGGREGATE INDEX	0.01%	3.54%	2.65%	0.55%	5.97%	-2.02%	4.22%	7.84%	6.54%	5.93%	5.24%

RISK ADJUSTED PERFORMANCE



	EXCESS RETURNS	TRACKING ERROR	INFORMATION RATIO	BATTING AVERAGE
5 TH PERCENTILE	1.02	0.60	0.85	0.80
25 TH PERCENTILE	0.70	0.92	0.51	0.72
MEDIAN	0.46	1.24	0.37	0.65
75 TH PERCENTILE	0.25	1.83	0.18	0.59
95 TH PERCENTILE	-0.11	3.26	-0.04	0.48
# OF OBSERVATIONS	161	161	161	161

FIRM/PRODUCT	EXCESS RETURNS	RANK	TRACKING ERROR	RANK	INFORMATION RATIO	RANK	BATTING AVERAGE	RANK
JOHNSON ASSET MANAGEMENT CORE FIXED INCOME	0.86	10	1.13	43	.76	11	0.75	8

Note: eVestment Alliance Core Fixed Income: 1Q2002-1Q2019 vs. Barclay's Capital Aggregate Index.



WHY JOHNSON FIXED INCOME?

Consistency in People, Process, and Performance

- » Same experienced team and same proven process has led to a high batting average of success

Quality and Yield - the Sweet Spot of the Bond Market

- » More income to outperform, yet with downside protection

Better Portfolio Compliment and Diversifier

- » Outperformance in volatile and down equity markets provides total portfolio support

Multiple Ways to Add Alpha

- » Proven investment discipline limits downside surprises and tail risk

Dedicated Client Service Team with a Client First Culture

- » A dedicated focus on client service with full access to the investment team

APPENDIX





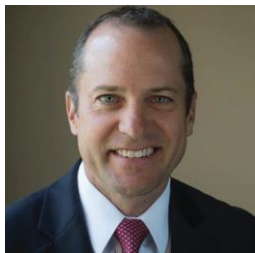
MANAGEMENT FEES

JOHNSON ASSET MANAGEMENT FIXED INCOME FEE SCHEDULE

FIRST \$50 MILLION	25 bps
NEXT \$50 MILLION	20 bps
OVER \$100 MILLION	10 bps

Institutional minimum separate account is generally \$5 million.

FIXED INCOME STRATEGY TEAM



» **Jason Jackman, CFA,** PRESIDENT & CIO, PRINCIPAL

Jason Jackman is the President and Chief Investment Officer for Johnson Investment Counsel. Previously, he was Director of Fixed Income and Institutional Management. Jason has been with the firm since 1993, joining soon after earning his bachelor's degree in economics from Wittenberg University. He holds the Chartered Financial Analyst designation and is a member of the Cincinnati Society of Financial Analysts.

He sits on the Board of Directors of the Cincinnati Regional Business Committee and is on the Board of Trustees for St. Elizabeth Healthcare. Jason serves as President and as a member of the Executive Committee of the Northern Kentucky University Foundation where he formerly served as the Investment Committee Chair. Jason also serves as Board Member and Treasurer for the Young Presidents Organization (YPO).

In the past, Jason has served on the Board of Directors of the Cincinnati Ballet (2007-2009), the Board of Directors and as Treasurer for the St. Vincent DePaul Charitable Pharmacy (2004-2008), the Board of Directors and Treasurer of The Carnegie (1995-2007), the Executive Committee and Finance Chair for Vision 2015 (2006-2016), the Board of Trustees and as Treasurer of Central Clinic (1996-2002) and was a founding member and past president of Legacy (1999-2010). Jason served on the Board of Trustees for the UC Economics Center, the Board of Governors for The Metropolitan Club, and the Endowment Committee for Immanuel United Methodist Church. Jason was a member of Regional Success by Six Leadership of the United Way of Greater Cincinnati as well as Leadership Cincinnati XXVII. Jason received the Business Courier's Forty Under 40 Award in 2006.



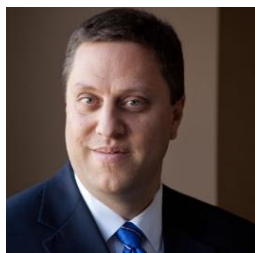
» **Dale Coates, CFA,** VICE PRESIDENT & PORTFOLIO MANAGER, PRINCIPAL

Mr. Coates joined Johnson Asset Management in 1989 and serves as Vice President and Portfolio Manager. Dale is also a Principal of the firm and is a member of our Fixed Income Strategy Team responsible for the management and oversight of all of our Fixed Income strategies. He has over 37 years of industry experience including roles within Johnson as Director of Fixed Income and as a Private Client Portfolio Manager. Dale currently serves on the Johnson Investment Counsel Shareholder Board and has previously served on the Executive Leadership Team in addition to our Equity Investment Committee. Prior to joining the firm, Dale worked for Fifth Third Bank as a Senior Trust Investment Officer.

Dale serves as Board Chairman and Finance Committee Chairman for the Christian Benevolent Association Foundation, a Board Member for the Christian Village Communities Board and is a past President of the CFA Society of Cincinnati. Mr. Coates received a B.S. in Finance & Economics from Miami University and holds the Chartered Financial Analyst designation.

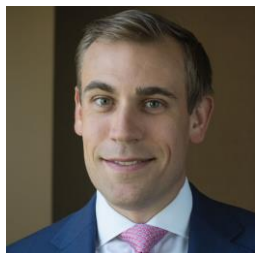


FIXED INCOME STRATEGY TEAM



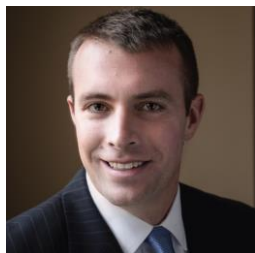
» **Michael Leisring, CFA**, DIRECTOR OF FIXED INCOME & PORTFOLIO MANAGER, PRINCIPAL

Mr. Leisring joined Johnson Asset Management in 1999, and has been the Director of Fixed Income since 2013. Michael is a Principal at the firm and is a member of the Fixed Income Strategy Team. His primary responsibilities include fixed income portfolio management, credit analysis and leading the firm's fixed income group. He currently serves as member of the Finance Committee, a member of Portfolio Strategy and Asset Allocation team, and the lead manager on the fixed income mutual fund complex. He has over 20 years of industry experience including roles within Johnson as Associate Portfolio Manager in the Private Client Group, Fixed Income Trader, Fixed Income Analyst, and Manager of Fixed Trading and Research. He received a B.S. in Finance & Accounting from Miami University and holds the Chartered Financial Analyst designation.



» **Brandon Zureick, CFA**, PORTFOLIO MANAGER, PRINCIPAL

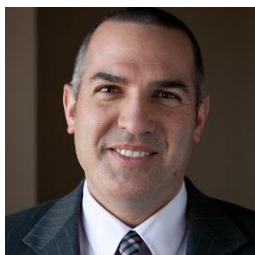
Mr. Zureick joined Johnson Asset Management in 2011 and serves as Portfolio Manager. Brandon is also a Principal of the firm and serves as a member of the Fixed Income Strategy Team. His primary responsibilities include fixed income portfolio management and macro-economic strategy. Previously, Brandon held the position of Fixed Income Analyst & Trader. Prior to joining the firm, Brandon was a Portfolio Analyst for Robert W. Baird. He received a B.S. in Finance from University of Cincinnati and holds the Chartered Financial Analyst Designation.



» **David Theobald, CFA**, PORTFOLIO MANAGER

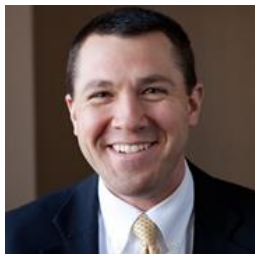
Mr. Theobald joined Johnson Asset Management in 2013 and serves as Portfolio Manager. David is also a member of the Fixed Income Strategy Team. His primary responsibilities include fixed income portfolio management, trading and credit analysis, specializing in short duration securities. Previously, David held the position of Fixed Income Analyst. Prior to joining the firm, David held positions with Fort Washington Investment Advisors and Cincinnati Financial Corporation. He received a B.B.A. in Finance from the University of Cincinnati and holds the Chartered Financial Analyst designation.

RESEARCH & TRADING



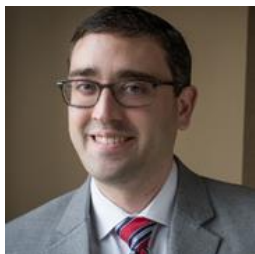
» **Aaron Taylor, CFA**, RESEARCH ANALYST

Mr. Taylor joined Johnson Investment Counsel in 1999. In his role on the Research Team, Mr. Taylor is responsible for the Energy, Healthcare, Materials and Utilities sectors. Prior to joining the firm, Mr. Taylor worked for Fidelity Investments in Mutual Fund Services, Brokerage Trading, Specialty Trading, and as a Tax Specialist. Mr. Taylor has served as Treasurer of the Clermont Central Soccer Association Board since 2010 and is a past Board of Education Member for the Felicity-Franklin Local School District where he served as a Finance Committee Member and Legislative Liaison. He received his B.A. in Mathematics from the University of Cincinnati and holds the Chartered Financial Analyst designation.



» **Bill Jung, CFA**, RESEARCH ANALYST

Mr. Jung joined Johnson Investment Counsel in 2000. In his role on the Research Team, Mr. Jung is responsible for the Financials sector. He is a former member of the firm's Portfolio Strategy Team as well as the Equity Strategy Team. He is a member of the Cincinnati Society of Financial Analysts, currently serves on the Board of Trustees of Royalmont Academy as Treasurer, is actively involved as a parishioner of St. John the Baptist Parish and is also a member of the Knights of Columbus-St. John the Baptist Dry Ridge Council. Prior to joining the firm, Mr. Jung earned his B.B.A. in Finance from the University of Cincinnati and holds the Chartered Financial Analyst designation.



» **Joe Edelstein, CFA**, RESEARCH ANALYST

Mr. Edelstein joined Johnson Investment Counsel in 2017 as a Research Analyst and also serves as a member of the SMID Cap Core Strategy Team. In this role, Mr. Edelstein is responsible for the Consumer Discretionary and Consumer Staples sectors. Before joining the firm, he served as Vice President at Stephens Inc. Prior to that, Mr. Edelstein was as a Summer Equity Analyst at Invesco Ltd. and held equity research roles at BMO Capital Markets and Raymond James Financial. He graduated with a B.S.B.A., cum laude, from the University of Arkansas, holds an M.B.A. from Emory University and holds the Chartered Financial Analyst designation.

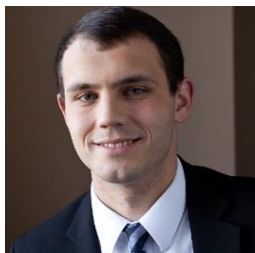


» **Chris Godby, CFA**, RESEARCH ANALYST

Mr. Godby joined Johnson Investment Counsel in 2013 as a Research Analyst and also serves as a member of the SMID Cap Core Strategy Team. In this role, Mr. Godby is responsible for the Technology and Telecom sectors. Before joining the firm, Mr. Godby worked as an Investment Executive at Corporate One Federal Credit Union and as an Equity Research Associate at Stephens Inc. covering Industrial Technology. He received a B.A. in Finance and Pre-Law from Ohio University, an M.B.A. in Finance and Corporate Strategy from the University of Michigan and holds the Chartered Financial Analyst designation.

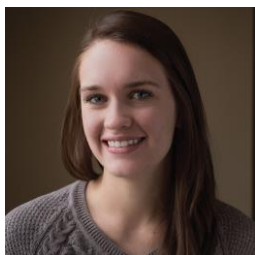


RESEARCH & TRADING



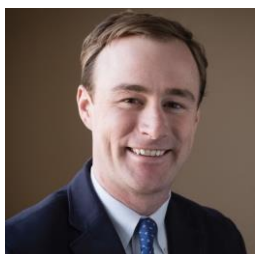
» **R. Ryan Martin, CFA**, RESEARCH ANALYST

Mr. Martin joined Johnson Investment Counsel in 2015 and is a fixed income research analyst and trader. He is part of the Fixed Income Strategy team. Prior to joining the Johnson, Ryan worked as an Associate Performance Analyst at Fort Washington Investment Advisors, as well as a Trading Support Associate at Eagle Asset Management. He received a Bachelor's degree in Finance from Michigan State University and holds the Chartered Financial Analyst designation.



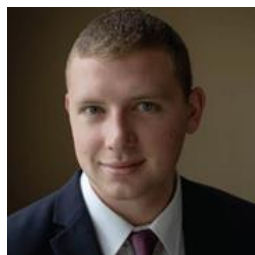
» **Emilia Connor**, RESEARCH ASSOCIATE & TRADER

Ms. Connor joined Johnson Investment Counsel in 2018 and is a Research Associate & Trader. Prior to joining Johnson, Emilia worked at Fund Evaluation Group as a Fixed Income and Diversifying Strategies Analyst intern. Prior to that position, Emilia was a Business Process Analyst intern at the Business Backer. She received her Bachelor's degree in Finance from the University of Cincinnati. Emilia is currently a candidate for a Master's of Science degree in Finance with a Master's Certificate in Data Analytics from the University of Cincinnati.



» **Bryan Andress**, RESEARCH ANALYST

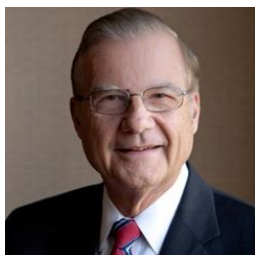
Mr. Andress joined Johnson Investment Counsel in 2013 and currently serves as a Research Analyst and as a member of the SMID Cap Core Strategy Team. In this role, Mr. Andress is responsible for the Industrials sector. He currently serves as a Young Professional Board Member and Big Brother Mentor for Big Brothers Big Sisters of Greater Cincinnati. Mr. Andress received a B.B.A. in Accounting and Finance from Ohio University and is a 2018 Level III Candidate in the CFA program.



» **Brad Morrissey**, RESEARCH ASSOCIATE

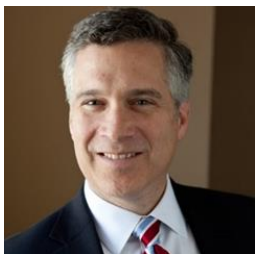
Mr. Morrissey joined Johnson Investment Counsel in 2017 as a Research Associate. In his role on the Research Team, Mr. Morrissey is responsible for covering REIT's. Before joining the firm, he worked in an intern capacity for Johnson Investment Counsel, AXA Advisors and Stratos Wealth Partners. Mr. Morrissey received his B.B.A. in Economics and Finance from Ohio University and is a 2018 Level II Candidate in the CFA program.

MANAGEMENT & KEY PROFESSIONALS



» **Timothy Johnson, Ph.D.**, FOUNDER & CHAIRMAN, PRINCIPAL

Dr. Johnson is a financial and investment consultant, a Professor of Finance at the University of Cincinnati, and the Founder and Chairman of Johnson Investment Counsel, Inc., and is a Principal of the firm. He started the firm in 1965, based on his interest in sound fundamental security analysis and portfolio management as well as his desire to bring theory into practice and provide comprehensive financial counsel. He is the author of three textbooks, has written numerous journal articles on finance, and has spoken at many seminars around the country. Tim is also an active member of numerous professional and civic organizations in the Greater Cincinnati community. Dr. Johnson earned a Ph.D. in Finance from the University of Illinois, an M.B.A. in Finance from the University of Akron and a B.A. in Economics from North Park University.



» **Fred Brink, CFA**, MANAGING DIRECTOR, PRINCIPAL

Mr. Brink joined Johnson Investment Counsel in 1997 and serves as Managing Director of the Asset Management division. Fred is also a Principal of the firm. In this role, he is responsible for the management and oversight of the Johnson Asset Management division in addition to serving as a member of the Portfolio Strategy Team. Fred has previously served as a Portfolio Manager within the Private Client group and as a Research Analyst. Prior to joining the firm, he was a Trust Investment Officer and Fund Manager with U.S. Bank. He is a member of the Cincinnati Society of Financial Analysts, a member of the Financial Advisory Board for the Finance Department at the University of Cincinnati and a past board member for the Blue Ash Montgomery Symphony Orchestra. He received his B.B.A. in Finance from University of Cincinnati and holds the Chartered Financial Analyst designation.



» **Holli Alexander**, CHIEF OPERATING OFFICER

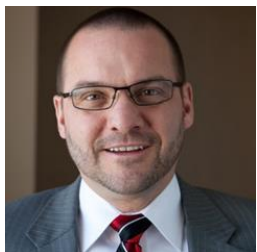
Ms. Alexander joined Johnson Investment Counsel in 2017 as Chief Operating Officer. Prior to joining the firm, she served as a Senior Relationship Manager for Charles Schwab and Senior Vice President & Chief Operations Officer for Citizens Charter One Investment Services. Ms. Alexander received her B.S. in Business Administration from the University of Alabama at Birmingham.



» **Brian Kute, CFA**, PORTFOLIO MANAGER, PRINCIPAL

Mr. Kute joined Johnson Investment Counsel in 1994 and serves as Portfolio Manager on the SMID Cap Core Equity strategy. Brian is also a Principal of the firm. In this role, Mr. Kute is responsible for the strategy that he developed in 2013 which includes the oversight of all portfolio management and research in addition to leading the SMID Cap Core Strategy Team. He has over 25 years of industry experience including roles as a Fund Manager, Director of Research, Research Analyst, Equity Trader and as an investment committee member. Prior to joining the firm, Brian worked for Gradison McDonald Investments, Inc. He serves as the Finance Committee Chairman for the Covington Latin School Board and is Treasurer for the St. Henry School Athletic Boosters organization. Mr. Kute received a B.B.A. in Finance & Economics from the University of Kentucky and holds the Chartered Financial Analyst designation.

COMPLIANCE



» **Scott Bischoff, IACCP**, CHIEF COMPLIANCE OFFICER, PRINCIPAL

Mr. Bischoff joined Johnson Investment Counsel in 1988 and serves as Chief Compliance Officer and is a Principal of the firm. Mr. Bischoff has also served as an Adjunct Professor at the University of Cincinnati and is a current member of the Oak Hills Local School District Board, the Cincinnati Shakespeare Company Board and the Mercy West Hospital Community Advisory Committee. He received his M.B.A. from the University of Cincinnati and his B.B.A. in Finance from the University of Dayton. Scott has also earned the Investment Adviser Certified Compliance Professional (IACCP) designation.



» **Marc Figgins**, DIRECTOR OF FUND SERVICES

Mr. Figgins joined Johnson Investment Counsel in 2001, and serves as Director of Fund Services. Prior to joining the firm, Marc worked for 15 years in the Operations Department at Gradison-McDonald Investments. He received his M.B.A. in Finance from Xavier University and his B.S. in Marketing from Northern Kentucky University. He is a Board Member of the Northern Kentucky Fellowship of Christian Athletes. Marc is also a freelance photographer and captures sports images for various media outlets.



» **Kathy Sias**, RISK OFFICER

Ms. Sias joined Johnson Investment Counsel in 2008 and serves as the Risk Officer within Compliance. Previously, Kathy held the position of Operations Manager and Operations Associate. Prior to joining the firm, she worked for U.S. Bank and Fifth Third Bank in Corporate Trust and Custody. Kathy received her B.A. in Political Science from the University of Cincinnati. She participated in the Cincinnati USA Chamber of Commerce WE Lead program.



» **Jennifer Kelhoffer**, COMPLIANCE ASSOCIATE

Ms. Kelhoffer joined Johnson Investment Counsel in 2006 and serves as Compliance Associate for both Johnson Investment Counsel and the Johnson Mutual Funds. Prior to joining the firm, Jennifer worked for 10 years in management at Equity Analysts, Inc. She received her B.S.B.A. in Finance and Accounting from The Ohio State University. She is a member of the Executive Committee for the Ben Kelhoffer Foundation and is a member of the Greater Cincinnati Mutual Fund Association.

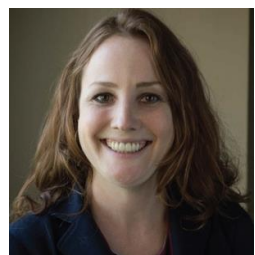


CLIENT SERVICE, SALES & MARKETING



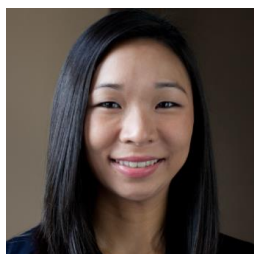
» **Michael Hoover**, DIRECTOR, INSTITUTIONAL SALES & CLIENT SERVICE

Mr. Hoover joined Johnson Asset Management in 2015 as the Director of Institutional Sales & Client Service. He brings over 30 years of industry experience to the firm working with institutional consultants and various institutional investors including: Taft-Hartley Plans, Public Funds, Police & Firefighter Funds, Corporate Plans, Foundations & Endowments, Higher Education, Insurance, Captive Insurance Plans and other non-profit organizations. Michael most recently served as Partner & Director of Institutional Sales for St. Louis based Argent Capital Management. Prior to joining Argent, he served as Vice President & Institutional Director at Reams Asset Management, a division of Scout Investments. Before moving to Reams, he served as the Director of Taft-Hartley Marketing & Client Service for Lord, Abnett & Co. Michael began his career at Conseco Capital Management, Inc. where his experience included Institutional Sales, Client Service, Operations and Fixed Income Trading. He most recently served as Vice President and Director of Marketing, Sales & Client Service. He earned a B.S. in Public Finance from Indiana University and is accredited as a Certified Securities Operations Professional by the Institute of Certified Bankers.



» **Emily Fox, CAIA**, DIRECTOR OF INSTITUTIONAL SALES

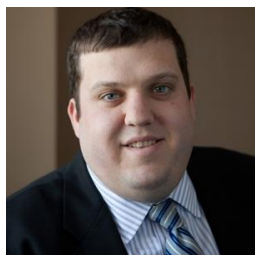
Ms. Fox joined Johnson Asset Management in 2017 as Director of Institutional Sales. She brings over 12 years of experience working with institutional clients and consultants to the firm. Prior to joining the firm, Ms. Fox served as Vice President of Consultant Relations at Santa Barbara Asset Management and Director of Consultant Relations at PNC Capital Advisors. Preceding this, she was the lead relationship manager for the U.S. Analytics, Research and Tools Client Service Team at Mercer. At Mercer, Ms. Fox supported various institutional clients across the Corporate, Foundation, Endowment and Public Fund markets. Ms. Fox is an Associate Board Member and Treasurer of Open Books and is an active member of literacy programs in her community and a member of the Chicago Women's Investment Professionals. She received her M.B.A. in Financial Analytics from Kellstadt School of Business at DePaul University and her B.S. in Human Resources and Marketing from Marquette University. She holds a Chartered Alternative Investment Analyst designation.



» **Irene Tsai, CFA, CFP, ChFC, CLU**, DIRECTOR, INTERMEDIARIES & CLIENT SERVICE

Ms. Tsai joined Johnson Asset Management in 2015. Before joining the firm, she worked at Nationwide Financial first as an Internal Annuity Sales and Service Analyst, and then as a Regional Internal Consultant. She is a Women's Initiative mentor for the CFP® Board and is a member of Cincinnati Estate Planning Council. She is also a member of Tzu Chi and is actively involved in supporting development efforts in the historic districts of Hamilton, Ohio. Ms. Tsai received her B.A. in Economics and Music Performance from Denison University and holds the Chartered Financial Analyst designation. She also holds the Certified Financial Planner, Chartered Financial Consultant and Chartered Life Underwriter designations.

CLIENT SERVICE, SALES & MARKETING



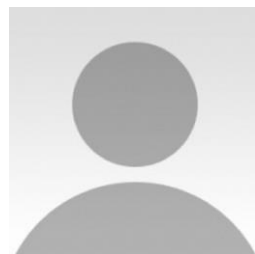
» **Alex Bey, CFA**, ASSOCIATE PORTFOLIO MANAGER & RFP SPECIALIST

Mr. Bey joined Johnson Asset Management in 2010 and currently serves as an Associate Portfolio Manager & RFP Specialist. Mr. Bey is a member of the Marketing & Client Service Team responsible for coordinating all aspects of the RFP/RFI process in addition to providing and coordinating custom client reporting and internal support to the sales team. He is involved with LaSalle High School through their LaSallian Scholars Programs and is a past Committee Member for the United Way LINC. He received his B.A.A. in Finance from the University of Cincinnati and holds the Chartered Financial Analyst designation.



» **Margaret Palmer**, INSTITUTIONAL ACCOUNT ADMINISTRATOR

Ms. Palmer joined Johnson Asset Management in 2008 and serves as Institutional Account Administrator. Ms. Palmer is a member of the Marketing & Client Service Team responsible for implementing various aspects of our client service initiatives. These initiatives include coordinating the integration of all new client accounts, maintaining our operational relationships with our various custodian banks as well as custom client reporting. She is the former Board President and current Trustee of UpSpring, a local non-profit charitable organization. Ms. Palmer received a B.A. in Economics from the University of Cincinnati.



» **David Ostmann**, INSTITUTIONAL OPERATIONS ASSOCIATE

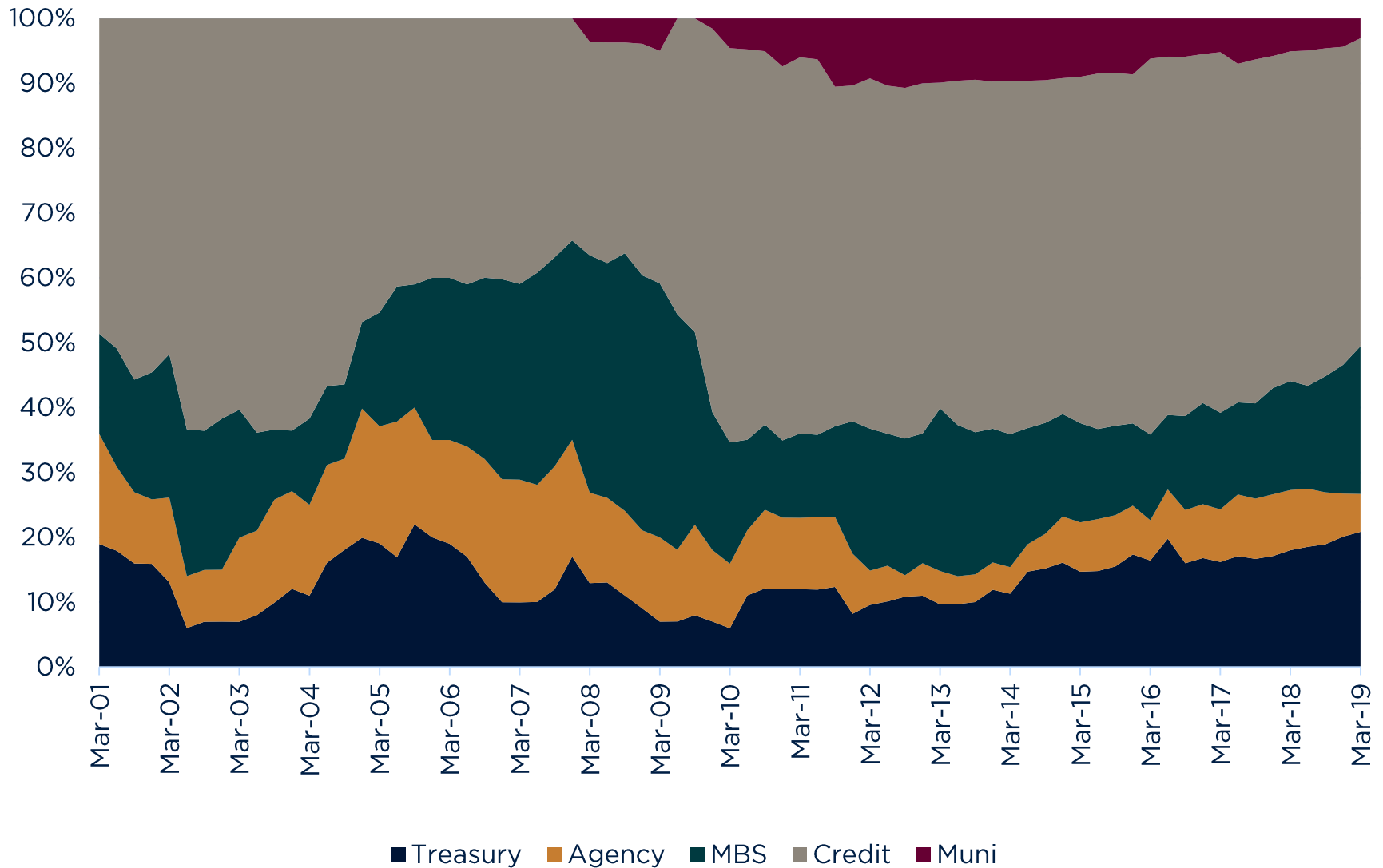
Mr. Ostmann joined Johnson Asset Management in 2018. He is an Operations Associate on the Asset Management team in Cincinnati, Ohio, and holds an MBA designation. Prior to joining the firm, he worked for Chase Bank for seven years as a Chase Private Client Banker as well as in the operations division at Fifth Third Bank.



» **Jill Matsuda**, INSTITUTIONAL ADMINISTRATIVE ASSISTANT

Ms. Matsuda joined Johnson Asset Management in 2013 as an Institutional Administrative Assistant. Before joining the firm, Ms. Matsuda worked as a Business Services Administrator at CBRE and as a Business Operations Manager at Glenmore Springs LLC. She has a B.S. in Business Education from Northern Kentucky University and an Associates in Office Systems Technology from the University of Cincinnati.

HISTORICAL SECTOR ALLOCATION - CORE

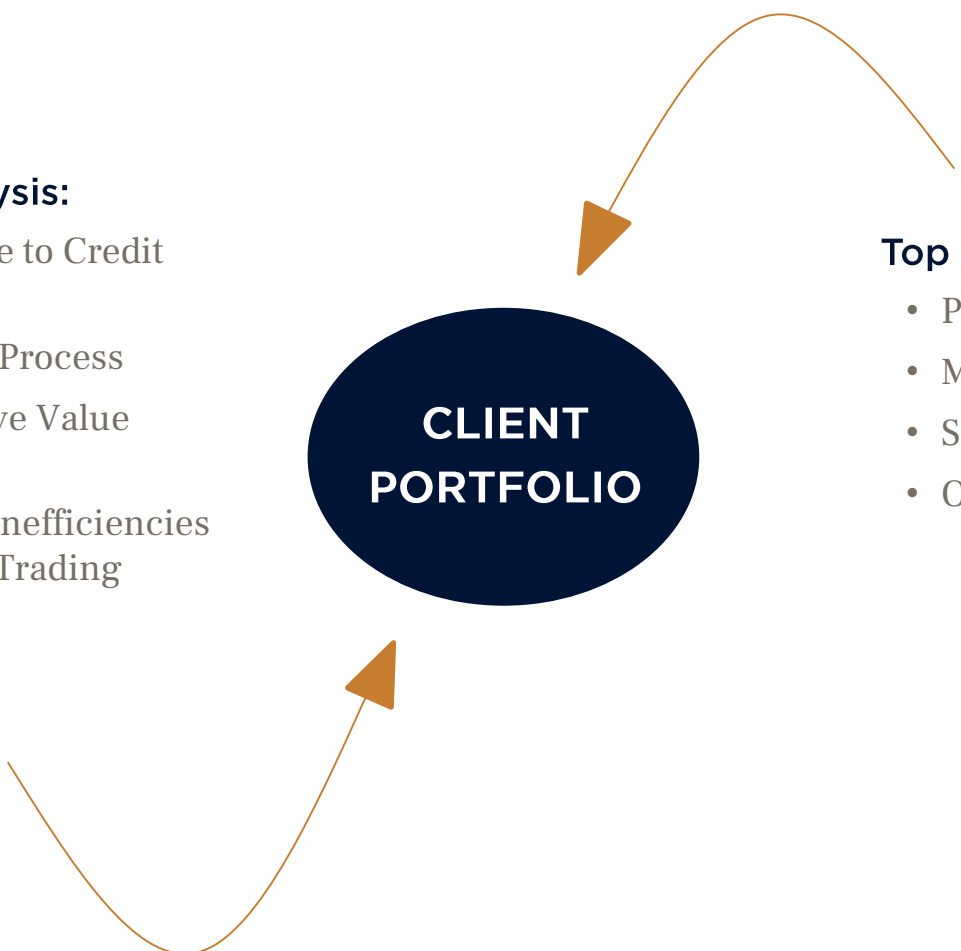


INVESTMENT PROCESS

Bottom-Up Fundamentals Analysis combined with a Top-Down Overlay

Bottom-Up Analysis:

- Strict Adherence to Credit Discipline
- Team Approval Process
- Rigorous Relative Value Approach
- Exploit Market Inefficiencies & Value Added Trading



**CLIENT
PORTFOLIO**

Top Down Overlay:

- Portfolio Duration
- Maturity Structure
- Sector Allocation
- Optimal Curve Positioning

CREDIT DISCIPLINE

Our intensive fundamental bottom-up credit research and monitoring process is the cornerstone to our belief that superior credit selection produces superior risk-adjusted returns. We build and structure each client's portfolio from the bottom-up – focusing on optimal bond selection, tightly controlled duration disciplines and close management of all portfolio risk factors.

Credit Selection

- Mkt Cap > \$30 Billion
- Identify and Avoid Credit Cliffs
- Evaluate Earnings Quality
- Avoid Sectors in Long Term Decline
- Avoid Cyclical Industries
- Quality Management Teams
- Stable To Improving Fundamentals

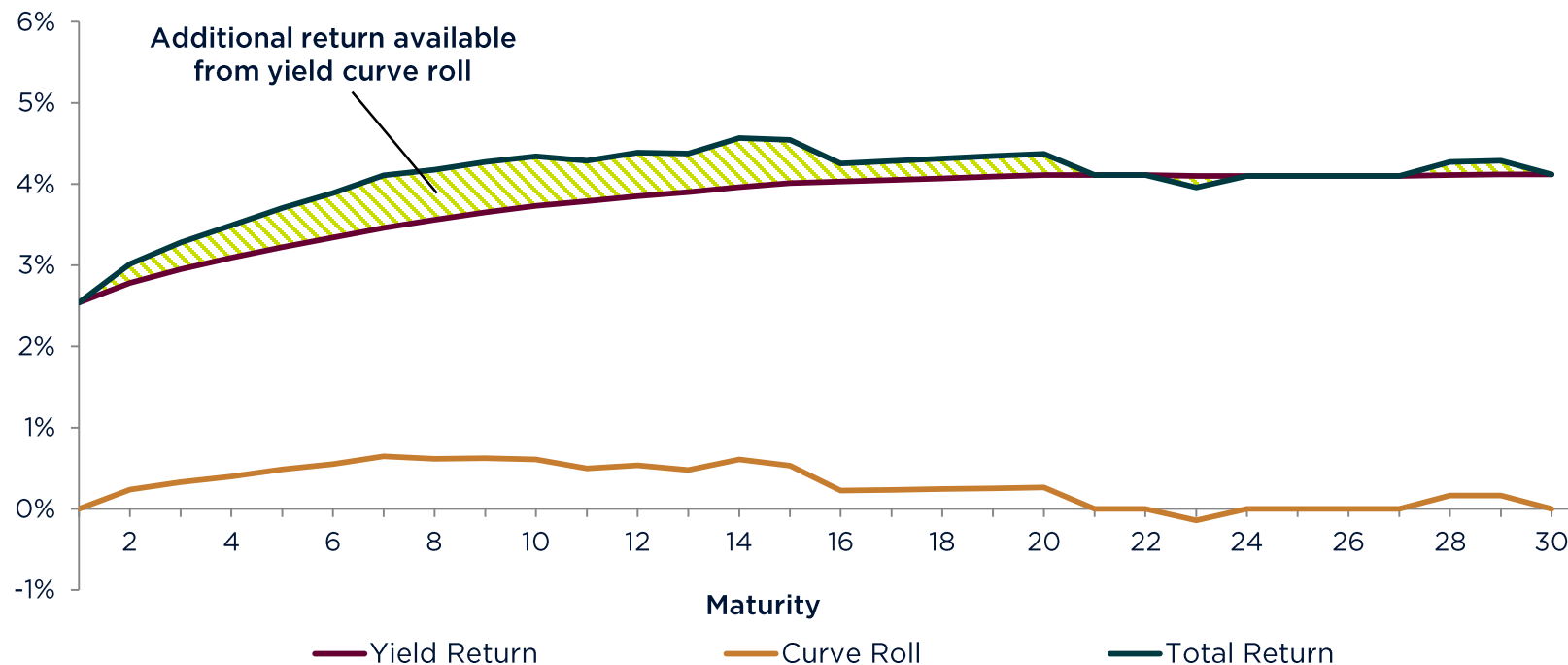
Credit Monitoring

- Sector Analysis
 - Quantitative monitoring of holdings
 - Proprietary Modeling and Stress Testing
-
- Third Party Credit Services
 - Sell Side Research
 - Rating Agencies

Trading & Relative Value

- 100% Unanimous Agreement
- Intense Focus on Relative Value
- Not driven entirely by highest spread
- Sell any names that have potential to be downgraded to junk or have risk of default prior to maturity

YIELD CURVE ROLL - ADDS TO TOTAL RETURN



- » Curve roll return has diminished as the yield curve has flattened, though is still additive among intermediate maturities
- » Rolling from off-the-run to on-the-run maturities provides additional curve roll opportunities
- » Curve roll does not require interest rates to decline or credit spreads to tighten and provides a cushion to rising interest rates



INSTITUTIONAL CORE COMPOSITE

	COMPOSITE- GROSS OF FEES	COMPOSITE- NET OF FEES	BENCHMARK	3-YEAR STD DEV COMPOSITE	3-YEAR STD DEV BENCHMARK	NUMBER OF PORTFOLIOS	COMPOSITE ASSETS (\$MM)	FIRM ASSETS (\$MM)	COMPOSITE DISPERSION
2018	0.23%	-0.02%	0.01%	2.73%	2.88%	29	1,483	3,212	0.19
2017	4.12%	3.86%	3.54%	2.82%	2.81%	26	1,234	2,842	0.18
2016	3.81%	3.55%	2.65%	3.07%	3.02%	19	856.24	2,669	0.24
2015	1.16%	0.91%	0.55%	3.07%	2.92%	17	676.91	2,244	0.24
2014	7.10%	6.84%	5.97%	2.78%	2.67%	12	616.28	2,467	0.23
2013	-1.52%	-1.76%	-2.02%	2.78%	2.75%	14	579.63	2,347	0.29
2012	5.29%	5.03%	4.22%	2.56%	2.42%	12	506.56	2,171	0.46
2011	8.12%	7.86%	7.84%	2.96%	2.82%	12	480.91	2,121	0.98
2010	7.09%	6.83%	6.54%	4.88%	4.23%	9	437.22	1,659 ⁺	0.79
2009	7.52%	7.26%	5.93%	4.83%	4.17%	10	466.45	4,752	0.10

⁺Beginning January 1, 2010, the firm was redefined as Johnson Institutional Management which only includes institutional client assets with a single asset mandate. In 2019, Johnson Institutional Management was renamed Johnson Asset Management. Assets of the Private Client Group have been segregated into a separate firm referred to as Johnson Investment Counsel.

Johnson Asset Management (JAM) is a division of Johnson Investment Counsel, Inc., an independent and privately owned Midwestern based investment advisory firm registered with the Securities and Exchange Commission. Johnson Asset Management claims compliance with the Global Investment Performance Standards (GIPS[®]) and has prepared and presented this report in compliance with the GIPS standards. Johnson Institutional Management has been independently verified for the periods 1/1/2010 – 12/31/2018. The verification report(s) is/are available upon request.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. Past performance is not indicative of future results.

Composite: The Core Fixed Income composite was created on July 31, 2004, and includes all fee paying, fully discretionary institutional fixed income portfolios with a minimum of \$500,000 and an investment objective of broad investment grade, taxable fixed income, benchmarked against the Barclay's Capital Aggregate Index. The Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-through), ABS and CMBS (agency and non-agency). All securities included in the index have a maturity of at least one year or longer. Prior to 2008, the minimum asset size for inclusion was \$1,000,000. Effective 1/1/2009, the composite was modified to include actively managed taxable and tax-exempt institutional fixed income portfolios. Eligible new portfolios are included in the composite the first full month after being deemed fully invested. The returns from terminated portfolios are included prior to the date of termination. Effective January 2010, a portfolio will be temporarily removed from this composite if it experiences a net inflow or outflow of cash of 30% or more during a one-month period, beginning 1/1/2014 aggregate inflows or outflows of cash of 30% or more during a one month period will result in a portfolio being temporarily removed.

No leverage is used in the Composite portfolios. Portfolios in this composite include cash, cash equivalents, investment securities, interest and dividends. The U.S. dollar is the base currency. Prior to 2010, fixed income that was segments of balanced portfolios, is included in this composite and cash was maintained on a pro-rata basis in accordance with our asset allocation ratio. The percent of composite assets represented by the balanced portfolios is: 2006 – 12%, 2007 – 12%, 2008 – 14%, 2009 – 11%.

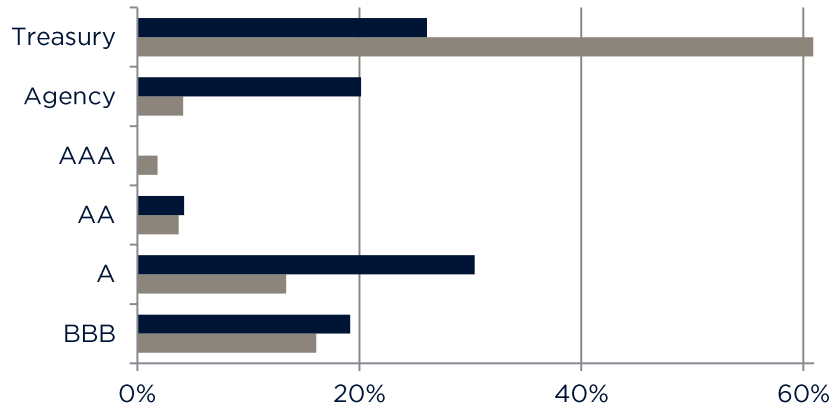
Performance and Fee: All returns reflect the reinvestment of investment income (dividends and/or interest) and capital gains. Valuations and returns are stated in U.S. dollars. Trade date accounting is used. Portfolio returns are calculated using time weighted return methodology on a monthly basis. Net returns shown reflect gross performance less the highest fee schedule for this strategy. The investment management fee schedule for this strategy is as follows: 0.25% on the first \$50 million, 0.20% on the next \$50 million, 0.10% on the next \$400 million, and 0.05% thereafter. Dispersion: Internal dispersion is calculated using equal weighted standard deviation of annual gross returns of those portfolios that were included in the composite for the entire year. The 3-year annualized ex-post standard deviation is calculated using monthly returns to measure the average deviations of returns from its mean.

Firm Definition: Johnson Asset Management provides professional and continuous asset management to a wide array of institutional clients, specializing in quality fixed income and enhanced equity index strategies. Effective 1/1/2010, the Firm definition was changed to the Institutional division of Johnson Investment Counsel, which exclusively includes institutional clients with a single asset mandate.

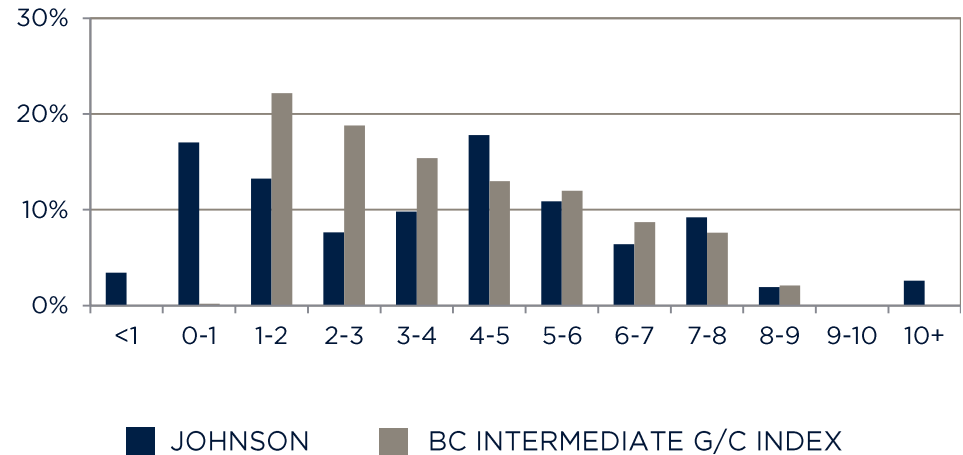
Information: JAM's policies for valuing portfolios, calculating performance and preparing compliant presentations, as well as a complete list of composite descriptions are available upon request. Please contact our office at (513) 389-2770 or 3777 West Fork Road, Cincinnati, OH 45247.

INTERMEDIATE PORTFOLIO COMPOSITION

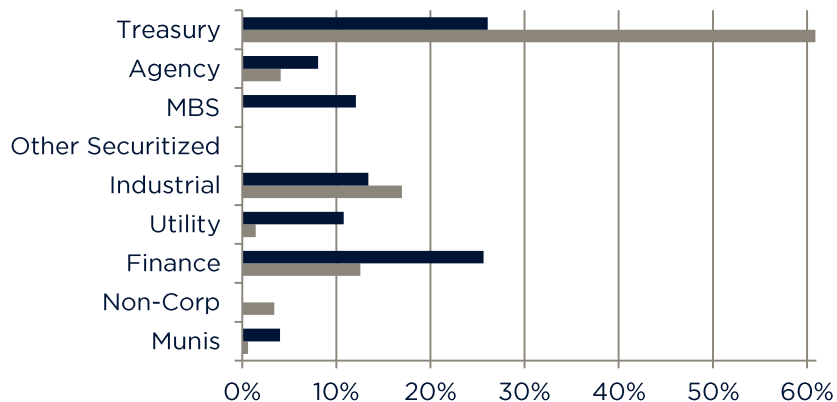
QUALITY WEIGHTINGS



DURATION ALLOCATION



SECTOR WEIGHTINGS

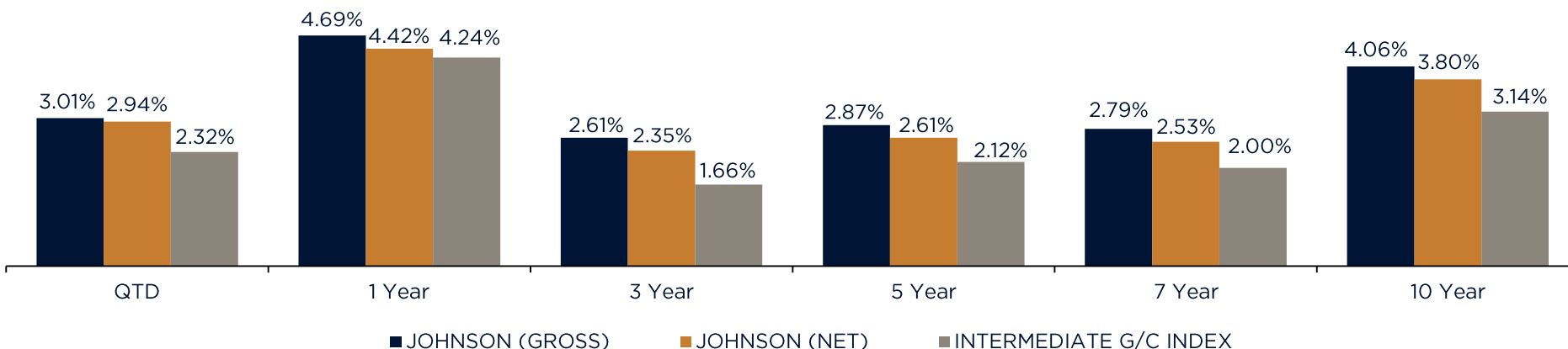


PORTFOLIO SUMMARY	JOHNSON	INDEX
COUPON	3.14%	2.70%
YIELD TO MATURITY	2.82%	2.62%
WEIGHTED AVG. MATURITY (IN YRS)	4.60	4.31
WEIGHTED AVG. DURATION (IN YRS)	3.93	3.90
CONVEXITY	0.07	0.22

PERFORMANCE

JOHNSON INTERMEDIATE FIXED INCOME

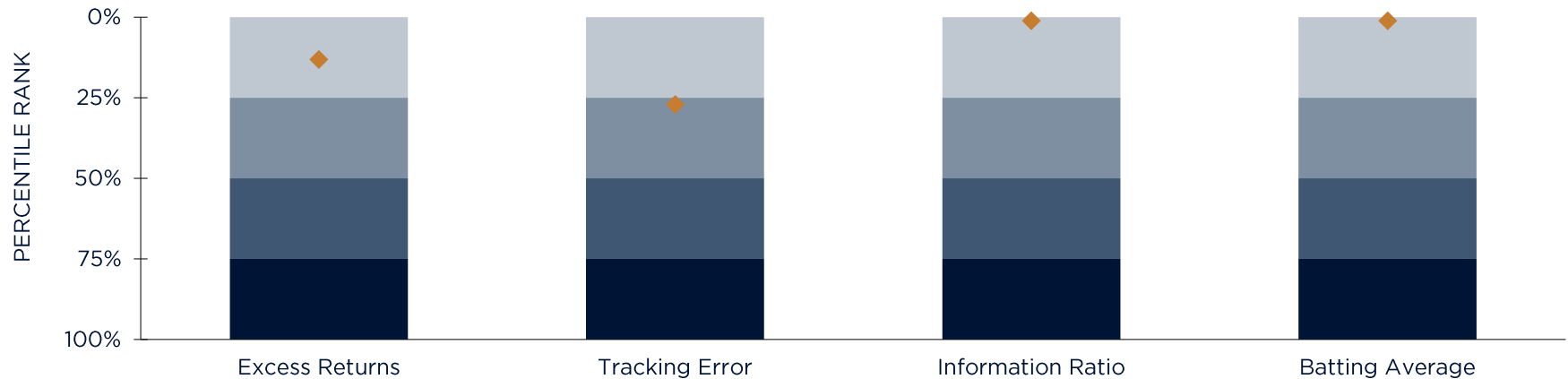
(periods ending 3/31/2019)



ANNUAL RETURNS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
JOHNSON (GROSS)	0.65%	3.28%	3.50%	1.21%	4.38%	-0.44%	5.24%	6.27%	6.36%	7.31%	7.33%
JOHNSON (NET)	0.39%	3.03%	3.25%	0.96%	4.12%	-0.69%	4.98%	6.01%	6.10%	7.04%	7.06%
INTER G/C INDEX	0.88%	2.14%	2.08%	1.07%	3.13%	-0.86%	3.89%	5.80%	5.89%	5.24%	5.08%

RISK ADJUSTED PERFORMANCE



	EXCESS RETURNS	TRACKING ERROR	INFORMATION RATIO	BATTING AVERAGE
5 TH PERCENTILE	1.11	0.58	0.87	0.75
25 TH PERCENTILE	0.63	0.75	0.52	0.71
MEDIAN	0.35	1.05	0.35	0.64
75 TH PERCENTILE	0.16	1.56	0.18	0.58
95 TH PERCENTILE	-0.19	2.60	-0.19	0.43
# OF OBSERVATIONS	108	108	108	108

FIRM/PRODUCT	EXCESS RETURNS	RANK	TRACKING ERROR	RANK	INFORMATION RATIO	RANK	BATTING AVERAGE	RANK
JOHNSON ASSET MANAGEMENT INTERMEDIATE FIXED INCOME	0.87	13	0.76	27	1.14	1	0.80	1

Note: eVestment Alliance Intermediate Fixed Income: 1Q2002 – 1Q2019 vs. Barclay's Intermediate G/C Index.



INSTITUTIONAL INTERMEDIATE COMPOSITE

	COMPOSITE-GROSS OF FEES	COMPOSITE-NET OF FEES	BENCHMARK	3-YEAR STD DEV COMPOSITE	3-YEAR STD DEV BENCHMARK	NUMBER OF PORTFOLIOS	COMPOSITE ASSETS (\$MM)	FIRM ASSETS (\$MM)	COMPOSITE DISPERSION
2018	0.65%	0.39%	0.88%	1.95%	2.12%	11	162.88	3,212	0.12
2017	3.27%	3.02%	2.14%	1.97%	2.14%	14	153.47	2,842	0.09
2016	3.50%	3.25%	2.08%	2.15%	2.26%	12	130.34	2,669	0.10
2015	1.21%	0.96%	1.07%	2.22%	2.13%	15	154.03	2,244	0.15
2014	4.38%	4.12%	3.13%	2.15%	1.96%	15	129.28	2,467	0.24
2013	-0.44%	-0.69%	-0.86%	2.17%	2.14%	21	156.89	2,347	0.12
2012	5.24%	4.98%	3.89%	2.10%	2.19%	12	56.36	2,171	0.25
2011	6.27%	6.01%	5.80%	2.60%	2.59%	9	48.88	2,121	0.32
2010	6.36%	6.10%	5.89%	4.20%	3.96%	9	44.83	1,659 ⁺	0.49
2009	7.31%	7.04%	5.24%	4.13%	3.88%	27	101.44	4,752	1.37

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Composite: The Intermediate Fixed Income composite was created on July 31, 2004, and includes all fee paying, fully discretionary institutional fixed income portfolios with a minimum of \$500,000 and an investment objective of intermediate maturity, investment grade taxable fixed income, benchmarked against the Barclay's Capital Intermediate G/C Index. The Barclays Capital U.S. Intermediate Government/Credit Index measures the performance of U.S. Dollar denominated U.S. Treasuries, government-related and investment grade U.S. corporate securities that have a remaining maturity of greater than one year and less than ten years. Prior to 2008, the minimum asset size for inclusion was \$1,000,000. Effective 1/1/2009, the composite was modified to include actively managed taxable and tax-exempt institutional fixed income portfolios. Eligible new portfolios are included in the composite the first full month after being deemed fully invested. The returns from terminated portfolios are included prior to the date of termination. Effective January 2010, a portfolio will be temporarily removed from this composite if it experiences a net inflow or outflow of cash of 30% or more during a one-month period, beginning 1/1/2014 aggregate inflows or outflows of cash of 30% or more during a one month period will result in a portfolio being temporarily removed.

No leverage is used in the Composite portfolios. Portfolios in this composite include cash, cash equivalents, investment securities, interest and dividends. The U.S. dollar is the base currency. Prior to 2010, fixed income that was segments of balanced portfolios, is included in this composite and cash was maintained on a pro-rata basis in accordance with our asset allocation ratio. The percent of composite assets represented by the balanced portfolios is: 2006 – 12%, 2007 – 11%, 2008 – 37%, 2009 – 27%.

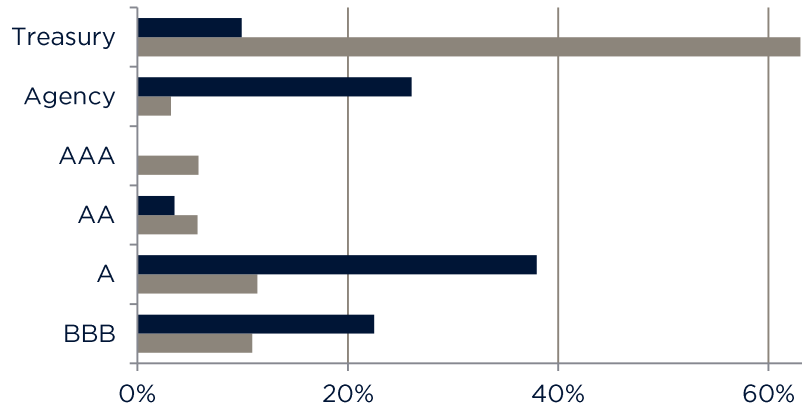
Performance and Fee: All returns reflect the reinvestment of investment income (dividends and/or interest) and capital gains. Valuations and returns are stated in U.S. dollars. Trade date accounting is used. Portfolio returns are calculated using time weighted return methodology on a monthly basis. Net returns shown reflect gross performance less the highest fee schedule for this strategy. The investment management fee schedule for this strategy is as follows: 0.25% on the first \$50 million, 0.20% on the next \$50 million, 0.10% on the next \$400 million, and 0.05% thereafter. Dispersion: Internal dispersion is calculated using equal weighted standard deviation of annual gross returns of those portfolios that were included in the composite for the entire year. The 3-year annualized ex-post standard deviation is calculated using monthly returns to measure the average deviations of returns from its mean.

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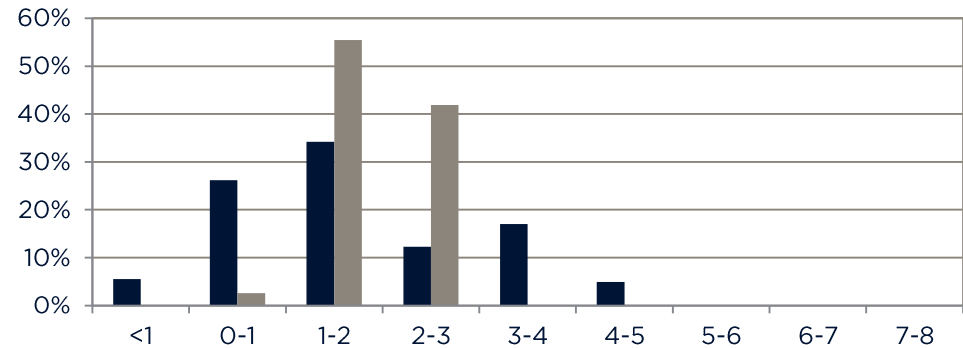
Information: JAM's policies for valuing portfolios, calculating performance and preparing compliant presentations, as well as a complete list of composite descriptions are available upon request. Please contact our office at (513) 389-2770 or 3777 West Fork Road, Cincinnati, OH 45247.

SHORT DURATION PORTFOLIO COMPOSITION

QUALITY WEIGHTINGS

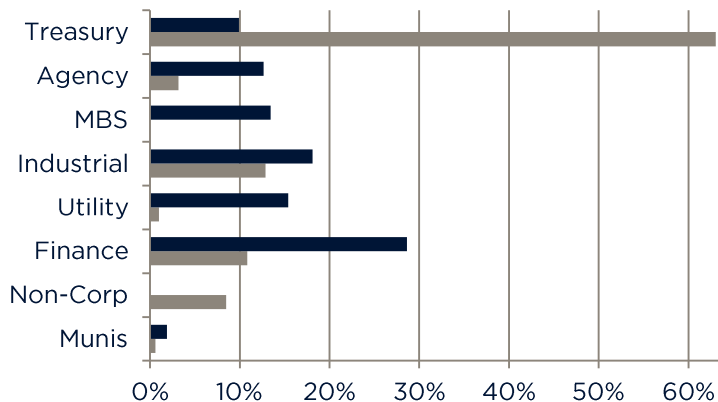


DURATION ALLOCATION



■ JOHNSON ■ ICE BofAML U.S. CORP & GOV'T, 1-3 YEARS

SECTOR WEIGHTINGS

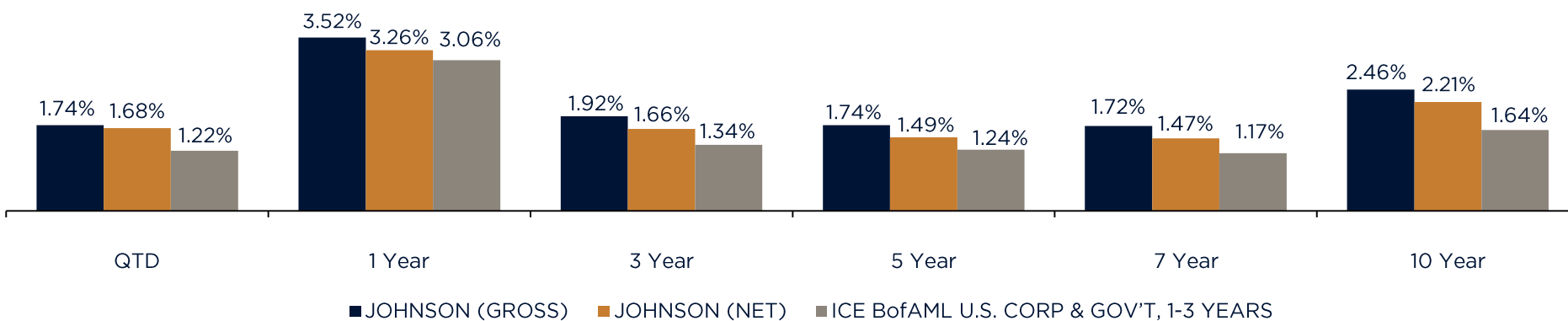


PORTFOLIO SUMMARY	JOHNSON	INDEX
COUPON	3.37%	2.58%
YIELD TO MATURITY	2.77%	2.49%
WEIGHTED AVG. MATURITY (IN YRS)	1.90	1.97
WEIGHTED AVG. DURATION (IN YRS)	1.67	1.80

PERFORMANCE

JOHNSON SHORT DURATION FIXED INCOME

(periods ending 3/31/2019)



ANNUAL RETURNS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
JOHNSON (GROSS)	1.39%	1.77%	1.94%	1.00%	1.66%	0.47%	3.16%	2.59%	3.44%	6.75%	4.82%
JOHNSON (NET)	1.14%	1.52%	1.69%	0.75%	1.41%	0.22%	2.90%	2.34%	3.18%	6.48%	4.56%
ICE BOFAML U.S. CORP & GOV'T, 1-3 YEARS	1.63%	0.86%	1.29%	0.67%	0.78%	0.70%	1.48%	1.56%	2.82%	3.84%	4.69%

INSTITUTIONAL SHORT DURATION COMPOSITE

	COMPOSITE- GROSS OF FEES	COMPOSITE- NET OF FEES	BENCHMARK	3-YEAR STD DEV COMPOSITE	3-YEAR STD DEV BENCHMARK	NUMBER OF PORTFOLIOS	COMPOSITE ASSETS (\$MM)	FIRM ASSETS (\$MM)	COMPOSITE DISPERSION
2018	1.39%	1.14%	1.64%	0.84%	0.81%	6	384.80	3,212	0.17
2017	1.77%	1.52%	0.86%	0.71%	0.73%	5	338.94	2,842	n/a
2016	1.94%	1.69%	1.29%	0.79%	0.74%	6	407.47	2,669	n/a
2015	1.00%	0.75%	0.67%	1.01%	0.58%	6	405.21	2,244	n/a
2014	1.66%	1.41%	0.78%	1.10%	0.50%	6	419.24	2,467	n/a
2013	0.47%	0.22%	0.70%	1.14%	0.55%	5	403.44	2,347	n/a
2012	3.16%	2.90%	1.48%	0.97%	0.73%	3	351.08	2,171	n/a
2011	2.59%	2.34%	1.56%	1.39%	1.05%	3	262.24	2,121	n/a
2010	3.44%	3.18%	2.82%	2.39%	1.72%	3	267.22	1,659 ⁺	n/a
2009	6.75%	6.48%	3.84%	2.35%	1.82%	8	227.81	4,752	n/a

⁺Beginning January 1, 2010, the firm was redefined as Johnson Institutional Management which only includes institutional client assets with a single asset mandate. In 2019, Johnson Institutional Management was renamed Johnson Asset Management. Assets of the Private Client Group have been segregated into a separate firm referred to as Johnson Investment Counsel. Johnson Asset Management (JAM) is a division of Johnson Investment Counsel, Inc., an independent and privately owned Midwestern based investment advisory firm registered with the Securities and Exchange Commission. Johnson Asset Management claims compliance with the Global Investment Performance Standards (GIPS[®]) and has prepared and presented this report in compliance with the GIPS standards. Johnson Institutional Management has been independently verified for the periods 1/1/2010 – 12/31/2018. The verification report(s) is/are available upon request.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. Past performance is not indicative of future results.

Composite: The Short Duration Fixed Income composite was created on July 31, 2004, and includes all fee paying, fully discretionary institutional fixed income portfolios with a minimum of \$500,000 and an investment objective of short duration, investment grade taxable fixed income. The benchmark for this composite is the Merrill Lynch 1-3 Year G/C Index. The Merrill Lynch 1-3 Year Corporate/Government Bond Index includes publicly issued U.S. Treasury debt, U.S. government agency debt, taxable debt issued by U.S. states and territories and their political subdivisions, debt issued by U.S. and non-U.S. corporations, non-U.S. government debt and supranational debt. Eligible new portfolios are included in the composite the first full month after being deemed fully invested. The returns from terminated portfolios are included prior to the date of termination. Effective January 2010, a portfolio will be temporarily removed from this composite if it experiences a net inflow or outflow of cash of 30% or more during a one-month period, beginning 1/1/2014 aggregate inflows or outflows of cash of 30% or more during a one month period will result in a portfolio being temporarily removed. No leverage is used in the Composite portfolios. Portfolios in this composite include cash, cash equivalents, investment securities, interest and dividends. The U.S. dollar is the base currency. Prior to 2010, fixed income that was segments of balanced portfolios, is included in this composite and cash was maintained on a pro-rata basis in accordance with our asset allocation ratio. The percent of composite assets represented by the balanced portfolios is: 2006 – 2%, 2007 – 0%, 2008 – 1%, 2009 – 7%.

Performance and Fee: All returns reflect the reinvestment of investment income (dividends and/or interest) and capital gains. Valuations and returns are stated in U.S. dollars. Trade date accounting is used. Portfolio returns are calculated using time weighted return methodology on a monthly basis. Net returns shown reflect gross performance less the highest fee schedule for this strategy. The investment management fee schedule for this strategy is as follows: 0.25% on the first \$50 million, 0.20% on the next \$50 million, 0.10% on the next \$400 million, and 0.05% thereafter. Dispersion: Internal dispersion is calculated using equal weighted standard deviation of annual gross returns of those portfolios that were included in the composite for the entire year. The 3-year annualized ex-post standard deviation is calculated using monthly returns to measure the average deviations of returns from its mean.

Firm Definition: Johnson Asset Management provides professional and continuous asset management to a wide array of institutional clients, specializing in quality fixed income and enhanced equity index strategies. Effective 1/1/2010, the Firm definition was changed to the Institutional division of Johnson Investment Counsel, which exclusively includes institutional clients with a single asset mandate.

Information: JAM's policies for valuing portfolios, calculating performance and preparing compliant presentations, as well as a complete list of composite descriptions are available upon request. Please contact our office at (513) 389-2770 or 3777 West Fork Road, Cincinnati, OH 45247.

QUESTIONS? PLEASE CONTACT

Michael Hoover

DIRECTOR, INSTITUTIONAL SALES & CLIENT SERVICE

M: 317.407.9720

O: 317.816.1310

MHOOVER@JOHNSONASSET.COM

JOHNSONASSET.COM

One of our most important responsibilities to client and prospective clients is to communicate in an open and direct manner. Some of our comments in this presentation are based on current management expectations and are considered "forward-looking statements". Actual future results, however may prove to be different from our expectations. We cannot promise future results. Any performance expectations presented here should not be taken as any guarantee or other assurance as to future results. Our opinions are a reflection of our best judgment at the time this presentation was created, and we disclaim any obligation to update or alter forward-looking statements as a result of new information, future events or otherwise. The material contained herein is based upon proprietary information and is provided purely for reference and as such is confidential and intended solely for those to whom it was provided by JIC.



THANK YOU





City of Burlington Employees' Retirement System

Core Fixed Income Manager Search May 20, 2019



DAHAB ASSOCIATES
New York Massachusetts Pennsylvania Florida



May 20, 2019

Burlington Employees' Retirement System
149 Church Street
City Hall, 2nd Floor
Burlington, Vermont 05401

Ladies and Gentlemen:

We are pleased to present the results of the core fixed income manager search conducted on behalf of the Burlington Employees' Retirement System.

The process began with a notice of the search on our website (www.dahab.com). We also screened our database of core fixed income managers. From that list we narrowed down the selection to three finalist firms. They are:

**GARCIA HAMILTON & ASSOCIATES
JOHNSON INSTITUTIONAL MANAGEMENT
RYAN LABS ASSET MANAGEMENT**

These firms have been thoroughly analyzed and we are confident that any one of them can do the job. Enclosed are spreadsheets and brief summaries of the products to assist in making comparisons. Should you have any questions please do not hesitate to call me or Barry Bryant, CFA at our Bay Shore office (631.665.6181).

Sincerely,

A handwritten signature in black ink that reads "Steve Roth".

Steven Roth, CFA
Chief Investment Officer

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AGENDA

The following is a list of the core fixed income managers that have been selected to appear before the Burlington Employees' Retirement System on May 20, 2019.

1:00 PM RYAN LABS ASSET MANAGEMENT

Michael Donelan, *Managing Director, Portfolio Manager*

DJ Lucey, *Managing Director, Portfolio Manager*

Annette Serrao, *Director, Credit Research*

Chris Adair, *Head of Sales, Client Service & Strategy*, cadair@ryanlabs.com

1:45 PM JOHNSON INSTITUTIONAL MANAGEMENT

Dale Coates, *Vice President & Portfolio Manager*

Michael Hoover, *Director of Institutional Sales*, hoover@johnsonasset.com

2:30 PM GARCIA HAMILTON & ASSOCIATES

Gilbert Garcia, *Managing Partner*

Janna Hamilton, *Partner*, janna@garciahamiltonassociates.com

Garcia Hamilton & Associates

Fixed Income - Aggregate

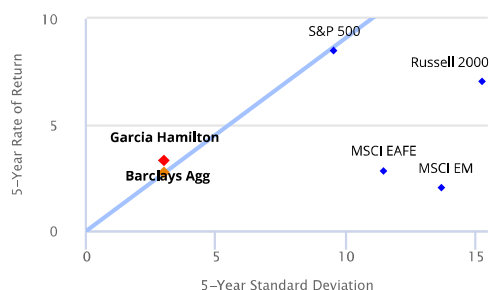
Portfolio Characteristics

Quality:	AA
Maturity:	8.40
Duration:	4.26
Coupon:	3.26
High Yield %:	0.00

Overview

Contact	Janna Hamilton - 713.853.2309
Product Assets	\$10.3B
Firm Assets	\$13.4B
Inception	December 31, 1991
Benchmark	Barclays Aggregate Index

5-Year Risk/Return Profile



Firm History

Garcia Hamilton & Associates is an independent investment management firm founded in 1988, in Houston, Texas. The firm was named Davis Hamilton Jackson & Associates until July 1, 2010, when the name change finalized a three-year process of restructuring the firm's partnership to make it 100% employee owned. It offers a variety of fixed income strategies.

Investment Team

The fixed income team is comprised of ten investment professionals led by Gilbert Garcia. Mr. Garcia joined the firm in 2002. He is supported by five bond portfolio managers, who serve as credit research analysts for the team, three research analysts, and a fixed income associate. The firm's investment committee meets weekly to discuss the key market factors that surround the investment process.

Investment Strategy

Garcia Hamilton's strategy uses controlled interest rate anticipation and active sector rotation in an attempt to outperform the benchmark net of fees with higher credit quality, lower risk and less volatility. A broad fundamental analysis of duration, yield curve and sectors results in a defined set of parameters for individual issue selection. The process includes both qualitative and quantitative components. Qualitative research revolves around five key factors: sentiment, monetary, economic, valuation and inflation. Quantitative analysis involves the use of liquidity, duration and spread models, with an emphasis on potential changes in correlation among macroeconomic variables and asset prices. In constructing portfolios, the team sets target ranges in the areas of duration, yield curve, sector allocation and sector duration contribution. Specific issue selection will revolve around a relative value analysis versus alternative securities, credit quality, liquidity and issue size.

Historic Returns*

	Mar	Jun	Sep	Dec	YTD
2009	0.6	4.0	5.8	1.3	12.1
	0.1	1.8	3.7	0.2	5.9
2010	2.3	2.7	3.4	-0.4	8.2
	1.8	3.5	2.5	-1.3	6.6
2011	0.8	1.9	1.0	1.5	5.3
	0.4	2.3	3.8	1.1	7.9
2012	2.9	2.2	3.8	1.2	10.4
	0.3	2.1	1.6	0.2	4.2
2013	0.7	-2.4	0.8	1.0	0.1
	-0.1	-2.3	0.6	-0.1	-2.0
2014	2.5	2.2	0.6	2.6	8.0
	1.8	2.0	0.2	1.8	6.0
2015	2.0	-2.7	1.9	-0.2	0.8
	1.6	-1.7	1.2	-0.6	0.6
2016	3.3	2.1	0.3	-2.5	3.2
	3.0	2.2	0.5	-3.0	2.7
2017	1.0	1.4	0.5	0.9	3.8
	0.8	1.4	0.8	0.4	3.5
2018	-0.6	0.5	-0.1	1.2	1.0
	-1.5	-0.2	0.0	1.6	0.0
2019	2.4				2.4
	2.9				2.9

Return data from Garcia Hamilton & Associates - Fixed Income - Aggregate composite.
Italicized returns from Barclays Aggregate Index benchmark.

Top Ten Holdings

1. US TREASURY	10.52%	6. INTEL FLOATER	4.34%
2. US TREASURY	7.31%	7. BANK OF AMERICA FLOATER	3.94%
3. FHLB FLOATER	6.34%	8. BNY MELLON FLOATER	3.72%
4. FHLB FLOATER	6.02%	9. FHLMC FLOATER	3.59%
5. JP MORGAN FLOATER	4.71%	10. APPLE FLOATER	3.36%

Johnson Institutional Management Core Fixed Income

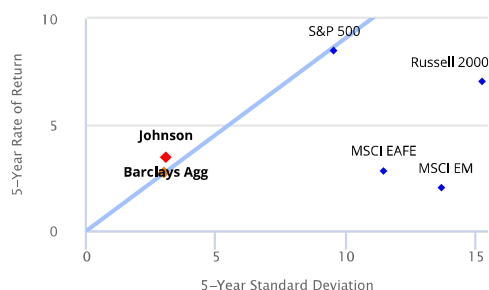
Portfolio Characteristics

Quality:	Aa3
Maturity:	7.50
Duration:	6.09
Coupon:	3.28
High Yield %:	0.00

Overview

Contact	Michael Hoover - 317.816.1310
Product Assets	\$1.7B
Firm Assets	\$3.5B
Inception	January 1, 1994
Benchmark	Barclays Aggregate Index

5-Year Risk/Return Profile



Firm History

Johnson Institutional Management is an independent firm based in Cincinnati, Ohio. The firm was originally founded in 1965 as Johnson Investment Counsel by Timothy Johnson. It subsequently became Johnson Institutional Management in 2004. The firm's entire focus is on managing fixed income strategies.

Investment Team

Johnson has one team responsible for all of their strategies. The team is led by Jason Jackman, Dale Coates, Michael Leisring, Brandon Zureick and David Theobald. They are supported by 10 credit analysts. All team members are generalists and work together in the decision making process. However, all buy and sell decisions are executed by Jason Jackman and Michael Leisring, who have worked on the product together since 1999.

Investment Strategy

They believe a quality yield approach emphasizing the spread sectors of the fixed income market will provide the consistent compounding of excess income that drives bond returns, while simultaneously providing downside risk protection to the portfolio. Portfolios are built from both a top-down, macro-economic perspective and a bottom-up, fundamental analysis of relative value. They do not speculate on the direction of interest rates, limiting the duration and structure of the portfolio to a range around the benchmark. Instead, sector and security selection account for the majority of value-added in their portfolios. Investment decisions are made from an internal assessment of relative value based on fundamental assessment of risk and yield spread. Johnson typically emphasizes investment-grade corporate bonds and agency-backed mortgage securities. A bond can be sold if it is deemed overpriced, if there is a downgrade in their internal credit analysis or if a better opportunity has been found.

Historic Returns*

	Mar	Jun	Sep	Dec	YTD
2009	-0.3	2.9	4.3	0.5	7.5
	0.1	1.8	3.7	0.2	5.9
2010	2.1	3.7	2.9	-1.8	7.1
	1.8	3.5	2.5	-1.3	6.6
2011	0.8	1.9	3.9	1.3	8.1
	0.4	2.3	3.8	1.1	7.9
2012	1.0	2.1	1.8	0.3	5.3
	0.3	2.1	1.6	0.2	4.2
2013	0.3	-2.4	0.4	0.2	-1.5
	-0.1	-2.3	0.6	-0.1	-2.0
2014	2.5	2.2	0.5	1.8	7.1
	1.8	2.0	0.2	1.8	6.0
2015	2.1	-1.7	1.2	-0.4	1.2
	1.6	-1.7	1.2	-0.6	0.6
2016	3.4	2.4	0.8	-2.7	3.8
	3.0	2.2	0.5	-3.0	2.7
2017	1.0	1.6	0.9	0.7	4.1
	0.8	1.4	0.8	0.4	3.5
2018	-1.3	-0.0	0.2	1.4	0.2
	-1.5	-0.2	0.0	1.6	0.0
2019	3.5				3.5
	2.9				2.9

Return data from Johnson Institutional Management - Core Fixed Income composite.
Italicized returns from Barclays Aggregate Index benchmark.

Top Ten Holdings

1. US TREASURY	4.87%	6. US TREASURY	2.06%
2. US TREASURY	3.16%	7. BANK OF AMERICA	1.96%
3. US TREASURY	2.90%	8. FIFTH THIRD BANCORP	1.64%
4. US TREASURY	2.36%	9. US TREASURY	1.62%
5. FNMA	2.11%	10. PNC FINANCIAL SERVICES	1.61%

Ryan Labs Asset Management Core Fixed Income

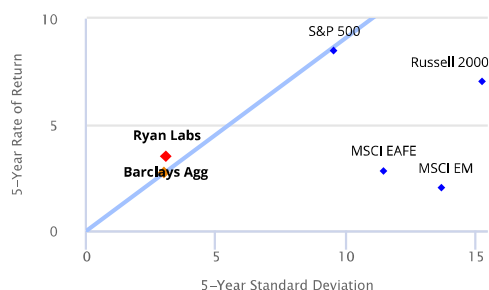
Portfolio Characteristics

Quality:	A
Maturity:	8.43
Duration:	6.37
Coupon:	3.54
High Yield %:	0.00

Overview

Contact	Melissa Spadafora - 646.480.5061
Product Assets	\$1.4B
Firm Assets	\$9.5B
Inception	June 1, 1996
Benchmark	Barclays Aggregate Index

5-Year Risk/Return Profile



Firm History

Ryan Labs Asset Management was established in March of 1988. Based in New York, New York, the firm became a wholly-owned subsidiary of Sun Life Financial in 2015. Ryan Labs offers a wide variety of fixed income strategies to investors.

Investment Team

Ryan Labs uses a team approach for all of their strategies. Richard Familetti, Michael Donelan, Matt Salzillo, Phil Mendonca and Daniel Lucey serve as portfolio managers as well as analysts. They have been together since 2009 and are supported by a team of five additional analysts. All portfolio decisions are made on a team basis.

Fund Barclays Agg Excess

	Fund	Barclays Agg	Excess
3-Year ROR	2.9	2.0	0.9
5-Year ROR	3.5	2.7	0.8
7-Year ROR	3.5	2.5	1.0
10-Year ROR	4.8	3.8	1.0
15-Year ROR	4.8	3.9	0.9

Investment Strategy

The team seeks to add value through sector and security selection while remaining duration neutral to the benchmark. They utilize bottom-up fundamental research, which focuses on the income statement and balance sheet, to screen for attractive securities. They believe it is equally important to exclude what are believed to be bad investments as it is to purchase good ones. They also perform sector analysis, participating in conference calls and industry presentations to determine sectors of the market that may come under pressure and where potential opportunities may be. A bond may be sold if it has outperformed and achieved targeted return goals, underperformed or increased spread volatility, or for duration management portfolio re-balancing.

Historic Returns*

	Mar	Jun	Sep	Dec	YTD
2009	1.1	1.4	5.0	0.3	7.9
	0.1	1.8	3.7	0.2	5.9
2010	2.7	3.8	2.5	-0.5	8.7
	1.8	3.5	2.5	-1.3	6.6
2011	1.1	2.5	3.3	0.9	8.0
	0.4	2.3	3.8	1.1	7.9
2012	0.5	2.4	2.8	0.3	6.2
	0.3	2.1	1.6	0.2	4.2
2013	0.4	-2.3	0.4	0.7	-0.9
	-0.1	-2.3	0.6	-0.1	-2.0
2014	2.1	2.4	0.3	2.1	7.1
	1.8	2.0	0.2	1.8	6.0
2015	2.2	-1.8	1.1	-0.6	0.8
	1.6	-1.7	1.2	-0.6	0.6
2016	3.1	2.6	0.8	-2.6	3.8
	3.0	2.2	0.5	-3.0	2.7
2017	1.2	1.5	1.1	0.8	4.5
	0.8	1.4	0.8	0.4	3.5
2018	-1.2	-0.2	0.3	1.1	0.1
	-1.5	-0.2	0.0	1.6	0.0
2019	3.4				3.4
	2.9				2.9

Return data from Ryan Labs - Core Fixed Income composite.
Italicized returns from Barclays Aggregate Index benchmark.

Top Ten Holdings

1. US TREASURY	1.87%	6. US TREASURY	1.50%
2. FNMA	1.85%	7. US TREASURY	1.24%
3. FHLMC	1.68%	8. US TREASURY	1.11%
4. US TREASURY	1.57%	9. MBS	1.06%
5. US TREASURY	1.52%	10. US TREASURY	1.00%

Burlington Employees' Retirement System
Core Fixed Income Manager Search
Organizational Information

Firm	Garcia Hamilton & Associates	Johnson Institutional Management	Ryan Labs Asset Management
Product	Fixed Income - Aggregate	Core Fixed Income	Core Fixed Income
Location	Houston, TX	Cincinnati, OH	New York, NY
Contact	Janna Hamilton	Michael Hoover	Melissa Spadafora
Phone	713.853.2309	317.816.1310	646.480.5061
Affiliation	Independent	Independent	Subsidiary of Sun Life Financial
Founded	1988	1965	1988
Total Assets	\$13.4B	\$3.5B	\$9.5B
Assets in Product	\$10.3B	\$1.7B	\$1.4B
Investment Style	Interest Rate Anticipation, Sector Security Approach, Yield Curve Positioning, Duration Exposure	Sector Security Approach, Fixed Duration	Sector Security Approach
Philosophy	Their investment philosophy focuses on the preservation of principal while maintaining high current income. GH&A's goal is to outperform their benchmark indices net of fees with higher credit quality, lower risk and less volatility.	They believe a Quality Yield approach emphasizing the spread sectors of the fixed income market will provide the consistent compounding of excess income that drives bond returns, while simultaneously providing downside risk protection to the portfolio.	Fundamental and technical research and analysis of the corporate credit and structured credit markets are used to identify a universe of issues within a sector and subsector to determine which issues are selected for a portfolio.
No. of Securities	35-45	60-80	175
Turnover	82%	40%	69%
5yr/Current Quality	AA+/AA-	AA/Aa3	AA/A
5yr/Current Maturity	8.06/8.40	7.59/7.50	7.93/8.43
5yr/Current Duration	5.86/4.26	5.75/6.09	6.03/6.37
5yr/Current Coupon	3.34/3.26	3.67/3.28	3.34/3.54
5yr/Current HY	0.00/0.00	0.00/0.00	0.00/0.00
Inception	12/31/1991	1/1/1994	6/1/1996
Benchmark	Bloomberg Barclays US Aggregate	Bloomberg Barclays US Aggregate	Bloomberg Barclays US Aggregate
Fee Schedule	Separate Account: 25 bps on first \$25mm 20 bps on next \$25mm 18 bps on next \$50mm Minimum: \$5mm	Separate Account: 25 bps on first \$50mm 20 bps on next \$50mm Minimum: \$5mm	Separate Account: 25 bps on first \$100mm Minimum: \$10mm

Burlington Employees' Retirement System
Core Fixed Income Manager Search
Performance Information

Firm	Garcia Hamilton & Associates	Johnson Institutional Management	Ryan Labs Asset Management	Bloomberg Barclays Aggregate Index
Product	Fixed Income - Aggregate	Core Fixed Income	Core Fixed Income	
2008	5.88	8.82	6.87	5.24
2009	12.13	7.52	7.92	5.93
2010	8.21	7.09	8.72	6.56
2011	5.33	8.12	7.99	7.86
2012	10.48	5.29	6.18	4.23
2013	0.09	-1.52	-0.92	-2.02
2014	8.02	7.10	7.06	5.95
2015	0.85	1.16	0.80	0.57
2016	3.18	3.81	3.80	2.66
2017	3.82	4.12	4.53	3.55
2018	0.98	0.23	0.09	0.01
1Q2019	2.43	3.50	3.43	2.94
3 Year	2.35	2.74	2.92	2.03
5 Year	3.31	3.47	3.50	2.74
11 Year	5.25	4.68	4.85	3.71

Firm Name	Garcia Hamilton & Associates, L.P.
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Summary

General Information:

Firm Name	Garcia Hamilton & Associates, L.P.
Product Name	Fixed Income Aggregate
<u>City, State</u> of Firm's Headquarters	Houston, Texas
<u>City, State</u> of Product's Investment Team	Houston, Texas
Name of Parent Company, or "Independent"	Independent
Tax-Exempt Assets Under Management	\$12.2B
Total Assets Under Management	\$12.6B
Year Founded	1988
Year Registered	1988
Contact Name	Janna Hamilton
Contact Number	713-853-2309
Contact Email	janna@garciahiltonassociates.com

Which of the following types of products are available for this search? You may offer multiple product types if you choose. Indicate with an "X." There will be room to elaborate on the product offerings elsewhere in this document.

This selection should indicate that any minimum account sizes for the product are either met or waived for this search.

Separate Account	X \$5million
Commingled Funds	
Mutual Fund	X \$250k

Please provide the following figures for a representative account, with the data as of
the end of 4th Quarter 2018

Do not submit the following data for any other quarter, even if footnoted as such.

It is acceptable to submit preliminary data, if necessary.

Only provide statistics for indicated time-periods

(i.e. do not put 3-year alpha when 5-year alpha is requested)

All statistics (including, but not limited to Alpha and Batting Average) for active managers, must
be relative to the following benchmark:

Bloomberg Barclays US Aggregate Bond Index

All statistics must be based on quarterly numbers, never monthly, even when the question isn't
explicit in that regard. All statistics should be annualized.

- Dahab Associates often reconciles the following statistics against the "Informais PSN" database, if data is available, using the relevant ending-date and benchmark.
- It is not mandatory for this RFP that managers populate or use the PSN database.
- If a manager has access to their statistics as they appear in the PSN database, it would be helpful if the following statistics in this RFP correspond to those in PSN.
- If the submitted product is in the PSN database, please provide the following identifying information exactly as it appears (case, spaces, and exact spelling are necessary).

PSN Firm Name	Garcia Hamilton & Associates, L.P.
PSN Product Name	Fixed Income - Aggregate
PSN Firm Abbreviation	GH&A
PSN Product Abbreviation	FI Aggregate

Fixed Income Product Information:

Product Name	Fixed Income Aggregate	
Typical Number of Issues Held	35-45	
	3-Year	5-Year
Batting Average (% of quarters beating benchmark)	0.50	0.65
Alpha	0.78	0.88
Standard Deviation	2.50	2.84

Portfolio Turnover, 12-month Rolling, excluding repos (%)	60.19%	82.36%
	5-year Average	Current
Quality	AA+	AA
Maturity	8.06	8.22
Duration	5.86	5.81
Coupon	3.34	3.28
% U.S. Government	71.16%	54.67%
% AAA (Non-USGov)	0%	0%
% AA (Non-USGov)	8.97%	4.88%
% A	17.87%	40.45%
% BBB	2.01%	0%
% Non-Investment Grade	0%	0%
% Domestic Bonds	100%	100%
% Developed International	0%	0%
# Developed International Countries	0	0
% Emerging Markets	0%	0%
# Emerging Markets Countries	0	0
Hedging (%)	0%	
Product Inception	December 31, 1991	
Preferred benchmark for this product	Bloomberg Barclays U.S. Aggregate Index	
Total Assets in Composite	\$8.3B	
Total Assets in Strategy	\$9.5B	

Firm Affiliation

1. Is the firm independent? | Yes
2. Is the firm registered under the Investment Advisors Act of 1940? | Yes
3. Is the firm minority owned? If so, what percent? | Yes, 61%
4. Is the firm women owned? If so, what percent? | Yes, 52%
5. Is the firm a subsidiary of, or related in any way to:

A brokerage firm	No
Insurance company	No
A bank	No
Other	No

6. What is the name of the parent company? | N/A

7. Please provide details of the ownership structure of the firm.

The firm is 100% employee-owned by eleven internal partners with 91% held by women and minority partners and 61% of the firm held by minority partners.

8. If the firm is related in any fashion (financially or otherwise) to any other entity, explain.

No, GH&A is not related in any fashion to any other entity.

9. If the firm is certified as women or minority owned, list all certifications, including (though not limited) to federal and state levels.

GH&A is certified as a women or minority owned business in the following areas, Texas, North Carolina, Delaware, New York, Illinois, Philadelphia, PA, and Houston, TX.

General Background Information

1. Please indicate the types of accounts that your firm currently manages:

Domestic Equity	
Fixed Income	X
Balanced	
International	
Global	

Socially Conscious	
Hedge Fund of any type	
Institutional Mutual Funds **	
Retail Mutual Funds	X

2. Please provide the location and function of each of the firm's offices.

GH&A's sole office is located at 1401 McKinney, Suite 1600, Houston, Texas 77010

The function of this office consists of the daily management of portfolios through our qualitative and quantitative components including our proprietary report, the placing of all orders for the purchase and sale of securities, settlements of these transactions, reconciliation of transactions with custodial statements, reporting and the

- availability of conference calls and meeting with all clients and consultants.
- Garcia Hamilton & Associates, L.P. was founded in 1988 and offers high quality fixed income strategies for institutional investors. Its diversified client base includes public funds, jointly trustee plans, endowments and corporations. The firm is a limited partnership with current assets under management of approximately \$12.6B.
- The firm is 100% employee-owned by nine internal partners and is an MBE firm in several states. In January of 2017, the firm added two new partners and increased the ownership of four other partners. This enhanced our MWBE status to the current 91% held by women and minority partners, and 59% of the firm held by minority partners.
3. Please give a brief history of the firm.
4. When was the firm founded? June 30, 1988.
5. When was it registered as an investment advisor? July 5, 1988
6. When did the firm begin to manage tax exempt accounts? June 30, 1988
7. Describe the level of error and omission insurance coverage the firm carries.
- The firm has \$15 mm in errors and omissions insurance.
8. Are you now the subject of a SEC or other regulatory body sanction? If so, explain.
- No.
9. Has the firm ever been subject to a SEC or other regulatory body sanction? If so, explain.
- No.
10. Discuss, in detail, any litigation brought against the firm in the last five years.
- GH&A has not had any litigation brought against the firm in the last five years.
11. Please provide details on the financial condition of the firm.
- The firm is profitable. As a privately held company, GH&A does not publish its financial statements. The most recent audited financial statements will be forwarded separately. For the past several years, the Firm has been retaining profits into the working capital of the Firm. As a result, the Firm possesses a significant cash balance to cover new staffing additions and investments in new products. Furthermore, we have no debt.
12. Provide a breakdown of assets by type of Investment Strategy. (for example, Mid Cap Growth, Core Fixed Income, Emerging Markets, etc.)

Investment Strategy	# of Accounts	\$ Value
Fixed Income Short Duration Government/Credit	3	\$396mm
Fixed Income Short Duration Government	4	\$148mm
Fixed Income Short Duration Opportunistic	6	\$168mm
Fixed Income Intermediate	53	\$1.3B
Fixed Income Aggregate	196	\$9.5B
Fixed Income Intermediate Aggregate	29	\$418mm

Fixed Income Government/Credit	5	\$163mm
Fixed Income Cash Enhanced	1	\$309mm
Fixed Income Other	5	\$150mm

13. Please provide a breakdown of the FIRM'S accounts & assets in the following table:

	# of Accounts	\$ Value
Tax Exempt Assets:		
ERISA	13	\$567mm
Public	165	\$7.4B
Taft-Hartley	20	\$1.2B
Endowment	10	\$99mm
Foundation	39	\$857mm
Religious Order		
Other	45	\$1.5B
Total Tax-Exempt	292	\$11.6B
Taxable Assets:	4	\$71mm
Personal Trusts	4	\$47mm
Commingled		
Other		
Total Taxable	8	\$118mm
Mutual Funds:	2	\$902mm
Equity		
Fixed Income		
Money Market		
Other		
Total Mutual Funds	2	\$902
Overall Total	302	\$12.6B

14. Provide a breakdown of the PRODUCT'S accounts & assets in the following table:

	# of Accounts	\$ Value
Tax Exempt Assets:		
ERISA	11	\$466mm
Public	100	\$5.3B
Taft-Hartley	11	\$907mm
Endowment	10	\$99mm
Foundation	30	\$724mm

Religious Order	0	0
Other	30	\$1.1B
Total Tax-Exempt	191	\$8.6B
Taxable Assets:		
Personal Trusts	2	\$33mm
Commingled		
Other		
Total Taxable	3	\$35mm
Mutual Funds:	2	\$902
Equity		
Fixed Income		
Money Market		
Other		
Total Mutual Funds	2	\$902mm
Overall Total	194	\$9.5B

15. What are your firm's plans for growth of these assets?

We do not have a target asset growth rate, however, we monitor our staff and systems on a continuous basis to make sure we stay ahead of the growth. In recent years, we have added new systems and increased insurance coverage to accommodate asset growth.

16. Are there plans for limiting growth in any of the above areas?

The firm does not have a policy limiting assets under management. We presently have ample capacity from an investment management standpoint and we will continually review from an organizational, management, and client service standpoint. We feel we are positioned to continue to grow at a steady pace over the next several years and are committed to adding the resources required to provide the quality of investment and client services to exceed our clients' expectations.

17. How does your firm plan to staff the growth of the firm described above?

Since the firm's inception, GH&A has increased its staff in anticipation of growth rather than as a response to it. We will continue to evaluate our staffing needs in the areas of portfolio management, research, trading and client service as assets grow. We do continue to diversify our fixed income products by managing against different fixed income indices along the yield curve, however, we are not looking to add any additional services.

18. Give five (5) references for your services.

Gracie G. Flores – Corpus Christi Firefighters Retirement System, (361) 882-1486
 Scottie D. Beville – Teachers' Retirement System of the State of Illinois, (217) 753-0370
 Marty Lebowitz – City of North Miami Beach Police Officers' and Firefighters' Pension Fund, (561) 542-8332
 Tim Schoolmaster – City of Evanston Police Pension Fund, Illinois, (847) 866-5049

William Velasco – Dallas Transit Authority, (214) 789-1300

19. State the average size of the firm's 5 largest tax-exempt funds.
\$588mm

20. Indicate the number & assets of tax-exempt accounts the FIRM gained & lost in each category:

Gained	2014		2015		2016		2017		2018	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public	16	\$208mm	0	0	0	0	0	0	21	\$748mm
ERISA	15	\$686mm	26	\$592mm	23	\$400mm	14	\$559mm	3	\$109mm
Taft-Hartley	1	\$3mm	1	\$11mm	0	0	0	0	2	\$21mm
Endowment	2	\$30mm	0	0	1	\$5mm	2	\$13mm	1	\$7mm
Foundation	15	\$111mm	2	\$10mm	3	\$25mm	2	\$57mm	3	\$263mm
Religious Order	0	0	0	0	0	0	0	0	0	0
Other	3	\$15mm	10	\$213mm	10	\$217mm	13	\$353mm	11	\$472mm
Total	52	\$1 B	39	\$826mm	36	\$657mm	31	\$982mm	41	\$1,619.8

Lost	2014		2015		2016		2017		2018	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public	0	0	0	0	0	0	0	0	1	\$122mm
ERISA	0	0	2	\$42mm	1	\$7mm	4	\$324mm	0	0
Taft-Hartley	0	0	1	\$3mm	0	0	0	0	1	\$2mm
Endowment	0	0	0	0	1	\$6mm	0	0	0	0
Foundation	0	0	0	0	0	0	0	0	0	0
Religious Order	0	0	0	0	0	0	0	0	0	0
Other	4	\$61mm	2	\$55mm	4	\$254mm	5	\$82mm	6	\$321mm
Total	4	\$61mm	5	\$100mm	6	\$267mm	9	\$406mm	8	\$445mm

21. Please discuss any unusually large number of accounts or assets lost.
2014 – one account merged, one rebalanced, one brought management in-house and one did not give reason

2015 – one changed advisors, one merged with another account, one was a power plant and the plant went bankrupt, one did not give reason

2016 – two changed consultants, one merged, one changed strategy, one was power plant and was sold, two clients passed away

2017 – one was a mutual fund and it closed, one moved money to a smaller manager, one moved management in-house, the others did not give a reason

2018 – three moved management in-house, two changed strategy, and the rest didn't give a reason

22. Indicate the number & assets of tax-exempt accounts the PRODUCT gained & lost:

Gained	2014		2015		2016		2017		2018	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public	17	\$187mm	2	\$42mm	0	0	0	0	12	\$1mm
ERISA	12	\$301mm	18	\$506mm	9	\$180mm	7	\$364mm	0	0
Taft-Hartley	0	0	1	\$11mm	0	0	2	\$33mm	1	\$15mm
Endowment	2	\$30mm	0	0	0	0	2	\$13mm	1	\$7mm
Foundation	14	\$109mm	3	\$44mm	2	\$23mm	2	\$57mm	3	\$263mm
Religious Order	0	0	0	0			0	0	0	0
Other	0	0	5	\$115mm	15	\$277mm	6	\$250mm	6	\$242mm
Total	45	\$627mm	29	\$718mm	26	\$480mm	19	\$717mm	23	\$528mm

Lost	2014		2015		2016		2017		2018	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public	0	0	0	0	0	0	0	0	0	0
ERISA	0	0	2	\$42mm	0	0	3	\$175mm	0	0
Taft-Hartley	0	0	0	0	0	0	0	0	0	0
Endowment	0	0	0	0	1	\$6mm	0	0	0	0
Foundation	0	0	0	0	0	0	0	0	0	0
Religious Order	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	4	\$254mm	1	\$7mm	4	\$304mm

Total	0	0	0	0	5	\$260 mm	4	\$182 mm	4	\$304 mm
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23. For the PRODUCT, please discuss any unusually large # of accounts or assets lost.

2015 one changed consultants and one didn't give a reason

2016 three changed consultants, 2 passed away, one didn't give a reason

2017 one moved to a smaller manager, one moved in house, one rebalanced and one didn't give a reason

2018 two moved management in-house, one changed strategy, one didn't give a reason.

In the following table, list the 5 clients (or all clients, if fewer than 5 in the strategy) with the most invested in the product (including clients that aren't included in the composite), and the requested details.

If the client is public (or you may disclose its name) please do. Otherwise state the type of client (e.g. Taft-Hartley, Foundation, Sub-Advisory, Mutual Fund, etc.).

For Vehicle, potential choices would include (but aren't limited to) Separate Account, Commingled Fund, CIT, Mutual Fund, etc.

	Client Name or Type	\$ Invested	State (or Nation)	Investment Year	Vehicle	Included In Composite?
1	Illinois Municipal Retirement	\$990mm	Illinois	2015	Separate Account	Yes
2	Garcia Hamilton US Quality Bond Fund	\$613mm	Japan	2017	Mutual Fund	Yes
3	Illinois State Board of Retirement	\$608mm	Illinois	2010	Separate Account	Yes
4	Teachers' Retirement System of the State of Illinois	\$367mm	Illinois	2010	Separate Account	Yes
5	Union	\$360mm	Michigan	2018	Separate Account	Yes

Investment Team & Philosophy Implementation

1. Describe the structure of the product's investment team, including how many members the team has and the responsibilities of each member. Include an organizational chart which details the flow of information used in the decision-making process.

The Firm's fixed income investment group consists of ten investment professionals with Gilbert A. Garcia and/or Karen Tass having the final decision-making responsibility for all portfolios. The members of the fixed income investment group collectively have 202 years of combined industry experience and 77 years of combined firm experience. The fixed income investment group includes two MBA's, a MS in Finance and an MA in Economics. In addition, four individuals are Chartered Financial Analyst (CFA) charterholders.

Gilbert Garcia interacts throughout the day with the fixed income trading desk on the positioning of the portfolio. The fixed income team works with Mr. Garcia on the timing of the portfolio changes as well as security selection and trade executions. In addition, all members of the fixed income team are generalist, however, they do focus on certain sectors, and also serve as traders. Gilbert Garcia and Nancy Rodriguez supervise the trading activities. Additionally, Ms. Rodriguez is responsible for overseeing investment team activities, coordinating new accounts, and portfolio cash flows. Jeffrey Detwiler covers the short-term markets, Karen Tass covers the corporate sector, and Benjamin Monkiewicz covers agencies and mortgage-backed securities. The Strategist creates investment tools to assist in anticipating major turns in economic activity and are significant inputs into the construction of the portfolio for which we set target portfolio ranges for duration, yield curve, sector allocation, and sector duration contribution. Our portfolio managers spend about 30-50% of their time on research while the balance is spent on trading and portfolio maintenance. Our Analysts spend virtually all of their time on pure research.

Please see Attachment: **GH&A Organizational Chart**

Please see Attachment: **GH&A Portfolio Construction Flow Chart**

2. How long have the key members of the team worked with this product? Have there been additions or departures in the last 3 years for the team managing the proposed product? Please explain.

Key members of the team include Gilbert Garcia, Nancy Rodriguez, and Karen Tass. Mr. Garcia and Ms. Rodriguez have worked on the product for 16 years and Ms. Tass for 8 years.

In the past three years we have added two professionals to the fixed income team.

Yvette Duenas joined the team in 2016 as an Investment Analyst.

Reese Weller joined the team in 2017 as an Investment Analyst.

There have not been any departures in the last three years for the team managing the proposed product

3. Please provide a brief history of the investment team including any previous firms this team has worked at together.

In 2002, Gilbert A. Garcia joined Garcia Hamilton & Associates to manage the Fixed Income Strategies and to build the bond team and business.

Nancy Rodriguez joined the firm in 1998 and was promoted to Portfolio Manager in 2014. She has worked with Mr. Garcia on the Fixed Income Strategies since 2002.

In 2007, Mr. Jeffrey Detwiler joined the firm as a Fixed Income Analyst. He was promoted to Fixed Income Portfolio Manager in 2010.

Karen Tass joined the firm as a Fixed Income Analyst in June of 2010. Ms. Tass was promoted to Fixed Income Portfolio Manager in 2013.

Ben Monkiewicz joined the firm in December of 2010 as a marketing analyst. He joined the fixed income investment team as a junior analyst in 2011 and was promoted to Investment Analyst in 2014. In December 2016, he was promoted to Portfolio Manager.

Don Elsenbrock joined the firm in May, 2014 as an Investment Analyst. He was promoted to Fixed Income Portfolio Manager in December, 2014. In addition to his portfolio management duties, Mr. Elsenbrock also serves as a Strategist for the investment team. Mr. Elsenbrock previously worked with Mr. Garcia at Smith Graham & Co.

4. What is the # of accounts and account volume (in \$) that is handled by this team?
302 accounts and \$12.6B
5. Do the same groups manage equity, fixed income, & balanced portfolios at the firm?
GH&A only manages fixed income which is managed by the same group.
6. Does the firm employ a central trading desk?
The firm does not have a dedicated trading desk for its strategies. As it relates to Fixed Income, all portfolio managers and analysts also serve as traders.
7. If yes, describe the trading operation & the traders' qualifications.
Not Applicable.
8. Does the firm have an investment committee?
Yes.
9. If yes, describe how it operates & the background/experience of the members.
The Investment Committee functions in a complementary role to the Fixed Income Investment Team. The entire GH&A Investment Committee formally meets once a week to primarily discuss the five key market factors, (i.e. sentiment, monetary, economic, valuation & inflation) that serve as the foundation of our investment process. During this meeting, the team discusses topics such as macroeconomic conditions, market trends, market outlook, headline news, portfolio performance, individual securities, and many other critical topics. An additional key component of this weekly meeting is the review and discussion of target portfolio characteristics.

The members of the team collectively have 202 years of combined industry experience and 79 years of combined firm experience and includes 2 MBAs, an MS in Finance and a MA in Economics. In addition, 4 individuals are Chartered Financial Analyst (CFA) charterholders.
10. If applicable, how often does the investment committee meet?
The Investment Committee formally meets once a week. In addition, continuous daily communication occurs between the investment team members. As a result of all GH&A investment professionals being physically located at the sole office of GH&A in Houston, TX, continuous daily communication between the team members is maintained with ease.

Fixed Income Investment Philosophy

1. Please indicate which categories most correctly identify your product's fixed income style:

Interest Rate Anticipation	X
Sector/Security Approach	X
Limited Risk (Hedged)	

Fixed Duration or Passive	
Index Funds	
Other (Yield Curve Positioning and Duration Exposure)	X

2.	In one or two <u>brief</u> sentences, please describe the product's investment philosophy.
	Since GH&A's inception, the firm has followed a consistent fixed income investment philosophy that focuses on the preservation of principal while maintaining high current income. GH&A's goal is to outperform our benchmark indices net of fees with higher credit quality, lower risk and less volatility.
3.	Describe the investment process in detail, including how <u>buy and sell</u> decisions are made.
	GH&A's fixed income strategies employ a top-down approach with broad fundamental analysis which results in a defined set of parameters for the individual issues that fit our target portfolios. After performing our top-down, fundamental analysis and determining our outlook for the economy and the market, we then construct our portfolios based on target exposures for duration, sector weightings, and yield curve positioning. The first step is setting a target portfolio duration relative to the benchmark based on our outlook for the direction of interest rates. We normally operate within a band of +/-10% of the benchmark duration with a maximum of +/-25% in an extreme market environment. From there, we then determine our target sector exposure. Because broad sectors, industry groups, and individual credits are highly correlated; we focus our top down analysis on deciding whether or not it adds value to be overweight in any spread product relative to Treasuries. This analysis includes reviewing the current level of sector spreads and ratio of sector spreads to Treasuries versus historical levels, individual corporate bond spreads, issuer CDS spreads, and stock price performance to determine the relative value of potential investments. As part of our high quality strategy, the only securities we purchase are Treasuries, agencies, agency guaranteed mortgage-backed securities, and U.S. corporate bonds. Within the corporate sector, we screen for the largest issuers and companies rated A- or better by at least two rating agencies. We then remove foreign companies/Yankees, alcohol, tobacco, gambling, and defense companies. After applying this screen, our investable corporate universe shrinks to approximately 80 issuers at the present time. Next, we determine how we want the portfolio to be positioned along the yield curve. We will either "barbell" the portfolio if we expect a flatter curve, "bullet" the portfolio if we expect a steeper curve, or maintain a neutral positioning with the benchmark if we expect minimal curve movement. After establishing this blueprint for a portfolio with target exposures, we will then source ideas from the street and analyze those ideas to determine if they meet our high quality criteria and key rate duration needs. Before purchasing or selling a security, we check where the security has recently traded using TRACE data and put the trade out in competition with multiple dealers to ensure best execution. Supporting our investment process are five key investment factors which have both subjective and objective components. The five key factors are the following: sentiment, monetary, economic, valuation, and inflation. We use sentiment as a contra-indicator for interest rate movements over a short time horizon. We follow Federal Reserve monetary policy to help us anticipate future trends in the shape of the yield curve and future movements of interest rates. We use economic statistics to look for "surprises" between market expectations of economic data versus actual reported data. Valuation is a long-term factor that helps us estimate a fair value for treasuries based on historic relationships between inflation, real interest rates and economic growth. Buy Discipline

Our portfolios are comprised of high quality issues: U.S. Treasuries, federal agency securities, mortgage-backed securities, and high quality corporate bonds. In the case of corporate bonds, we typically invest in those issues that are in the index and have a minimum issue size of \$1 billion. With mortgage-backed securities, we invest in agency-guaranteed MBS and do not purchase any illiquid mortgage derivatives.

In constructing our portfolios, we set target portfolio ranges for duration, yield curve, sector allocation, and sector duration contribution. We are heavily covered by Wall Street brokers that provide us with daily offerings of all fixed income securities. If the offered securities look attractive and meet our duration and sector targets, they are researched. The parameters around a specific issues selection will revolve around a relative value analysis versus alternative securities, credit quality, breakeven analysis, liquidity and issue size.

Sell Discipline

We typically sell a security for one of several reasons. First, we may sell a security to make a duration or yield curve adjustment in the portfolio. Second, we may sell a security to make an overall sector allocation change. Third, we place securities on our own internal watch list when negative news develops or when their credit rating deteriorates. Thus, we often sell securities when the headline risk outweighs the incremental yield to the portfolio. Lastly, we may sell a security when prepayment or negative convexity concerns develop.

4. When was the investment philosophy established?

June 1988.

5. Has this philosophy been implemented for the last five years? If not, are the creators of the previous philosophy still with the firm?

The philosophy has been the same since the inception of the firm. In 2008, the firm transitioned management and ownership from the founding partners to the next generation of partners, however the philosophy remained the same.

6. What is considered to be the competitive advantage of the philosophy?

We believe that we have several unique resources and competitive advantages versus our competition.

First, our high quality philosophy prevents the firm from taking unnecessary or unquantifiable risk. This is particularly beneficial in today's current volatile environment.

Second, our proprietary systems allow us to monitor our performance, yield curve exposure, sector exposure and sector duration contribution exposure for every client on a daily basis.

Third, our flexibility allows us to exploit market inefficiencies that exist in smaller markets.

Lastly, we are all very experienced investors. In particular, because our managing partner has been active in the markets since 1985, he has vast experience dealing with different market cycles and economic crises.

We firmly believe our competitive advantages are sustainable because we keep it simple and the power is in this simplicity. Proof that these competitive advantages have worked is reflected in the consistent achievement of our goal to outperform the benchmark net of fees with higher credit quality, lower risk and less volatility under several different and challenging economic cycles.

7. What changes have been made to the investment process in the past 5 years?

There have been no changes to the investment process in the past 5 years.

8. In what market environments is the strategy expected to outperform/underperform?

	We expect to outperform in any market environment. In particular, we expect positive alpha in trending markets, steady state markets, and markets where volatility is high and spreads widen.	
9.	Please explain any significant quarterly underperformance over the past five years.	
	We have not had any significant underperformance in the last 5 years.	
10.	Please explain any significant quarterly outperformance over the past five years.	
	In the last 5 years, the drivers of our significant outperformance has been our sector weightings, duration management, and yield curve positioning.	
11.	Are managers given minimum quality criteria for their fixed income selections? If so, please describe the criteria.	
	Within the corporate sector, we screen for the largest issuers and companies rated A- or better by at least two rating agencies.	
12.	Describe the use of cash in the fixed income process. What range of cash is typical?	Our cash philosophy is to stay fully invested at all times. Thus, our cash balance is usually less than 1% of any particular portfolio's market value.
13.	If applicable, describe your hedging strategy.	
	Not Applicable.	
14.	If derivative securities are part of the fixed income program, what kinds are they & to what end?	
	Not Applicable.	
15.	Detail the internal oversight used to control the risk (leverage) inherent in this portion.	
	Not Applicable.	
16.	What is the current percentage of emerging markets included in the portfolio? What is the maximum exposure allowed?	
	Not Applicable.	

17. Please complete the following international equity country allocation chart:

	Product	Benchmark
Europe:		
Austria	N/A	N/A
Belgium	N/A	N/A
France	N/A	N/A
Germany	N/A	N/A
Ireland	N/A	N/A
Italy	N/A	N/A
Portugal	N/A	N/A
Spain	N/A	N/A
Switzerland	N/A	N/A
UK	N/A	N/A
Scandinavia:		
Denmark	N/A	N/A
Finland	N/A	N/A
Netherlands	N/A	N/A
Norway	N/A	N/A
Sweden	N/A	N/A
Asia:		

Hong Kong	N/A	N/A
Japan	N/A	N/A
Singapore	N/A	N/A
Middle East:		
Israel	N/A	N/A
Far East:		
Australia	N/A	N/A
New Zealand	N/A	N/A
Other:		
Total:	N/A	N/A

Please specify other.

18. Please complete the following emerging markets equity country allocation chart:

	Product	Benchmark
Latin America:		
Brazil	N/A	N/A
Chile	N/A	N/A
Colombia	N/A	N/A
Mexico	N/A	N/A
Peru	N/A	N/A
Asia:		
China	N/A	N/A
India	N/A	N/A
Indonesia	N/A	N/A
Korea	N/A	N/A
Malaysia	N/A	N/A
Pakistan	N/A	N/A
Philippines	N/A	N/A
Taiwan	N/A	N/A
Thailand	N/A	N/A
Europe/Middle East & Africa:		
Czech Republic	N/A	N/A
Egypt	N/A	N/A
Greece	N/A	N/A
Hungary	N/A	N/A
Poland	N/A	N/A
Qatar	N/A	N/A
Russia	N/A	N/A
Saudi Arabia	N/A	N/A
South Africa	N/A	N/A
Turkey	N/A	N/A
UAE	N/A	N/A
Other:		
Total:		

Please specify other.

19.

Please provide a breakdown of the Investment Type for the product relative to its benchmark, as of the most recent quarter-end.

	(Product)	(Benchmark)
Foreign Gov't Bonds	0%	0%
Foreign Corp Bonds	0%	0%
Yankee Bonds	0%	0%
US Bonds	100%	100%
Cash & Equivalents	0%	0%
Other (please specify)	0%	0%

20.

Please provide a breakdown of the Quality distribution for the product relative to its benchmark, as of the most recent quarter-end.

	(Product)	(Benchmark)
AAA	54.67%	76.15%
AA	4.88%	2.02%
A	40.45%	9.37%
BBB	0%	12.46%
BB	0%	0%
B	0%	0%
CCC or below	0%	0%
Not Rated	0%	0%
Other	0%	0%

21.

Please provide a breakdown of the Maturity distribution for the product relative to its benchmark, as of the most recent quarter-end.

	(Product)	(Benchmark)
0-1 Years	13.00%	0%
1-3 Years	36.8%	22.03%
3-5 Years	16.9%	18.48%
5-10 Years	5.9%	43.8%
10+ Years	27.4%	15.69%

22.

Please provide a breakdown of the Sector distribution for the product relative to its benchmark, as of the most recent quarter-end.

	(Product)	(Benchmark)
Treasuries	20.01%	38.89%

Agencies	25.85%	2.79%
Mortgages	8.81%	28.25%
Corporates	45.33%	24.31%
Other (Please specify)	0%	5.76%

23. For the most recent period available please indicate the Product's top ten holdings (excluding Cash):

	<u>Name</u>	<u>Coupon</u>	<u>Maturity</u>	<u>%</u>
(1)	FHLMC Floater	2.24%	07/05/2019	8.78
(2)	U.S. Treasury	2.88%	08/15/2045	8.04
(3)	U.S. Treasury	2.50%	05/15/2046	7.95
(4)	FHLB Floater	2.42%	05/08/2020	6.5
(5)	FHLB Floater	2.66%	12/18/2020	6.18
(6)	JP Morgan Floater	4.22%	03/01/2021	4.5
(7)	U.S. Treasury	6.25%	05/15/2030	3.97
(8)	Bank of NY Mellon Floater	3.57%	10/30/2023	3.78
(9)	Citibank Floater	2.97%	02/12/2021	2.95
(10)	Bank of America Floater	3.13%	07/21/2021	2.93
% Total				55.58

24.	Explain your use of hedging, if applicable.
	Not Applicable.
25.	For hedging, how do you manage counter-party risk?
	Not Applicable.
26.	Explain any investments made with collateral.
	Not Applicable.

Research

- What percentage of research is generated internally?
- What percentage of research is obtained from outside sources?
- Please describe how the research operation within your firm works.

90%

10%

Approximately 90% of GH&A's fixed income research is generated internally. We use Axys and Bloomberg for our internal research. For external research, a variety of sources are used in the fixed income management process. These sources include Wall Street research, Stone & McCarthy, and BCA Research.

The firm's fixed income portfolio managers, strategist, and analysts all perform research for this product. These individuals spend their time on relative value analysis as well as maintenance of the data for the firm's risk control report such as duration buckets, duration contribution and option adjusted analysis. About 30-50% of their time is spent on pure research while the balance is spent on trading and portfolio maintenance.

In addition to the investment tools, we utilize reports and data from Advent Software's Axys product as well as Bloomberg.

Axys*

From Axys, we get a daily trade report which compares our accounts to their relative benchmarks. We compare their duration, sector exposures and cash levels. We also use Axys to monitor our portfolios' yield curve risk by stratifying our portfolios versus their benchmark indices into different duration buckets on a daily basis. In addition, we have developed a proprietary risk control report that monitors the actual duration contribution of all sectors (spread duration) for all client portfolios versus their index which is run daily. Thus, we focus on the differences between our portfolio and their benchmark indices.

**We use the Axys system from Advent Software for portfolio management. We have used portfolio management software from Advent since the firm's inception.*

Bloomberg

We use Bloomberg to run an analysis on all securities with embedded options to get their daily effective durations. Then, we incorporate the information into Axys. To monitor our credit risk, we constantly review all corporate credits and check for potential changes in outlook by the major rating services.

4. Please describe how your firm obtains and pays for outside research reports.

Outside research reports may be provided free of charge by Wall Street firms with whom GH&A buys and sells securities, while other reports are provided on a subscription basis by organizations such as BCA and Stone & McCarthy. GH&A does not utilize any soft dollar arrangements in any of its investment strategies.

5. Please name the three primary sources of data and/or analyses upon which your firm relies.

- | | |
|-----|------------------------------|
| (1) | Internally Generated Sources |
| (2) | Axys |
| (3) | Bloomberg |

6. Who coordinates the firm's research effort & what are their qualifications for that position.

The firm's portfolio managers, investment analysts, and strategist all perform research for this product. The investment analysts spend time on relative value analysis as well

as maintenance of the data for the firm's risk control reports such as duration buckets, duration contribution, and option adjusted analysis. A significant amount of time is spent on pure research as well as trading and portfolio maintenance.

As mentioned, the firm's fixed income investment group consists of ten investment professionals with Gilbert A. Garcia and/or Karen Tass being the final decision-maker for portfolio purchases and sales. The members of the investment group collectively have over 202 years of combined industry experience and over 79 years of combined firm experience. The investment group includes two MBA's, an MS in Finance, and an MA in Economics. In addition, four individuals are Chartered Financial Analyst (CFA) charterholders.

Personnel

1.	In the table below, indicate the appropriate number of employees employed in each category.				
		2015	2016	2017	2018
	Equity portfolio managers	1	1	1	0
	Bond portfolio managers	5	5	5	6
	Balanced fund managers	0	0	0	0
	Equity research analysts	0	0	0	0
	Bond research analysts	5	5	5	4
	Economists	0	0	0	0
	Management and Administrative (Compliance, Operations)	7	7	7	7
	Computer professionals	2	2	2	2
	Clerical	1	1	1	1
	Other (Marketing, Client Service, Trading)	1 1	1 2	1 2	1 4
	Total				

2. Please provide biographical information on all key members of the proposed product's asset mgmt team, including years of experience with this asset class & years with the firm.



GILBERT ANDREW GARCIA, CFA
Managing Partner

Phone: 713-853-2323
 Fax: 713-853-2300
 Email: GGarcia@GarciaHamiltonAssociates.com
 Year Hired: 2002
 Investment Experience: 33 years
 Role: Final decision-maker for fixed income portfolios.

Mr. Garcia received a B.A. in Economics from Yale University. After graduating in 1985, he joined Salomon Brothers in New York City where he became a Vice-President specializing in mortgage-backed securities. In 1990, he joined former Mayor Henry Cisneros to build Cisneros Asset Management Company, ultimately becoming its President. In 2002, he joined Garcia Hamilton & Associates and is the firm's Managing Partner. Under his leadership, the firm has reached over \$11 billion (July 2018) in fixed income assets under management.

GH&A has received numerous industry recognitions including 2018 Fixed Income Manager of the Year and 2010 Core Fixed Income Manager of the Year by *Emerging Manager Monthly*. Other awards include 2014 Fixed Income Investment Grade Manager of the Year, 2015 Intermediate-Term Fixed Income Manager of the Year, and 2016 Intermediate-Term Fixed Income Manager of the Year by *Institutional Investor*. Additionally, GH&A is proud to announce that it is a multi-year winner (2017 & 2016) by *Pensions & Investments* for Best Places to Work in Money Management.

Mr. Garcia has spoken at numerous galas, conferences and dinners and has appeared on several radio and television shows. Most recently, he was selected to the SEC's Fixed Income Market Structure Advisory Board. He currently serves as a member of the Board of Trustees for Dallas Police & Fire Pension System, Board of Directors of Sanchez Energy [NYSE:SN] and serves on the Board of Directors of SEO, a non-profit providing summer internships on Wall Street for minority undergraduates. At the 2015 Annual Awards Dinner, Mr. Garcia was awarded the SEO Alumni Leadership Award alongside other honorees, including the former mayor of New York City, Michael R. Bloomberg, and Co-Founder & Co-CEO of the Carlyle Group, David M. Rubenstein.

Previously, Mr. Garcia served as Chairman of the Metropolitan Transit Authority of Harris County, Secretary of the Board of Directors of Houston Downtown Management District, a member of the Board of Directors of the Yale Club of Houston and a member of the Board of Trustees of the Houston Municipal Employees Pension System. In addition, he is a Class X graduate of Leadership Houston. Mr. Garcia is married with four children and enjoys martial arts and coaching youth sports.



NANCY RODRIGUEZ
Partner / Portfolio Manager

Phone: 713-853-2305
 Fax: 713-853-2300
 Email: NRod@GarciaHamiltonAssociates.com
 Year Hired: 1998

Investment Experience: 31 years
 Role: Research, Analysis, and Trading

Ms. Rodriguez received a B.S. in Biology from the University of Houston in 1987. After graduating, she joined the investment firm Daniel Breen & Co., L.P. in Houston, Texas where she worked from 1987 to 1998. During her time with Daniel Breen, she held several positions including Trader's Assistant working with both equity and fixed income securities, Research Assistant and Portfolio Administrator.

Ms. Rodriguez joined Garcia Hamilton & Associates in 1998 as a Fixed Income Administrator. She initially served as a Trader's Assistant and Portfolio Administrator. When Gilbert Garcia joined the firm in 2002 to manage the Fixed Income strategies, Ms. Rodriguez was designated to assist in building the bond business as a Fixed Income Trader, and later, a Fixed Income Analyst. Ms. Rodriguez was promoted to Fixed Income Portfolio Manager in 2010 and became a partner of the firm in 2014. She currently oversees the fixed income trading desk.



JEFFREY D. DETWILER, CFA, AAMS
Partner / Portfolio Manager

Phone: 713-853-2346
 Fax: 713-853-2300
 Email: JDetwiler@GarciaHamiltonAssociates.com
 Year Hired: 2007
 Investment Experience: 21 years
 Role: Research, Analysis, Client Service and Trading

Mr. Detwiler holds a B.S. in Finance from the University of South Florida and a M.S. in Finance from University of Houston's Bauer School of Business. Additionally, he earned a Graduate Certificate in Financial Services Management from the University of Houston for his work as a Portfolio Manager of the Cougar Investment Fund, LLC. He began his career in the investment industry in 1996 as a financial planner and has worked for Franklin Templeton Investments as well as INVESCO Funds Group prior to joining Garcia Hamilton & Associates L.P. as a Fixed Income Analyst in 2007. He was promoted to Fixed Income Portfolio Manager in 2010. Mr. Detwiler became a partner of the firm in 2016.

Mr. Detwiler is a Chartered Financial Analyst (CFA) charterholder and serves as a member of the CFA Institute and the Houston Society of Financial Analysts. Mr. Detwiler has also attained the Accredited Asset Management Specialist (AAMS) designation awarded by the College for Financial Planning.



KAREN H. TASS, CFA
Partner / Portfolio Manager

Phone: 713-853-2343
 Fax: 713-853-2300
 Email: KarenTass@GarciaHamiltonAssociates.com
 Year Hired: 2010
 Investment Experience: 12 years
 Role: Research, Analysis, Client Service and Trading

Ms. Tass received a B.A. in International Studies with a minor in Business from Texas A&M University in 2002. She graduated in August 2010 with a M.B.A. in Finance from University of Houston's Bauer School of Business along with a Graduate Certificate in Financial Services Management. In 2005, she was a Real Estate Analyst with the Situs Companies. In this role, she executed financial underwriting loans for CMBS securities and performed raw land, residential and commercial real estate asset valuations and mortgage analysis. In 2009, she worked for the Cougar Investment Fund, LLC as an Analyst and a Portfolio Manager. Ms. Tass joined Garcia Hamilton & Associates L.P. in June of 2010 as a Fixed Income Analyst. She was promoted to Fixed Income Portfolio Manager in 2013. Ms. Tass became a partner of the firm in 2016.

Ms. Tass is a Chartered Financial Analyst (CFA) charterholder. She is a member of the CFA Institute and the Houston Society of Financial Analysts and she was also a Winner of the 2010 Investment Research Challenge-Southwest U.S.



DON ELSENBROCK
Portfolio Manager / Strategist

Phone: 713-853-2327
 Fax: 713-853-2300
 Email: DElsenbrock@GarciaHamiltonAssociates.com
 Year Hired: 2014
 Investment Experience: 25 years
 Role: Research, Analysis and Trading

Mr. Elsenbrock received a B.S. in Economics and a M.A. in Economics from the University of Houston in 1986 and 1990, respectively. From 1992-1995, he worked as a Commodity Broker for Phoenix Trading Company. Following that, he worked as a Floor Trader at the Chicago Mercantile Exchange from 1996-1998, and then as an Assistant Portfolio Manager for First Southwest Company from 1998-1999. Afterwards, Mr. Elsenbrock joined TIG Capital Securities as Executive Vice President, Director of Trading from 1999-2001. From 2001-2013, he was Vice President, Quantitative/Fixed Income Analyst for Smith Graham & Co, where he managed broad market portfolios with specific responsibility for the corporate security sector and credit team. He joined Garcia Hamilton & Associates L.P. in May of 2014 as an Investment Analyst and was promoted to Fixed Income Portfolio Manager in December 2014. In addition to his portfolio management duties, Mr. Elsenbrock also serves as a strategist for the investment team.

Mr. Elsenbrock serves as an Assistant Scout Master for the Boy Scouts of America and is a founding board member of the EyeCan Alliance.



BENJAMIN D. MONKIEWICZ
Portfolio Manager

Phone: 713-853-2325

Fax: 713-853-2300

Email: bmonkiewicz@GarciaHamiltonAssociates.com

Year Hired: 2010

Investment Experience: 7 years

Role: Research, Analysis and Trading

Mr. Monkiewicz received a B.A. Degree in Marketing from Sam Houston State University, where he was an active member of the Order of Omega Honor Society and held the position of Treasurer. He began his career in finance in 2010 as a Summer Intern for Garcia Hamilton & Associates. Later that year, Mr. Monkiewicz joined the firm full time as a Marketing Analyst. In December of 2011, he transitioned to the Fixed Income team as a Junior Analyst. Mr. Monkiewicz began working as co-manager to the firm's short duration mandates in May of 2014 and was promoted to Investment Analyst in December of 2014. In December 2016, he was promoted to Portfolio Manager. His current role is to assist in managing each sector for products all along the yield curve. He prepares research and analysis on current market conditions for the firm on a weekly basis.

3. In the last 3 years, how many professional employees have left the firm for any reason?

In the last three years, two equity professionals (Curt Rohrman and John Lohman) left the firm as we closed down our equity strategy to concentrate on our core competency – fixed income. As it relates to fixed income, GH&A has not lost any professional employees in the last three years.

4. What qualifications are typical of the PMs? Include number of years with the firm, \$ under management & # of accounts.

Our six portfolio managers have extensive industry experience with an average industry experience of 22 years and an average firm tenure of 11 years. The portfolio managers have excellent academic credentials with an MBA, and MS in Finance, and an MA in Economics. Three portfolio managers hold the Chartered Financial Analyst designation. The team is collectively responsible for approximately 291 clients totaling approximately \$12.5B in assets under management.

5. Please describe the method of compensation employed for portfolio managers.

At GH&A, we understand that our greatest resource is our people. For that reason, we are very committed to attracting and retaining the brightest and most experienced professionals in the industry and have successfully accomplished this with the utilization of three key tools: (1) competitive salary (2) general bonus (3) equity ownership.

First, we offer a very competitive salary based on an individual's experience and expected contribution to the firm. Second, all employees are eligible for a general annual bonus that is tied directly to the overall performance of the individual as well as the profitability of the firm. Lastly, all GH&A investment professionals are eligible for equity ownership with the most recent equity distribution occurring in the first quarter of 2019.

6. Please describe the method of compensation employed for research analysts.

Research analyst's compensation is not tied to idea generation and/or the performance of their suggestions. However, an annual bonus is available to all employees based on both subjective and objective performance criteria.

Performance

1. Is your firm in compliance with GIPS?
2. If yes to the above, has your GIPS compliance been audited?
3. If yes to the above, who performed the audit?

Yes

No

N/A

Performance – as of 4Q2018

Investment Style	Active Discretionary
Product Name Used for Performance	Aggregate Strategy
Inception Date	December 1991
Account Type	Separate Account
Benchmark Used	Bloomberg Barclays Aggregate
Portfolio Manager/Team Leader	Gilbert A. Garcia, CFA
Years Managing this Product	16 years

Only include **RETURNS FOR COMPLETE YEARS'** performance in the table below.

Do NOT place returns for partial years in the table below, even if noted as incomplete.

Only complete years may be included in the returns below. List incomplete years, if any, this product has had in the box to the right only.

N/A

Commingled Funds and Separate Accounts **must** provide Gross of Fees Returns
 Mutual Funds **should** submit Gross of Fees numbers if you have access to those numbers,
 and must provide Net of Fees numbers at a minimum.

Never delete any of the below columns for any reason, even if you are leaving it blank.

Period	Return Gross of Fees	Return Net of Fees	Preferred Benchmark Return	# of Accounts for Product	Assets (\$) in Composite
2008	5.88	5.68	5.24	10	\$371mm
2009	12.13	11.93	5.93	17	\$458mm
2010	8.21	8.01	6.54	28	\$793mm
2011	5.33	5.13	7.84	44	\$1.1B
2012	10.48	10.25	4.22	53	\$1.3B
2013	0.09	-0.12	-2.03	64	\$1.6B
2014	8.02	7.81	5.97	116	\$2.9B
2015	0.85	0.65	0.55	140	\$4.2B
2016	3.18	2.98	2.65	155	\$5.3B
2017	3.82	3.64	3.54	174	\$7.4B
2018	0.98	0.81	0.01	196	\$9.5B
1 st Quarter 2018	-0.58	-0.62	-1.46	177	7.5B
2 nd Quarter 2018	0.50	0.46	-0.16	179	7.5B
3 rd Quarter 2018	-0.09	-0.14	0.02	185	8.2B
4 th Quarter 2018	1.16	1.12	1.64	196	9.5B
Annualized 3-year	2.65	2.47	2.05	175	8.4B
Annualized 5-year	3.33	3.14	2.52	160	6.5B

Quarterly Returns

Please fill out the following table with the product's quarterly returns since inception. Returns should be gross of fees unless the product is a mutual fund, in which case gross numbers are preferred but net is also acceptable. Additional rows may be added as needed. Returns should be entered as a number only, with NO percentage sign and no parentheses.

<u>Year</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Annual</u>
2008	2.76	-0.87	-1.32	5.32	5.68
2009	0.59	3.99	5.83	1.29	11.93
2010	2.27	2.73	3.44	-0.43	8.01
2011	0.80	1.94	1.00	1.48	5.13
2012	2.95	2.21	3.79	1.17	10.25
2013	0.70	-2.36	0.81	0.98	-0.12
2014	2.49	2.19	0.56	2.56	7.81
2015	1.98	-2.70	1.84	-0.20	0.65
2016	3.31	2.12	0.29	-2.49	2.98
2017	0.97	1.38	0.51	0.91	3.64
2018	-0.58	0.50	-0.09	1.16	0.81

Fee Structure

- Do not state your firm's fees outside of the gray boxes below, or refer to outside documents.
- Do not copy/paste your fee schedule from older RFPs into this document.
- Follow the convention laid out in the Fee Structure boxes below. You may add additional “__ bps on next \$__ mm” lines as needed.
- **For each product type being proposed for this search, fill out its corresponding table in its entirety.**
- For products that have no minimum size, be sure to state that. If a minimum fee is used instead of a minimum account size, fill out the appropriate row.
- For products where the minimum size is either waived or has been met, still indicate the products' standard minimums, so that we have it for our records.

Separate Account (if applicable)

Fee structure (Include ALL fees for the product in this space)	25 bps on first \$25 mm 20 bps on next \$25 mm 18 bps on next 50 mm 15 bps on next \$100 mm 12 bps on balance
Minimum account size	\$5 million
Minimum annual fee (if used instead of minimum size).	There is no minimum annual fee
Is fee structure negotiable?	Yes
Is minimum size negotiable?	Yes
If minimum account size is more than this mandate, is it waived?	This mandate is more than the minimum.
Is a most-favored nation clause available and/or is the proposed fee an MFN fee?	Yes
State any legal restrictions for clients (e.g. only open to Qualified Investors, ERISA, Pension plans, etc.)	There are no legal restrictions

Commingled Funds (if applicable)

Name of Fund	American Beacon Garcia Hamilton Quality Bond Fund
Fee structure (Include ALL fees for the product in this space)	__ bps on first \$__ mm __ bps on next \$__ mm 45 bps on balance
Minimum Size	No minimum

Minimum annual fee (if used instead of minimum size).	N/A
Is fee structure negotiable?	No
Is minimum size negotiable?	No
If minimum account size is more than this mandate, is it waived?	Account is larger than minimum
Describe the liquidity of this vehicle	Daily
Is a most-favored nation clause available and/or is the proposed fee an MFN fee?	No
State any legal restrictions for clients (e.g. only open to Qualified Investors, ERISA, Pension plans, etc.)	There are no legal restrictions

Institutional Mutual Fund (if applicable)

Name of Fund	American Beach Garcia Hamilton Quality Bond Fund
Ticker	GHQIX
Net Expense Ratio	45 bps
Full Expense Description	45 bps
Minimum Size	No minimum
Is minimum size negotiable, and is it being waived (if applicable)?	No minimum
Assets in This Fund	\$288 million

Firm Name	Johnson Institutional Management
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Summary

General Information:

Firm Name	Johnson Institutional Management
Product Name	Johnson Core Fixed Income
<u>City, State</u> of Firm's Headquarters	Cincinnati, OH
<u>City, State</u> of Product's Investment Team	Cincinnati, OH
Name of Parent Company, or "Independent"	Independent
Tax-Exempt Assets Under Management	\$1.8B
Total Assets Under Management	\$3.2B
Year Founded	1965
Year Registered	1965
Contact Name	Michael Hoover, Emily Fox
Contact Number	317-816-1310, 312-519-8474
Contact Email	mhoover@johnsoninstl.com, efox@johnsoninstl.com

Which of the following types of products are available for this search? You may offer multiple product types if you choose. Indicate with an "X." There will be room to elaborate on the product offerings elsewhere in this document.

This selection should indicate that any minimum account sizes for the product are either met or waived for this search.

Separate Account	x
Commingled Funds	
Mutual Fund	x

Please provide the following figures for a representative account, with the data as of
the end of 4th Quarter 2018

Do not submit the following data for any other quarter, even if footnoted as such.

It is acceptable to submit preliminary data, if necessary.

Only provide statistics for indicated time-periods

(i.e. do not put 3-year alpha when 5-year alpha is requested)

All statistics (including, but not limited to Alpha and Batting Average) for active managers, must
be relative to the following benchmark:

Bloomberg Barclays US Aggregate Bond Index

All statistics must be based on quarterly numbers, never monthly, even when the question isn't
explicit in that regard. All statistics should be annualized.

- Dahab Associates often reconciles the following statistics against the "Informais PSN" database, if data is available, using the relevant ending-date and benchmark.
- It is not mandatory for this RFP that managers populate or use the PSN database.
- If a manager has access to their statistics as they appear in the PSN database, it would be helpful if the following statistics in this RFP correspond to those in PSN.
- If the submitted product is in the PSN database, please provide the following identifying information exactly as it appears (case, spaces, and exact spelling are necessary).

PSN Firm Name	Johnson Institutional Management
PSN Product Name	Core Bond
PSN Firm Abbreviation	Johnson Institutional Management
PSN Product Abbreviation	Core Bond

Fixed Income Product Information:

Product Name	Johnson Core Fixed Income	
Typical Number of Issues Held	60-80	
	3-Year	5-Year
Batting Average (% of quarters beating benchmark)	92%	0.90%
Alpha	0.68%	0.71%
Standard Deviation	3.16%	2.96%

Portfolio Turnover, 12-month Rolling, excluding repos (%)	34.4%	39.8%
	5-year Average	Current
Quality	AA	AA-
Maturity	7.59	7.50
Duration	5.75	5.96
Coupon	3.67	3.33
% U.S. Government	40.48%	46.58%
% AAA (Non-USGov)	0.34%	0.00%
% AA (Non-USGov)	5.86%	3.56%
% A	25.42%	29.28%
% BBB	27.90%	20.58%
% Non-Investment Grade	0%	0%
% Domestic Bonds	100%	100%
% Developed International	0%	0%
# Developed International Countries	0	0
% Emerging Markets	0	0
# Emerging Markets Countries	0	0
Hedging (%)	0	
Product Inception	1994	
Preferred benchmark for this product	Bloomberg Barclays US Aggregate Index	
Total Assets in Composite	\$1.4B	
Total Assets in Strategy	\$1.5B	

Firm Affiliation

1. Is the firm independent? | Yes
2. Is the firm registered under the Investment Advisors Act of 1940? | Yes
3. Is the firm minority owned? If so, what percent? | No
4. Is the firm women owned? If so, what percent? | Less than 5%
5. Is the firm a subsidiary of, or related in any way to:

A brokerage firm	No
Insurance company	No
A bank	No
Other	No

6. What is the name of the parent company? | N/A
7. Please provide details of the ownership structure of the firm.

Johnson is an independent, 100% employee-owned firm. As of June 30, 2018 there were 30 shareholders with no single employee owning a majority interest. The founder of the firm, Tim Johnson, is currently the largest shareholder at approximately 20% ownership of the company. He is in the process of redeeming his shares sequentially over a 5 year period as part of our succession and strategic plan. No other shareholder holds more than 10% of the company.

8. If the firm is related in any fashion (financially or otherwise) to any other entity, explain.

Johnson Institutional Management is a division of Johnson Investment Counsel. We are an independent, 100% employee-owned firm. Johnson Institutional Management was formed specifically dedicated to the institutional market.

9. If the firm is certified as women or minority owned, list all certifications, including (though not limited) to federal and state levels. | N/A

General Background Information

1. Please indicate the types of accounts that your firm currently manages:

Domestic Equity	x	Socially Conscious	
Fixed Income	x	Hedge Fund of any type	
Balanced		Institutional Mutual Funds **	x
International		Retail Mutual Funds	x
Global			

2. Please provide the location and function of each of the firm's offices.

The primary headquarters for Johnson Institutional Management are located in Cincinnati, Ohio. All investment professionals are located there and all

		investment decisions are made there. The firm also maintains two satellite offices located in Indianapolis, Indiana and Chicago, Illinois. Our institutional sales professionals work remotely from these offices.
		Johnson Investment Counsel was founded in 1965 by Timothy Johnson, Ph.D. while pursuing his doctorate degree attending the University of Illinois. Throughout the 1970's, the firm continued to grow steadily as colleagues and satisfied clients referred business to the firm. We have been providing U.S. Fixed Income institutional investment management services since 1976 when the University of Cincinnati became our first institutional client, and remains a client still today.
		Johnson Institutional Management was officially formed in 2004 as a division of Johnson Investment Counsel to specifically serve the institutional market. We are an independent, 100% employee-owned firm specifically dedicated to serving public funds, corporate plans, Taft-Hartley plans, endowments, foundations and higher education clients.
		This structure provides clients with the best of both worlds. The benefits of a boutique firm in Johnson Institutional Management combined with the resources and support of a much larger organization with over
3.	Please give a brief history of the firm.	
4.	When was the firm founded?	1965
5.	When was it registered as an investment advisor?	1965
6.	When did the firm begin to manage tax exempt accounts?	1976
7.	Describe the level of error and omission insurance coverage the firm carries.	
		\$5,000,000
8.	Are you now the subject of a SEC or other regulatory body sanction? If so, explain.	
		No.
9.	Has the firm ever been subject to a SEC or other regulatory body sanction? If so, explain.	
		No.
10.	Discuss, in detail, any litigation brought against the firm in the last five years.	
		None.
11.	Please provide details on the financial condition of the firm.	
		The firm is profitable and reports positive shareholder equity. As part of our strategic plans, our business structure has been well diversified across institutional asset management, private client wealth management as well as providing Trust services for our high-net-worth client base. This diversification has created significant stability in terms of revenues and profitability. The only external debt of the firm is a modest working capital line of credit.

12. Provide a breakdown of assets by type of Investment Strategy. (for example, Mid Cap Growth, Core Fixed Income, Emerging Markets, etc.)

Investment Strategy	# of Accounts	\$ Value
Core Fixed Income	31	\$1.5mm
Intermediate Fixed Income	27	\$231mm
Short Duration Fixed Income	20	\$1.0mm
Long Duration Fixed Income	1	\$342mm
Enhanced Index	2	\$185mm
Smid Cap	2	\$69mm

13. Please provide a breakdown of the FIRM'S accounts & assets in the following table:

	# of Accounts	\$ Value
Tax Exempt Assets:		
ERISA	19	\$986mm
Public	6	\$389mm
Taft-Hartley	9	\$136mm
Endowment	6	\$116mm
Foundation	16	\$207mm
Religious Order	4	\$14mm
Other	1	\$2mm
Total Tax-Exempt	61	\$1.850mm
Taxable Assets:		
Personal Trusts	12	\$40mm
Commingled		
Other	4	\$13mm
Total Taxable	16	\$53mm
Mutual Funds:		
Equity	1	\$64mm
Fixed Income	5	\$1.2mm
Money Market		
Other		
Total Mutual Funds	6	\$1.3mm
Overall Total	83	\$3.3mm

14. Provide a breakdown of the PRODUCT'S accounts & assets in the following table:

	# of Accounts	\$ Value
Tax Exempt Assets:		
ERISA	7	\$146mm
Public	4	\$243mm
Taft-Hartley	5	\$92mm
Endowment	3	\$112mm
Foundation	8	\$69mm
Religious Order	1	\$4mm
Other		
Total Tax-Exempt	28	\$667mm
Taxable Assets:		
Personal Trusts		
Commingled		
Other		
Total Taxable	0	0
Mutual Funds:		
Equity		
Fixed Income	2	\$842mm
Money Market		
Other	1	\$0.5mm
Total Mutual Funds	3	\$842mm
Overall Total	31	\$1.509mm

15. What are your firm's plans for growth of these assets?

Our strategic growth initiatives emphasize our institutional investment management services as a primary growth source for our firm. We have invested significant resources into the depth of personnel specifically dedicated to this area of the firm in recent years, deepening both our research and product service teams. We currently manage over \$3.0 billion in institutional assets, an increase of approximately \$1 billion over the past 5 years. We have added to personnel and invested in our systems in recent years and believe that we have the appropriate resources in place to continue to expand our assets under management within each of our domestic fixed income strategies. The significant depth and continuity of our investment team coupled with our excellent long-term consistency of results, makes us a compelling choice for institutional investors.

16. Are there plans for limiting growth in any of the above areas?

Our U.S. Fixed Income strategies have significant capacity for both asset and client growth. While we do not set limit amounts on new assets or relationships, we routinely conduct thorough reviews to ensure that each client portfolio is being properly serviced. Our strategic plans allow for additional investment into both personnel and technology as appropriate to ensure a continued high level of service.

17. How does your firm plan to staff the growth of the firm described above?

We believe that we are appropriately positioned in terms of investment personnel and resources. We have committed to continually investing in additional resources over time and our strategic plans allows for additional investment into both personnel and technology as appropriate to ensure a continued high level of service.

18. Give five (5) references for your services.

Mr. Mark Atkeson

Ohio Highway Patrol Retirement System

6161 Busch Boulevard, Suite 119

Columbus, OH 43229-2553

(614) 430-3557

Mr. Karl Scheer

University of Cincinnati

51 Goodman Drive, Suite 250

Cincinnati, OH 45221-0633

(513) 556-4028

Mr. Robert West

North Kansas City Police & Fire Pension Fund

2010 Howell Street

North Kansas City, MO 64116

(816) 875-1919, Ext. 106

Ms. Cheryl Powell

Chattanooga General Pension Plan

101 East 11th Street

2nd Floor, City Hall

Chattanooga, TN 37402

(423) 643-7200

Mr. Mike Sicuro

Melrose Park Police Pension Fund

1. N. Broadway

Melrose Park, IL 60160

(708) 702-8849

19. State the average size of the firm's 5 largest tax-exempt funds.

20. Indicate the number & assets of tax-exempt accounts the FIRM gained & lost in each category:

Gained	2014		2015		2016		2017		2018	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public	0	0	0	0	2	15mm	0	0	0	0
ERISA	4	102m m	1	10mm	4	96mm	0	0	4	43mm
Taft-Hartley	0	0	2	16mm	1	3mm	1	20mm	1	15mm
Endowment	0	0	2	17mm	0	0	0	0	1	2mm
Foundation	2	18mm	3	7mm	6	151m m	1	25mm	2	8mm
Religious Order	0	0	1	4mm	1	14mm	4	12mm	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total	6	120m m	9	54	14	279	6	57	8	68

Lost	2014		2015		2016		2017		2018	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public	1	4mm	0	0	0	0	0	0	0	0
ERISA	1	4mm	1	3mm	1	6mm	1	117m m	0	0
Taft-Hartley	0	0	0	0	0	0	0	0	0	0
Endowment	4	8mm	1	9mm	0	0	0	0	1	30mm
Foundation	0	0	0	0	3	36mm	0	0	1	30mm
Religious Order	0	0	0	0	0	0	0	0	1	0.5m m
Other	0	0	0	0	0	0	0	0	0	0
Total	6	16mm	2	12mm	4	42mm	1	117m m	3	60mm

21. Please discuss any unusually large number of accounts or assets lost.
All lost accounts are were due to either a change in allocation by the client or a change in consultant where all managers were terminated.
22. Indicate the number & assets of tax-exempt accounts the PRODUCT gained & lost:

Gained	2014		2015		2016		2017		2018	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public	0	0	0	0	2	15mm	0	0	0	0
ERISA	0	0	0	0	3	86mm	0	0	4	43mm
Taft-Hartley	0	0	0	0	1	3mm	1	20mm	1	15mm
Endowment	0	0	1	16mm	1	15mm	0	0	0	0

Foundation	1	9mm	1	5mm	2	28mm	1	25mm	2	8mm
Religious Order	0	0	1	4mm	0	0	1	4mm	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total	1	9mm	3	25mm	9	147m m	3	49mm	7	66mm

Lost	2014		2015		2016		2017		2018	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public	0	0	0	0	0	0	0	0	0	0
ERISA	0	0	0	0	0	0	0	0	0	0
Taft-Hartley	0	0	0	0	0	0	0	0	0	0
Endowment	2	2mm	0	0	0	0	0	0	0	0
Foundation	0	0	0	0	0	0	0	0	1	30mm
Religious Order	0	0	0	0	0	0	0	0	1	30mm
Other	0	0	0	0	0	0	0	0	0	0
Total	2	2mm	0	0	0	0	0	0	2	60mm

23. For the PRODUCT, please discuss any unusually large # of accounts or assets lost.

In the following table, list the 5 clients (or all clients, if fewer than 5 in the strategy) with the most invested in the product (including clients that aren't included in the composite), and the requested details.

If the client is public (or you may disclose its name) please do. Otherwise state the type of client (e.g. Taft-Hartley, Foundation, Sub-Advisory, Mutual Fund, etc.).

For Vehicle, potential choices would include (but aren't limited to) Separate Account, Commingled Fund, CIT, Mutual Fund, etc.

	Client Name or Type	\$ Invested	State (or Nation)	Investment Year	Vehicle	Included In Composite?
1	Johnson Fixed Income Fund	\$623.72mm	USA	1993	Mutual Fund	Yes
2	Johnson Institutional Core Bond Fund	\$217.34mm	USA	2000	Mutual Fund	Yes
3	Public	\$190.17	USA	1996	Separate Account	Yes
4	ERISA	\$75.78mm	USA	2016	Separate Account	Yes
5	Foundation	\$59.52..	USA	1983	Separate Account	Yes

Investment Team & Philosophy Implementation

1. Describe the structure of the product's investment team, including how many members the team has and the responsibilities of each member. Include an organizational chart which details the flow of information used in the decision-making process.

All fixed income strategies are managed by the Fixed Income Strategy Team which consists of Jason Jackman, President & Chief Investment Officer, Dale Coates, Vice President, Michael Leisring, Director of Fixed Income, Brandon Zureick, Portfolio Strategist & Portfolio Manager and David Theobald, Portfolio Manager. The average investment experience of this investment team is more than twenty years. Each member of this Team has significant experience in all aspects of fixed income management (including credit analysis, trading, and portfolio management) and work together as generalists in the decision making process. Michael Leisring, Director of Fixed Income, currently leads this effort, but the firm's entire fixed income history is still represented on the team.

The Fixed Income Strategy Team is responsible for all aspects of portfolio management, research and trading and uniquely requires unanimous approval related to all investment decisions. In addition, our credit analysis process is supported by a 10 person group of Research Analysts and Traders. All analysts of the firm report to the Chief Investment Officer and provide bottom-up fundamental research on sectors and individual credits.

Each Fixed Income Strategy Team member serves as a generalist and is responsible for promoting their best ideas to capture the relative value of the bond market. The team reviews all bond holdings and sell decisions. Buy decisions are implemented by the Director of Fixed Income within the context of the team's strategy. Three bond traders support this process.

2. How long have the key members of the team worked with this product? Have there been additions or departures in the last 3 years for the team managing the proposed product? Please explain.

Three of the five members of the team have worked on the product together since 1999. Brandon Zureick was added to the team in 2013 and David Theobald was added to the team in 2018 as part of our commitment to develop and promote talent from within the firm.

3. Please provide a brief history of the investment team including any previous firms this team has worked at together.

From inception of the firm through 1989, our fixed income effort was directed by Tim Johnson, PhD. Dale Coates, CFA was hired in 1989 as Director of Fixed, joining Tim on the newly established Fixed Income Strategy Team. All fixed strategies have been team managed ever since. Dale led the group from 1989 through 2000. In 1993 Jason Jackman, CFA was hired as Fixed Income Analyst and Trader, becoming the third member of our Strategy Team. In 1999, Michael Leisring, CFA joined the team as a Fixed Income Analyst/Trader, becoming the fourth member of our Strategy Team. This four person group remained as the decision making body for all fixed income strategies through 2013. In 2013 Brandon Zureick, CFA replaced Tim Johnson on the team. Jason Jackman became the Director of Fixed Income in 2000, maintaining that leadership role until 2013 when Michael assumed that responsibility. In 2018 David Theobald was promoted from Fixed Income Analyst to Portfolio Manager and added as an official team member. Today's Fixed Income Strategy Team consists of Dale, Jason, Michael, Brandon, and David with Michael serving as Director of Fixed Income. The average tenure of our team is 22 years and three of the five members have served as Director of the effort. Each has significant experience as a credit analyst and a trader. All strategic decisions require unanimous approval from our Team.

4. What is the # of accounts and account volume (in \$) that is handled by this team?

5. Do the same groups manage equity, fixed income, & balanced portfolios at the firm?

No. The Fixed Income Strategy Team is specifically dedicated to managing our fixed income strategies. Other teams are responsible for equity strategy and asset allocation.

6. Does the firm employ a central trading desk?

Yes.

7. If yes, describe the trading operation & the traders' qualifications.

We consider trading to be a value added process for our clients. As a result, we combine trading with research and utilize credit analysts as traders for the Core Fixed product. We find that analysts that also serve as traders are better positioned to identify relative value in the market, both at the security level and along the yield curve. There are four fixed income traders that serve our fixed income products, including the Director of Fixed Income. Each is a Chartered Financial Analyst and each also works within our research team as a credit analyst. We also believe that our firm size is a competitive advantage and helps us to add value through trading. We are large enough to earn the attention of both regional and Wall Street firms and garner access to a wide variety of block sizes of bonds at attractive values, yet still able to be nimble and selective in the securities we trade. All bond trading is placed through external brokers and executed competitively to ensure best executions. We deal with a combination of large primary dealers and regional broker, each with unique specialties and strengths. We also utilize several electronic trading platforms.

Trading is aggregated through a proprietary system that builds orders across the firm taking into account unique client objectives and constraints. Thus we are often able to execute one trade for the benefit of multiple clients across multiple products. Michael Leisring is the Director of Fixed Income and leads our trading function. By combining his unique experience as analyst and trader he is able to identify value in the market. Michael has been with Johnson for 19 years and has over 20 years industry experience.

8. Does the firm have an investment committee?

Yes, the Fixed Income Strategy Team serves as the investment committee for fixed income.

9. If yes, describe how it operates & the background/experience of the members.

The Fixed Income strategy team consists of Jason Jackman, President & Chief Investment Officer, Dale Coates, Vice President & Portfolio Manager, Michael Leisring, Director of Fixed Income, Brandon Zureick, Portfolio Manager and David Theobald, Portfolio Manager. These five are assisted by the entire research staff.

The Fixed Income Strategy Team formally meets weekly to discuss economic and market trends, portfolio characteristics, and individual security holdings. Formal credit reviews and approvals are made during these meetings as well. More informal discussions occur on an ongoing basis. Each Team member is responsible for promoting their best ideas to capture the relative value of the bond market. Sector and security research analysts provide input on credits in the portfolio or under review for purchase or sale. Broad strategic targets are established by this Team and implemented by the Chief Investment Officer and the Director of Fixed Income and their traders. Below are the qualifications and experience of the members of the Fixed Income Strategy Team:

Jason O. Jackman, CFA

Education:

BA – Economics – 1993 Wittenberg University, Springfield, OH

Chartered Financial Analyst – 1998

Professional Background:

2013 – Present – President & Chief Investment Officer, Johnson Investment Counsel, Inc.

1993 – 2013 – Director of Fixed Income, Johnson Investment Counsel, Inc.

Dale H. Coates, CFA

Education:

BS – Finance/Economics – 1981 Miami University, Oxford, OH

Chartered Financial Analyst – 1989

Professional Background:

1989 – Present – Vice President/Portfolio Manager, Johnson Investment Counsel, Inc.

1981 – 1989 – Senior Trust Officer, Fifth Third Bank

Michael C. Leisting, CFA

Education:

BS – Finance/Accounting – 1997 Miami University, Oxford, OH

Chartered Financial Analyst – 2002

Professional Background:

2013 – Present – Director of Fixed Income, Johnson Investment Counsel, Inc.

1999 – 2013 – Fixed Income Analyst, Johnson Investment Counsel, Inc.

1998 – 1999 – Brokerage Representative, Fidelity Investments

Brandon Zureick, CFA

Education:

BS – Finance/Accounting – 2007 University of Cincinnati

Chartered Financial Analyst – 2012

Professional Background:

2014- Present – Fixed Income Portfolio Manager / Strategist, Johnson Investment Counsel, Inc.

2011-2014 – Fixed Income Analyst, Johnson Investment Counsel, Inc.

2009 - 2011 – Portfolio Analyst, R.W. Baird

2008 – 2009 – Investment Associate, Fort Washington Investment Advisors

David Theobald, CFA

Education:

BS – Finance – 2007 University of Cincinnati

Chartered Financial Analyst - 2012

Professional Background:

2013-Present – Fixed Income Portfolio Manager/Analyst, Johnson Investment Counsel, Inc.

2012-2013 – Senior Marketing Coordinator, Fort Washington Advisors

10. If applicable, how often does the investment committee meet?

Formal Fixed Income Strategy Team meetings are held weekly, though informal dialogue and debate are ongoing. Ad hoc meetings are held to review credit recommendations, significant market news, or other value opportunities.

Fixed Income Investment Philosophy

1. Please indicate which categories most correctly identify your product's fixed income style:

Interest Rate Anticipation	
Sector/Security Approach	80
Limited Risk (Hedged)	
Fixed Duration or Passive	20
Index Funds	
Other (please specify)	

2. In one or two brief sentences, please describe the product's investment philosophy.

We believe a Quality Yield approach emphasizing the spread sectors of the fixed income market will provide the consistent compounding of excess income that drives bond returns, while simultaneously providing downside risk protection to the portfolio. Our investment philosophy is based on delivering "no surprises" meaning our bonds should behave like bonds, particularly during times of stress.

3. Describe the investment process in detail, including how buy and sell decisions are made.

We believe that bonds should behave like bonds, especially during periods of economic and market stress. We also believe that the consistent compounding of income drives returns in the bond market. Therefore, Johnson's fixed income strategy employs a Quality Yield approach. The cornerstones of our fixed income investment approach are to emphasize non-government securities and capture the slope of the yield curve. Because income drives returns in the bond market, we focus on building portfolios with a sustainable yield advantage over the benchmark. We accomplish this within a strict risk management discipline that seeks to avoid credit surprises in the portfolio. Around that foundation, investment decisions are made with respect to sector allocation, maturity structure, issuer selection and individual security structure that will capture the relative value of the bond market for client portfolios within a strict risk management framework. All dollar-denominated, investment grade sectors are considered for client portfolios. Securities are screened for relative value within the context of credit quality, the strategy of the Fixed Income Strategy Team and client objectives.

Beginning with the client's unique objectives, portfolios are built from both a top-down, macro-economic perspective and a bottom-up, fundamental analysis of relative value. We do not speculate on the direction of interest rates, limiting the duration and structure of the portfolio to a range around the benchmark. Instead, sector and security selection account for the majority of value-added in fixed income portfolios and we typically emphasize investment-grade corporate bonds and agency-backed mortgage securities. Investment decisions are made from our internal assessment of relative value based on fundamental assessment of risk and yield spread. Sector allocation and individual holdings will tend to look different from the benchmark.

All dollar-denominated, investment grade securities are considered for client portfolios. Securities are evaluated for purchase within the context of client objectives, the Fixed Income Strategy Team's strategy and relative value. Both yield spread and yield curve roll are considered when making purchases. Buy decisions for securities with credit exposure are always accompanied by a thorough credit review. Analysts and Portfolio Managers suggest purchase ideas to the Fixed Income Strategy Team for approval.

Bonds can be sold for a variety of reasons. A sale could be initiated of a bond that no longer fits into the client's targeted portfolio needs. Furthermore, strategic sales are implemented to take advantage of market opportunities, sell overpriced securities or initiate a new strategy within the portfolio. Finally, a bond can be sold if our internal credit analysis process determines that the bond could significantly underperform other alternatives or that risk of downgrades has elevated.

4.	When was the investment philosophy established?
	1976
5.	Has this philosophy been implemented for the last five years? If not, are the creators of the previous philosophy still with the firm?
	Our quality yield approach has remained the same from the inception of our firm. Every individual at Johnson responsible for bond performance in the firm's history is still involved in the process.
6.	What is considered to be the competitive advantage of the philosophy?
	The strengths of our fixed income approach are our methodology and our team. The primary competitive advantage of our investment philosophy is the unique blending of both quality and yield in the process. Our portfolios emphasize relative value available within the quality corporate bond market, focusing on intermediate maturities. This is designed to provide greater income to portfolios over time with moderate volatility and more downside protection than the market. As a result, we have consistently outperformed during both strong and weak market environments and are able to provide clients with a high batting average of success. The consistency of the approach and consistency of the team (every individual at Johnson is responsible for bond performance in the firm's history is still involved in the process) is what has led to superior investment results. An additional unique aspect of Johnson is client access to portfolio managers. Regardless of size, each fixed income account is managed by the same team of fixed income professionals committed to client service
7.	What changes have been made to the investment process in the past 5 years?
	There have been no changes to the investment process.
8.	In what market environments is the strategy expected to outperform/underperform?
	Our investment approach has performed well in multiple economic and market environments. We have outperformed the benchmark during both periods of economic expansion and contraction, when rates were rising or falling, and during periods of relative market stability. Because we build a portfolio of securities that provides attractive relative value characteristics (yield per unit of expected volatility) we can perform well in most market conditions. Compared to peers, we have performed particularly well during periods of economic and market turmoil. These are periods when an emphasis on quality is rewarded. We expect to lag peers (but outperform the benchmark index) during periods when risk appetite is high and an emphasis on quality yield is not as amply rewarded. These periods tend to be the frothier stages of the economic cycle when investors chase yield and a disciplined approach to emphasize quality credit is out of favor.
9.	Please explain any significant quarterly underperformance over the past five years.
	There has been no significant quarterly underperformance over the past five years.
10.	Please explain any significant quarterly outperformance over the past five years.
	Yes, we only invest in investment grade securities.
11.	Are managers given minimum quality criteria for their fixed income selections? If so, please describe the criteria.
	Any cash in client portfolios is merely transitory. We do not target a cash allocation.
12.	Describe the use of cash in the fixed income process. What range of cash is typical?
	0-5%
13.	If applicable, describe your hedging strategy.
	NA
14.	If derivative securities are part of the fixed income program, what kinds are they & to what end?
	NA
15.	Detail the internal oversight used to control the risk (leverage) inherent in this portion.

	NA
16.	What is the current percentage of emerging markets included in the portfolio? What is the maximum exposure allowed?
	NA

17. Please complete the following international equity country allocation chart:

	Product	Benchmark
Europe:		
Austria		
Belgium		
France		
Germany		
Ireland		
Italy		
Portugal		
Spain		
Switzerland		
UK		
Scandinavia:		
Denmark		
Finland		
Netherlands		
Norway		
Sweden		
Asia:		
Hong Kong		
Japan		
Singapore		
Middle East:		
Israel		
Far East:		
Australia		
New Zealand		
Other:		
Total:		

Please specify other.

18. Please complete the following emerging markets equity country allocation chart:

	Product	Benchmark
Latin America:		
Brazil		
Chile		
Colombia		
Mexico		
Peru		
Asia:		
China		
India		
Indonesia		

Korea		
Malaysia		
Pakistan		
Philippines		
Taiwan		
Thailand		
Europe/Middle East & Africa:		
Czech Republic		
Egypt		
Greece		
Hungary		
Poland		
Qatar		
Russia		
Saudi Arabia		
South Africa		
Turkey		
UAE		
Other:		
Total:		
Please specify other.		

19.

Please provide a breakdown of the Investment Type for the product relative to its benchmark, as of the most recent quarter-end.

	(Product)	(Benchmark)
Foreign Gov't Bonds	%	%
Foreign Corp Bonds	%	%
Yankee Bonds	%	%
US Bonds	100%	100%
Cash & Equivalents	%	%
Other (please specify)	%	%

20.

Please provide a breakdown of the Quality distribution for the product relative to its benchmark, as of the most recent quarter-end.

	(Product)	(Benchmark)
AAA	46.58%	72.81%
AA	3.56%	3.59%
A	29.28%	10.01%
BBB	20.58%	13.59%
BB	%	%
B	%	%

CCC or below	%	%
Not Rated	%	%
Other	%	%

21.

Please provide a breakdown of the Maturity distribution for the product relative to its benchmark, as of the most recent quarter-end.

	(Product)	(Benchmark)
0-1 Years	5.63%	0.00%
1-3 Years	14.08%	22.10%
3-5 Years	30.93%	19.50%
5-10 Years	35.65%	42.40%
10+ Years	13.71%	16.00%

22.

Please provide a breakdown of the Sector distribution for the product relative to its benchmark, as of the most recent quarter-end.

	(Product)	(Benchmark)
Treasuries	20.09%	38.89%
Agencies	6.64%	2.79%
Mortgages	19.85%	28.21%
Corporates	49.05%	24.3%
Other (Please specify)	4.37% muni	5.81%

23. | For the most recent period available please indicate the Product's top ten holdings (excluding Cash):

	<u>Name</u>	<u>Coupon</u>	<u>Maturity</u>	<u>%</u>
(1)	UNITED STATES TREASURY BOND	2.5	2/15/2045	3.30%
(2)	UNITED STATES TREASURY NOTES	2.5	5/15/2046	2.91%
(3)	UNITED STATES TREASURY NOTES	2.75	8/15/2047	2.88%
(4)	UNITED STATES TREASURY NOTES	1.75	11/30/2019	2.87%
(5)	UNITED STATES TREASURY NOTES	2.75	2/15/2028	2.58%
(6)	BANK OF AMERICA CORPORATION SENIOR	3.248	10/21/2027	1.94%

	UNSECURED NOTES (CALLABLE 10/21/26 @ \$100)			
(7)	FIFTH THIRD BANCORP SUBORDINATED NOTES	4.3	1/16/2024	1.53%
(8)	SUNTRUST BANKS INCORPORATED SENIOR UNSECURED NOTES CALLABLE 03/01/2025 @ 100.0	4	5/1/2025	1.44%
(9)	JPMORGAN CHASE SUBORDINATED NOTES	3.875	9/10/2024	1.44%
(10)	WELLS FARGO & COMPANY SUBORDINATED NOTES	4.1	6/3/2026	1.41%
% Total				22.29%

24.	Explain your use of hedging, if applicable.
	NA
25.	For hedging, how do you manage counter-party risk?
	NA
26.	Explain any investments made with collateral.
	NA

Research

- What percentage of research is generated internally? 80%
- What percentage of research is obtained from outside sources? 20%
- Please describe how the research operation within your firm works.

The Fixed Income Strategy Team is responsible for all aspects of portfolio management, research and trading. In addition, our credit analysis process is supported by 10 research analysts at the firm. Analysts provide sector and company specific input to the credit research process.

Each Fixed Income Strategy Team member is responsible for promoting their best ideas to capture the relative value of the bond market. The team reviews all bond holdings and sell decisions. Buy decisions are made by the Chief Investment Officer and the Director of Fixed Income within the context of the Fixed Income Strategy Team's strategy and the approved credit list.

All portfolio decisions are internally generated and the majority of the research process is proprietary. However, we also utilize a number of research tools purchased from independent experts. These include third party credit analysis (including

quantitative default frequency models), forensic accounting and portfolio analytics services. In addition, we utilize Bloomberg for security data, Bondedge for index data and Factset for company data. Each of these external research or portfolio tools are used as inputs to the internal process. These tools do not directly drive security or sector selection or the portfolio construction process, but add to the depth of our internal effort.

4. Please describe how your firm obtains and pays for outside research reports.

Though most of our research is proprietary, we do utilize soft dollars from equity trading to purchase a small portion of outside research. We have no soft dollar relationships with any fixed income brokers. We find soft dollars to be inconsistent with best execution in the fixed income marketplace. We do utilize a few soft dollar relationships for equity trading. All clients, regardless of equity product type, pay the same commission rate for every equity trade.

5. Please name the three primary sources of data and/or analyses upon which your firm relies.

- | | |
|-----|--------------|
| (1) | Bloomberg |
| (2) | BondEdge |
| (3) | Creditsights |

6. Who coordinates the firm's research effort & what are their qualifications for that position.

Jason Jackman, President & Chief Investment Officer, coordinates the firm's fixed income research effort. Jason has an economics degree and is a CFA. He has been with the firm for 24 years with an emphasis in fixed income for this entire tenure. Michael Leising directs all aspects of the credit analysis process and has 20 years of experience in fixed income research and portfolio management. Brian Kute oversees the sector/company research efforts of research analysts and has over 25 years of research experience.

Personnel

1.	In the table below, indicate the appropriate number of employees employed in each category.			
	2015	2016	2017	2018
Equity portfolio managers	1	1	1	1
Bond portfolio managers	4	4	5	5
Balanced fund managers				
Equity research analysts				
Bond research analysts	7	7	7	7
Economists				
Management and Administrative (Compliance, Operations)				
Computer professionals				
Clerical				

Other (Marketing, Client Service, Trading)	7	7	7	7
Total				

2. Please provide biographical information on all key members of the proposed product's asset mgmt team, including years of experience with this asset class & years with the firm.

Jason O. Jackman, CFA

Education:

BA – Economics – 1993 Wittenberg University, Springfield, OH

Chartered Financial Analyst – 1998

Professional Background:

2013 – Present – President & Chief Investment Officer, Johnson Investment Counsel, Inc.

1993 – 2013 – Director of Fixed Income, Johnson Investment Counsel, Inc.

Dale H. Coates, CFA

Education:

BS – Finance/Economics – 1981 Miami University, Oxford, OH

Chartered Financial Analyst – 1989

Professional Background:

1989 – Present – Vice President/Portfolio Manager, Johnson Investment Counsel, Inc.

1981 – 1989 – Senior Trust Officer, Fifth Third Bank

Michael C. Leisring, CFA

Education:

BS – Finance/Accounting – 1997 Miami University, Oxford, OH

Chartered Financial Analyst – 2002

Professional Background:

2013 – Present – Director of Fixed Income, Johnson Investment Counsel, Inc.

1999 – 2013 – Fixed Income Analyst, Johnson Investment Counsel, Inc.

1998 – 1999 – Brokerage Representative, Fidelity Investments

Brandon Zureick, CFA

Education:

BS – Finance/Accounting – 2007 University of Cincinnati

Chartered Financial Analyst – 2012

Professional Background:

2014- Present – Fixed Income Portfolio Manager / Strategist, Johnson Investment Counsel, Inc.

2011-2014 – Fixed Income Analyst, Johnson Investment Counsel, Inc.

2009 - 2011 – Portfolio Analyst, R.W. Baird

2008 – 2009 – Investment Associate, Fort Washington Investment Advisors

David Theobald, CFA

Education:

BS – Finance – 2007 University of Cincinnati

Chartered Financial Analyst - 2012

Professional Background:

2013-Present – Fixed Income Portfolio Manager/Analyst, Johnson Investment Counsel, Inc.

2012-2013 – Senior Marketing Coordinator, Fort Washington Advisors

3. In the last 3 years, how many professional employees have left the firm for any reason?

Two research analysts have left the firm.

4. What qualifications are typical of the PMs? Include number of years with the firm, \$ under management & # of accounts.

Jason Jackman, President & Chief Investment Officer and Dale Coates, Vice President are the primary Portfolio Managers for all institutional relationships. They typically manage portfolios as a team. Each is a Chartered Financial Analyst. Jason has been with Johnson Institutional Management his entire career, spanning 25 years. Dale has over 30 years industry experience and has been with Johnson for 29 years. Both are also members of the firm's Fixed Income Strategy Team. Together they manage more than \$3.0 Billion in assets, serving 81 client relationships.

5. Please describe the method of compensation employed for portfolio managers.

There are three broad categories of compensation opportunities for the professional staff at Johnson. First of all, we believe it is very important to pay a very competitive wage to our staff. We pay careful attention to trends within the industry and reward the skills and experience of our employees. Our attractive wage base is evidenced by our low turnover as we have never lost a portfolio manager to a competitor in the history of the firm. Second, we incentivize our professionals with an individualized incentive compensation program that is based on their unique contribution to the goals of the company and the firm's overall success. This program is a blend of annual and rolling three years goals and includes performance goals for investment products. Finally, ownership is carefully awarded to employees demonstrating significant and lasting impact on the delivery of our products and services to the clients of Johnson. Only current employees can be owners of the firm and non-solicitation contract is in place.

6. Please describe the method of compensation employed for research analysts.

Research analyst compensation takes the form of salary plus incentive compensation. Each analyst's individual incentive compensation program is based on their unique contribution to the goals of the company and the firm's overall success. The program blends annual and rolling three-year goals and includes performance goals for investment performance.

Performance

1. Is your firm in compliance with GIPS?
2. If yes to the above, has your GIPS compliance been audited?
3. If yes to the above, who performed the audit?

Yes
Yes
ACA Performance Services

Performance – as of 4Q2018

Investment Style	Core Fixed Income
Product Name Used for Performance	Johnson Core Fixed Income
Inception Date	1/1/1994
Account Type	Separate Account Composite
Benchmark Used	Bloomberg Barclays US Aggregate

Portfolio Manager/Team Leader	Michael Leisring, CFA
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Years Managing this Product	5 Years Team Lead/19.5 Years on Team
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Only include **RETURNS FOR COMPLETE YEARS'** performance in the table below.

Do NOT place returns for partial years in the table below, even if noted as incomplete.

Only complete years may be included in the returns below. List incomplete years, if any, this product has had in the box to the right <u>only</u> .	
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Commingled Funds and Separate Accounts **must** provide Gross of Fees Returns
 Mutual Funds **should** submit Gross of Fees numbers if you have access to those numbers,
 and must provide Net of Fees numbers at a minimum.

Never delete any of the below columns for any reason, even if you are leaving it blank.

Period	Return Gross of Fees	Return Net of Fees	Preferred Benchmark Return	# of Accounts for Product	Assets (\$) in Composite
2008	8.82	8.85	5.24	4	169mm
2009	7.52	7.26	5.93	10	466mm
2010	7.09	6.83	6.54	9	437mm
2011	8.12	7.86	7.84	12	481mm
2012	5.29	5.03	4.22	12	507mm
2013	-1.52	-1.76	-2.02	14	580mm
2014	7.10	6.84	5.97	12	616mm
2015	1.16	0.91	0.55	17	677mm
2016	3.81	3.55	2.65	19	856mm
2017	4.12	3.86	3.54	26	1,234mm
2018	0.23	-0.02	0.01	29	1,482mm
1 st Quarter 2018	-1.32	-1.38	-1.46		
2 nd Quarter 2018	-0.01	-0.08	-0.16		
3 rd Quarter 2018	0.19	0.12	0.02		
4 th Quarter 2018	1.40	1.34	1.64		
Annualized 3-year	2.70	2.45	2.10		
Annualized 5-year	3.26	3.00	2.54		

Quarterly Returns

Please fill out the following table with the product's quarterly returns since inception. Returns should be gross of fees unless the product is a mutual fund, in which case gross numbers are preferred but net is also acceptable. Additional rows may be added as needed. Returns should be entered as a number only, with NO percentage sign and no parentheses.

<u>Year</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Annual</u>
1994	-4.00	-1.41	0.44	0.08	-4.86
1995	5.44	7.37	1.86	4.83	20.89
1996	-1.69	-0.11	2.05	3.07	3.29
1997	-0.61	3.61	3.39	3.02	9.68
1998	1.69	2.37	5.30	-0.14	9.46
1999	-1.02	-2.11	0.64	-0.53	-3.01
2000	1.31	1.21	3.22	4.86	10.98
2001	3.69	0.28	4.98	-2.09	6.88
2002	-0.10	4.35	5.42	1.57	11.62
2003	1.54	2.62	0.38	0.25	4.86
2004	2.19	-1.67	2.42	0.85	3.78
2005	-0.05	2.90	-0.46	0.82	3.21
2006	-0.62	0.07	3.91	1.28	4.66
2007	1.64	-0.71	2.97	3.37	7.41
2008	3.20	-1.54	-1.18	8.37	8.81
2009	-0.25	2.90	4.27	0.44	7.50
2010	2.13	3.71	2.91	-1.75	7.09
2011	0.80	1.91	3.94	1.26	8.12
2012	0.99	2.14	1.77	0.32	5.31
2013	0.31	-2.41	0.41	0.20	-1.52
2014	2.45	2.19	0.47	1.82	7.11
2015	2.07	-1.65	1.20	-0.42	1.16
2016	3.36	2.38	0.80	-2.68	3.81
2017	0.96	1.55	0.89	0.65	4.11

2018	-1.32	-0.01	0.19	1.40	0.23
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Fee Structure

- Do not state your firm's fees outside of the gray boxes below, or refer to outside documents.
- Do not copy/paste your fee schedule from older RFPs into this document.
- Follow the convention laid out in the Fee Structure boxes below. You may add additional “__ bps on next \$__ mm” lines as needed.
- For each product type being proposed for this search, fill out its corresponding table in its entirety.
- For products that have no minimum size, be sure to state that. If a minimum fee is used instead of a minimum account size, fill out the appropriate row.
- For products where the minimum size is either waived or has been met, still indicate the products' standard minimums, so that we have it for our records.

Separate Account (if applicable)

Fee structure (Include ALL fees for the product in this space)	25 bps on first \$50 mm 20 bps on next \$50 mm 10 bps on balance
Minimum account size	\$5mm
Minimum annual fee (if used instead of minimum size).	NA
Is fee structure negotiable?	Yes
Is minimum size negotiable?	Yes
If minimum account size is more than this mandate, is it waived?	Yes

Is a most-favored nation clause available and/or is the proposed fee an MFN fee?

N/A

State any legal restrictions for clients (e.g. only open to Qualified Investors, ERISA, Pension plans, etc.)

None

Commingled Funds (if applicable)

Name of Fund

Fee structure (Include **ALL** fees for the product in this space)

___ bps on first \$__ mm

___ bps on next \$__ mm

___ bps on balance

Minimum Size

Minimum annual fee (if used instead of minimum size).

Is fee structure negotiable?

Is minimum size negotiable?

If minimum account size is more than this mandate, is it waived?

Describe the liquidity of this vehicle

Is a most-favored nation clause available and/or is the proposed fee an MFN fee?

State any legal restrictions for clients (e.g. only open to Qualified Investors, ERISA, Pension plans, etc.)

Institutional Mutual Fund (if applicable)

Name of Fund

Johnson Institutional Core Bond Fund

Ticker

JIBFX

Net Expense Ratio

25 bps

Full Expense Description

Minimum Size

\$1mm

Is minimum size negotiable, and is it being waived (if applicable)?

Yes

Assets in This Fund

\$217mm

Firm Name	Ryan Labs Asset Management
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Summary

General Information:

Firm Name	Ryan Labs Asset Management
Product Name	Core Fixed Income
<u>City, State</u> of Firm's Headquarters	New York, NY
<u>City, State</u> of Product's Investment Team	New York, NY
Name of Parent Company, or "Independent"	Sun Life Financial, Inc.
Tax-Exempt Assets Under Management	\$8.3B
Total Assets Under Management	\$8.3B
Year Founded	1988
Year Registered	1989
Contact Name	Mark Monroe
Contact Number	646.708.8056
Contact Email	mmonroe@ryanlabs.com

Which of the following types of products are available for this search? You may offer multiple product types if you choose. Indicate with an "X." There will be room to elaborate on the product offerings elsewhere in this document.

This selection should indicate that any minimum account sizes for the product are either met or waived for this search.

Separate Account	X
Commingled Funds	
Mutual Fund	

Please provide the following figures for a representative account, with the data as of
the end of 4th Quarter 2018

Do not submit the following data for any other quarter, even if footnoted as such.

It is acceptable to submit preliminary data, if necessary.

Only provide statistics for indicated time-periods

(i.e. do not put 3-year alpha when 5-year alpha is requested)

All statistics (including, but not limited to Alpha and Batting Average) for active managers, must be relative to the following benchmark:

Bloomberg Barclays US Aggregate Bond Index

All statistics must be based on quarterly numbers, never monthly, even when the question isn't explicit in that regard. All statistics should be annualized.

- Dahab Associates often reconciles the following statistics against the "Informais PSN" database, if data is available, using the relevant ending-date and benchmark.
- It is not mandatory for this RFP that managers populate or use the PSN database.
- If a manager has access to their statistics as they appear in the PSN database, it would be helpful if the following statistics in this RFP correspond to those in PSN.
- If the submitted product is in the PSN database, please provide the following identifying information exactly as it appears (case, spaces, and exact spelling are necessary).

PSN Firm Name	Ryan Labs Asset Management
PSN Product Name	Core Fixed Income
PSN Firm Abbreviation	Ryan Labs
PSN Product Abbreviation	Core Fixed

Fixed Income Product Information:

Product Name	Core Fixed Income	
Typical Number of Issues Held	175	
	3-Year	5-Year
Batting Average (% of quarters beating benchmark)	67.84	71.43%
Alpha	0.74	0.71
Standard Deviation	2.77	2.85

Portfolio Turnover, 12-month Rolling, excluding repos (%)	69.12%	68.98%
	5-year Average	Current
Quality	AA	A
Maturity	7.93	8.30
Duration	6.03	6.20
Coupon	3.34	3.54
% U.S. Government	26.15%	21.32%
% AAA (Non-USGov)	19.43%	23.07%
% AA (Non-USGov)	5.14%	2.17%
% A	17.34%	12.37%
% BBB	31.57%	39.55%
% Non-Investment Grade	0.00%	0.00%
% Domestic Bonds	100%	100%
% Developed International	0%	0%
# Developed International Countries	0	0
% Emerging Markets	0	0
# Emerging Markets Countries	0	0
Hedging (%)	0	
Product Inception	June, 1996	
Preferred benchmark for this product	Bloomberg Barclays US Aggregate Index	
Total Assets in Composite	1.9B	
Total Assets in Strategy	2.0B	

Firm Affiliation

1. Is the firm independent? | No
2. Is the firm registered under the Investment Advisors Act of 1940? | Yes
3. Is the firm minority owned? If so, what percent? | No
4. Is the firm women owned? If so, what percent? | No
5. Is the firm a subsidiary of, or related in any way to:

A brokerage firm	
Insurance company	X
A bank	
Other	

6. What is the name of the parent company? | Sun Life Financial, Inc.

7. Please provide details of the ownership structure of the firm.

Ryan Labs operates as a wholly-owned subsidiary as part of the Sun Life Investment Management organization. Sun Life Financial owns 100% of Ryan Labs as of April 2015. Ryan Labs operates independently, has retained its brand name, operations and its present headquarters at 500 Fifth Avenue New York, NY.

8. If the firm is related in any fashion (financially or otherwise) to any other entity, explain.

The firm is not related in any fashion to any other entity.

9. If the firm is certified as women or minority owned, list all certifications, including (though not limited) to federal and state levels. | No

General Background Information

1. Please indicate the types of accounts that your firm currently manages:

Domestic Equity		Socially Conscious	
Fixed Income	X	Hedge Fund of any type	
Balanced		Institutional Mutual Funds **	
International		Retail Mutual Funds	
Global			

2. Please provide the location and function of each of the firm's offices.

Ryan Labs is located at 500 Fifth Ave, Suite 2500, New York, New York 10110.

Asset Management, Client Service & Strategy, Executive, Operations, Research, and Indices teams are located in NY with a total of 35 people. The Tail Hedging and Overlay Strategies team (dual-hatted with Sun Life Investment Management) is located at 1 Sun Life Executive Park, Wellesley Hills, MA 02481 and employs 5 people.

3. Please give a brief history of the firm.

Ryan Labs was established in March of 1988. Since inception, Ryan Labs has specialized in fixed income asset management for institutional clients versus market benchmarks and custom (e.g. liability) indexes.

In April 2015, Ryan Labs was acquired by Sun Life Financial. Ryan Labs operates as a wholly-owned subsidiary of Sun Life Financial.

4. When was the firm founded?

1988

5. When was it registered as an investment advisor?

1989

6. When did the firm begin to manage tax exempt accounts?

1988

7. Describe the level of error and omission insurance coverage the firm carries.

Insurance Certificate #1:

Type(s) of Insurance	Insurer(s)	Policy Number(s)	Effective/Expiry Dates	Sums Insured Or Limits of Liability	
UMBRELLA • As per CGL Description.	Berkshire Hathaway Specialty Insurance Company	47-UMO-303599-02	May 01, 2018 to May 01, 2019	Per Occurrence	USD 25,000,000 Annual Aggregate where applicable

Insurance Certificate #2:

Type(s) of Insurance	Insurer(s)	Policy Number(s)	Effective/Expiry Dates	Sums Insured Or Limits of Liability	
AUTOMOBILE	Federal Insurance Company	(18) 7352-51-12	May 01, 2018 to May 01, 2019	Third Party Liability	USD 1,000,000
COMMERCIAL GENERAL LIABILITY • General Liability including Bodily Injury; Personal Injury; Cross Liability; Broad Form Property Damage; Occurrence Property Damage; Products/Completed Operations; Non-Owned Automobile; Broad Form Tenants Legal Liability.	Federal Insurance Company	3582-32-73 WCE	May 01, 2018 to May 01, 2019	Per Occurrence	USD 1,000,000
				Annual Aggregate	USD 2,000,000
				Limit of Liability	USD 1,000,000
CRIME • - ERISA Plan	Continental Casualty Company The Hanover Insurance Company Hartford Fire Insurance Company	596500495	Nov 01, 2018 to Nov 01, 2019	Limit of Liability	USD 48,000,000
DIRECTORS & OFFICERS/ERRORS & OMISSIONS	Twin City Fire Insurance Company	65 DC 028942818	Nov 01, 2018 to Nov 01, 2019	Each Claim / Aggregate	USD 10,000,000
				- Corporate Reimbursement	USD 250,000
				- Insured Entity	USD 250,000
				- EPL	USD 150,000
PROPERTY ALL RISKS	Federal Insurance Company	3582-32-73 WCE	May 01, 2018 to May 01, 2019	- Cost of Corrections	USD 500,000
				Limit of Insurance	CDN 500,000 EDP Property, Premises 1
				Deductible	CDN 2,500
COMPREHENSIVE CRIME	The Hanover Insurance Company	BDD - 1033374	Nov 01, 2018 to Nov 01, 2021	Per Occurrence	USD 1,000,000 Employee Theft and Computer Fraud

8. Are you now the subject of a SEC or other regulatory body sanction? If so, explain.

No

9. Has the firm ever been subject to a SEC or other regulatory body sanction? If so, explain.

No

10. Discuss, in detail, any litigation brought against the firm in the last five years.

There has been no litigation brought against Ryan Labs.

11. Please provide details on the financial condition of the firm.

Ryan Labs is a wholly-owned and consolidated subsidiary of Sun Life Financial, Inc. a publicly listed insurance company (SLF) with market capitalization exceeding \$20 billion. Please refer to financial statements provided at www.sunlife.com.

12. Provide a breakdown of assets by type of Investment Strategy. (for example, Mid Cap Growth, Core Fixed Income, Emerging Markets, etc.)

Investment Strategy	# of Accounts	\$ Value
Short Duration Government	5	\$65mm
Short Duration Government/Credit	2	\$177mm
LDI Short Duration	2	\$50mm
Low Duration Income	2	\$194mm
Limited Duration Credit	1	\$55mm
Limited Duration Government/Credit	2	\$36mm
Intermediate Government/Credit	13	\$384mm
LDI Intermediate Duration	5	\$110mm
Core Fixed Income	28	\$1.7B
Government/Credit	3	\$77mm
LDI Core Duration	4	\$37mm
LDI Long Duration	17	\$838mm
Wrap LDI Long Duration	2	\$35mm
Inflation Index Enhanced	1	\$23mm
Inflation Index Intermediate	1	\$16mm
Long Government/Credit	2	\$53mm
Long Treasury	1	\$541mm
Long Government	3	\$249mm
Long Credit	7	\$321mm
LDI Extended Duration	38	\$2.6B
High Yield	4	\$152mm
Core Fixed Income Pooled Fund (RLCBX)	N/A	\$95mm
Long Credit Pooled Fund (RLLCX)	N/A	\$97mm
Ryan Labs Leveraged Finance Account	1	\$98mm
Transition Management	11	\$443mm

13. Please provide a breakdown of the FIRM'S accounts & assets in the following table:

	# of Accounts	\$ Value
Tax Exempt Assets:		
ERISA	70	\$4.0B
Public	21	\$1.6B
Taft-Hartley	24	\$639M
Endowment	2	\$75M
Foundation	3	\$115M
Religious Order		
Other (Healthcare, Insurance & Other)	35	\$1.7B
Total Tax-Exempt	155	\$8.1B
Taxable Assets:		
Personal Trusts		
Commingled		
Other		
Total Taxable		
Mutual Funds:		
Equity		
Fixed Income	2	\$193M
Money Market		
Other		
Total Mutual Funds	2	\$193M
Overall Total	157	\$8.3B

14. Provide a breakdown of the PRODUCT'S accounts & assets in the following table:

	# of Accounts	\$ Value
Tax Exempt Assets:		
ERISA	5	\$740M
Public	8	\$468M
Taft-Hartley	10	\$401M
Endowment		
Foundation	2	\$62M
Religious Order		
Other	3	\$236M

Total Tax-Exempt	28	\$1.9B
Taxable Assets:		
Personal Trusts		
Commingled		
Other		
Total Taxable		
Mutual Funds:		
Equity		
Fixed Income	1	\$95M
Money Market		
Other		
Total Mutual Funds		
Overall Total	29	\$2.0B

15. What are your firm's plans for growth of these assets?

Plans are for the firm's generic assets to grow at ~20% over the next three to five years.

16. Are there plans for limiting growth in any of the above areas?

No

17. How does your firm plan to staff the growth of the firm described above?

Ryan Labs will continue to add staff in order to accommodate growth within the firm. The firm does not have limits on closing certain products at target asset level, total number of separate accounts, or total assets accepted.

18. Give five (5) references for your services.

Client Reference	Contact	Phone	E-mail
Macon Fire & Police	Cpt. Daniel Angelo	478.475.0248	dangelo@maconbibb.us
Commonwealth of PA	John Small	717.783.0216	jsmall@patreasury.gov
Gwinnett County	Michael Poole	770.822.7844	Micahael.poole@gwinnettcounty.com
XCEL Energy	Greg Zick	612-215-4648	Greg.c.zick@xcelenergy.com
Georgia Sheriff's Ret Fund	Lisa Petty	770.914.1076	lpetty@georgiasheriffs.org

19. State the average size of the firm's 5 largest tax-exempt funds.

\$347mm

20. Indicate the number & assets of tax-exempt accounts the FIRM gained & lost in each category:

Gained	2014		2015		2016		2017		2018	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public			1	\$22mm	2	\$84mm	2	\$536mm	1	\$7mm
ERISA	9	\$482mm	16	\$746mm	9	\$207mm	4	\$389mm	12	\$431mm
Taft-Hartley	5	\$129mm	5	\$97mm			3	\$98mm	1	\$15mm
Endowment	1	\$3mm	1	\$10mm			1	\$12mm		

Foundation	2	\$96mm			1	\$25mm				
Religious Order										
Other	1	\$10mm	4	\$164mm	4	\$326mm			6	\$263mm
Total	18	\$720mm	27	\$1.0B	16	\$642mm	10	\$1.0B	20	\$720mm

Lost	2014		2015		2016		2017		2018	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public	3	\$62mm	1	\$25mm					1	\$47mm
ERISA	4	\$109mm	9	\$296mm	11	\$373mm	7	\$254mm	7	\$220mm
Taft-Hartley					2	\$21mm	4	\$27mm	1	\$22mm
Endowment	1	\$21mm								
Foundation	1	\$75mm								
Religious Order										
Other	5	\$57mm							1	\$139mm
Total	14	\$324mm	10	\$321mm	13	\$394mm	11	\$281mm	10	\$428mm

21. Please discuss any unusually large number of accounts or assets lost.

There are typically three reasons for lost accounts:

- 1) Change of pension consultants
- 2) Merger and acquisition of the client
- 3) Termination of pension plans

22. Indicate the number & assets of tax-exempt accounts the PRODUCT gained & lost:

Gained	2014		2015		2016		2017		2018	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public	1	\$18mm	1	\$22mm			1	\$154mm	1	\$18mm
ERISA	1	\$12mm	1	\$95mm			1	\$299mm		
Taft-Hartley	1	\$75mm	2	\$56mm	3	\$51mm	3	\$98mm		
Endowment										
Foundation										
Religious Order										
Other										
Total	3	\$105mm	4	\$173mm	3	\$51mm	5	\$550mm	1	\$18mm

Lost	2014		2015		2016		2017		2018	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public			1	\$22mm					1	\$46mm
ERISA					1	\$16mm				
Taft-Hartley					1	\$20mm				
Endowment					1	\$100mm				
Foundation										
Religious Order										
Other										
Total			1	\$22m	3	\$136mm			1	\$46mm

23. For the *PRODUCT*, please discuss any unusually large # of accounts or assets lost.

There are typically two reasons for lost assets within the product:

- 1) Change in investment strategy
- 2) Change in funding status of the pension plan

In the following table, list the 5 clients (or all clients, if fewer than 5 in the strategy) with the most invested in the product (including clients that aren't included in the composite), and the requested details.

If the client is public (or you may disclose its name) please do. Otherwise state the type of client (e.g. Taft-Hartley, Foundation, Sub-Advisory, Mutual Fund, etc.).

For Vehicle, potential choices would include (but aren't limited to) Separate Account, Commingled Fund, CIT, Mutual Fund, etc.

	Client Name or Type	\$ Invested	State (or Nation)	Investment Year	Vehicle	Included In Composite?
1	Sub-Advisory Account	\$536mm	Massachusetts	2017	SMA	Yes
2	San Diego CERA	\$155mm	California	2017	SMA	Yes
3	Gwinnett County	\$121mm	Georgia	2012	SMA	Yes
4	Taft-Hartley	\$102mm	Oregon	2014	SMA	Yes
5	Corporate Pension	\$83mm	New York	2013	SMA	Yes

Investment Team & Philosophy Implementation

1. Describe the structure of the product's investment team, including how many members the team has and the responsibilities of each member. Include an organizational chart which details the flow of information used in the decision-making process.

Ryan Labs uses a team management approach. In practice this means that all of our investment professionals engage in research and analysis, portfolio management, security selection and trading. Our approach allows for an active exchange of ideas and provides a challenging environment for investment professionals. While we encourage people to not silo their research, we do have focuses by product type and sector as detailed above.

Key Investment Personnel (All based in NY)			
Name of Professional	Title and Responsibilities	Years of Experience	Years with Firm
Portfolio Manager(s)			
Richard Familetti, CFA	President & CIO Portfolio Management – Long Duration, High Yield	31	9
Michael Donelan, CFA	Managing Director, Portfolio Management Government/Corporate Credit	30	15
Matt Salzillo	Managing Director, Portfolio Management Government/Corporate Credit	14	14
Phil Mendonca	Managing Director, Portfolio Management Structured Credit	15	15
Daniel J. Lucey, CFA	Managing Director, Portfolio Management Structured Credit	15	8
Credit Research/Trading			
Raghava Vudata	Director, Associate Portfolio Manager Structured Research	10	10
Annette Serrao, CFA	Director, Credit Research	8	8
Shera Abella	Director, Credit Research	9	2
Ken Szal	Director, Credit Trading and Research	9	9
Risk / Compliance			
Thomas Keresztes	COO, Compliance Operations	30	3

2. How long have the key members of the team worked with this product? Have there been additions or departures in the last 3 years for the team managing the proposed product? Please explain.

The current team has been together since 2009 and there have been no departures in the last 3 years.

3. Please provide a brief history of the investment team including any previous firms this team has worked at together.

The current investment team at Ryan Labs has been involved in the management of Core Fixed Income portfolios since 2009. Michael Donelan and Phil Mendonca have been with the team since 2003 and 2004

respectively, Matt Salzillo joined Ryan Labs in 2004 and was promoted to Portfolio Manager in 2013. Rich Familetti and Daniel Lucey joined the firm in 2009. The investment team has not worked together prior to being employed at Ryan Labs.

4. What is the # of accounts and account volume (in \$) that is handled by this team?

The investment team handles 157 accounts with total assets under management of \$8.3B.

5. Do the same groups manage equity, fixed income, & balanced portfolios at the firm?

Ryan Labs primarily focuses on fixed income and liability driven products and the investment team in New York focuses on managing all of the fixed income portfolios.

The team in Wellesley, MA manages overlay strategies and Defensive Risk Premia, which focuses on risk indicators and sources including equity, rates, currency, and commodities.

6. Does the firm employ a central trading desk?

No, Ryan Labs does not have a central trading desk.

7. If yes, describe the trading operation & the traders' qualifications.

N/A

8. Does the firm have an investment committee?

Yes, Ryan Labs has an investment committee.

9. If yes, describe how it operates & the background/experience of the members.

The team meets formally on a weekly basis. The meeting is used to discuss macro issues related to portfolios, to document new inflows and outflows in the portfolio, and review other administrative changes/status reports. The team also discusses new ideas on individual credits and sectors and review current holdings performance. There are no formal voting procedures in the process. We do, however, allow for an open and active exchange of ideas at all times in order to be able to take advantage of any movements in the markets on a real-time basis. Our investment committee below listed below:

Investment Committee Member	Research Coverage	Background/Experience
Michael Donelan, CFA	Credit, High Yield	Ryan Labs NY State Insurance Fund Native Nations Asset Management Butterfield Asset Management ABN-AMRO Brown Brothers Harriman
Richard Familetti, CFA	Credit	Ryan Labs Halbis Capital Management Calyon Banks Credit Suisse Asset Management Brundage, Story and Rose Lazard Freres Asset Management
Matt Salzillo	Credit	Ryan Labs
Annette Serrao, CFA	Credit	Ryan Labs Tata Consultancy Services
Shera Abella	Credit	Ryan Labs Moody's Investor Services

		Mitsubishi UFJ Trust
Daniel Lucey, CFA	Securitized	Ryan Labs, Cerulli Associates Fidelity Investments The May Company
Philip Mendonca	Securitized	Ryan Labs
Raghava Vudata	Securitized	Ryan Labs

10. If applicable, how often does the investment committee meet?

The team formally meets on a weekly basis. The meeting is used to discuss macro issues related to portfolios, to document new inflows and outflows in the portfolio, and review other administrative changes/status reports. The team also discusses new ideas on individual credits and sectors and review current holdings performance.

Fixed Income Investment Philosophy

1. Please indicate which categories most correctly identify your product's fixed income style:

Interest Rate Anticipation	
Sector/Security Approach	X
Limited Risk (Hedged)	
Fixed Duration or Passive	
Index Funds	
Other (please specify)	

2. In one or two brief sentences, please describe the product's investment philosophy.

We seek to add value through issue selection and sector allocation within a duration neutral framework. Fundamental and technical research and analysis of the corporate credit and structured credit markets are used to identify a universe of issues within a sector and subsector to determine which issues are selected for a portfolio.

3. Describe the investment process in detail, including how buy and sell decisions are made.

As often as our process focuses on sectors where we may make investments, we actively seek out issues and sectors to avoid as a way to add excess return versus a benchmark. Fundamental research represents the foundation of the bottom up portion of our research process. We focus on key components of an issuer's income statement and balance sheet as the beginning step to determine if an underlying bond is one that we should consider to purchase or consider to leave out of the portfolio. By seeking to avoid issues and sectors we believe do not add value, we let the benchmark underperform as it owns those "bad" investments.

We will sell a bond for four reasons:

- 1) When the bond outperformed and achieved targeted return goals;
- 2) When the bond underperformed or increased spread volatility;
- 3) Bonds age and roll down, then we sell for duration management and portfolio rebalancing;
- 4) Opportunities identified through technical/fundamental analysis such as issuer relative value along the curve and short-term trading opportunities.

4. When was the investment philosophy established?

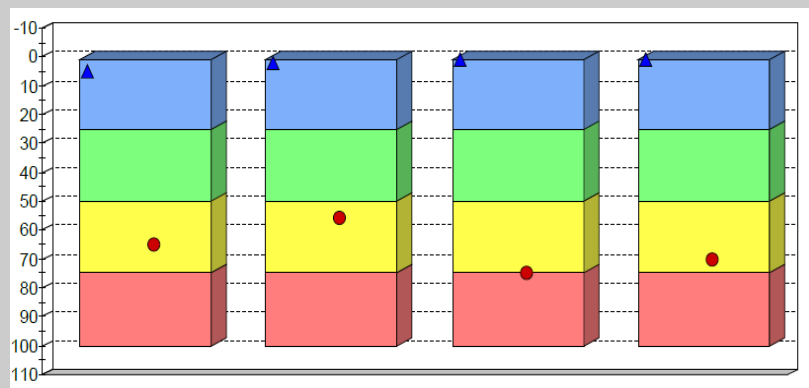
Ryan Labs' overall investment philosophy of being duration neutral to our indexes and adding value through sector rotation and issue selection was established in 1988. Ryan Labs attribution and research has shown that issue selection and sector rotation are repeatable processes and we strive to generate excess returns without taking duration or macroeconomic bets. The firm believes that these objectives are best achieved through active issue selection while operating within the credit quality limitations of a given benchmark.

5. Has this philosophy been implemented for the last five years? If not, are the creators of the previous philosophy still with the firm?

Yes

6. What is considered to be the competitive advantage of the philosophy?

A unique factor of our due-diligence process is that portfolio managers are involved in trading and credit analysis. In practice, this means that all our investment professionals engage in research and analysis, portfolio management, security selection, and trading. Our approach allows for an active exchange of ideas and provides a challenging environment for investment professionals. We are structured uniquely as compared to most asset management firms as we don't have or want 40 analysts divided up and covering every sector. In our opinion, that structure creates a bias towards holding securities in every sector. For example, if you had analysts covering the financial sector in 2008, you would undoubtedly have held securities in that sector. We held 0% financials at that time because we felt there was little upside and there were better areas for taking credit risk. We believe portfolios are best managed by nimble teams that marry fundamental and technical analysis with portfolio management. Opportunities can appear and disappear quickly. By integrating credit analysis and trading, we're able to act quickly, which has led to significant value add through issue selection. The benefit of this approach is lower risk adjusted returns through these time periods. Our core fixed income strategy is in the top quartile or decile over the 1, 3, 5, 7, 10-year and since inception (6/96) time periods.



Data as of 12/31/2018. Source: Informa Investment Solutions (www.informais.com) Note: Performance presented above is gross of fees. There are 196 Firms and 390 Products in this universe.

PERCENTILE RANKING – INFORMATION RATIO

	12/2015-12/2018		12/2013-12/2018		12/2008-12/2018		6/1996-12/2018	
	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK
▲ Ryan Labs Core Fixed Income	1.55	5	1.48	2	1.33	1	0.80	1
● Bloomberg Barclays Aggregate	0.00	65	0.00	56	0.00	75	0.00	70

PERCENTILE RANKING – RATE OF RETURN

	12/2015-12/2018		12/2013-12/2018		12/2008-12/2018		6/1996-12/2018	
	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK
▲ Ryan Labs Core Fixed Income	2.81	16	3.24	12	4.57	30	5.82	8
● Bloomberg Barclays Aggregate	2.06	65	2.52	56	3.48	75	5.07	70

7. What changes have been made to the investment process in the past 5 years?

No changes have been made to the investment process.

8.	In what market environments is the strategy expected to outperform/underperform?
	We thrive in times of heightened volatility and market dislocations, and market -perform to slightly outperform during times of low-volatility. High volatility environment allows us to take advantage of the dislocations in the investment portfolio by identifying pockets of mispricing in the markets from a technical and fundamental approach. Our investment approach has been refined over the market cycles to where it is today. Our risk adjusted returns have continually shown our ability to identify value in the capital markets across all time frames and market environments. However, we will not have as high excess returns in a low-spread, low-volatility environment because we do not want to get into a yield-reaching game. It is our belief that a fixed income strategy should behave like fixed income and not have a heavy correlation with equities. This plays out through both our sell discipline and duration-neutral approach.
9.	Please explain any significant quarterly underperformance over the past five years.
	During early 2017, select CMBS issues backed by retail came under pressure and experienced significant widening based on concerns of the changing patterns of the consumer and potentially higher closing rates of “anchor” stores. Ryan Labs was able to sift through the universe to find those issues that we think have underrated fundamentals. By focusing on select opportunities within the space and performing a deep-dive at the loan level on individual credits looking to research those issues backed by larger, more stable retailers. An example is GSMS 2011-GC3 E and D both of which have largely clean profiles but traded a bit back because of a select few retail loans (in this case the Cape Cod Mall). Looking at the Cape Cod Mall for example, using both Krolls Credit Portal and Green Street Advisors as resources for multiple sources of live market cap rates to assist in valuation, we were comfortable with both the operating metrics (such as NOI) and leverage metrics (such as LTVs and Debt yields). After thoroughly researching, we determined the margin of safety was met and the fundamentals held true.
10.	Please explain any significant quarterly outperformance over the past five years.
	Ryan Labs Core Fixed Income portfolio has an overall investment objective to seek total return versus the Bloomberg Barclays Aggregate Index while providing protection against interest rate risk. We attempt to accomplish these investment objectives by investing in U.S. dollar denominated, investment grade fixed income securities. The long-term objective of the account is to outperform the Bloomberg Barclays Aggregate Index when measured over 3-to-5 year periods. The sensitivity to interest rate changes is intended to track the market for domestic, investment grade fixed income securities. The modified duration of the account’s investment portfolio at the end of each calendar month during a fiscal year will typically be within half a year of the benchmark. The primary strategies utilized for value add are sector rotation, issue selection, and yield curve positioning.
11.	Are managers given minimum quality criteria for their fixed income selections? If so, please describe the criteria.
	The proposed strategy has the following investment guidelines: Quality rating guidelines: The team is able to purchase an investment grade bond. In the case of split ratings, we take the highest of the ratings. Additionally, unless dictated otherwise by client IPS, Ryan Labs is +/- 25% by quality. Sector exposure guidelines: Unless dictated otherwise by client IPS, Ryan Labs is +/- 20% by sector. Security/Issuer guidelines: Ryan Labs maintains a minimum issue size that must be outstanding before the issues is considered and is as follows: \$300 million issue size unless the issuer has total outstanding funded debt of \$1 billion or more. In this case the minimum issue size is reduced to \$100 million. For the purchase of medium-term notes, the minimum issue size is \$50 million, subject to the total outstanding funded debt of at least \$1 billion.

	Non-U.S.-domiciled issuer guidelines: Ryan Labs invests in sovereign and supranational fixed income securities occasionally although they do not represent a material percentage of the overall holdings. We specialized in domestic fixed income strategies.	
12.	Describe the use of cash in the fixed income process. What range of cash is typical?	The maximum amount of cash in any portfolio is typically 5%. If liquidity is needed on a short-term basis, the investment team will sell treasuries or other extremely liquid securities to satisfy the need. Typically, cash will range between 1% and 3%. Allocations can be as high as 5% at any given time.
13.	If applicable, describe your hedging strategy.	
	There is no hedging in this strategy.	
14.	If derivative securities are part of the fixed income program, what kinds are they & to what end?	
	Derivatives are not used in this strategy.	
15.	Detail the internal oversight used to control the risk (leverage) inherent in this portion.	
	No leverage is used in this strategy.	
16.	What is the current percentage of emerging markets included in the portfolio? What is the maximum exposure allowed?	
	Ryan Labs invests in 100% USD denominated debt only.	

17. Please complete the following international equity country allocation chart:

	Product	Benchmark
Europe:		
Austria		
Belgium		
France		
Germany		
Ireland		
Italy		
Portugal		
Spain		
Switzerland		
UK		
Scandinavia:		
Denmark		
Finland		
Netherlands		
Norway		
Sweden		
Asia:		
Hong Kong		
Japan		
Singapore		
Middle East:		
Israel		
Far East:		

Australia		
New Zealand		
Other:		
Total:		
Please specify other.		

18. Please complete the following emerging markets equity country allocation chart:

	Product	Benchmark
Latin America:		
Brazil		
Chile		
Colombia		
Mexico		
Peru		
Asia:		
China		
India		
Indonesia		
Korea		
Malaysia		
Pakistan		
Philippines		
Taiwan		
Thailand		
Europe/Middle East & Africa:		
Czech Republic		
Egypt		
Greece		
Hungary		
Poland		
Qatar		
Russia		
Saudi Arabia		
South Africa		
Turkey		
UAE		
Other:		
Total:		
Please specify other.		

19. Please provide a breakdown of the Investment Type for the product relative to its benchmark, as of the most recent quarter-end.

	(Product)	(Benchmark)
Foreign Gov't Bonds	0.00%	0.00%
Foreign Corp Bonds	0.00%	0.00%
Yankee Bonds	0.00%	0.00%

US Bonds	98.49%	100.00%
Cash & Equivalents	1.51%	0.00%
Other (please specify)	0.00%	0.00%

20.

Please provide a breakdown of the Quality distribution for the product relative to its benchmark, as of the most recent quarter-end.

	(Product)	(Benchmark)
AAA	44.39%	72.73%
AA	2.17%	3.65%
A	12.37%	10.01%
BBB	39.55%	13.61%
BB	0.00%	0.00%
B	0.00%	0.00%
CCC or below	0.00%	0.00%
Not Rated	0.00%	0.00%
Other	0.00%	0.00%

21.

Please provide a breakdown of the Maturity distribution for the product relative to its benchmark, as of the most recent quarter-end.

	(Product)	(Benchmark)
0-1 Years	11.12%	0.70%
1-3 Years	20.91%	21.69%
3-5 Years	17.81%	18.30%
5-10 Years	35.5%	43.65%
10+ Years	14.62%	15.66%

22.

Please provide a breakdown of the Sector distribution for the product relative to its benchmark, as of the most recent quarter-end.

	(Product)	(Benchmark)
Treasuries	21.06%	38.89%
Agencies	0.50%	2.79%
Mortgages	51.45%	30.72%
Corporates	24.14%	24.31%
Other (Please specify)	0.00%	0.00%

23. For the most recent period available please indicate the Product's top ten holdings (excluding Cash):

	<u>Name</u>	<u>Coupon</u>	<u>Maturity</u>	<u>%</u>
(1)	FN MA3305 MTGE	3.50	2048-03-01	1.92
(2)	FG G08737 MTGE	3.00	2046-11-01	1.73
(3)	US TREASURY	2.25	2027-11-15	1.58
(4)	US TREASURY	2.88	2028-08-15	1.55
(5)	US TREASURY	3.13	2048-05-15	1.23
(6)	US TREASURY	1.75	2022-04-30	1.13
(7)	US TREASURY	2.75	2028-02-15	1.13
(8)	DRIVE 2017-3 D MTGE	3.53	2023-12-15	1.09
(9)	US TREASURY	4.25	2039-05-15	0.99
(10)	TPMT 2015-1 A5 MTGE	3.55	2053-10-25	0.93
% Total				13.29

24.	Explain your use of hedging, if applicable.
	N/A
25.	For hedging, how do you manage counter-party risk?
	N/A
26.	Explain any investments made with collateral.
	N/A

Research

- What percentage of research is generated internally? 60%
- What percentage of research is obtained from outside sources? 40%
- Please describe how the research operation within your firm works.

Our research process seeks to be forward looking of market trends as it relates to potential fundamental deterioration in credit quality of issuers or subsectors, either on an operational or financial level. Once a sector of the market comes under pressure, we focus our research on opportunities within that sector where we believe particular issues will outperform relative to the benchmark looking forward. We focus on management statements and conference calls, and industry presentations. Our process focuses on forward looking operational fundamentals and management intentions as it relates to M&A and financial policy.

As often as our process focuses on sectors and issues where we may make investments, we also actively seek out sectors and names to avoid/underweight as a way to add excess return versus the benchmark. Fundamental research represents the foundation of the bottom up portion of our research process. We focus on key components of an issuer's income statement and balance sheet as the beginning step to determine if an

underlying bond is one that we should consider to purchase or consider to leave out of the portfolio. By seeking to avoid bad issues and sectors, we let the benchmark underperform as it owns those “bad” investments.

Translating research into a decision about the proper price for a security is where we introduce technical analysis into the process. For example, we may have a positive outlook for a particular name or sector but adjust the timing of a purchase based on our expectations for debt supply. We do measure comparable bonds within a sector to identify which bonds are the most attractive. Our strategies limit interest rate risk by remaining duration neutral to the benchmark.

We subscribe to outside, independent fundamental research services, and disseminate “street” research (although with street research we tend to focus on equity focused research more than credit research as it provides a different point of view). External research never makes a decision for us but is used as an addition to introduce a different opinion into our process.

Ryan Labs’ attribution and research has shown that issue selection and sector rotation are repeatable processes, and we strive to generate excess returns without taking duration or macroeconomic bets. The firm believes that these objectives are best achieved through active issue selection while operating within the credit quality limitations of a given benchmark. This philosophy has not changed since inception of the strategy.

4. Please describe how your firm obtains and pays for outside research reports.

Ryan Labs does not use soft dollars for research and utilizes subscriptions only.

5. Please name the three primary sources of data and/or analyses upon which your firm relies.

- | | |
|-----|--------------------------|
| (1) | Internal Credit Research |
| (2) | Rating Agency Reports |
| (3) | Street/Broker Research |

6. Who coordinates the firm’s research effort & what are their qualifications for that position.

Ryan Labs uses a team management approach. In practice, this means that all of our investment professionals engage in research and analysis, portfolio management, security selection and trading. The team is broken down by sector and duration, but interaction between the groups is constantly ongoing. See above for qualification details.

Personnel

1.	In the table below, indicate the appropriate number of employees employed in each category.				
		2015	2016	2017	2018
	Equity portfolio managers	0	0	0	0
	Bond portfolio managers	5	8	8	13
	Balanced fund managers	0	4	4	0
	Equity research analysts	2	3	3	0
	Bond research analysts	2	4	5	5
	Economists	1	1	1	0
	Management and Administrative (Compliance, Operations)	3	4	6	8

Computer professionals	1	1	1	1
Clerical	3	3	3	2
Other (Marketing, Client Service, Trading)	6	7	8	11
Total	23	35	39	40

2. Please provide biographical information on all key members of the proposed product's asset mgmt team, including years of experience with this asset class & years with the firm.

RICHARD FAMILLETTI, CFA

President, Chief Investment Officer, Portfolio Manager

Richard Familetti, CFA is the President and Chief Investment Officer at Ryan Labs. Mr. Familetti joined the firm in 2009 as a Portfolio Manager specializing in corporate credit and fixed income asset allocation, and was promoted to Director of Asset Management in 2013. He has experience with various investment strategies in all sectors of the fixed income markets employing a combination of fundamental and technical analysis.

Mr. Familetti also leads the Ryan Labs Management Committee, which enables Ryan Labs to tap into each Committee members' strengths, share day-to-day management responsibilities and to provide a cohesive view to the firm's future direction.

Prior to joining Ryan Labs, Mr. Familetti held positions at Halbis Capital Management as a hedge fund manager, Calyon Bank in proprietary trading, and Credit Suisse Asset Management as a Managing Director. Mr. Familetti joined Credit Suisse as a result of the sale of a small, successful partnership called Brundage, Story and Rose, Investment Management of which he was a junior partner. Prior to this role, Rich traded Mortgages, CMO's, and ABS for Lazard Frères Asset Management.

Rich holds a B.A. from Hofstra University and a M.B.A. from Fordham University. He is also a CFA Charterholder.

MICHAEL DONELAN, CFA

Managing Director, Portfolio Manager

Michael Donelan, CFA joined RLAM in 2003 as Portfolio Manager and Director of Trading. His experience includes fundamental and technical research as well as trading a wide spectrum of fixed income securities.

Prior to joining RLAM, Mike held positions as Principal Investment Officer for the New York State Insurance Fund, Director of Asset Management at Native Nations Asset Management, Senior Portfolio Manager with Butterfield Asset Management in Bermuda, Portfolio Manager and Trader at ABN-AMRO Bank, and trader at Brown Brothers Harriman.

PHILIP MENDONCA

Managing Director, Portfolio Manager

Philip Mendonca joined RLAM in March of 2003 as a quantitative analyst. In March 2004, he joined the asset management team as a trader and analyst. Subsequently, Philip has been promoted to Portfolio Manager responsible for the firm's structured product investments and mortgage credit strategies. Philip also co-manages the real return, short duration, core, and custom LDI portfolios as part of the RLAM portfolio management team. Philip has successfully headed the portfolio management team's investments in levered and unlevered investments in Mortgage, Asset Backed and interest rate/inflation linked strategies.

Philip directs the firm's credit strategy as it is related to mortgages (residential and commercial) and a myriad of asset backed securities. This involves fundamental and technical analysis and is both top down and bottom up, requiring continuous monitoring of collateral performance and development of credit models. Philip directed the firm's TALF investments and continues to guide the mortgage portfolio strategy and construction as it relates to changing custom client solutions. During his tenure at RLAM, Philip developed several yield curve pricing tools and performance indices, and was heavily involved in the development of custom client solutions in asset liability analysis, custom benchmarks creation and portfolio structuring. Philip was an active duty Marine for 4 years serving in posts throughout Asia, North Africa and the Middle East.

DANIEL J. LUCEY JR., CFA

Managing Director, Portfolio Manager

Daniel J. Lucey Jr., CFA, is a Managing Director and Portfolio Manager focusing on the structured product sector. D.J. co-manages the short duration, core, and custom LDI portfolios as part of the RLAM portfolio management team. D.J.'s responsibilities include performing credit research and valuation, and managing and trading the ABS, CMBS, and MBS sectors. He joined RLAM in 2009 as an Institutional Portfolio Strategist. In that role, D.J. was responsible for LDI/Fixed Income research, strategy and communicating RLAM's investment philosophy, capital market climate and underlying positions to institutional clients. He also assisted RLAM with asset/liability strategies and credit research. D.J.'s prior experience includes actuarial analysis, pension fund asset and liability valuation, and pension industry research. Prior to joining RLAM, D.J. was a Senior Research Analyst with Cerulli Associates, a strategy research and consulting firm specializing in the financial services industry. Past research and articles he has authored have covered institutional asset allocation and asset/liability management, liability-driven investment strategies and the use of alternatives in pension funds. Before joining Cerulli Associates, D.J. was an actuarial analyst at Fidelity Investments, performing defined benefit asset and liability valuation and consulting plan sponsors on asset/liability management.

MATTHEW SALZILLO

Managing Director, Portfolio Manager

Matthew Salzillo joined RLAM in 2004 in the Asset Management department as a Trader/Analyst. Mr. Salzillo's primary responsibilities on the Asset Management team are trading across asset classes in the fixed income markets, working within the portfolio management team to develop and implement investment strategies, and monitoring portfolio and trade compliance. Matt focuses on getting best execution across RLAM's separately managed account strategies, attempting to maximize risk adjusted returns through favorable execution and timing. In 2013, he was promoted to Portfolio Manager focusing on Treasuries, Agencies and Credit sector. He trades across all sectors in short, intermediate, long, and very long maturities. Matt also monitors the new issue market for the asset management team. He is heavily involved in portfolio construction process for generic and custom benchmarks. He also has responsibilities in compliance and client service.

Matt holds a MBA in Finance from Rutgers University and B.S. in Marketing from the Stillman School of Business at Seton Hall University.

RAGHAVA K. VUDATA

Director

Mr. Vudata joined RLAM in 2008 as an Index Analyst.

Raghava is primarily responsible for Index creation and Maintenance. He updates, verifies and analyzes the index data to maintain all the RLAM Indexes. Raghava is actively involved in all daily and monthly operational procedures and coordinates with operational personnel on maintaining and improving RL systems & Software. Raghava also has responsibilities in Web development and Client Service.

Raghava holds a Masters degree in Engineering Management from New Mexico Institute of Mining and Technology and a Bachelor of Technology degree from J.N.T. University, India.

ANNETTE SERRAO, CFA

Director

Ms. Serrao joined Ryan Labs' Client Service and Marketing division in July 2010 as a marketing analyst. In 2014, she was promoted to a Portfolio Strategist position. Annette's primary responsibilities include conducting asset liability analysis and providing asset portfolio details to clients and consultants. She conducts performance attribution analysis of fixed income portfolios. She also assists in Global Investment Performance Standards (GIPS) compliance and management of the firm's composite processes and analytics.

Annette previously served as an Associate for two years at Tata Consultancy Services, India, Banking, Financial Services and Insurance sector (BFSI), leading data warehousing projects related to credit cards, mortgages, personal loans and auto loans across different geographies. She also holds a Six Sigma (Green Belt) certification.

Annette is a graduate of Pace University, where she earned her Master of Business Administration (MBA) degree from Lubin School of Business, with a major in Finance. She additionally holds a Bachelor's degree in Computer Engineering from Mumbai University, India.

SHERA ABELLA

Director

Ms. Abella joined RLAM in January 2017 as a credit analyst.

Shera's primary responsibilities include conducting credit research and analysis on fixed income investments and providing overall support to the portfolio managers.

Shera is currently attending New York University, where she is currently earning her Master of Business Administration (MBA) degree from the Leonard N. Stern School of Business, with a concentration in Finance. She additionally holds a Bachelor's degree in Finance and Accounting from Fordham University.

KENNETH SZAL

Director

Kenneth Szal joined RLAM as an Analyst in February of 2009.

Ken is responsible for assisting the Asset Management desk with back office operations including reconciliation, trade settlement, and reporting. Ken graduated from the College of the Holy Cross in 2008. While there, he earned BA degrees in both Economics and Religious Studies.

3. In the last 3 years, how many professional employees have left the firm for any reason?

Name	Position	Start Date	Departure Date	Reason for Leaving
Sean McShea	President	12/1993	12/2017	Retired
Nicholas Polvino	Analyst	12/2013	2/2018	New Opportunity

4. What qualifications are typical of the PMs? Include number of years with the firm, \$ under management & # of accounts.

Ryan Labs team manages all accounts and assets under management in a team mannered approach, with Portfolio Managers specializing in different sectors and duration (e.g., short, intermediate, and core corporate bonds, long duration corporate bonds, Treasuries/Agencies, and securitized bonds). Below is a breakdown of the number of years each portfolio manager has been with the firm and in the position of Portfolio Manager:

Richard Familetti, CFA – 9 years/9 years

Michael P. Donelan, CFA – 15 years/15 years

Philip Mendonca – 15 years/15 years

Daniel J. Lucey, CFA – 8 years/7 years

Matt Salzillo – 14 years/4 years

5. Please describe the method of compensation employed for portfolio managers.

Ryan Labs investment professionals receive a highly competitive base salary, bonuses, incentives, and complete benefits package comparable to major money managers.

Base salaries are determined through a review of an employee's experience, performance, and job responsibilities. Annual cash bonuses are determined through a review of the employee's work over the past year.

The post-acquisition incentive program for the investment team is a two-part program, with near-term and long-term implementations. The near-term portion of the program is a discretionary cash bonus based upon the professional's contribution to the portfolio management effort and attribution of performance results.

Further, a long-term retention strategy for key investment professionals has been established in two parts. One was started soon after the acquisition by SLF whereby investment professionals were granted Sun Life Financial shares (Sun Shares) that vest annually over the next three years. This has been replaced starting 2017 with a long-term retention strategy based upon phantom equity participation. The phantom equity program will be determined based upon a change in company valuation. This equity program will be tied directly to the valuation of Ryan Labs, and will not include Sun Life Financial common stock. The formula used for valuation is 80% times 3x revenue plus 20% times 10x operating income.

6. Please describe the method of compensation employed for research analysts.

The method of compensation for research analysts is the same as the method of compensation for portfolio managers (detailed above).

Performance

1. Is your firm in compliance with GIPS?
2. If yes to the above, has your GIPS compliance been audited?
3. If yes to the above, who performed the audit?

Yes
Yes
ACA Compliance Group

Performance – as of 4Q2018

Investment Style	Active Fixed Income
Product Name Used for Performance	Core Fixed Income
Inception Date	06/30/1996
Account Type	Separately Managed Account
Benchmark Used	Bloomberg Barclays US Aggregate Index
Portfolio Manager/Team Leader	Richard Familetti, President, CIO
Years Managing this Product	9

Only include **RETURNS FOR COMPLETE YEARS** performance in the table below.

Do NOT place returns for partial years in the table below, even if noted as incomplete.

Only complete years may be included in the returns below. List incomplete years, if any, this product has had in the box to the right only.

Commingled Funds and Separate Accounts **must** provide Gross of Fees Returns
Mutual Funds **should** submit Gross of Fees numbers if you have access to those numbers,
and must provide Net of Fees numbers at a minimum.

Never delete any of the below columns for any reason, even if you are leaving it blank.

Period	Return Gross of Fees	Return Net of Fees	Preferred Benchmark Return	# of Accounts for Product	Assets (\$) in Composite
2008	6.87	6.55	5.24	5	\$150MM
2009	7.92	7.59	5.93	5	\$135MM
2010	8.72	8.40	6.54	5	\$149MM
2011	7.99	7.66	7.84	8	\$220MM
2012	6.18	5.86	4.21	8	\$322MM
2013	-0.92	-1.21	-2.02	9	\$419MM
2014	7.06	6.74	5.97	12	\$565MM
2015	0.80	0.50	0.55	16	\$763MM
2016	3.80	3.49	2.65	15	\$626MM
2017	4.53	4.25	3.54	19	\$1.3B
2018	0.09	-0.16	0.01	22	\$1.6B
1 st Quarter 2018	-1.17	-1.23	-1.46	21	\$1.4B
2 nd Quarter 2018	-0.16	-0.22	-0.16	22	\$1.5B
3 rd Quarter 2018	0.31	0.25	0.02	21	\$1.6B
4 th Quarter 2018	1.14	1.08	1.64	22	\$1.6B
Annualized 3-year	2.80	2.51	2.06		
Annualized 5-year	3.23	2.93	2.52		

Quarterly Returns

Please fill out the following table with the product's quarterly returns since inception. Returns should be gross of fees unless the product is a mutual fund, in which case gross numbers are preferred but net is also acceptable. Additional rows may be added as needed. Returns should be entered as a number only, with NO percentage sign and no parentheses.

<u>Year</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Annual</u>
2008	2.58	-1.04	0.58	4.67	6.87
2009	1.10	1.39	4.97	0.30	7.92
2010	2.72	3.80	2.52	-0.54	8.72
2011	1.07	2.54	3.25	0.91	7.98
2012	0.48	2.42	2.84	0.32	6.17
2013	0.36	-2.31	0.37	0.69	-0.92
2014	2.10	2.37	0.34	2.07	7.06
2015	2.19	-1.82	1.09	-0.62	0.80
2016	3.09	2.55	0.79	-2.58	3.80
2017	1.15	1.49	1.07	0.76	4.53
2018	-1.17	-0.16	0.31	1.14	0.09

Fee Structure

- Do not state your firm's fees outside of the gray boxes below, or refer to outside documents.
- Do not copy/paste your fee schedule from older RFPs into this document.
- Follow the convention laid out in the Fee Structure boxes below. You may add additional “__ bps on next \$__ mm” lines as needed.
- **For each product type being proposed for this search, fill out its corresponding table in its entirety.**
- For products that have no minimum size, be sure to state that. If a minimum fee is used instead of a minimum account size, fill out the appropriate row.
- For products where the minimum size is either waived or has been met, still indicate the products' standard minimums, so that we have it for our records.

Separate Account (if applicable)

Fee structure (Include **ALL** fees for the product in this space)

Core Fixed Income SMA Fee Schedule		
First	\$100,000,000	0.250%
Next	\$200,000,000	0.150%
Next	\$200,000,000	0.120%
Next	\$500,000,000	0.100%
Next	\$500,000,000	0.080%
Minimum account size	\$10M	
Minimum annual fee (if used instead of minimum size).	\$25,000	
Is fee structure negotiable?	Ryan Labs fees are negotiable on a client to client basis.	
Is minimum size negotiable?	Yes	
If minimum account size is more than this mandate, is it waived?	N/A	
Is a most-favored nation clause available and/or is the proposed fee an MFN fee?	Ryan Labs is willing to offer a Most Favored Nations clause.	
State any legal restrictions for clients (e.g. only open to Qualified Investors, ERISA, Pension plans, etc.)	N/A	

Commingled Funds (if applicable)

Name of Fund	*Ryan Labs offers a commingled vehicle and is available upon request.
Fee structure (Include ALL fees for the product in this space)	
Minimum Size	
Minimum annual fee (if used instead of minimum size).	
Is fee structure negotiable?	
Is minimum size negotiable?	
If minimum account size is more than this mandate, is it waived?	
Describe the liquidity of this vehicle	
Is a most-favored nation clause available and/or is the proposed fee an MFN fee?	
State any legal restrictions for clients (e.g. only open to Qualified Investors, ERISA, Pension plans, etc.)	

Institutional Mutual Fund (if applicable)

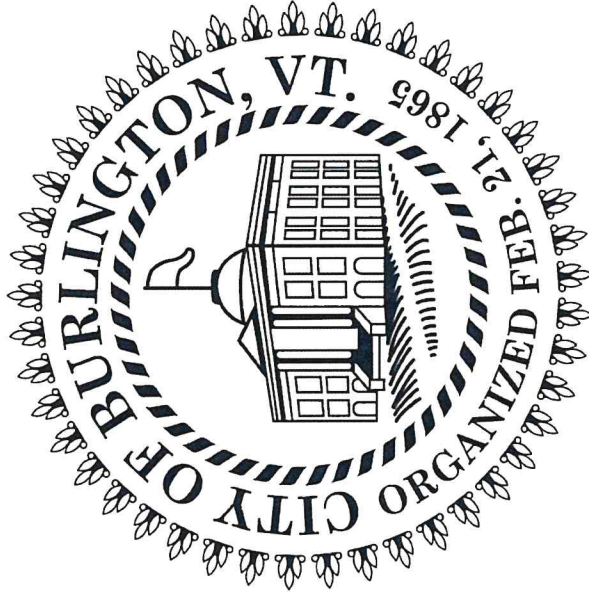
Name of Fund	Ryan Labs Core Bond Fund
Ticker	RLCBX
Net Expense Ratio	40 bps
Full Expense Description	Total fee 40 bps.
Minimum Size	\$1mm
Is minimum size negotiable, and is it being waived (if applicable)?	N/A
Assets in This Fund	\$94mm

Burlington Employees' Retirement System
Direct Rate Smoothing
Projected Funding Policy Contributions

5 Year Step Down from 97% of Traditional Valuation ADEC

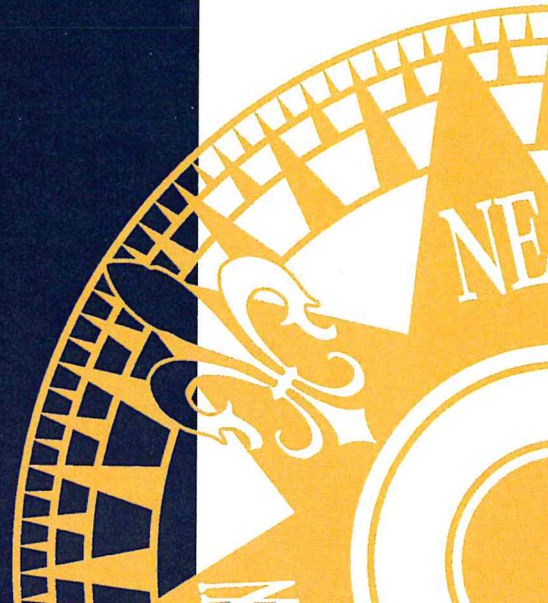
Fiscal Year Ending	Projected City Funding Policy Contribution	Valuation Year	Projected Actuarial Value of Assets*	Projected Funded Ratio*
2020	9,934,000	2018	193,642,000	73.2%
2021	9,909,000	2019	203,673,000	74.4%
2022	9,884,000	2020	213,957,000	75.5%
2023	9,860,000	2021	224,250,000	76.5%
2024	9,835,000	2022	234,512,000	77.6%
2025	9,810,000	2023	244,737,000	78.6%

**As of June 30 of the valuation year. Projections start with June 30, 2018 actuarial valuation (and reflect new assumptions).*



City Of Burlington Employees Retirement Plan

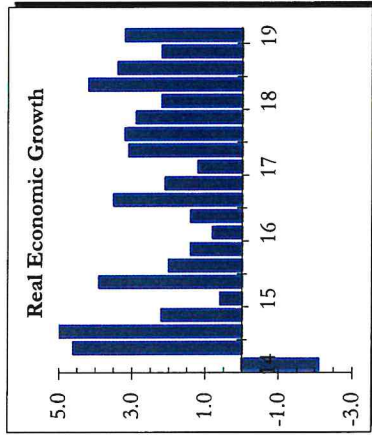
Performance Review March 2019



ECONOMIC ENVIRONMENT

Slowing but still growing

The Q1 GDP number continues a pattern of solid growth, coming in at 3.2%. This number is stronger than many expected, and up from the 4th quarter's 2.2%. The economy keeps chugging along, with strong federal spending, exports and personal consumption, though tempered by diminishing state and local spending. The ongoing US trade war with China continued to loom, but a resolution seemed more likely. The 2018 full year GDP growth came in at 2.9%, a quite healthy number.



While new hires in February were only 33,000, March came in with a much higher-than-expected 196,000 jobs. This added to the spectacular January number of 312,000 jobs, for an average of 180,000 jobs per month in the 1st quarter. This was down from the average for all of 2018 of 223,000 per month. That said, at this stage of economic growth, the historically low unemployment (3.8%) was welcome. Average hourly earnings were 3.1% higher than a year earlier, which should lead to higher personal spending.

The housing market did its share as existing home sales had the largest month-over-month gain (+11.8%) in February since 2015. New home sales were also up 4.9% from January. The median price for an existing home rose to \$230,100 and \$315,300 for new homes. Corporate manufacturing and service industries remained in growth mode. The March manufacturing Index rebounded to 55.3% from a two-year low of 54.2% in February (above 50% is expansion). Most manufacturing sectors grew, with only clothing and paper products disappointing. On the services side, the Non-Manufacturing Index was a solid 56.1% in March, but down from 59.7% in February.

The Consumer Confidence Index was down from February's 131.4 to 124.1 in March. Bad weather, stock market volatility, a partial Government shutdown in January and the weak February jobs

report all contributed to the lower sentiment. Consumers were modestly concerned about current conditions, yet continued to expect good outcomes in the near-term future.

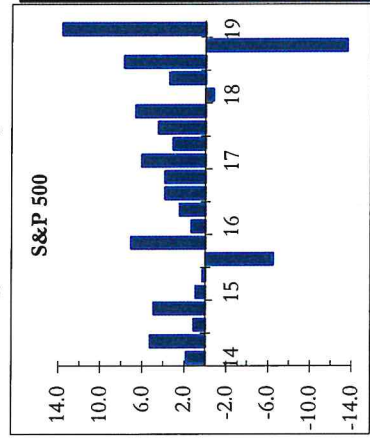
Commodity prices advanced during the quarter, driven by a 15.9% climb in energy prices. Unleaded gasoline prices alone rose 26.7%! Industrial metals rose 12.9% and the price of gold was steady. Agricultural prices fell 3.2%, with coffee and grain prices dropping the most. Those low prices provided additional pain to the mid-west, which experienced devastating flooding.

The Federal Reserve Board gave a strong boost to the stock market by finally turning dovish, after it had increased the federal funds rate quarter-after-quarter throughout 2018. This quarter, the Fed called a halt to the policy and doesn't expect to increase the current 2 1/4%-2 1/2% rate for the rest of this year. Further, the Fed will stop selling its massive inventory of bonds after September, helping to keep rates low. The rationale for the changes include currently low 2% inflation, and slowing growth in jobs, household spending, and GDP.

DOMESTIC EQUITIES

V-shaped Recovery

After 4th quarter 2018's dismal returns, the domestic equity market bounced right back in Q1. The Dow was up 11.8% vs. the previous quarter's -11.3%. The S&P 500 was up 13.6% vs. -13.5% in Q4. The NASDAQ was up 16.8% vs. -17.3%, and the Russell 2000 was up 14.6% vs. -20.2%. While the markets didn't get all the way back to their previous highs, they recovered enough to offset most equity losses for investors who didn't panic. Investors who rebalanced to their asset allocations or increased their equity allocations in light of "cheap equity" were rewarded. Even the quarter's lowest-performing domestic equity index, the Russell Microcap Value, climbed 10.4%.



Arguably, the chief cause of the Q4 drop and Q1 rise was panic and momentum. While there were many factors that can be used to explain such volatility, none really satisfies. It seems that investors, and perhaps more importantly algorithmic traders sold in response to selling, and then bought in response to buying. That said, progress in the US-China trade talks, and the Federal Reserve pause in rate hikes helped things along.

During the bounce-back, growth stocks and tech stocks saw the biggest gains. Among large companies, the Russell 1000 Growth Index added 16.1%, while large cap value names rose less or 11.9%. The Russell Mid-Cap Growth Index rocketed 19.6%, the highest performance among the major indices. The gap between growth and value suggested a “risk-on” mentality had returned. Overall, investors who stayed the course after the near disastrous Q4 were suitably rewarded!

Every S&P sector advanced. Riding highest was the IT sector, which soared almost 20%. Many IT companies earned 30% or better, such as AMD, which rose 38%! Real estate (REITs) was another sector winner, gaining 17.5%. The relatively positive economy provided a healthy background for high occupancy rates in commercial and apartment property, and lower interest rates also made REIT dividends look more attractive. All of the major REITs performed well, accordingly. Energy gained 16.4%, as oil prices kept climbing. Exxon, a major player, rose 20% and Hess rose an amazing 49%. The only sectors to rise below 10% were financials (+8.6%) and healthcare (+6.6%). Continuing low interest rates impacted lending profitability of financials. Wells Fargo, US Bancorp and PNC limped along with 6% gains. Health care dealt with the back and forth regarding Obamacare and individual company drug issues. Pfizer, AbbVie and CVS lost ground, while Celgene and Intuitive Surgical soared in price. Overall, the “rising tide” lifted all market sectors.

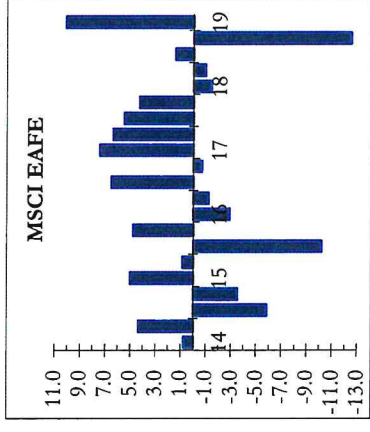
INTERNATIONAL EQUITIES

Some Encouragement

The same factors that helped the US markets (apparent progress on the US-China trade front, dovish steps by the Federal Reserve), and similar easing steps by the EU and China together helped shares in the developed and emerging markets. The MSCI EAFE Index earned

10.1%. While not as high as US stock indices, country-by-country and combined results were generally solid.

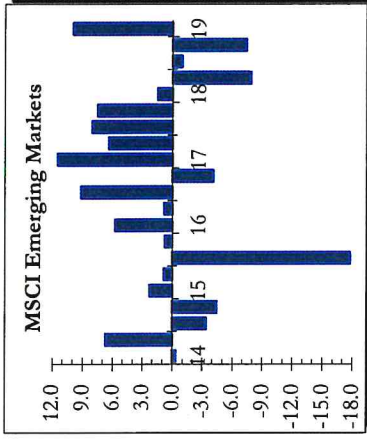
The Euro market gained 9.9% on the whole. The France market, hurt by Yellow Vest demonstrations, but helped by higher manufacturing exports, rose 10.8%. Germany, with its struggling auto and other manufacturing exports, gained a lower 7.0%. The Italian economy still floundered, but endorsed China's Belt and Road program, generating a 14.7% lift. Spain, despite political gridlock and sagging exports, added 7.1%. Possibly the biggest country surprise was the UK, which rose 11.9%. Hope for a Brexit solution and a surprisingly tight labor market helped. The Irish market was another positive surprise, gaining 11.6%. Irish investors were expecting Brexit to leave an open border between the Ireland and its key trading partner, the UK. The expectation offset sluggish domestic demand.



Australian companies enjoyed healthy year-end profits and investors expected a pickup in raw materials sales to China, leading to a gain of 11.4%. Japan, close to being a recession economy, gained 6.9%. The saving grace was a sharp turnaround in its iconic electronics companies. Keyence gained 24%; Hitachi rose 23%; and Tokyo electron added 30%. Singapore experienced almost the reverse among its IT companies as output sagged and its economy rose only 6.2%. In Hong Kong, shares rose an astounding 15.6%. Israeli shares climbed 10.1%. Canada (not in the EAFE Index) bounced up 15.6%. Its market strength lay in a stronger currency against the US dollar, rising oil prices and a trade agreement with the US. Prime Minister Trudeau's political fallout with some of his ministers didn't hinder the market.

Emerging market (EM) return rebounded 10.0%, in sync with EAFE's 9.9%. EM stocks benefited from progress in the US-China trade impasse and the easing actions by the US and European economic policy makers. Still, the Index has a long way to go before it returns to its glory days.

Brazil gained 8.2% for the quarter. While its economy is in flux, newly elected President Jair Bolsonaro's ambitious plans have given Brazilians and outside investors some confidence. Rising oil prices



were another lift for the Brazilian economy. Russia, with all its political problems, reaped the benefits from rising oil prices and higher household spending in general. Russian shares were up 12.2%. India's market was reasonably strong, based largely on higher exports and Prime Minister Modi's adroit handling of the Kashmir terrorist attack. Lastly, China

rocketed up 17.7%. IT and internet firms drove the advance. Alibaba rose 33% and Tencent gained 15%. The steady addition of China A shares into the index was another plus. Of course, expectations for a mutually satisfying resolution to the trade dispute with the US lurked in the background. Mexican shares rose a relatively low 5.6%, while the country continued dealing with an argument over immigration with the US. Yet, investors have confidence in Mexican President Obrador.

BOND MARKET

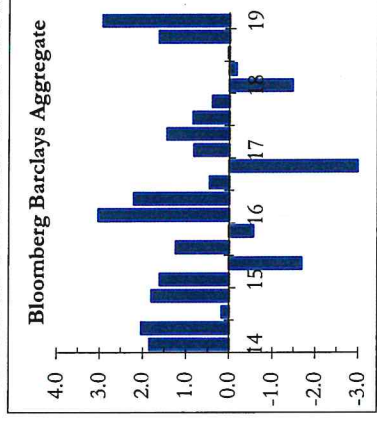
Price Gains All Around

The bond market, spurred on by Fed moves to keep interest rates low, experienced significant price gains. Accordingly, the 10-year Treasury bond fell 29 basis points and the 30-year dropped 26 basis points in March. Those drops translated into 3.1% and 5.0% first quarter returns, respectively. Low to negative sovereign bond rates in Europe and Japan were other influences that led global investors to buy US Treasuries – the best developed market rates available in the healthiest economy.

The “risk on” rally benefited investment grade corporate issues even more. The US Credit Index shot up 4.9%. Within that index, industrial company bonds rose 5.5%, beating out utilities’ and financials’ 4.6% returns. Not to be outdone, the US High Yield Index

earned 7.3%; BB, B and CCC credits all returned approximately 7.2%. The least-liquid and lowest rated credits (CC - D) returned a whopping 17.5% - as high as or higher than many stock indices! Residential mortgage bonds didn't fare as well (+2.2%), due in part to rising prepayments and homeowner refinancing. Commercial mortgages gained 3.2%, while shorter maturity asset-backed paper was up 1.5%.

The US dollar continued to gain ground vs. the Euro, Japanese and Swiss currencies. This strength reduced performance of these markets in US dollar terms. However, the British Pound, Canadian and Australian dollars rose against the US dollar. Because of key US dollar strength and economic weakness in Europe and Japan, the JPMorgan developed markets Non-US Global Bond Index advanced a relatively low 1.6%. Yet the JPM Emerging Markets bond Index rallied 7.0%; investors were hoping for an end to the US-China trade war and for a turnaround in China's economy; China is the major buyer of raw materials from other EM countries. All-in-all, global bond investors were happy with results.



CASH EQUIVALENTS

Inching Ahead

The 90-day T-Bill returned 0.6% for the first quarter and 2.2% for the trailing year. Six-month and one-year Treasuries had slightly higher results. At least, money market investments offset the currently low inflation rate. Yet given the results from stock and bonds for the quarter, money markets were definitely not the asset class of choice. But only one quarter ago (Q4 2018), in a risk off market, cash was THE place to be.

Economic Statistics

	Current Quarter	Previous Quarter
GDP	3.2%	2.2%
Unemployment	3.8%	3.9%
CPI All Items Year/Year	1.9%	1.9%
Fed Funds Rate	2.50%	2.50%
Industrial Capacity	78.8%	79.5%
US Dollars per Euro	1.12	1.15

Major Index Returns

Index	Quarter	12 Months
Russell 3000	14.0%	8.8%
S&P 500	13.6%	9.5%
Russell Midcap	16.5%	6.5%
Russell 2000	14.6%	2.0%
MSCI EAFE	10.1%	-3.2%
MSCI Emg Markets	10.0%	-7.1%
NCREIF ODCE	1.4%	7.5%
U.S. Aggregate	2.9%	4.5%
90 Day T-bills	0.6%	2.2%

Domestic Equity Return Distributions

	Quarter			Trailing Year		
	VAL	COR	GRO	VAL	COR	GRO
LC	11.9	14.0	16.1	5.7	9.3	12.7
MC	14.4	16.5	19.6	2.9	6.5	11.5
SC	11.9	14.6	17.1	0.1	2.0	3.8

Market Summary

- The BEA "advance" estimate placed GDP at 3.2%.
- Unemployment remains low at 3.8%.
- Inflation during last 12 months was 1.9%.
- The US dollar continued to strengthen against the euro.
- After taking the brunt of the downturn in Q4, growth stocks rebounded with greater velocity than their value counterparts in Q1, and continue to lead over a trailing 12 month time frame.

INVESTMENT RETURN

As of March 31st, 2019, the City of Burlington Employees Retirement System was valued at \$193,271,386, which represented an increase of \$16,350,523 over the December ending value of \$176,920,863. Over the last three months, the Fund recorded withdrawals totaling \$38,269, which partially offset the fund's net investment gain of \$16,388,792. Income receipts totaling \$133,478 plus realized and unrealized capital gains of \$16,255,314 combined to produce the portfolio's net investment return figure.

RELATIVE PERFORMANCE

Total Fund

For the first quarter, the portfolio gained 9.3%, which was 0.2% below the Burlington Manager Shadow Index's return of 9.5% and ranked in the 27th percentile of the Public Fund universe. Over the trailing year, this portfolio returned 4.0%, which was 0.1% less than the benchmark's 4.1% return, ranking in the 54th percentile. Since December 2001, the account returned 5.7% on an annualized basis.

Equity

In the first quarter, the equity segment returned 12.9%, which was 0.6% above the MSCI All Country World index's return of 12.3% and ranked in the 45th percentile of the Global Equity universe. Over the trailing twelve-month period, this component returned 3.7%, which was 0.5% above the benchmark's 3.2% performance, and ranked in the 45th percentile.

Real Assets

For the first quarter, the real assets segment returned 0.6%, which was 2.0% less than the Real Assets Blended Index's return of 2.6%. Over the trailing year, this component returned 5.2%, which was 3.6% above the benchmark's 1.6% performance.

Fixed Income

The fixed income portion of the portfolio returned 2.3% last quarter; that return was equal to the Intermediate Gov/Credit Index's return of 2.3% and ranked in the 72nd percentile of the Broad Market Fixed Income universe. Over the trailing twelve-month period, the fixed income portfolio returned 4.2%, equal to the benchmark's 4.2% return, ranking in the 63rd percentile.

ASSET ALLOCATION

At the end of the first quarter, equities comprised 69.5% of the total portfolio (\$134.3 million), while real assets totaled 10.3% (\$19.9 million). The account's fixed income component comprised 20.0% (\$38.6 million), while the remaining 0.2% was comprised of cash & equivalents (\$430,814).

The Retirement System also had a negative cash balance in the Pooled Account (not included in the valuations in this report) of -\$2,687,200.06.

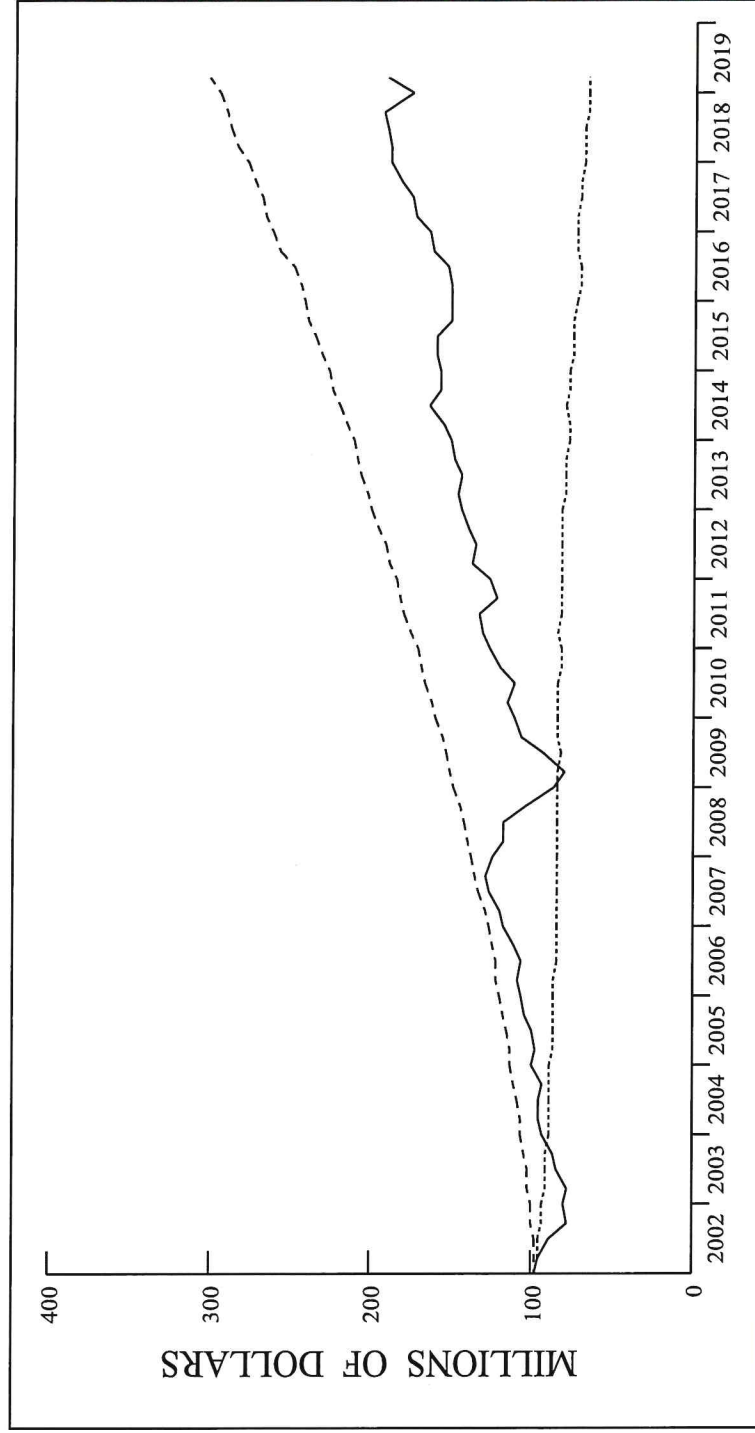
EXECUTIVE SUMMARY

PERFORMANCE SUMMARY							
	Qtr / YTD	FYTD	1 Year	3 Year	5 Year	10 Year	Since 12/01
Total Portfolio - Gross	9.3	2.6	4.0	9.4	5.8	10.4	5.7
<i>PUBLIC FUND RANK</i>	(27)	(69)	(54)	(12)	(62)	(32)	----
Total Portfolio - Net	9.2	2.5	3.9	9.2	5.5	10.0	----
Manager Shadow	9.5	2.7	4.1	9.6	6.1	9.6	----
Equity - Gross	12.9	2.0	3.7	12.0	----	----	----
<i>GLOBAL EQUITY RANK</i>	(45)	(49)	(45)	(31)	----	----	----
MSCI AC World	12.3	2.4	3.2	11.3	7.0	12.6	7.1
ACWI Ex US	10.4	-1.4	-3.7	8.6	3.0	9.3	6.7
MSCI EAFE	10.1	-2.3	-3.2	7.8	2.8	9.5	6.1
MSCI EM Net	9.9	0.6	-7.4	10.7	3.7	8.9	9.8
Russell 3000	14.0	4.7	8.8	13.5	10.4	16.0	7.8
Cambridge PE	0.0	1.7	7.2	13.5	10.8	14.1	12.7
Real Assets - Gross	0.6	3.6	5.2	5.1	----	----	----
Real Assets Idx	2.6	0.6	1.6	4.6	1.9	3.5	5.6
NCREIF ODCE	1.4	5.4	7.5	8.0	10.2	8.7	8.1
NCREIF Timber	0.1	1.9	2.4	3.3	4.6	3.7	6.8
BLP Commodity	6.3	-5.6	-5.3	2.2	-8.9	-2.6	0.8
Fixed Income - Gross	2.3	4.2	4.2	1.6	----	----	----
<i>BROAD MARKET FIXED RANK</i>	(72)	(55)	(63)	(88)	----	----	----
Int Gov/Credit	2.3	4.2	4.2	1.7	2.1	3.1	3.8
Global Aggregate	2.2	2.5	-0.4	1.5	1.0	3.0	4.6
Global Agg Ex US	1.5	0.7	-4.1	1.0	-0.3	2.5	4.9
Aggregate Index	2.9	4.6	4.5	2.0	2.7	3.8	4.4

ASSET ALLOCATION			
Equity	69.5%	\$ 134,325,976	
Real Assets	10.3%	19,915,150	
Fixed Income	20.0%	38,599,446	
Cash	0.2%	430,814	
Total Portfolio	100.0%	\$ 193,271,386	

INVESTMENT RETURN			
Market Value 12/2018	\$ 176,920,863		
Contribs / Withdrawals	-38,269		
Income	133,478		
Capital Gains / Losses	16,255,314		
Market Value 3/2019	\$ 193,271,386		

INVESTMENT GROWTH



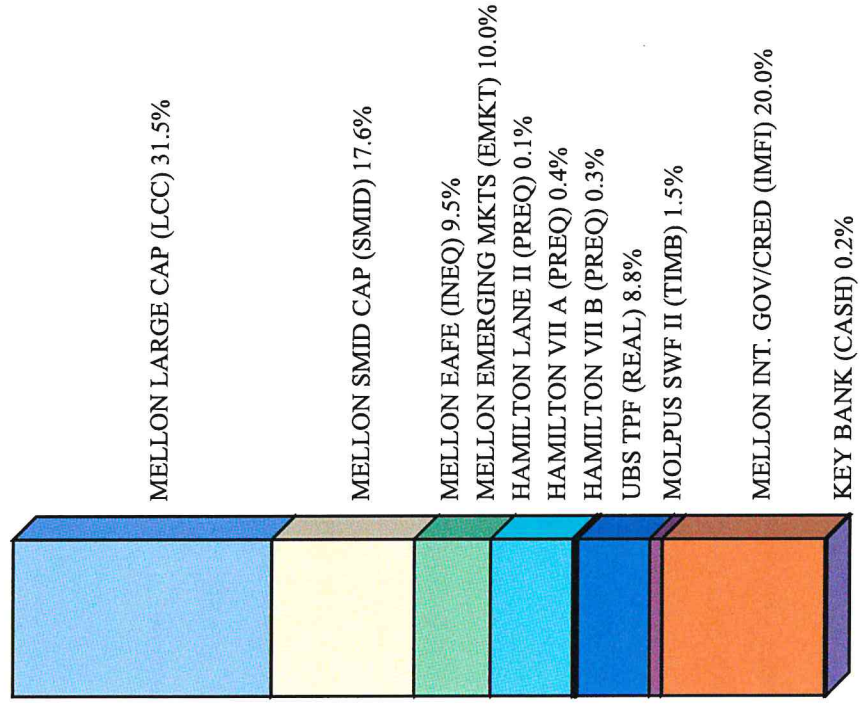
— ACTUAL RETURN
- - - 8.0%
..... 0.0%

VALUE ASSUMING
8.0% RETURN \$ 303,465,967

	LAST QUARTER	PERIOD 12/01 - 3/19
BEGINNING VALUE	\$ 176,920,863	\$ 98,885,312
NET CONTRIBUTIONS	- 38,269	- 32,203,828
INVESTMENT RETURN	16,388,792	126,589,902
ENDING VALUE	\$ 193,271,386	\$ 193,271,386
INCOME	133,478	15,737,443
CAPITAL GAINS (LOSSES)	16,255,314	110,852,459
INVESTMENT RETURN	16,388,792	126,589,902

MANAGER ALLOCATION AND TARGET SUMMARY

Name	Market Value	Percent	Target
Mellon Large Cap (LCC)	\$60,959,834	31.5	30.0
Mellon Smid Cap (SMID)	\$34,096,937	17.6	18.0
Mellon EAFE (INEQ)	\$18,296,843	9.5	10.0
Mellon Emerging Mkts (EMKT)	\$19,358,138	10.0	10.0
Hamilton Lane II (PREQ)	\$224,516	0.1	0.5
Hamilton VII A (PREQ)	\$791,107	0.4	0.9
Hamilton VII B (PREQ)	\$598,601	0.3	0.6
UBS TPF (REAL)	\$17,036,303	8.8	8.0
Molpus SWF II (TIMB)	\$2,878,847	1.5	2.0
Mellon Int. Gov/Cred (IMFI)	\$38,599,446	20.0	20.0
Key Bank (CASH)	\$430,814	0.2	0.0
Total Portfolio	\$193,271,386	100.0	100.0



INVESTMENT RETURN SUMMARY - ONE QUARTER

Name	Quarter Total Return	Market Value December 31st, 2018	Net Cashflow	Net Investment Return	Market Value March 31st, 2019
Mellon Large Cap (LCC)	13.7	53,636,591	0	7,323,243	60,959,834
Mellon Smid Cap (SMID)	15.8	29,438,930	0	4,658,007	34,096,937
Mellon EAFE (INEQ)	10.0	16,626,739	0	1,670,104	18,296,843
Mellon Emerging Mkts (EMKT)	9.9	17,612,215	0	1,745,923	19,358,138
Hamilton Lane II (PREQ)	0.0	268,198	-43,682	0	224,516
Hamilton VII A (PREQ)	0.0	852,266	-61,159	0	791,107
Hamilton VII B (PREQ)	0.0	598,601	0	0	598,601
UBS TPF (REAL)	0.7	16,958,291	-38,269	116,281	17,036,303
Molpus SWF II (TIMB)	0.2	2,880,218	0	-1,371	2,878,847
Mellon Int. Gov/Cred (IMFI)	2.3	37,722,841	0	876,605	38,599,446
Key Bank (CASH)	---	325,973	104,841	0	430,814
Total Portfolio	9.3	176,920,863	-38,269	16,388,792	193,271,386

MANAGER PERFORMANCE SUMMARY - GROSS OF FEES

Portfolio	(Universe)	Quarter	FYTD	1 Year	3 Years	5 Years	Since Inception
Total Portfolio	(Public Fund)	9.3 (27)	2.6 (69)	4.0 (54)	9.4 (12)	5.8 (62)	5.7 --- 12/01
<i>Manager Shadow</i>		<i>9.5 ---</i>	<i>2.7 ---</i>	<i>4.1 ---</i>	<i>9.6 ---</i>	<i>6.1 ---</i>	<i>--- --- 12/01</i>
Mellon Large Cap	(LC Core)	13.7 (38)	5.9 (32)	9.6 (24)	13.5 (32)	---	13.5 (32) 03/16
<i>S&P 500</i>		<i>13.6 ---</i>	<i>5.9 ---</i>	<i>9.5 ---</i>	<i>13.5 ---</i>	<i>10.9 ---</i>	<i>13.5 --- 03/16</i>
Mellon Smid Cap	(Smid Cap)	15.8 (42)	-1.1 (51)	4.6 (40)	12.7 (45)	---	12.7 (45) 03/16
<i>Russell 2500</i>		<i>15.8 ---</i>	<i>-1.2 ---</i>	<i>4.5 ---</i>	<i>12.5 ---</i>	<i>7.8 ---</i>	<i>12.5 --- 03/16</i>
Mellon EAFE	(Intl Eq)	10.0 (61)	-2.4 (50)	-3.2 (28)	7.7 (64)	---	7.7 (64) 03/16
<i>MSCI EAFE</i>		<i>10.1 ---</i>	<i>-2.3 ---</i>	<i>-3.2 ---</i>	<i>7.8 ---</i>	<i>2.8 ---</i>	<i>7.8 --- 03/16</i>
Mellon Emerging Mkts	(Emerging Mkt)	9.9 (56)	0.6 (44)	-7.3 (43)	10.7 (48)	---	10.7 (48) 03/16
<i>MSCI EM Net</i>		<i>9.9 ---</i>	<i>0.6 ---</i>	<i>-7.4 ---</i>	<i>10.7 ---</i>	<i>3.7 ---</i>	<i>10.7 --- 03/16</i>
Hamilton Lane II		0.0 ---	-8.2 ---	-10.1 ---	-0.7 ---	-2.4 ---	9.0 --- 03/09
<i>Cambridge PE</i>		<i>0.0 ---</i>	<i>1.7 ---</i>	<i>7.2 ---</i>	<i>13.5 ---</i>	<i>10.8 ---</i>	<i>14.1 --- 03/09</i>
Hamilton VII A		0.0 ---	5.6 ---	6.0 ---	9.9 ---	10.2 ---	12.3 --- 09/11
<i>Cambridge PE</i>		<i>0.0 ---</i>	<i>1.7 ---</i>	<i>7.2 ---</i>	<i>13.5 ---</i>	<i>10.8 ---</i>	<i>12.9 --- 09/11</i>
Hamilton VII B		0.0 ---	-4.7 ---	-3.8 ---	5.0 ---	4.3 ---	6.7 --- 09/11
<i>Cambridge PE</i>		<i>0.0 ---</i>	<i>1.7 ---</i>	<i>7.2 ---</i>	<i>13.5 ---</i>	<i>10.8 ---</i>	<i>12.9 --- 09/11</i>
UBS TPF		0.7 ---	3.9 ---	5.7 ---	---	---	6.2 --- 09/16
<i>NCREIF ODCE</i>		<i>1.4 ---</i>	<i>5.4 ---</i>	<i>7.5 ---</i>	<i>8.0 ---</i>	<i>10.2 ---</i>	<i>7.8 --- 09/16</i>
Molpus SWF II		0.2 ---	2.2 ---	2.4 ---	0.9 ---	2.6 ---	3.3 --- 03/09
<i>NCREIF Timber</i>		<i>0.1 ---</i>	<i>1.9 ---</i>	<i>2.4 ---</i>	<i>3.3 ---</i>	<i>4.6 ---</i>	<i>3.7 --- 03/09</i>
Mellon Int. Gov/Cred	(Int Fixed)	2.3 (69)	4.2 (57)	4.2 (67)	1.6 (91)	---	1.6 (91) 03/16
<i>Int Gov/Credit</i>		<i>2.3 ---</i>	<i>4.2 ---</i>	<i>4.2 ---</i>	<i>1.7 ---</i>	<i>2.1 ---</i>	<i>1.7 --- 03/16</i>

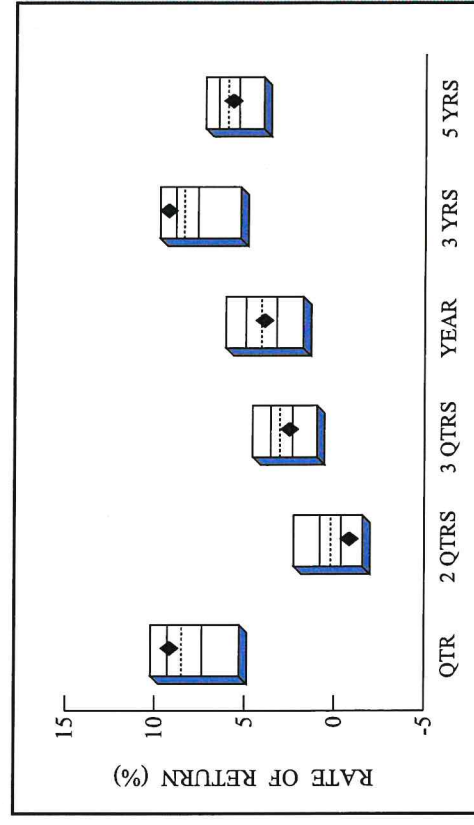
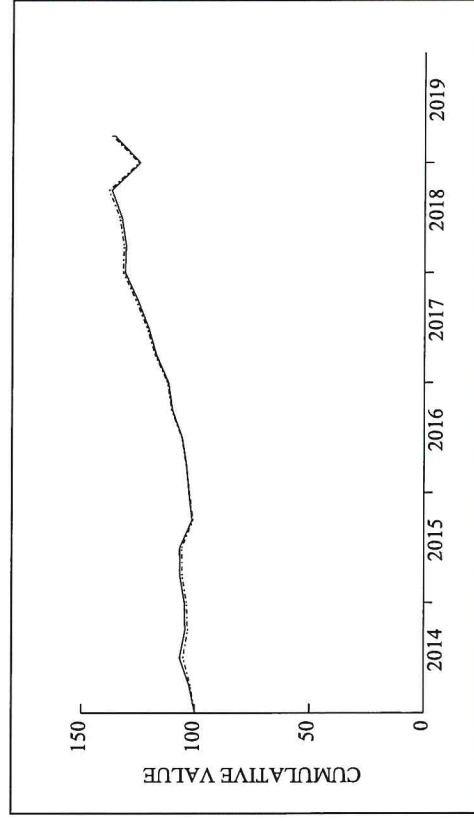
MANAGER PERFORMANCE SUMMARY - NET OF FEES

Name	Quarter	FYTD	1 Year	3 Years	5 Years	Since Inception
Total Portfolio	9.2	2.5	3.9	9.2	5.5	---- 12/01
Manager Shadow	9.5	2.7	4.1	9.6	6.1	---- 12/01
Mellon Large Cap	13.6	5.8	9.5	13.5	----	13.5 03/16
S&P 500	13.6	5.9	9.5	13.5	10.9	13.5 03/16
Mellon Smid Cap	15.8	-1.1	4.6	12.7	----	12.7 03/16
Russell 2500	15.8	-1.2	4.5	12.5	7.8	12.5 03/16
Mellon EAFE	10.0	-2.4	-3.2	7.6	----	7.6 03/16
MSCI EAFE	10.1	-2.3	-3.2	7.8	2.8	7.8 03/16
Mellon Emerging Mkts	9.9	0.6	-7.3	10.6	----	10.6 03/16
MSCI EM Net	9.9	0.6	-7.4	10.7	3.7	10.7 03/16
Hamilton Lane II	0.0	-11.0	-13.3	-4.5	-5.5	6.8 03/09
Cambridge PE	0.0	1.7	7.2	13.5	10.8	14.1 03/09
Hamilton VII A	0.0	4.8	4.8	8.7	8.9	10.4 09/11
Cambridge PE	0.0	1.7	7.2	13.5	10.8	12.9 09/11
Hamilton VII B	0.0	-5.4	-4.7	3.8	3.1	4.9 09/11
Cambridge PE	0.0	1.7	7.2	13.5	10.8	12.9 09/11
UBS TPF	0.5	3.2	4.8	----	----	5.1 09/16
NCREIF ODCE	1.4	5.4	7.5	8.0	10.2	7.8 09/16
Molpus SWF II	0.0	1.4	1.4	-0.1	1.6	2.5 03/09
NCREIF Timber	0.1	1.9	2.4	3.3	4.6	3.7 03/09
Mellon Int. Gov/Cred	2.3	4.2	4.2	1.6	----	1.6 03/16
Int Gov/Credit	2.3	4.2	4.2	1.7	2.1	1.7 03/16

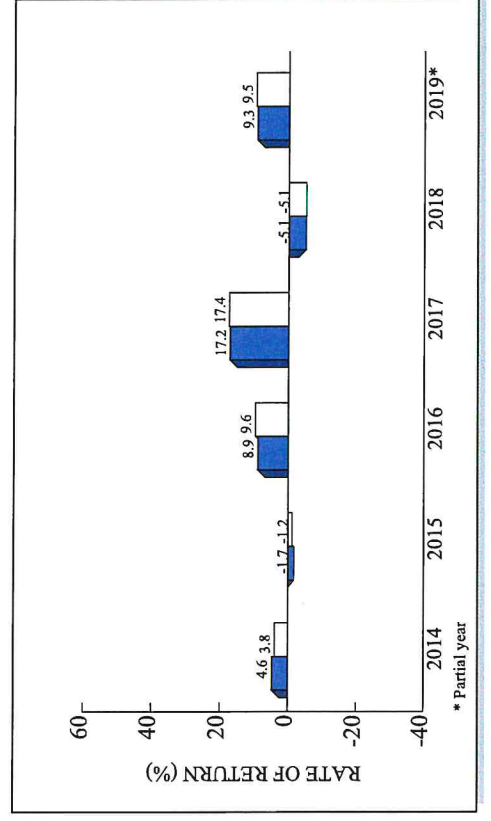
MANAGER VALUE ADDED

1 Quarter	Portfolio	Benchmark	1 Year
0.1 	Mellon Large Cap	S&P 500	0.1
0.0	Mellon Smid Cap	Russell 2500	0.1
 -0.1	Mellon EAFE	MSCI EAFE	0.0
0.0	Mellon Emerging Mkts	MSCI EM Net	0.1
0.0	Hamilton Lane II	Cambridge PE	 -17.3
0.0	Hamilton VII A	Cambridge PE	 -1.2
0.0	Hamilton VII B	Cambridge PE	 -11.0
 -0.7	UBS TPF	NCREIF ODCE	 -1.8
0.1 	Molpus SWF II	NCREIF Timber	0.0
0.0	Mellon Int. Gov/Cred	Int Gov/Credit	0.0
 -0.2	Total Portfolio	Manager Shadow	-0.1

TOTAL RETURN COMPARISONS



■ PORTFOLIO
□ MANAGER SHADOW

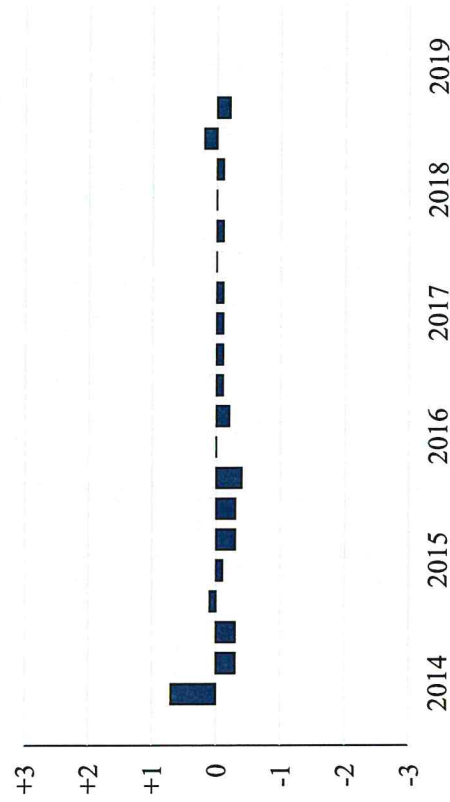


	QTR	2 QTRS	3 QTRS	YEAR	3 YRS	5 YRS
RETURN	9.3	-0.7	2.6	4.0	9.4	5.8
(RANK)	(27)	(85)	(69)	(54)	(12)	(62)
5TH %ILE	10.2	2.3	4.6	6.1	9.8	7.3
25TH %ILE	9.3	0.8	3.6	5.0	8.9	6.5
MEDIAN	8.5	0.2	3.1	4.1	8.4	6.0
75TH %ILE	7.4	-0.4	2.3	3.3	7.7	5.4
95TH %ILE	5.3	-1.6	1.0	1.8	5.3	4.0
<i>Mgr Shadow</i>	<i>9.5</i>	<i>-0.8</i>	<i>2.7</i>	<i>4.1</i>	<i>9.6</i>	<i>6.1</i>

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY - 5 YEARS

COMPARATIVE BENCHMARK: BURLINGTON MANAGER SHADOW INDEX

VARIATION FROM BENCHMARK



Total Quarters Observed 20

Quarters At or Above the Benchmark 6

Quarters Below the Benchmark 14

Batting Average .300

RATES OF RETURN

Date	Portfolio	Bench	Diff	-----Cumulative-----		
				Portfolio	Bench	Diff
6/14	4.0	3.3	0.7	4.0	3.3	0.7
9/14	-2.2	-1.9	-0.3	1.8	1.3	0.5
12/14	0.3	0.6	-0.3	2.1	1.9	0.2
3/15	1.9	1.8	0.1	4.1	3.7	0.4
6/15	0.1	0.2	-0.1	4.2	4.0	0.2
9/15	-5.0	-4.7	-0.3	-1.0	-0.9	-0.1
12/15	1.3	1.6	-0.3	0.3	0.7	-0.4
3/16	1.1	1.5	-0.4	1.4	2.2	-0.8
6/16	1.8	1.8	0.0	3.2	4.0	-0.8
9/16	4.1	4.3	-0.2	7.5	8.5	-1.0
12/16	1.6	1.7	-0.1	9.2	10.4	-1.2
3/17	4.7	4.8	-0.1	14.4	15.7	-1.3
6/17	3.0	3.1	-0.1	17.8	19.2	-1.4
9/17	3.9	4.0	-0.1	22.5	24.0	-1.5
12/17	4.5	4.5	0.0	27.9	29.6	-1.7
3/18	-0.3	-0.2	-0.1	27.6	29.3	-1.7
6/18	1.4	1.4	0.0	29.3	31.1	-1.8
9/18	3.4	3.5	-0.1	33.7	35.7	-2.0
12/18	-9.2	-9.4	0.2	21.5	22.9	-1.4
3/19	9.3	9.5	-0.2	32.7	34.6	-1.9

Private Equity Investor Report Hamilton Lane Secondary Fund II LP

IRR Since Inception		14.03%	Annualized, Net of Fees		
Market Value	\$	224,516	Last Statement Date:	12/31/2018	
Capital Commitment	\$	3,400,000	100.00%		
Paid In Capital	\$	2,982,695	87.73%	Fund Level LP Net IRR*	
Remaining Commitment	\$	417,305	12.27%	MSCI World Index PME*	
				13.6%	
				11.1%	
Date	Contributions	% of Commitment	Recallable Distributions	% of Commitment	Distributions
Year 2009	\$ 518,361	15.25%	\$ (151,904)	-4.47%	\$ -
Year 2010	\$ 1,109,828	32.64%	\$ -	-	\$ (87,992)
Year 2011	\$ 607,254	17.86%	\$ (115,109)	-3.39%	\$ (361,234)
Year 2012	\$ 934,221	27.48%	\$ -	-	\$ (836,516)
Year 2013	\$ 97,310	2.86%	\$ (17,266)	-0.51%	\$ (731,867)
Year 2014	\$ -	-	\$ -	-	\$ (1,140,848)
Year 2015	\$ -	-	\$ -	-	\$ (533,140)
1/28/2016	\$ -	-	\$ -	-	\$ (38,549)
5/20/2016	\$ -	-	\$ -	-	\$ (81,887)
8/19/2016	\$ -	-	\$ -	-	\$ (46,080)
12/28/2016	\$ -	-	\$ -	-	\$ (31,257)
6/1/2017	\$ -	-	\$ -	-	\$ (44,158)
11/20/2017	\$ -	-	\$ -	-	\$ (45,061)
1/29/2018	\$ -	-	\$ -	-	\$ (38,733)
7/11/2018	\$ -	-	\$ -	-	\$ (34,203)
1/18/2019	\$ -	-	\$ -	-	\$ (43,682)
Total	\$ 3,266,974	96.09%	\$ (284,279)	-8.36%	\$ (4,095,207)

*Provided by Hamilton Lane

Private Equity Investor Report

Hamilton Lane Private Equity Fund VII LP Series A Offshore

IRR Since Inception		9.86%	Annualized, Net of Fees		
Market Value	\$	791,107	Last Statement Date:	12/31/2018	
Capital Commitment	\$	1,500,000	100.00%		
Paid In Capital	\$	1,304,825	86.99%	Combined Net IRR*	
Remaining Commitment	\$	195,175	13.01%	MSCI World Index PME*	
				9.2%	
				8.5%	
Date	Contributions	% of Commitment	Recallable Distributions	% of Commitment	Distributions
7/27/2011	\$ 172,500	11.50%	\$ -	-	\$ -
9/27/2011	\$ 52,500	3.50%	\$ -	-	\$ -
11/15/2011	\$ 52,500	3.50%	\$ -	-	\$ -
12/30/2011	\$ 67,947	4.53%	\$ -	-	\$ -
4/24/2012	\$ 83,394	5.56%	\$ -	-	\$ (32,311)
6/24/2012	\$ 52,500	3.50%	\$ -	-	\$ -
8/23/2012	\$ 45,000	3.00%	\$ -	-	\$ (3,692)
10/15/2012	\$ 67,500	4.50%	\$ -	-	\$ (23,932)
11/21/2012	\$ 80,250	5.35%	\$ -	-	\$ -
3/12/2013	\$ 48,750	3.25%	\$ -	-	\$ (27,930)
2/14/2014	\$ 61,500	4.10%	\$ -	-	\$ -
5/20/2014	\$ 187,500	12.50%	\$ -	-	\$ (151,650)
7/14/2014	\$ 50,522	3.37%	\$ -	-	\$ (19,283)
1/6/2015	\$ 145,117	9.67%	\$ -	-	\$ (88,738)
12/8/2015	\$ 28,179	1.88%	\$ -	-	\$ (51,519)
7/22/2016	\$ 75,000	5.00%	\$ -	-	\$ (53,805)
1/25/2017	\$ 34,166	2.28%	\$ -	-	\$ (216,102)
6/22/2017	\$ -	-	\$ -	-	\$ (96,706)
8/16/2017	\$ -	-	\$ -	-	\$ (31,846)
9/28/2017	\$ -	-	\$ -	-	\$ (6,487)
11/15/2017	\$ -	-	\$ -	-	\$ (80,964)
3/29/2018	\$ -	-	\$ -	-	\$ (138,746)
6/15/2018	\$ -	-	\$ -	-	\$ (39,985)
3/6/2019	\$ -	-	\$ -	-	\$ (61,159)
Total	\$ 1,304,825	86.99%	\$ -	0.00%	\$ (1,124,855)

*Provided by Hamilton Lane
Combined Net IRR is a combination of both series A & B

Private Equity Investor Report

Hamilton Lane Private Equity Fund VII LP Series B Offshore

IRR Since Inception		5.08%	Annualized, Net of Fees	
Market Value	\$	598,601	Last Statement Date:	12/31/2018
Capital Commitment	\$	1,000,000	100.00%	
Paid In Capital	\$	825,225	82.52%	Combined LP Net IRR*
Remaining Commitment	\$	174,775	17.48%	MSCI World Index PME*
			% of	% of
Date	Contributions	Commitment	Recallable Distributions	Commitment
7/27/2011	\$ 160,000	16.00%	\$ -	-
9/27/2011	\$ 35,000	3.50%	\$ -	-
12/28/2011	\$ 50,723	5.07%	\$ -	-
4/24/2012	\$ 56,445	5.64%	\$ -	-
6/24/2012	\$ 50,000	5.00%	\$ -	-
8/23/2012	\$ 50,000	5.00%	\$ -	-
11/21/2012	\$ 30,000	3.00%	\$ -	-
1/3/2013	\$ 40,000	4.00%	\$ -	-
8/12/2013	\$ 100,000	10.00%	\$ -	-
2/14/2014	\$ 44,000	4.40%	\$ -	-
5/20/2014	\$ 80,000	8.00%	\$ -	-
7/14/2014	\$ 45,512	4.55%	\$ -	-
12/8/2014	\$ 16,254	1.63%	\$ -	-
1/20/2015	\$ 65,791	6.58%	\$ -	-
8/3/2015	\$ -	-	\$ -	-
3/23/2016	\$ -	-	\$ -	-
7/18/2016	\$ -	-	\$ -	-
1/27/2017	\$ 1,500	0.15%	\$ -	-
6/23/2017	\$ -	-	\$ -	-
8/17/2017	\$ -	-	\$ -	-
9/27/2017	\$ -	-	\$ -	-
12/8/2017	\$ -	-	\$ -	-
3/30/2018	\$ -	-	\$ -	-
6/15/2018	\$ -	-	\$ -	-
Total	\$ 825,225	82.52%	\$ -	0.00%
				\$ (441,839)

*Provided by Hamilton Lane (Net IRR is combined both series A & B)
Combined Net IRR is a combination of both series A & B

Timber Investor Report Molpus Sustainable Woodlands Fund II, LP

IRR Since Inception	1.83%	Annualized, Net of Fees	
Market Value	\$ 2,878,847	Last Statement Date:	
		3/31/2019	
Capital Commitment	\$ 3,400,000	100.00%	
Paid In Capital	\$ 3,400,000	100.00%	
Remaining Commitment	\$ -	0.00%	
		% of	% of
		Commitment	Commitment
Date	Contributions	Recallable Distributions	Distributions
2/28/2009	\$ 510,000	\$ -	\$ -
9/30/2009	\$ 2,890,000	\$ -	\$ -
4/30/2010	-	\$ -	\$ (19,365)
6/30/2010	-	\$ -	\$ (67,116)
12/31/2010	-	\$ -	\$ (28,663)
6/30/2011	-	\$ -	\$ (19,109)
12/31/2011	-	\$ -	\$ (38,218)
12/31/2012	-	\$ -	\$ (47,772)
6/25/2013	-	\$ -	\$ (76,435)
12/31/2013	-	\$ -	\$ (114,653)
3/31/2014	-	\$ -	\$ (47,772)
9/30/2014	-	\$ -	\$ (47,772)
12/31/2014	-	\$ -	\$ (28,663)
3/31/2015	-	\$ -	\$ (38,218)
9/30/2015	-	\$ -	\$ (47,772)
12/31/2015	-	\$ -	\$ (47,772)
6/30/2016	-	\$ -	\$ (28,663)
9/30/2016	-	\$ -	\$ (76,435)
12/31/2016	-	\$ -	\$ (95,544)
6/30/2017	-	\$ -	\$ (38,218)
9/29/2017	-	\$ -	\$ (38,218)
12/29/2017	-	\$ -	\$ (57,327)
12/28/2018	-	\$ -	\$ (76,435)
Total	\$ 3,400,000	100.00%	\$ (1,080,140)
		0.00%	\$

APPENDIX - MAJOR MARKET INDEX RETURNS

Equity	Style	QTR	FYTD	1 Year	3 years	5 Years
Russell 3000	Broad Equity	14.0	4.7	8.8	13.5	10.4
S&P 500	Large Cap Core	13.6	5.9	9.5	13.5	10.9
Russell 1000	Large Cap Core	14.0	5.5	9.3	13.5	10.6
Russell 1000 Growth	Large Cap Growth	16.1	6.6	12.7	16.5	13.5
Russell 1000 Value	Large Cap Value	11.9	4.4	5.7	10.4	7.7
Russell 2000	Small Cap	14.6	-5.3	2.0	12.9	7.0
Russell 2000 Growth	Small Cap Growth	17.1	-3.2	3.8	14.8	8.4
Russell 2000 Value	Small Cap Value	11.9	-7.5	0.1	10.8	5.6
MSCI EAFE	Developed Markets	10.1	-2.3	-3.2	7.8	2.8
MSCI EAFE Growth	Developed Markets Growth	12.2	-1.2	-0.9	8.0	4.3
MSCI EAFE Value	Developed Markets Value	8.1	-3.3	-5.6	7.5	1.2
MSCI Emerging Markets	Emerging Markets	10.0	0.9	-7.1	11.1	4.1
MSCI All Country World	Global Equity	12.3	2.4	3.2	11.3	7.0
MSCI All Country World Ex US	Global Equity (ex. US)	10.4	-1.4	-3.7	8.6	3.0
Fixed Income	Style	QTR	FYTD	1 Year	3 years	5 Years
Bloomberg Barclays Aggregate Index	Core Fixed Income	2.9	4.6	4.5	2.0	2.7
Bloomberg Barclays Gov/Credit	Gov/Credit	3.3	4.8	4.5	2.1	2.8
Bloomberg Barclays Capital Gov't Bond	Treasuries	2.1	4.1	4.2	1.1	2.1
Bloomberg Barclays Capital Credit Bond	Corporate Bonds	4.9	5.8	4.9	3.5	3.6
Intermediate Aggregate	Core Intermediate	2.3	4.2	4.3	1.7	2.3
Intermediate Gov/Credit	Gov / Credit Intermediate	2.3	4.2	4.2	1.7	2.1
ML/BoA 1-3 Year Treasury	Short Term Treasuries	1.0	2.5	2.7	1.0	1.0
Bloomberg Barclays Capital High Yield	High Yield Bonds	7.3	4.9	5.9	8.6	4.7
Bloomberg Barclays Global Treasury Ex US	International Treasuries	1.4	1.1	-3.8	0.9	0.1
Bloomberg Barclays Global Government Bond	International Fixed Income	1.6	1.8	-1.7	1.0	0.5
Bloomberg Barclays Global Aggregate	International Fixed Income	2.2	2.5	-0.4	1.5	1.0
Bloomberg Barclays Global Aggregate Ex US	International Fixed Income	1.5	0.7	-4.1	1.0	-0.3
Alternative Assets	Style	QTR	FYTD	1 Year	3 years	5 Years
MSCI US REIT Index	REITs	16.3	9.6	20.7	6.0	9.0
NCREIF NFI-ODCE Index	Real Estate	1.4	5.4	7.5	8.0	10.2
NCREIF Timber Index	Timber	0.1	1.9	2.4	3.3	4.6
Bloomberg Commodity Index	Commodities	6.3	-5.6	-5.3	2.2	-8.9
HFRI FOF Composite	Hedge Funds	4.6	-0.4	0.1	3.9	2.2

APPENDIX - DISCLOSURES

- * The Burlington Policy Index was constructed as follows:

For periods since June 30, 2016:		
30% S&P 500	18% Russell 2500	10% MSCI EAFE
10% MSCI EM	20% BC Intermediate Gov/Cred	
2% S&P Completion Index	2% NCREIF Timberland	8% NCREIF ODCE
For periods from December 31, 2015 through June 30, 2016:		
30% S&P 500	18% Russell 2500	10% MSCI EAFE
10% MSCI EM	28% BC Intermediate Gov/Cred	
2% S&P Completion Index	2% NCREIF Timberland	

- * The Burlington Manager Shadow index is the weighted average of each manager portfolio's beginning value multiplied by its current quarter benchmark return.
- * The Real Assets Blended Index is comprised of equal parts:
NCREIF ODCE NCREIF Timber Bloomberg Commodities (Formerly known as Dow Jones UBS Commodities)
- * All values for the Pooled Cash account since June 2012 are subject to change. Audited statements are not provided for this account.
- * Dahab Associates utilizes data provided by a custodian and other vendors it believes are reliable. However, it cannot assume responsibility for errors and omissions therefrom.
- * All returns were calculated on a time-weighted basis, and are gross of fees unless otherwise noted.
- * All returns for periods greater than one year are annualized.
- * Dahab Associates uses the modified duration measure to present average duration.
- * All values are in US dollars.

Draft
May 20, 2019
Burlington Employees' Retirement Board
City Hall, Conference Room 12

Board Members Present:

- Ben O'Brien (Phone)
- Beth Anderson
- Robert Hooper
- Munir Kasti
- David Mount
- Pat Robins
- Matthew Dow
- Dan Gilligan

Others Present:

- Stephanie Harker
- Steve Lemanski

Called to order at 1:04pm

1. **Agenda:**

No changes to presented agenda

2. **Public Forum:**

Jim Strouse via phone 2:20pm

3. **Direct Rate Smoothing – Action Item**

Steve Lemanski presented the Board with a handout titled Direct Rate Smoothing Projected Funding Policy Contributions. Steve Lemanski stated that adopting this new method should decrease the funding ratio from 73.2% to 78.6% over five years. Beth Anderson moved to accept the methodology of direct rate smoothing. Pat Robins 2nd. Discussion – Munir Kasti stated he was not comfortable with 97% step down of the traditional valuation ADEC and can see no justification. Motion carries 7:0:1 MK abstain

4. **Presentation – Core Fixed Income Manager Search**

Garcia Hamilton and Associates presented (presentation online)
Johnson Asset Management presented (presentation online)
Ryan Labs presented (presentation online)

5. **Performance Review – Dhab**

Barry Bryant presented the Board with the first quarter performance review. Barry Bryant stated that as of March 31, 2019, BERS was valued at \$193,271,386, which represented an increase of \$16,350,523 over December. Barry Bryant stated the first quarter, the portfolio gained 9.3%, which was .2% below the Burlington Manager Shadow Index's return of 9.5% and ranked in the 27th percentile of the Public Fund universe. Over the trailing year, the portfolio has returned 4.0%, which is .1% less than the benchmark. Barry Bryant stated that the real estate management is concerning and underperforming. Barry Bryant stated that the Board should consider taking 7% from Mellon SMID Cap and move 5% to Mellon Int. Gov/Cred and 2% to real estate or if the Board is not comfortable put all in fixed income.

6. Schedule Next Meeting of the Retirement Board:

Monday June 17, 2019 1pm.

May 20, 2019 1-4pm.

7. Other Business:

No other business

8. Adjourn:

David Mount moved to adjourn. Pat Robins 2nd. Exit 4:00pm