

Helping Clients Prosper.



DiMEO SCHNEIDER
& ASSOCIATES, L.L.C.

Town of New Fairfield

Quarterly Investment Review - Fourth Quarter 2020

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2020 YEAR-END FIRM UPDATE

FIRM MILESTONES

- ✓ DiMeo Schneider and Fiduciary Investment Advisors, LLC (“FIA”) joined forces as one combined firm
- ✓ Celebrated our 25th Anniversary on May 1, 2020
- ✓ Experienced growth in each of our service areas:
 - Retirement Plans
 - Endowments and Foundations
 - Private Clients
 - Financial Institutions
- ✓ Surpassed \$195 billion in assets under advisement¹
- ✓ Established a successful summer inTURNship program for college seniors and recent college graduates

NEW TEAM MEMBERS IN 2020 – WELCOME!

- Performance Analyst - Peter Goode
- Client Service Associate – The Wealth Office® - Lindsay Green
- Director of Finance & Accounting - Monica Harrison
- Performance Analyst - Ellen Kazembe
- Client Analyst - Eric Kraus
- Client Analyst - Griffin Olejarz
- Marketing Associate - Deb Ranicar
- Financial Wellness Coordinator - David Reynolds
- Client Service Associate – The Wealth Office® - Nick Santangelo
- Research Associate – Global Public Markets - Kedar Satyanand
- Chief Compliance Officer - Lisa Tamburini
- Chief Operating Officer - Julie Vander Weele
- Performance Analyst - Matt Witt

¹As of June 30, 2020.

2020 YEAR-END FIRM UPDATE

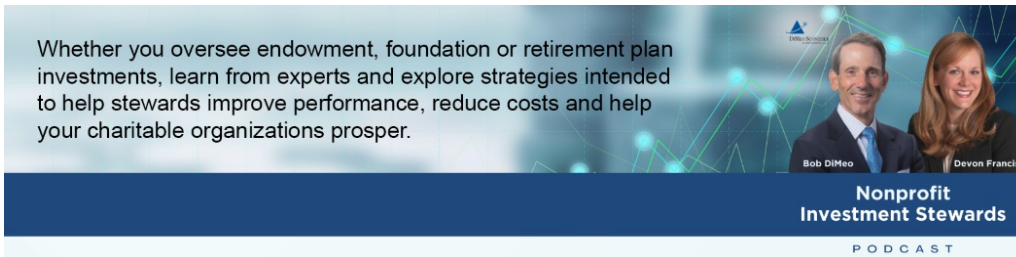
INDUSTRY RECOGNITION*

- ✓ Ranked #1 - **Top 50 Institutional Consulting Teams** by *Barron's*
- ✓ Named one of *P&I's* 2020 **Best Places to Work in Money Management**
- ✓ Ranked in the **Top 25 Worldwide Consultants** (by institutional assets under advisement as of June 30, 2020) by *Pensions & Investments*

KEEPING YOU INFORMED

In 2020 we launched our new blog and the Nonprofit Investment Stewards podcast!

dimeoschneider.com/podcast



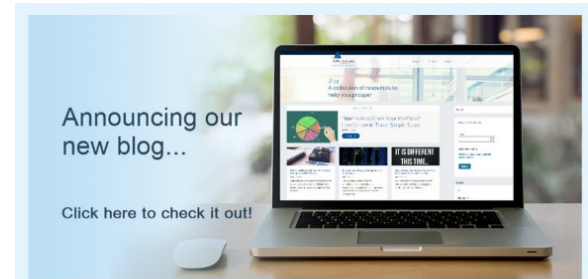
Whether you oversee endowment, foundation or retirement plan investments, learn from experts and explore strategies intended to help stewards improve performance, reduce costs and help your charitable organizations prosper.

Bob DiMeo Devon Francis

**Nonprofit
Investment Stewards**

PODCAST

dimeoschneider.com/blog



Announcing our
new blog...

Click here to check it out!

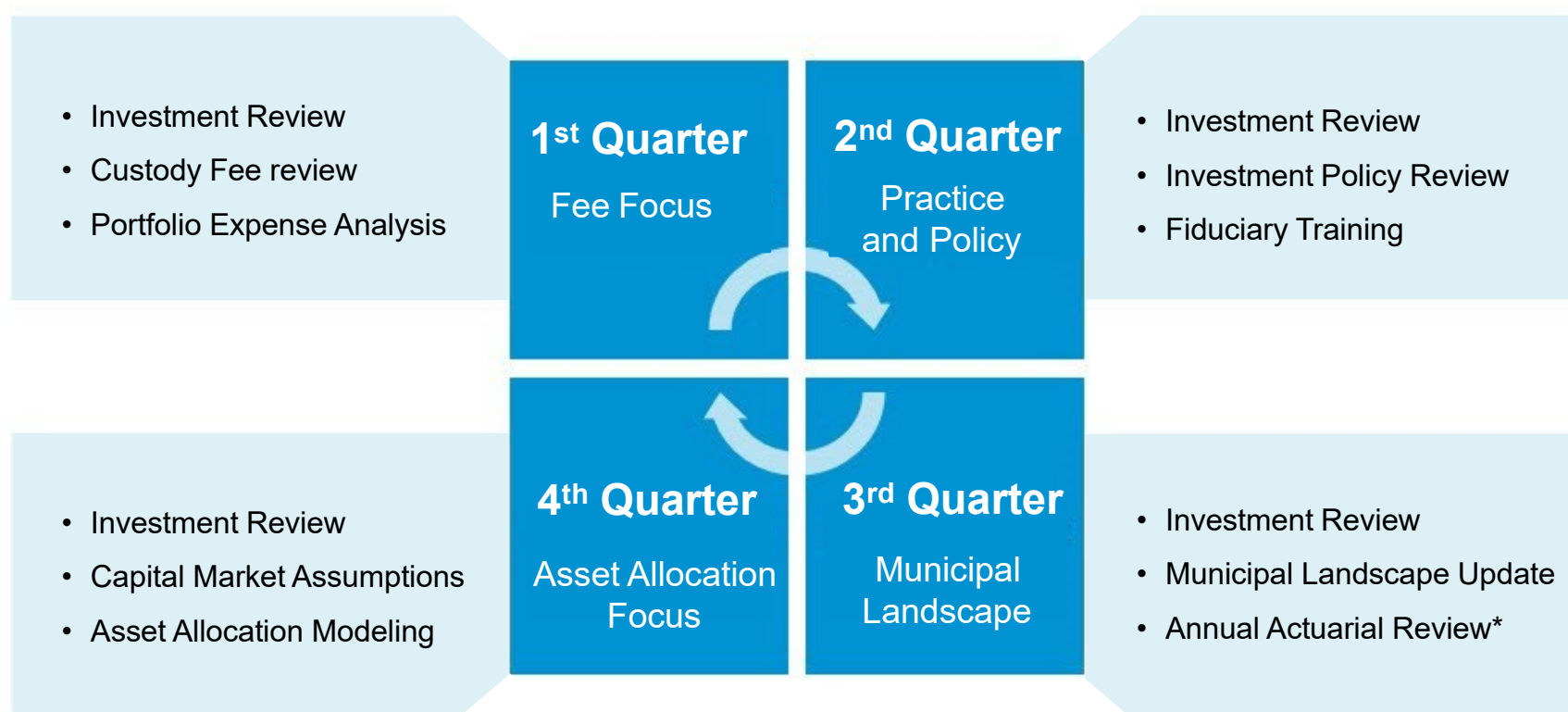
*Please see disclosures at the end of the document.

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DEFINED BENEFIT FIDUCIARY GOVERNANCE CALENDAR



FIDUCIARY TRAIL[®]

*Timing of actuarial review is dependent on client's individual plan and/or fiscal year and actuarial input.

ACTUARIAL REVIEW NEW FAIRFIELD TOWN PLAN



Milliman Actuarial Valuation Report July 1, 2019		
	As of 7/1/2019	As of 7/1/2018
Actuarial Value of Assets	\$9,370,589	\$8,792,301
Total Accrued Liability	\$10,521,471	\$9,337,075
Funded Ratio	89.1%	94.2%
Actuarial Return Assumption	6.75%	6.75%

Source: Milliman, 2019 Valuation Report

ACTUARIAL REVIEW

NEW FAIRFIELD BOARD OF ED PENSION



Milliman Actuarial Valuation Report July 1, 2019		
	As of 7/1/2019	As of 7/1/2018
Actuarial Value of Assets	\$8,900,141	\$8,437,550
Total Accrued Liability	\$9,758,208	\$8,654,892
Funded Ratio	91.2%	97.5%
Actuarial Return Assumption	6.25%	6.25%

Source: Milliman, 2019 Valuation Report



ASSET ALLOCATION ANALYSIS

Asset Class	IPS Range – Town	IPS Target - Town	Current Allocation - Town
Fixed Income	24.5% - 54.5%	39.5%	35%
Domestic Equity	26% - 46%	36%	38%
International Equity	13.5% - 35.5%	24.5%	26%

Asset Class	IPS Range – BOE	IPS Target – BOE	Current Allocation - BOE
Fixed Income	38.5% - 68.5%	53.5%	49%
Domestic Equity	23.5% - 33.5%	28.5%	31%
International Equity	12% - 22%	18%	20%

The current allocation is within the allowable range as stated within the Investment Policy Statement (IPS). Any portfolio adjustments that are considered will likely remain within the allowable range.

ASSET ALLOCATION ANALYSIS

- Our investment philosophy is based on the belief that **Asset Allocation** is the primary determinant of long-term investment results.
- We utilize our propriety tool, **Frontier Engineer**[®], as the basis for our efficient frontier analysis and the cornerstone of asset allocation decisions.
- Our Capital Markets Group develops **Capital Market Assumptions** (CMAs) for each major asset class at least annually.
 - ✓ The Capital Markets Group considers and analyzes a wide variety of factors that we believe will have the greatest impact on future returns and risks for each asset class studied.
 - ✓ CMAs are not intended to predict the future return in any one year, but to reflect realistic expectations of potential future return and risk traits over a longer term.
 - ✓ Our forecasting efforts center on developing assumptions for a **10-year horizon**. Adjustments made to extend the forecast horizon to **20 years** are grounded in our expectation that asset classes ultimately mean revert to their respective long term historical averages.
 - ✓ DiMeo Schneider's Capital Markets Team develop our CMAs based on a "building block" approach outlined in our research paper *Capital Market Forecasts*.
- **Correlations** (how asset classes behave in reference to one another) also significantly impact asset allocation analysis.
- The industry trend has been to lower **investment return assumptions** based on lower capital market expectations. Given the current market environment, full market cycle (10-year) return assumptions are lower than long term (20-year) assumptions.

JANUARY 2021 OUTLOOK

Key Observations

- Expectations for 2021 fiscal stimulus and wide-scale vaccination efforts inform our generally constructive view for global equity markets in 2021. Monetary policy also remains ultra-accommodative and supportive of risk assets entering the new year.
- Potential obstacles in 2021 (particularly early in the year) include the sustainability of economic growth given continued COVID-19 challenges, elevated equity valuations, historically low interest rates and tighter credit spreads.

Capital Market Factors

- **Economic Growth:** The IMF expects U.S. real GDP to contract 4.3 percent for calendar year 2020. Meaningful economic uncertainty remains for early 2021, but the IMF is forecasting 3.1 percent real GDP growth for 2021.
- **Monetary Policy:** The Fed's balance sheet expanded dramatically in 2020. Monetary policy remains ultra-accommodative and supportive of risk assets entering 2021. The Fed committed to continue buying bonds until the economy reaches full employment and inflation stays at 2 percent.
- **Fiscal Policy:** Congress passed significant stimulus measures early in 2020 and are finalizing additional measures for 2021. Broader based fiscal stimulus and economic relief measures are expected to be pursued early in the Biden administration.
- **Inflation:** Given ultra-accommodative monetary and fiscal policy, investors are beginning to price in *some* future inflation albeit still below the Fed's 2 percent target. A more accommodative Fed means there could be greater inflation risks for 2021 and beyond.
- **Currency:** Since hitting a high on March 19, 2020, the U.S. dollar has steadily declined by 12.7 percent relative a trade-weighted basket of global currencies. This has been a tailwind for U.S. investors holding non-U.S. dollar denominated assets. Given the Fed's more accommodative stance entering 2021, we believe there is more room for the U.S. dollar to decline.

JANUARY 2021 – LONG TERM OUTLOOK

Asset Class	12/1/20 E(R) - 20 Year	12/1/19 E(R) - 20 Year	Year Over Year Change
Cash*	0.72%	2.23%	-1.5%
TIPS	1.7%	2.9%	-1.2%
Muni Bond**	1.6%	2.4%	-0.8%
Muni High Yield**	5.2%	5.0%	0.2%
US Bond	2.1%	3.3%	-1.1%
Dynamic Bonds***	2.8%		
Global Bonds	1.8%	3.0%	-1.2%
For. Dev. Bond	1.4%	2.5%	-1.1%
HY Bond	4.4%	5.5%	-1.1%
EM Bond	2.7%	3.9%	-1.2%
Global Equity	7.7%	8.1%	-0.4%
US Equity (AC)	6.4%	6.6%	-0.2%
US Equity (LC)	6.3%	6.5%	-0.2%
US Equity (MC)	6.6%	6.7%	-0.1%
US Equity (SC)	6.7%	6.7%	0.0%
Int'l Dev. Equity	7.9%	8.3%	-0.5%
EM Equity	9.4%	10.6%	-1.2%
Real Estate	6.2%	6.4%	-0.2%
Broad Real Assets****	4.8%		
Commod. Fut.	3.2%	4.2%	-1.0%
HFoF Multi-Strat	6.3%	7.2%	-0.9%
Private Equity	9.4%	9.6%	-0.2%

*3-month forecast

**Tax equivalent yield based on highest marginal tax rate (37%)

***33% Cash, 33% Corp HY, and 34% Global Bonds

****25% TIPS, 15% Bank Loans, 30% Infrastructure, 15% REITs and 15% Commodities

Our Investment Themes

- Cash remains an expensive opportunity cost for investors.
- Given the reductions in forward looking returns for bonds across the globe, generating positive real returns will be challenging moving forward.
- Global stock market valuations rose in 2020 with prices expanding faster than earnings capacity.
- Real Assets remain an important diversifier as the events of 2020 have likely planted some seeds for rising future inflation.

Understanding the Asset Allocation Analysis

- Pension liabilities are long term in nature. The plan's current Asset Allocation target using our 'Long Term', 20-year Capital Market Assumptions is provided on the following slide.
- Additionally, we provide alternative portfolio allocations that increase and decrease the fixed income and growth asset allocations within the pension.
- These scenarios are provided for discussion purposes and should be considered in conjunction with the liability.

For additional information on forecast methodologies, please speak with your advisor. Please see Index Proxy Summary slide at the end of this presentation for summary of indexes used to represent each asset class. Past performance does not indicate future performance and there is a possibility of a loss.

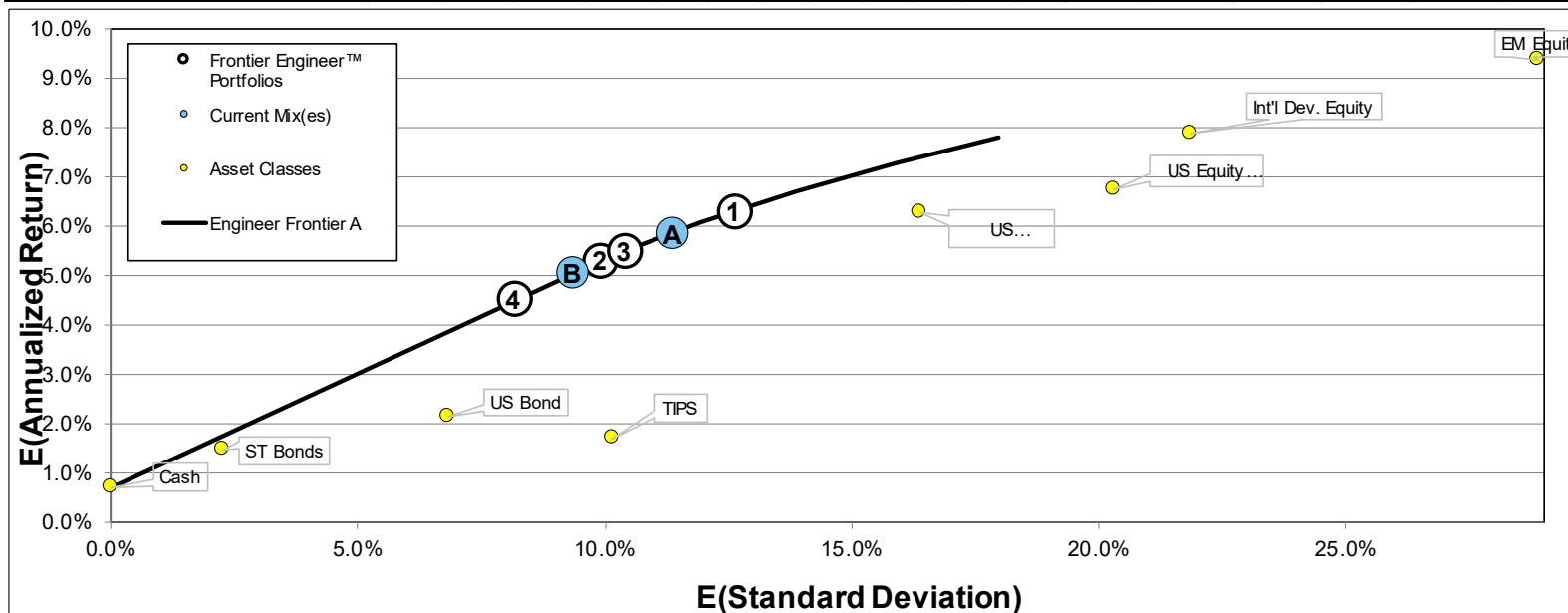


FRONTIER ENGINEER[®] ANALYSIS

20 YEAR OUTLOOK

DIMEO SCHNEIDER
& ASSOCIATES, L.L.C.

1/31/2021	Asset Allocation											Forecasts				Past (1/88-1/21)		
	Fixed Income	Equity	Real Assets	Alternatives	Cash	ST Bonds	TIPS	US Bond	US Equity (LC)	US Equity (SC)	Int'l Dev. Equity	EM Equity	Annualized Return	Annualized Volatility	Normal 100 Year Flood*	Non-Normal 100 Year Flood**	Annualized Return	Annualized Volatility
Current Target Town (A)	40%	61%				5.0%	5.0%	29.5%	27.0%	9.0%	17.2%	7.4%	5.8%	11.4%	-21%	-28%	8.6%	9.3%
Current Target BOE (B)	54%	47%				7.0%	7.0%	39.5%	21.3%	7.2%	12.6%	5.4%	5.0%	9.3%	-17%	-22%	8.1%	7.4%
Town + 50 BPS (1)	33%	67%					2.1%	30.7%	27.9%	9.3%	20.9%	9.1%	6.3%	12.6%	-23%	-31%	8.8%	10.4%
Town - 50 BPS (2)	51%	49%					3.3%	48.0%	20.2%	6.7%	15.1%	6.6%	5.3%	9.9%	-18%	-23%	8.2%	7.8%
BOE + 50 BPS (3)	48%	52%					3.1%	44.7%	21.7%	7.2%	16.2%	7.1%	5.5%	10.4%	-19%	-24%	8.3%	8.3%
BOE - 50 BPS (4)	64%	36%				7.1%	3.8%	52.9%	15.0%	5.0%	11.3%	4.9%	4.5%	8.2%	-14%	-19%	7.6%	6.1%



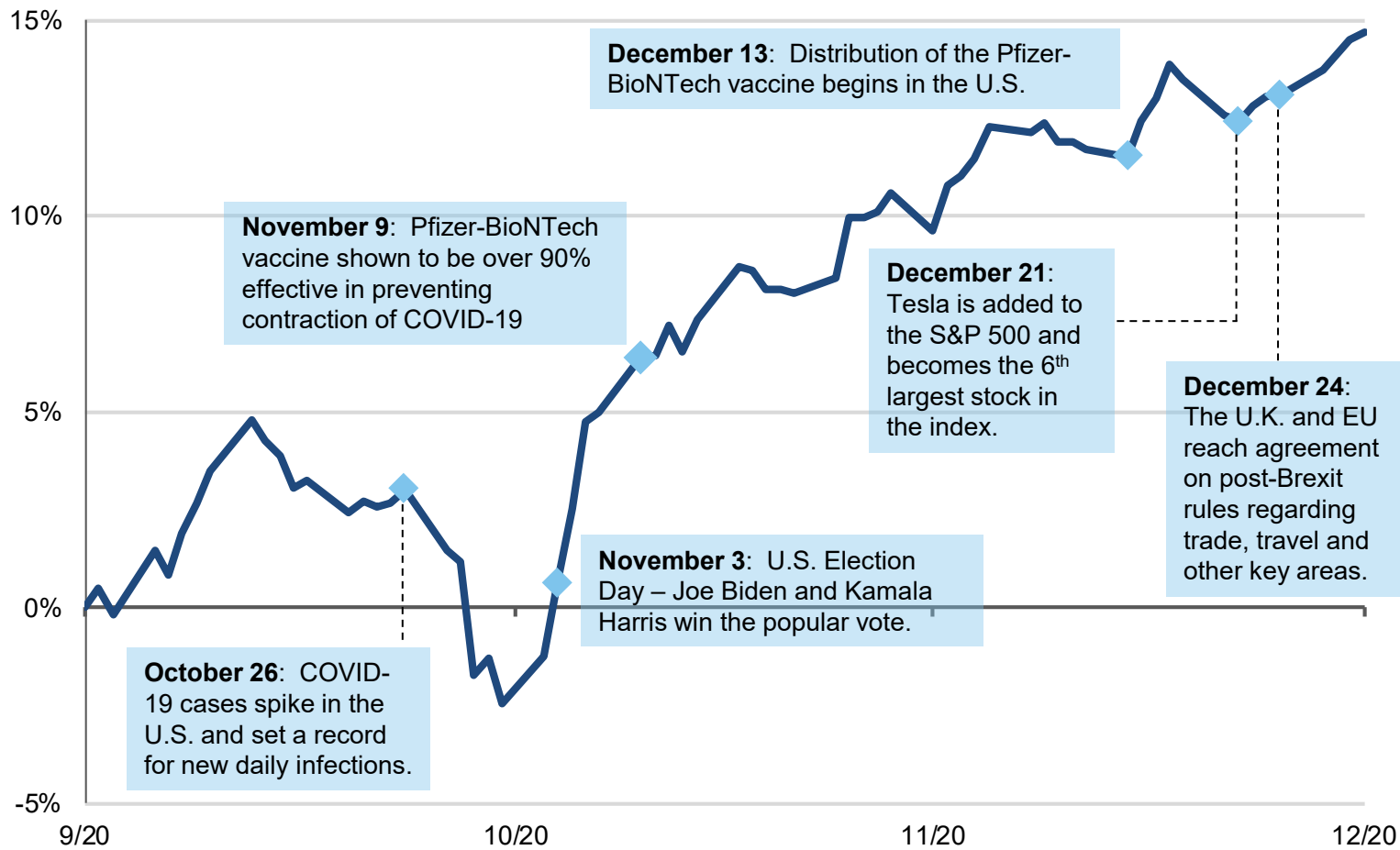
¹The expected one in a hundred worst case calendar year return based on normally distributed capital market assumptions from 10,000 Monte Carlo simulations. Greater losses are possible (1% expected likelihood).

²The expected one in a hundred worst case calendar year return based on non-normally distributed capital market assumptions (factoring in skewness & kurtosis). Greater losses are possible (1% expected likelihood).

Historical Returns and Risk Metrics for each Mix represent back-tested calculations developed with the benefit of hindsight. Return calculations use an asset-weighted methodology based on the target asset allocation of each mix and the total return of index proxies used to represent each asset class and are gross of fees. Historical returns are hypothetical and do not represent returns earned by a client. It is not possible to invest in an index. Please see disclosures at the end of this presentation for additional important information, including index proxies used to represent each asset class. Please ask for a copy of DiMEO Schneider's white paper titled 10-Year Capital Market Forecasts. Past performance does not indicate future performance and it is possible to lose money when investing.

4Q 2020 MARKET EVENTS

Global Equity Total Return (9/30/20 - 12/31/20)



Key 1Q 2021 Dates

January

- 5:** Georgia U.S. Senate runoff
- 20:** U.S. presidential inauguration
- 28:** First estimate of 4Q U.S. GDP

March

- 16-17:** FOMC Meeting

Source: Bloomberg as of 12/31/20. Global Equity represented by MSCI ACWI Net Total Return USD Index. Past performance does not indicate future performance and there is a possibility of a loss.



FINANCIAL MARKETS PERFORMANCE

Global Fixed Income Markets	QTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Bloomberg Barclays 1-3-Month T-Bill	0.0%	0.5%	0.5%	1.5%	1.1%	0.8%	0.6%	1.2%
Bloomberg Barclays U.S. TIPS	1.6%	11.0%	11.0%	5.9%	5.1%	3.9%	3.8%	4.3%
Bloomberg Barclays Municipal Bond (5 Year)	0.8%	4.3%	4.3%	3.8%	2.8%	2.8%	3.0%	3.7%
Bloomberg Barclays High Yield Municipal Bond	4.5%	4.9%	4.9%	6.7%	6.6%	6.9%	6.9%	5.4%
Bloomberg Barclays U.S. Aggregate	0.7%	7.5%	7.5%	5.3%	4.4%	4.1%	3.8%	4.5%
Bloomberg Barclays U.S. Corporate High Yield	6.5%	7.1%	7.1%	6.2%	8.6%	5.7%	6.8%	7.5%
Bloomberg Barclays Global Aggregate ex-U.S. Hedged	0.9%	3.9%	3.9%	4.9%	4.4%	4.6%	4.4%	4.3%
Bloomberg Barclays Global Aggregate ex-U.S. Unhedged	5.1%	10.1%	10.1%	4.2%	4.9%	2.1%	2.0%	3.7%
Bloomberg Barclays U.S. Long Gov / Credit	1.7%	16.1%	16.1%	9.8%	9.3%	8.8%	8.2%	7.4%
JPMorgan GBI-EM Global Diversified	9.6%	2.7%	2.7%	3.0%	6.7%	1.5%	1.5%	5.1%
Global Equity Markets	QTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
S&P 500	12.1%	18.4%	18.4%	14.2%	15.2%	12.9%	13.9%	9.9%
Dow Jones Industrial Average	10.7%	9.7%	9.7%	9.9%	14.6%	11.8%	13.0%	10.0%
NASDAQ Composite	15.7%	45.1%	45.1%	24.5%	22.2%	18.9%	18.6%	13.8%
Russell 3000	14.7%	20.9%	20.9%	14.5%	15.4%	12.8%	13.8%	10.0%
Russell 1000	13.7%	21.0%	21.0%	14.8%	15.6%	13.0%	14.0%	10.1%
Russell 1000 Growth	11.4%	38.5%	38.5%	23.0%	21.0%	17.5%	17.2%	12.5%
Russell 1000 Value	16.2%	2.8%	2.8%	6.1%	9.7%	8.2%	10.5%	7.3%
Russell Mid Cap	19.9%	17.1%	17.1%	11.6%	13.4%	10.9%	12.4%	9.7%
Russell Mid Cap Growth	19.0%	35.6%	35.6%	20.5%	18.7%	14.8%	15.0%	11.5%
Russell Mid Cap Value	20.4%	5.0%	5.0%	5.3%	9.7%	8.2%	10.5%	8.3%
Russell 2000	31.4%	20.0%	19.9%	10.2%	13.2%	9.3%	11.2%	8.9%
Russell 2000 Growth	29.6%	34.6%	34.6%	16.2%	16.3%	12.1%	13.5%	10.7%
Russell 2000 Value	33.3%	4.6%	4.6%	3.7%	9.6%	6.2%	8.6%	6.9%
MSCI ACWI	14.7%	16.3%	16.3%	10.1%	12.3%	8.9%	9.1%	7.2%
MSCI ACWI ex. U.S.	17.0%	10.7%	10.7%	4.9%	8.9%	4.8%	4.9%	4.9%
MSCI EAFE	16.0%	7.8%	7.8%	4.3%	7.4%	4.4%	5.5%	4.5%
MSCI EAFE Growth	13.1%	18.3%	18.3%	9.7%	10.5%	7.3%	7.5%	6.1%
MSCI EAFE Value	19.2%	-2.6%	-2.6%	-1.2%	4.2%	1.3%	3.4%	2.7%
MSCI EAFE Small Cap	17.3%	12.3%	12.3%	4.9%	9.4%	7.2%	7.8%	6.1%
MSCI Emerging Markets	19.7%	18.3%	18.3%	6.2%	12.8%	6.2%	3.6%	6.6%
Alternatives	QTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Consumer Price Index*	0.2%	0.9%	0.9%	1.7%	1.9%	1.5%	1.7%	1.9%
FTSE NAREIT Equity REITs	11.6%	-8.0%	-8.0%	3.4%	4.8%	7.8%	8.3%	6.5%
S&P Developed World Property x U.S.	14.4%	-4.7%	-4.7%	2.1%	6.0%	4.7%	5.8%	4.8%
S&P Developed World Property	13.0%	-6.2%	-6.2%	2.7%	5.3%	6.0%	6.8%	5.4%
Bloomberg Commodity Total Return	10.2%	-3.1%	-3.1%	-2.5%	1.0%	-5.8%	-6.5%	-4.0%
HFRI Fund of Funds Composite*	4.4%	7.1%	7.1%	3.7%	3.8%	3.2%	3.0%	2.8%
HFRI Fund Weighted Composite*	6.1%	7.0%	7.0%	4.0%	5.2%	4.0%	3.7%	4.4%
Alerian MLP	32.4%	-28.7%	-28.7%	-12.7%	-5.9%	-8.9%	-2.3%	3.6%

*One month lag.

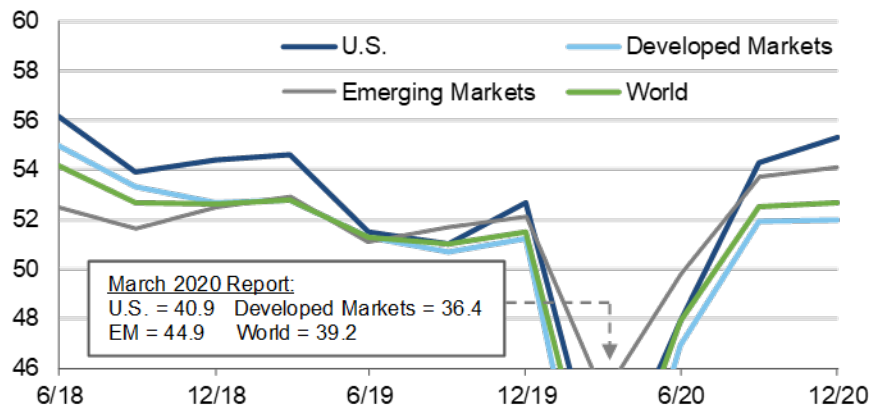
Source: Bloomberg as of 12/31/20. Total returns as of 12/31/20. Periods greater than 1 year are annualized. All returns are in U.S. dollar terms. Past performance does not indicate future performance and there is a possibility of a loss.



ECONOMIC REVIEW

PMI Composites

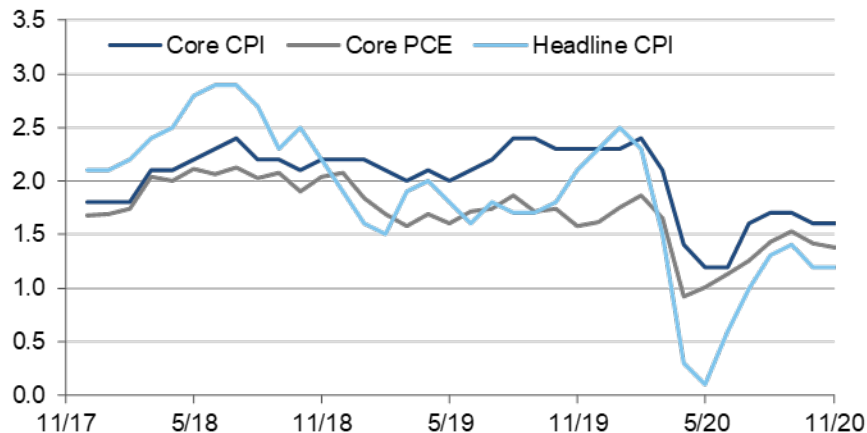
PMI data has been on a positive trajectory since March 2020 with business activity recovering at an accelerated pace through the fourth quarter.



Sources: Markit, JPMorgan. Subject to one-month lag.

U.S Inflation

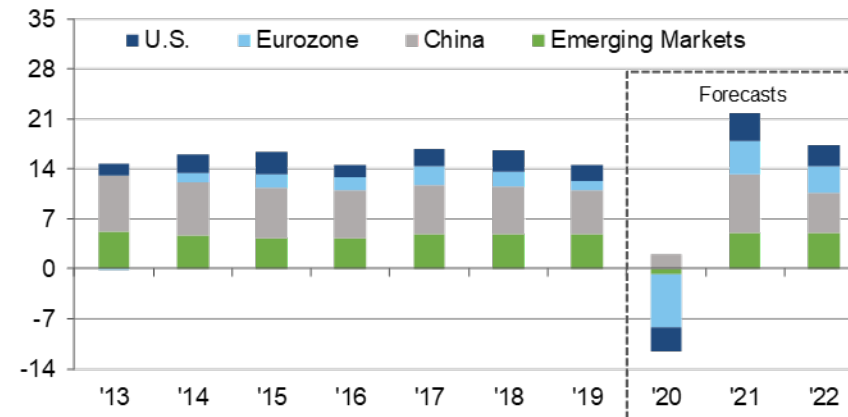
Inflation remains well below the Fed's 2% target, although pandemic-induced stimulus may cause inflation to rise in 2021.



Sources: Bureau of Labor Statistics (BLS), Bureau of Economic Analysis (BEA). Subject to one-month lag

Real GDP Growth (YoY)

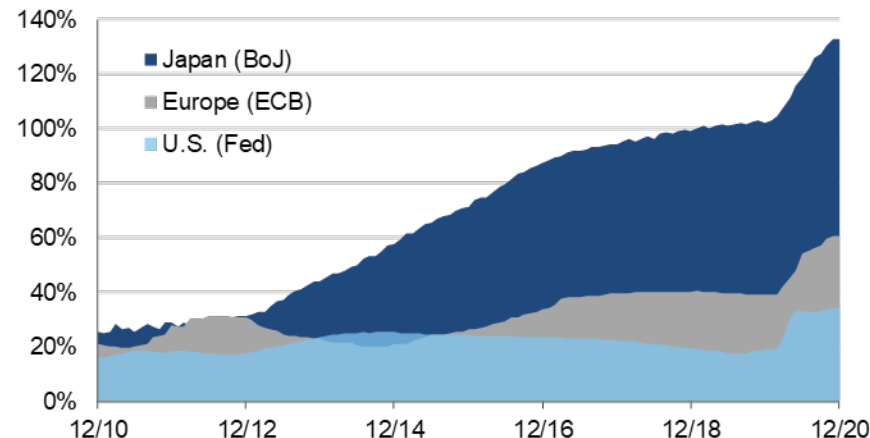
GDP growth forecasts for 2020 remain negative for most of the world except China; however, estimates for 2021 and beyond are more optimistic.



Source: Bloomberg. Forecasts based on Bloomberg survey.

Central Bank Balance Sheets as a Percentage of GDP

Despite unprecedented levels of monetary easing, the Fed has a lot more policy room to support economic activity.



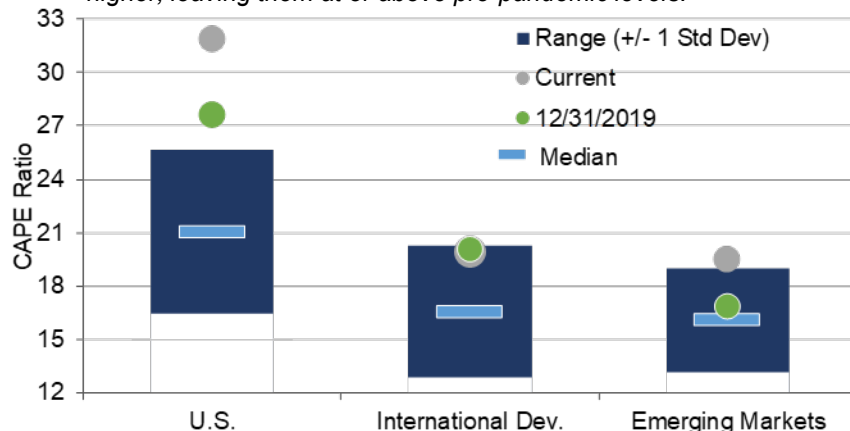
Source: Bloomberg



EQUITY MARKET UPDATE

Equity Valuations (Trailing 15 Years)

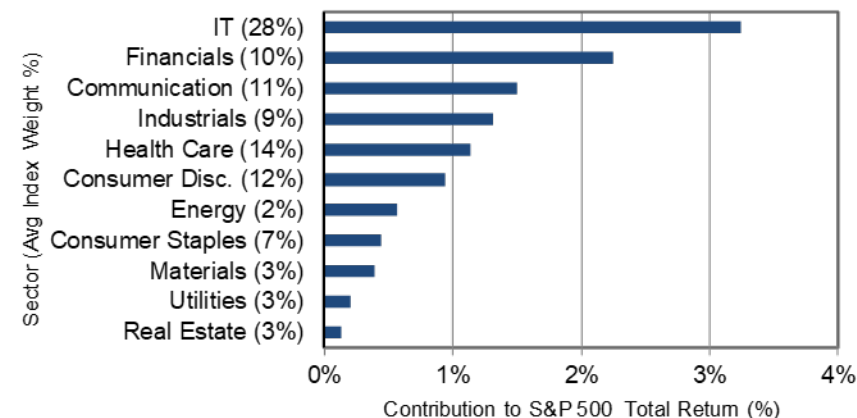
Incredibly strong fourth quarter returns pushed equity valuations even higher, leaving them at or above pre-pandemic levels.



Source: MSCI as of 12/31/20. U.S. = USA Price Return USD Index, Int. Dev = World Excluding United States Index, EM = Emerging Markets Index.

U.S. Equities – Contribution to Return by Sector (4Q20)

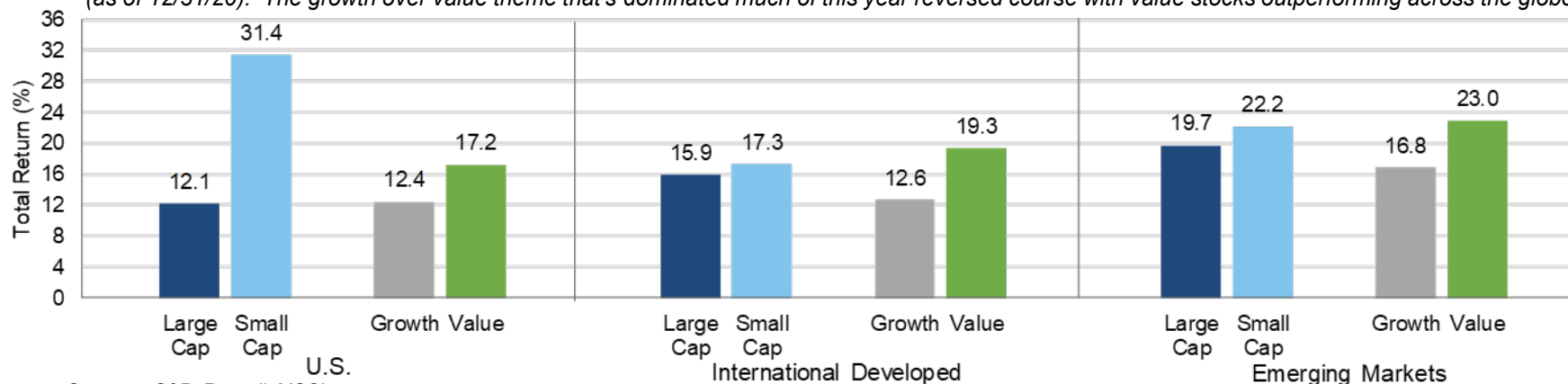
Tech was the largest contributor to performance given its sizable weight (28%), but financials at a 10% weight also had a meaningful contribution.



Source: S&P.

Market Capitalization and Style Performance (4Q 2020)

U.S. small caps were the clear winners in the fourth quarter and returned over 30%, which brought the year-to-date return from -9% (as of 9/30/20) to +20% (as of 12/31/20). The growth over value theme that's dominated much of this year reversed course with value stocks outperforming across the globe.



Sources: S&P, Russell, MSCI.

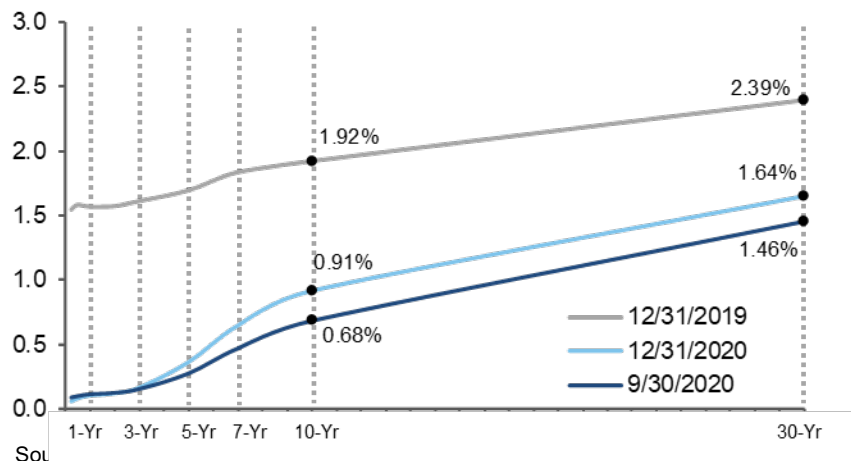
See disclosures for list of indices representing each asset class, region or country. CAPE = cyclically adjusted price/earnings ratio. Past performance does not indicate future performance and there is a possibility of a loss.



FIXED INCOME MARKET UPDATE

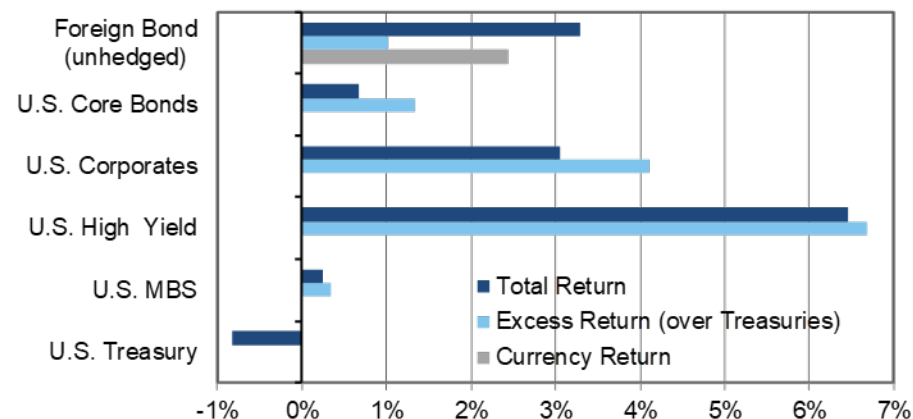
U.S. Treasury Curve

The Treasury curve steepened in the fourth quarter with intermediate and long-dated yields rising to levels investors haven't seen since March 2020.



Index Performance Attribution (4Q 2020)

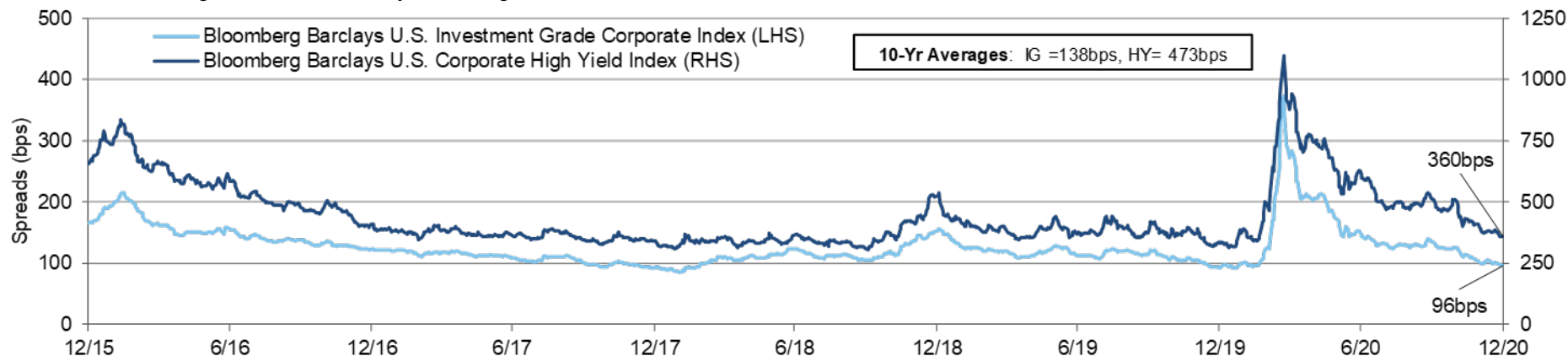
Spread tightening outpaced the rise in Treasury rates, which benefitted riskier parts of the market. U.S. dollar weakness helped foreign bonds.



Source: Bloomberg.

Credit Market Spreads – Trailing 5 Years

Investment grade and high yield spreads had a strong finish to the year tightening 40bps and 157bps, respectively. Investment grade and high yield spreads are now trading well inside their 10-year averages.



Source: Bloomberg.

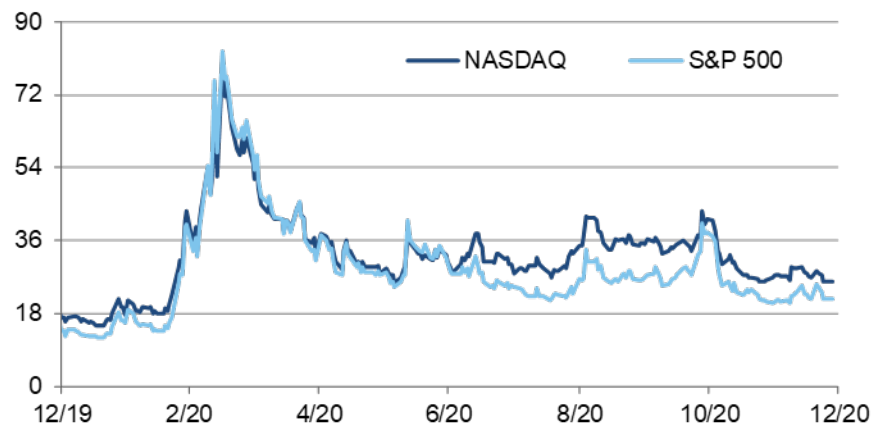
See disclosures for list of indices representing each asset class.



MARKET THEMES

Volatility – S&P 500 and NASDAQ

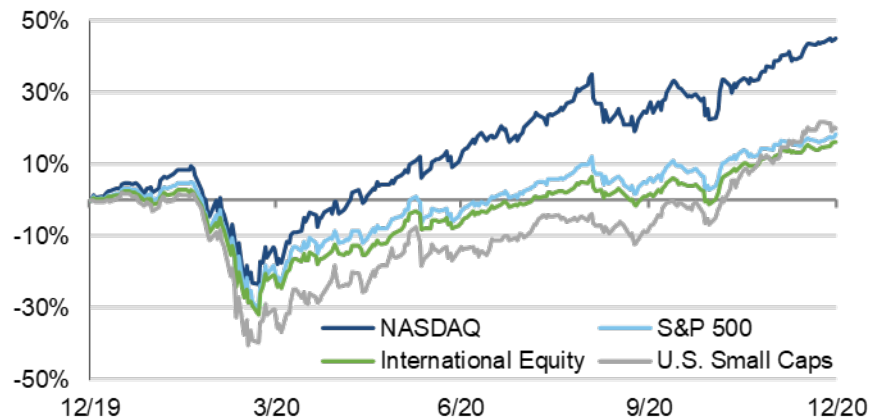
Equity volatility rose in October amid increasing COVID cases but has trended lower and is nearing longer-term averages.



Source: Bloomberg

Equity Performance – Sector, Region, Market Cap

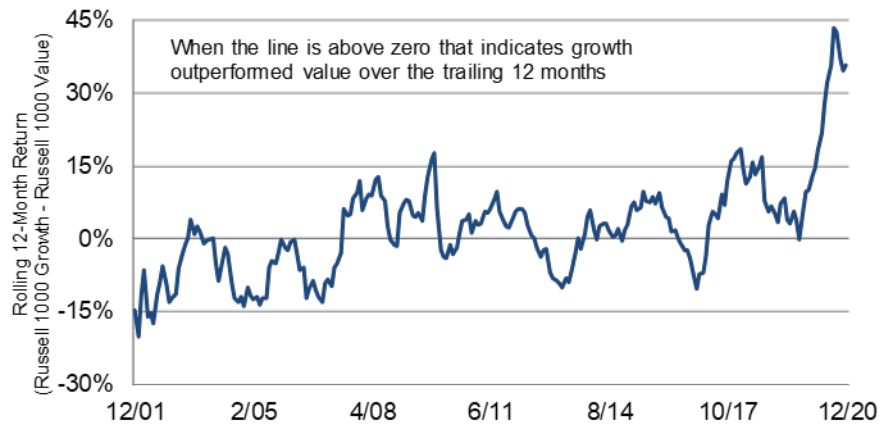
Tech stocks were the clear winners in 2020, but U.S. small caps had a stellar fourth quarter which meaningfully boosted the full year return.



Sources: NASDAQ, S&P, MSCI, Russell.

Equity – Growth vs. Value

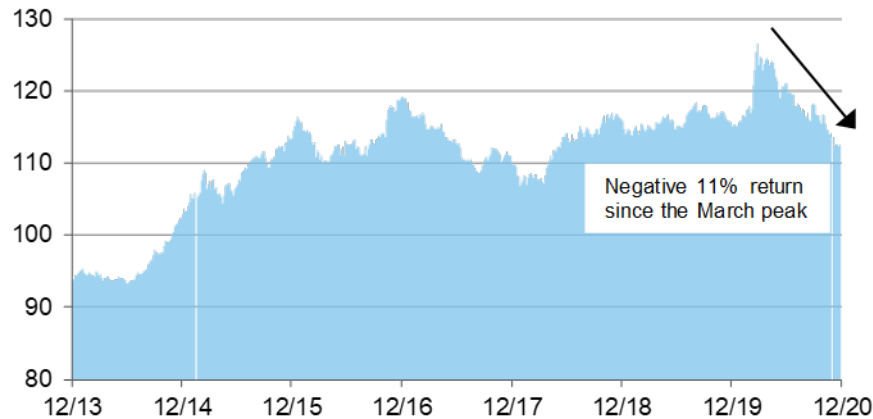
Styles have historically come in and out of favor, but COVID has served as a tailwind for technology and other service-related growth companies.



Source: Russell.

Trade Weighted U.S. Dollar

Continued accommodative monetary and fiscal policy in the U.S. weighed on the U.S. dollar, which finished 2020 at levels last seen in mid-2018.

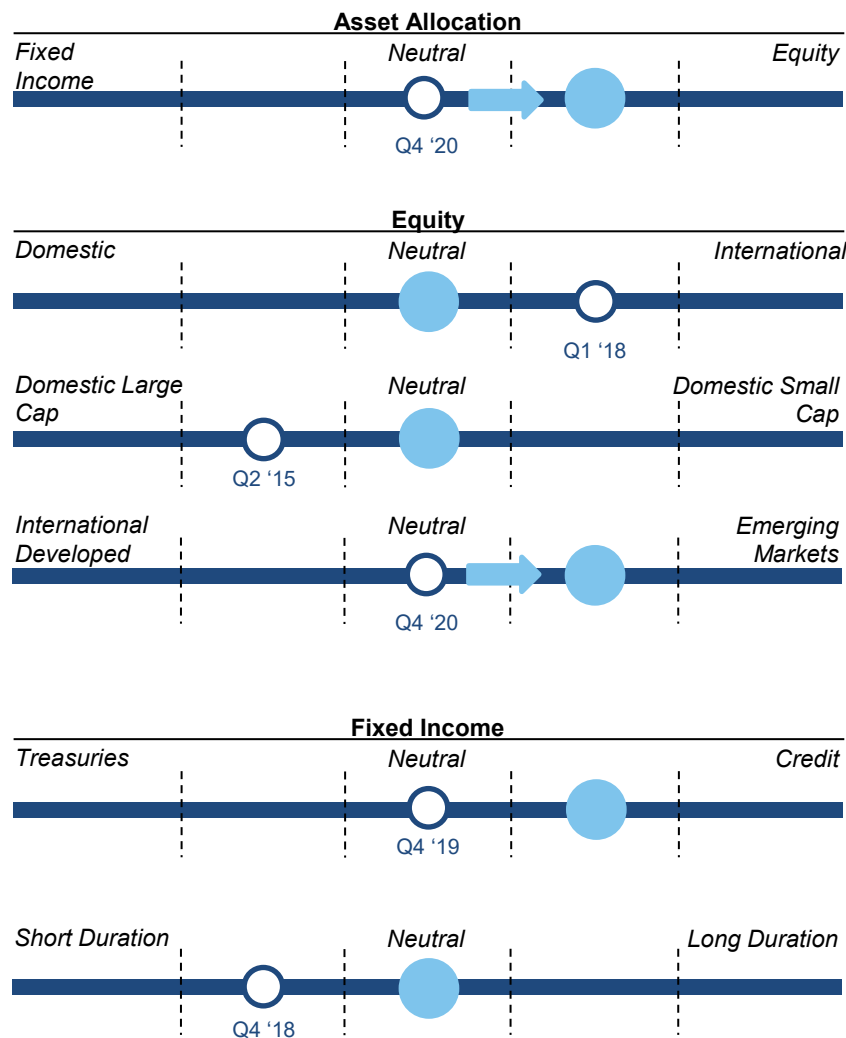


Source: Federal Reserve based on H.10 exchange rate data.

Past performance does not indicate future performance and there is a possibility of a loss.

INVESTING VIEWPOINTS

- Current Stance
- Previous Stance (date indicates when we last changed our stance)



Rationale

Given the Federal Open Market Committee's reduction in the Federal Funds rate to zero in response to COVID-induced lockdowns, equities are more attractive in the U.S. as a result. However, a successful vaccination effort is required to continue to support risk assets from here.

A historical analysis suggests U.S. dollar weakness is a key indicator for international outperformance relative to U.S. equities. While the environment can point to a higher likelihood of U.S. dollar weakness, which would add to the returns of international equities for U.S. investors, new and existing COVID-induced lockdowns might take their toll on international equities for some period.

Small cap equities had a volatile ride in 2020 but ended with positive momentum and are primed for an attractive environment if economic growth is higher than normal next year. However, any U.S. dollar weakness may benefit U.S. large caps with global operations more so than more domestically-focused small caps.

Emerging markets remains the most attractive forward looking return assumption in our view. It's not without more volatility and risk compared to other equity asset classes as we've seen at various periods, but in a return-seeking portfolio, emerging markets should be emphasized in our view.

In a low return world, U.S. corporate credit remains relatively more attractive than sovereign bonds. However, caution is warranted since corporate credit spreads have narrowed quickly after rapidly widening in March of last year. With an acceleration of defaults expected in high yield, as well as low spreads after the asset class has significantly recovered, forward looking returns offer some upside to sovereign bonds.

Assuming a pickup in U.S. inflation as a result of Congress being successful in passing additional spending measures, one would expect a steepening yield curve, which would negatively impact longer duration. Short duration fixed income is also unattractive since shorter-dated bonds are trading at yields that would result in negative real returns, which is also a challenge for investors.

Asset Allocation - Town of New Fairfield

As of December 31, 2020

Investment	Town Pension Plan			Board of Education Pension Plan		
	Market Value (\$)	Allocation (%)	Target (%)	Market Value (\$)	Allocation (%)	Target (%)
Asset Class						
Webster Cash	\$82,939	0.7%	0.0%	\$88,556	0.8%	0.0%
Fixed Income						
Vanguard Short Term Bond Adm	\$517,668	4.5%	5.0%	\$679,075	6.3%	7.0%
Vanguard Inflation-Protected Securities Adm	\$521,036	4.5%	5.0%	\$698,080	6.5%	7.0%
Vanguard Total Bond Index Adm	\$1,533,246	13.2%	14.8%	\$1,933,707	18.0%	19.8%
Metropolitan West Total Return Fund Pl	<u>\$1,537,313</u>	<u>13.2%</u>	<u>14.8%</u>	<u>\$1,953,261</u>	<u>18.2%</u>	<u>19.8%</u>
Total Fixed Income	\$4,109,262	35.4%	39.5%	\$5,264,123	49.1%	53.5%
Domestic Equity						
Vanguard 500 Index Adm	\$3,137,242	27.0%	26.0%	\$2,319,707	21.6%	20.5%
Vanguard Explorer Value Inv	\$650,247	5.6%	5.0%	\$491,586	4.6%	4.0%
ClearBridge Small Cap Growth IS	<u>\$624,914</u>	<u>5.4%</u>	<u>5.0%</u>	<u>\$473,285</u>	<u>4.4%</u>	<u>4.0%</u>
Total Domestic Equity	\$4,412,403	38.0%	36.0%	\$3,284,579	30.6%	28.5%
International Equity						
Vanguard Total International Stock Index Adm	\$1,472,717	12.7%	12.3%	\$1,039,620	9.7%	9.0%
American Funds EuroPacific Growth R6	<u>\$1,540,364</u>	<u>13.3%</u>	<u>12.3%</u>	<u>\$1,055,156</u>	<u>9.8%</u>	<u>9.0%</u>
Total International Equity	\$3,013,082	25.9%	24.5%	\$2,094,775	19.5%	18.0%
Plan Totals - Investments	\$ 11,617,686	100.0%	100.0%	\$ 10,732,033	100.0%	100.0%

Total Plan Performance Summary

New Fairfield Town Plan
As of December 31, 2020

Account Reconciliation

	QTR	YTD	Since Inception	Inception Date
Town Plan				01/01/2010
Beginning Market Value	10,560,133	10,100,742	4,340,847	
Net Contributions	-73,060	91,530	1,279,985	
Total Gain/Loss	1,130,613	1,425,414	5,996,854	
Ending Market Value	11,617,686	11,617,686	11,617,686	

Town Blended Benchmark Composition

Allocation Mandate	Weight (%)
Jan-2018	
Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year	5.00
Bloomberg Barclays U.S. TIPS Index	5.00
Blmbg. Barc. U.S. Aggregate Index	29.50
Russell 3000 Index	36.00
MSCI AC World ex USA (Net)	24.50

Trailing Performance Summary

	QTR	Jul-2020 To Dec-2020	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Town Plan	10.8	16.6	14.1	8.7	9.5	7.4	7.6	7.4	01/01/2010
<i>Town Blended Benchmark</i>	9.7	15.4	13.9	8.9	9.7	7.5	7.5	7.3	
Difference	1.1	1.2	0.2	-0.2	-0.2	-0.1	0.1	0.1	

Calendar Year Performance Summary

	2019	2018	2017	2016	2015	2014	2013	2012
Town Plan	19.7	-5.9	14.8	6.9	-0.8	5.0	13.8	5.7
<i>Town Blended Benchmark</i>	19.6	-5.2	15.2	6.9	-0.9	5.3	12.5	4.6
Difference	0.1	-0.7	-0.4	0.0	0.1	-0.3	1.3	1.1

Manager Gain/Loss Summary

New Fairfield Town Plan

	Market Value As of 10/01/2020	Net Flows	Return On Investment	Market Value As of 12/31/2020
<u>Short Term Liquidity</u>				
Webster Cash	80,998	1,940	1	82,939
Total Short Term Liquidity	80,998	1,940	1	82,939
<u>Fixed Income</u>				
Vanguard Short Term Bond Adm	516,214	-	1,454	517,668
Vanguard Inflation-Protected Secs Adm	512,747	-	8,289	521,036
Vanguard Total Bond Market Index Adm	1,523,062	-	10,184	1,533,246
Metropolitan West Total Return Fund Pl	1,517,912	-	19,401	1,537,313
Total Fixed Income	4,069,935	-	39,328	4,109,262
<u>Domestic Equity</u>				
Vanguard 500 Index Fund Adm	2,797,447	-	339,795	3,137,242
Vanguard Explorer Value Inv	518,413	-30,000	161,834	650,247
ClearBridge Small Cap Growth IS	536,498	-30,000	118,416	624,914
Total Domestic Equity	3,852,358	-60,000	620,044	4,412,403
<u>International Equity</u>				
Vanguard Total International Stock Index Adm	1,259,853	-	212,864	1,472,717
American Funds EuroPacific Growth R6	1,296,989	-15,000	258,376	1,540,364
Total International Equity	2,556,842	-15,000	471,240	3,013,082
Town Plan	10,560,133	-73,060	1,130,613	11,617,686

Market Values & Flow Summary

New Fairfield Town Plan

Since Inception Ending December 31, 2020

Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
Dec-2009	-	-	-	4,340,847	N/A
Mar-2010	4,340,847	224,638	57,234	4,622,718	1.3
Jun-2010	4,622,718	-1,504	58,155	4,679,369	1.3
Sep-2010	4,679,369	215,134	60,668	4,955,171	1.2
Dec-2010	4,955,171	-36,798	61,435	4,979,808	1.2
Mar-2011	4,979,808	-37,720	64,638	5,006,726	1.3
Jun-2011	5,006,726	-36,701	65,586	5,035,611	1.3
Sep-2011	5,035,611	-50,237	66,472	5,051,846	1.3
Dec-2011	5,051,846	-61,393	66,523	5,056,976	1.3
Mar-2012	5,056,976	217,481	64,452	5,338,909	1.2
Jun-2012	5,338,909	-46,412	65,235	5,357,732	1.2
Sep-2012	5,357,732	358,642	88,239	5,804,613	1.6
Dec-2012	5,804,613	-49,158	87,744	5,843,199	1.5
Mar-2013	5,843,199	-38,230	206,183	6,011,152	3.5
Jun-2013	6,011,152	-48,912	-31,454	5,930,786	-0.5
Sep-2013	5,930,786	-46,929	297,505	6,181,362	5.0
Dec-2013	6,181,362	-68,709	318,918	6,431,572	5.2
Mar-2014	6,431,572	-46,580	88,858	6,473,850	1.4
Jun-2014	6,473,850	92,501	225,864	6,792,216	3.5
Sep-2014	6,792,216	-44,578	-95,862	6,651,775	-1.4
Dec-2014	6,651,775	-77,137	95,293	6,669,931	1.5
Mar-2015	6,669,931	256,696	166,301	7,092,928	2.5
Jun-2015	7,092,928	-44,283	-13,145	7,035,500	-0.2
Sep-2015	7,035,500	-45,430	-373,783	6,616,287	-5.3
Dec-2015	6,616,287	214,372	158,703	6,989,362	2.5
Mar-2016	6,989,362	-50,401	77,590	7,016,551	1.1
Jun-2016	7,016,551	-47,704	107,153	7,076,000	1.5
Sep-2016	7,076,000	-60,380	263,221	7,278,842	3.7
Dec-2016	7,278,842	284,355	32,732	7,595,928	0.4
Mar-2017	7,595,928	-66,161	329,124	7,858,892	4.4

Market Values & Flow Summary

New Fairfield Town Plan

Since Inception Ending December 31, 2020

Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
Jun-2017	7,858,892	-46,132	233,905	8,046,664	3.0
Sep-2017	8,046,664	294,467	278,208	8,619,339	3.4
Dec-2017	8,619,339	-85,577	286,361	8,820,123	3.3
Mar-2018	8,820,123	-61,482	-50,780	8,707,861	-0.6
Jun-2018	8,707,861	-32,703	61,230	8,736,388	0.7
Sep-2018	8,736,388	278,884	199,737	9,215,008	2.3
Dec-2018	9,215,008	-76,300	-746,050	8,392,658	-8.1
Mar-2019	8,392,658	-60,842	730,259	9,062,076	8.7
Jun-2019	9,062,076	-56,881	314,498	9,319,693	3.5
Sep-2019	9,319,693	259,212	67,937	9,646,842	0.7
Dec-2019	9,646,842	-82,653	536,552	10,100,742	5.6
Mar-2020	10,100,742	-69,768	-1,386,580	8,644,394	-13.8
Jun-2020	8,644,394	-61,454	1,165,004	9,747,943	13.5
Sep-2020	9,747,943	295,811	516,379	10,560,133	5.2
Dec-2020	10,560,133	-73,060	1,130,613	11,617,686	10.8

Total Plan Performance Summary

New Fairfield BOE Plan

As of December 31, 2020

Account Reconciliation

	QTR	YTD	Since Inception	Inception Date
BOE Plan				07/01/2011
Beginning Market Value	9,960,710	9,447,193	4,269,946	
Net Contributions	-73,257	79,597	1,688,566	
Total Gain/Loss	844,580	1,205,243	4,773,521	
Ending Market Value	10,732,033	10,732,033	10,732,033	

BOE Blended Benchmark Composition

Allocation Mandate	Weight (%)
Jan-2018	
Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year	7.00
Bloomberg Barclays U.S. TIPS Index	7.00
Blmbg. Barc. U.S. Aggregate Index	39.50
Russell 3000 Index	28.50
MSCI AC World ex USA (Net)	18.00

Trailing Performance Summary

	QTR	Jul-2020 To Dec-2020	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
BOE Plan	8.5	13.1	12.8	8.0	8.4	6.6	N/A	7.0	07/01/2011
<i>BOE Blended Benchmark</i>	7.6	12.2	12.7	8.2	8.6	6.8	N/A	6.9	
Difference	0.9	0.9	0.1	-0.2	-0.2	-0.2	N/A	0.1	

Calendar Year Performance Summary

	2019	2018	2017	2016	2015	2014	2013	2012
BOE Plan	16.9	-4.4	12.1	6.0	-0.6	5.1	10.8	7.6
<i>BOE Blended Benchmark</i>	17.0	-3.9	12.3	6.0	-0.5	5.4	9.4	6.6
Difference	-0.1	-0.5	-0.2	0.0	-0.1	-0.3	1.4	1.0

Manager Gain/Loss Summary

New Fairfield BOE Plan

	Market Value As of 10/01/2020	Net Flows	Return On Investment	Market Value As of 12/31/2020
<u>Short Term Liquidity</u>				
Webster Cash	86,812	1,743	1	88,556
Total Short Term Liquidity	86,812	1,743	1	88,556
<u>Fixed Income</u>				
Vanguard Short Term Bond Adm	677,168	-	1,907	679,075
Vanguard Inflation-Protected Secs Adm	686,975	-	11,105	698,080
Vanguard Total Bond Market Index Adm	1,920,863	-	12,844	1,933,707
Metropolitan West Total Return Fund Pl	1,928,610	-	24,651	1,953,261
Total Fixed Income	5,213,616	-	50,507	5,264,123
<u>Domestic Equity</u>				
Vanguard 500 Index Fund Adm	2,068,460	-	251,248	2,319,707
Vanguard Explorer Value Inv	397,552	-30,000	124,035	491,586
ClearBridge Small Cap Growth IS	408,142	-25,000	90,143	473,285
Total Domestic Equity	2,874,153	-55,000	465,425	3,284,579
<u>International Equity</u>				
Vanguard Total International Stock Index Adm	889,355	-	150,265	1,039,620
American Funds EuroPacific Growth R6	896,773	-20,000	178,382	1,055,156
International Equity	1,786,128	-20,000	328,647	2,094,775
Total BOE Plan	9,960,710	-73,257	844,580	10,732,033

Market Value & Flow Summary

New Fairfield BOE Plan

Since Inception Ending December 31, 2020

Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
Jun-2011	-	-	-	4,269,946	N/A
Sep-2011	4,269,946	13,916	54,413	4,338,275	1.3
Dec-2011	4,338,275	-3,822	37,189	4,371,641	0.9
Mar-2012	4,371,641	174,631	68,352	4,614,624	1.6
Jun-2012	4,614,624	174,631	92,148	4,881,403	2.0
Sep-2012	4,881,403	-4,370	110,834	4,987,867	2.3
Dec-2012	4,987,867	-29,201	75,088	5,033,754	1.5
Mar-2013	5,033,754	-7,710	171,667	5,197,712	3.4
Jun-2013	5,197,712	381,312	-56,111	5,522,912	-1.0
Sep-2013	5,522,912	146,784	227,608	5,897,304	4.1
Dec-2013	5,897,304	-49,612	235,620	6,083,312	4.0
Mar-2014	6,083,312	-21,021	89,053	6,151,344	1.5
Jun-2014	6,151,344	-21,035	197,113	6,327,422	3.2
Sep-2014	6,327,422	140,064	-69,622	6,397,863	-1.1
Dec-2014	6,397,863	-53,752	93,227	6,437,338	1.5
Mar-2015	6,437,338	299,290	142,702	6,879,329	2.2
Jun-2015	6,879,329	-20,948	-31,767	6,826,614	-0.5
Sep-2015	6,826,614	-24,321	-269,458	6,532,835	-4.0
Dec-2015	6,532,835	249,904	111,825	6,894,563	1.8
Mar-2016	6,894,563	-50,901	105,117	6,948,780	1.6
Jun-2016	6,948,780	-31,595	114,618	7,031,803	1.7
Sep-2016	7,031,803	-44,394	207,143	7,194,552	3.0
Dec-2016	7,194,552	237,303	-14,582	7,417,273	-0.2
Mar-2017	7,417,273	-59,856	264,084	7,621,501	3.6
Jun-2017	7,621,501	-40,960	191,905	7,772,446	2.5
Sep-2017	7,772,446	261,853	218,684	8,252,983	2.8
Dec-2017	8,252,983	-89,110	219,178	8,383,051	2.7
Mar-2018	8,383,051	-68,327	-61,318	8,253,406	-0.7
Jun-2018	8,253,406	-35,585	51,503	8,269,323	0.6
Sep-2018	8,269,323	267,854	149,344	8,686,522	1.8

Market Value & Flow Summary

New Fairfield BOE Plan

Since Inception Ending December 31, 2020

Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
Dec-2018	8,686,522	-86,905	-518,072	8,081,545	-6.0
Mar-2019	8,081,545	-73,896	586,992	8,594,640	7.3
Jun-2019	8,594,640	-61,455	287,004	8,820,189	3.4
Sep-2019	8,820,189	239,057	92,928	9,152,174	1.0
Dec-2019	9,152,174	-98,852	393,871	9,447,193	4.3
Mar-2020	9,447,193	-82,205	-944,876	8,420,112	-10.1
Jun-2020	8,420,112	-71,298	908,888	9,257,703	10.8
Sep-2020	9,257,703	306,357	396,650	9,960,710	4.2
Dec-2020	9,960,710	-73,257	844,580	10,732,033	8.5

Asset Allocation

New Fairfield OPEB Plan As of December 31, 2020

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
OPEB Plan	4,004,295	100.0	100.0	0.0
Webster Cash	4,359	0.1	0.0	0.1
Fixed Income	1,468,460	36.7	40.0	-3.3
Vanguard Inflation-Protected Secs Adm	362,872	9.1	10.0	-0.9
Vanguard Total Bond Market Index Adm	1,105,588	27.6	30.0	-2.4
Domestic Equity	1,409,546	35.2	30.0	5.2
Vanguard 500 Index Fund Adm	1,167,818	29.2	25.0	4.2
Vanguard Extended Market Index Adm	241,728	6.0	5.0	1.0
International Equity	942,979	23.5	25.0	-1.5
Vanguard Total International Stock Adm	942,979	23.5	25.0	-1.5
Real Estate	178,951	4.5	5.0	-0.5
Vanguard Real Estate Index Fund Adm	178,951	4.5	5.0	-0.5

Investments with a zero balance were held in the portfolio during the reporting period and will be removed once they no longer impact portfolio performance.
Asset Allocation weightings may not add up to 100% due to rounding.

Total Plan Performance Summary

New Fairfield OPEB Plan
As of December 31, 2020

Account Reconciliation

	QTR	YTD	Since Inception	Inception Date
OPEB Plan				01/01/2013
Beginning Market Value	3,662,386	3,597,111	867,390	
Net Contributions	-1,189	-34,019	1,565,963	
Total Gain/Loss	343,099	441,202	1,570,943	
Ending Market Value	4,004,295	4,004,295	4,004,295	

OPEB Blended Benchmark Composition

Allocation Mandate	Weight (%)
Jan-2013	
Blmbg. Barc. U.S. Aggregate Index	30.00
Bloomberg Barclays U.S. TIPS Index	10.00
MSCI US Broad Market Index	30.00
MSCI AC World ex USA (Net)	25.00
MSCI U.S. REIT Index	5.00

Trailing Performance Summary

	QTR	Jul-2020 To Dec-2020	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
OPEB Plan	9.4	14.7	12.4	8.2	9.1	7.2	N/A	7.8	01/01/2013
<i>OPEB Blended Benchmark</i>	9.6	15.0	12.6	8.4	9.2	7.3	N/A	7.9	
Difference	-0.2	-0.3	-0.2	-0.2	-0.1	-0.1	N/A	-0.1	

Calendar Year Performance Summary

	2019	2018	2017	2016	2015	2014	2013	2012
OPEB Plan	19.4	-5.6	14.7	6.7	-0.8	6.2	11.5	N/A
<i>OPEB Blended Benchmark</i>	19.4	-5.3	14.4	6.8	-0.8	6.4	11.7	N/A
Difference	0.0	-0.3	0.3	-0.1	0.0	-0.2	-0.2	N/A

Manager Gain/Loss Summary

New Fairfield OPEB Plan

	Market Value As of 10/01/2020	Net Flows	Return On Investment	Market Value As of 12/31/2020
<u>Short Term Liquidity</u>				
Webster Cash	5,549	-1,189	-	4,359
<u>Fixed Income</u>				
Vanguard Inflation-Protected Secs Adm	357,099	-	5,773	362,872
Vanguard Total Bond Market Index Adm	1,098,245	-	7,343	1,105,588
Total Fixed Income	1,455,344	-	13,116	1,468,460
<u>Domestic Equity</u>				
Vanguard 500 Index Fund Adm	1,041,332	-	126,486	1,167,818
Vanguard Extended Market Index Adm	189,695	-	52,033	241,728
Total Domestic Equity	1,231,027	-	178,519	1,409,546
<u>International Equity</u>				
Vanguard Total International Stock Adm	806,682	-	136,297	942,979
International Equity	806,682	-	136,297	942,979
<u>Real Estate</u>				
Vanguard Real Estate Index Fund Adm	163,784	-	15,167	178,951
Total Real Estate	163,784	-	15,167	178,951
OPEB Plan	3,662,386	-1,189	343,099	4,004,295

Market Value & Flow Summary

New Fairfield OPEB Plan

Since Inception Ending December 31, 2020

Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
Dec-2012	-	-	-	867,390	N/A
Mar-2013	867,390	287,123	41,809	1,196,322	4.2
Jun-2013	1,196,322	-1,179	-17,129	1,178,014	-1.4
Sep-2013	1,178,014	156,875	54,272	1,389,161	4.4
Dec-2013	1,389,161	-10,370	54,791	1,433,582	4.0
Mar-2014	1,433,582	-625	28,832	1,461,789	2.0
Jun-2014	1,461,789	181,633	59,971	1,703,392	4.0
Sep-2014	1,703,392	-628	-27,779	1,674,985	-1.6
Dec-2014	1,674,985	-11,114	30,384	1,694,254	1.8
Mar-2015	1,694,254	236,075	39,631	1,969,960	2.3
Jun-2015	1,969,960	-715	-16,112	1,953,134	-0.8
Sep-2015	1,953,134	-1,284	-92,505	1,859,345	-4.7
Dec-2015	1,859,345	247,087	42,878	2,149,309	2.6
Mar-2016	2,149,309	-11,273	42,010	2,180,046	2.0
Jun-2016	2,180,046	-783	45,906	2,225,169	2.1
Sep-2016	2,225,169	-798	67,990	2,292,361	3.1
Dec-2016	2,292,361	285,362	-13,022	2,564,702	-0.6
Mar-2017	2,564,702	-11,349	111,745	2,665,098	4.4
Jun-2017	2,665,098	-866	77,135	2,741,367	2.9
Sep-2017	2,741,367	256,145	90,413	3,087,925	3.2
Dec-2017	3,087,925	-5,003	106,495	3,189,417	3.5
Mar-2018	3,189,417	-1,036	-38,798	3,149,583	-1.2
Jun-2018	3,149,583	-11,217	26,114	3,164,480	0.8
Sep-2018	3,164,480	21,153	75,351	3,260,984	2.4
Dec-2018	3,260,984	-15,515	-242,856	3,002,614	-7.5
Mar-2019	3,002,614	-975	262,488	3,264,126	8.7
Jun-2019	3,264,126	-1,685	105,332	3,367,773	3.2
Sep-2019	3,367,773	30,886	42,175	3,440,835	1.2
Dec-2019	3,440,835	-15,942	172,218	3,597,111	5.0
Mar-2020	3,597,111	-12,418	-460,020	3,124,673	-12.8

Market Value & Flow Summary

New Fairfield OPEB Plan

Since Inception Ending December 31, 2020

Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
Jun-2020	3,124,673	-8,272	386,483	3,502,884	12.4
Sep-2020	3,502,884	-12,139	171,641	3,662,386	4.9
Dec-2020	3,662,386	-1,189	343,099	4,004,295	9.4

Manager Performance Overview

As of December 31, 2020

	QTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Town Plan	10.8	14.1	8.7	9.5	7.4	7.6	7.4	01/01/2010
<i>Town Blended Benchmark</i>	9.7	13.9	8.9	9.7	7.5	7.5	7.3	
BOE Plan	8.5	12.8	8.0	8.4	6.6	N/A	7.0	07/01/2011
<i>BOE Blended Benchmark</i>	7.6	12.7	8.2	8.6	6.8	N/A	6.9	
OPEB Plan	9.4	12.4	8.2	9.1	7.2	N/A	7.8	01/01/2013
<i>OPEB Blended Benchmark</i>	9.6	12.6	8.4	9.2	7.3	N/A	7.9	
<u>Short Term Liquidity</u>								
Webster Cash	0.0	0.4	1.3	1.0	0.7	N/A	0.6	09/01/2012
<i>90 Day U.S. Treasury Bill</i>	0.0	0.7	1.6	1.2	0.9	N/A	0.7	
<u>Fixed Income</u>								
Vanguard Short Term Bond Adm	0.3 (73)	4.7 (11)	3.6 (11)	2.7 (28)	N/A	N/A	2.3 (21)	11/01/2014
<i>Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year</i>	0.3	4.7	3.7	2.8	N/A	N/A	2.4	
IM U.S. Short Term Investment Grade (MF) Median	0.7	3.0	2.7	2.3	N/A	N/A	1.9	
Vanguard Inflation-Protected Secs Adm	1.6 (65)	11.0 (26)	5.8 (25)	5.0 (26)	3.8 (14)	N/A	2.2 (21)	09/01/2012
<i>Bloomberg Barclays U.S. TIPS Index</i>	1.6	11.0	5.9	5.1	3.9	N/A	2.3	
IM U.S. TIPS (MF) Median	1.8	9.6	5.1	4.4	3.0	N/A	1.7	
Vanguard Total Bond Market Index Adm	0.7 (88)	7.7 (65)	5.4 (50)	4.5 (60)	4.1 (49)	N/A	3.2 (60)	09/01/2012
<i>Blmbg. Barc. U.S. Aggregate Index</i>	0.7	7.5	5.3	4.4	4.1	N/A	3.2	
IM U.S. Broad Market Core Fixed Income (MF) Median	1.4	8.2	5.4	4.6	4.1	N/A	3.3	
Metropolitan West Total Return Fund PI	1.3 (82)	9.2 (35)	6.1 (30)	4.9 (61)	4.4 (45)	N/A	4.1 (27)	09/01/2012
<i>Blmbg. Barc. U.S. Aggregate Index</i>	0.7	7.5	5.3	4.4	4.1	N/A	3.2	
IM U.S. Broad Market Core+ Fixed Income (MF) Median	2.0	8.5	5.6	5.1	4.3	N/A	3.7	
<u>Domestic Equity</u>								
Vanguard 500 Index Fund Adm	12.1 (48)	18.4 (40)	14.2 (30)	15.2 (20)	12.9 (17)	N/A	14.8 (19)	09/01/2012
<i>S&P 500 Index</i>	12.1	18.4	14.2	15.2	12.9	N/A	14.8	
IM U.S. Large Cap Core Equity (MF) Median	12.0	16.0	12.4	13.6	11.4	N/A	13.5	

Returns for periods less than one year are not annualized. Returns are net of fees unless otherwise noted.

Manager Performance Overview

As of December 31, 2020

	QTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Vanguard Extended Market Index Adm	27.4 (5)	32.2 (6)	15.3 (4)	16.0 (4)	11.8 (5)	N/A	14.9 (3)	01/01/2013
<i>S&P Completion Index</i>	27.4	32.2	15.2	15.9	11.7	N/A	14.8	
IM U.S. Mid Cap Core Equity (MF) Median	19.4	10.0	7.9	10.1	7.9	N/A	11.0	
Vanguard Explorer Value Inv	31.3 (23)	3.3 (57)	4.5 (18)	N/A	N/A	N/A	4.5 (18)	01/01/2018
<i>Russell 2500 Value Index</i>	28.5	4.9	4.3	N/A	N/A	N/A	4.3	
IM U.S. SMID Cap Value Equity (MF) Median	24.4	3.6	3.2	N/A	N/A	N/A	3.2	
ClearBridge Small Cap Growth IS	21.9 (96)	N/A	N/A	N/A	N/A	N/A	42.3 (51)	06/01/2020
<i>Russell 2000 Growth Index</i>	29.6	N/A	N/A	N/A	N/A	N/A	44.2	
IM U.S. Small Cap Growth Equity (MF) Median	27.0	N/A	N/A	N/A	N/A	N/A	42.5	
<u>International Equity</u>								
Vanguard Total International Stock Index Adm	16.9 (37)	11.3 (26)	5.0 (17)	9.1 (1)	5.1 (5)	N/A	7.3 (17)	09/01/2012
<i>FTSE Global All Cap ex US Spliced Index</i>	17.2	11.2	5.0	9.1	5.2	N/A	7.4	
IM International Large Cap Core Equity (MF) Median	16.1	8.5	4.2	6.7	3.2	N/A	6.2	
American Funds EuroPacific Growth R6	20.0 (28)	25.3 (8)	10.7 (7)	12.5 (1)	8.3 (1)	N/A	10.6 (1)	09/01/2012
<i>MSCI AC World ex USA (net)</i>	17.0	10.7	4.9	8.9	4.8	N/A	7.0	
IM International Large Cap Core Equity (MF) Median	16.1	8.5	4.2	6.7	3.2	N/A	6.2	
<u>Real Estate</u>								
Vanguard Real Estate Index Fund Adm	9.3 (49)	-4.7 (55)	5.0 (42)	5.7 (38)	8.4 (33)	N/A	7.6 (27)	01/01/2013
<i>Vanguard Spliced REIT Index</i>	9.3	-4.6	5.1	5.8	8.5	N/A	7.7	
IM Real Estate Sector (MF) Median	9.2	-4.2	4.7	5.0	7.9	N/A	6.8	

The inception date expressed on the Manager Performance Overview page(s) represents the first day of the first full month following the purchase of the investment. Performance figures shown at the fund level begin on this inception date. Inception dates for asset class composites reflect the start date at which these returns could be calculated using historical and existing system capabilities and may vary from the inception dates of underlying component strategies. Composite performance includes all funds held in the composite since inception.

Returns are net of fees unless otherwise stated. Mutual fund performance stated above may differ slightly from the current share class's historical performance due to share class exchanges.

Returns for periods less than one year are not annualized. Returns are net of fees unless otherwise noted.

Manager Commentary

As of December 31, 2020

Manager	Manager Status	Comments
Fixed Income		
Vanguard Short Term Bond Adm (VBIRX)	Maintain	In accordance with its objective, the Vanguard Short-Term Bond Index Fund sufficiently tracked its index during the quarter.
Vanguard Inflation-Protected Secs Adm (VAIPX)	Maintain	4Q 2020 - The fund returned produced a positive return during the quarter, in line with the Bloomberg Barclays US TIPS index. Inflation breakevens rose substantially during the quarter, riding on optimism over vaccine and stimulus prospects. (+) Tactical duration and curve positioning aided relative performance during the quarter. (-) Allocations to nominal Treasuries detracted as inflation expectations moved higher in the period.
Vanguard Total Bond Market Index Adm (VBTLX)	Maintain	In accordance with its objective, the Vanguard Total Bond Market Index Fund sufficiently tracked its index during the quarter.
Metropolitan West Total Return Fund PI (MWTSX)	Maintain	4Q 2020 – The fixed income strategy produced a positive return during the fourth quarter and outperformed the Bloomberg Barclays U.S. Aggregate Bond Index. Fixed income markets produced a positive return for the period driven primarily by spread sectors. The yield of the 10-year U.S. Treasury moved higher during the period, ending the year at 0.93%. The team at MetWest continues to have a cautious view on the market. As such, the team continued to trim the corporate exposure during the quarter, taking profits on the back of tightening credit spreads. The portfolio remains underweight corporate credit duration and maintains a modest allocation to high yield. The portfolio is underweight duration as rates remain near all-time lows. (+) Issue selection had the largest positive impact on relative results in the period, with favorable performance within corporates and securitized. (+) An underweight to government bonds contributed to returns. (+) A lower duration profile relative to the benchmark was beneficial in the rising interest rate environment. (-) An underweight allocation to corporate bonds detracted from relative results.
Domestic Equity		
Vanguard 500 Index Fund Adm (VFIAX)	Maintain	In accordance with its objective, the Vanguard 500 Index Fund sufficiently tracked its index during the quarter.
Vanguard Extended Market Index Adm (VEXAX)	Maintain	In accordance with its objective, the Vanguard Extended Market Index Fund sufficiently tracked its index during the quarter.

Manager Commentary

As of December 31, 2020

Manager	Manager Status	Comments
Vanguard Explorer Value Inv (VEVFX)	Maintain	<p>4Q 2020 - The Strategy gained during the quarter and outperformed the Russell 2500 Value Index. U.S. equities produced strong absolute returns during the period. Value-oriented segments of the market outperformed growth and small cap stocks outperformed large caps. Within the Index, energy and technology led while the utilities and healthcare sectors lagged during the period.</p> <p>(+) Beneficial stock selection in financials was the principal contributor to performance (+2.6%) during the fourth quarter.</p> <p>(+) Stock selection in consumer discretionary was also positive adding another 0.7% over the quarter.</p> <p>(+) Stock selection in industrials enhanced performance (+0.6%) during the quarter as well.</p> <p>(-) Over the past four quarters, stock selection in materials (-1.4%) and sector selection in health care (-0.7%) were the biggest drags on performance.</p> <p>(+) During the 3-year period, good stock selection in consumer discretionary was the greatest performance contributor (+0.5%).</p>
ClearBridge Small Cap Growth IS (LMOIX)	Maintain	<p>4Q 2020 - The Strategy gained during the quarter and underperformed the Russell 2000 Growth Index. U.S. equities produced strong absolute returns during the period. Value-oriented segments of the market outperformed growth and small cap stocks outperformed large caps. Within the Index, energy and technology led while the consumer staples and real estate sectors lagged during the period.</p> <p>(-) Poor stock selection in health care had the most harmful performance impact (-4.1%) throughout the fourth quarter.</p> <p>(-) Stock selection in information technology also hindered performance -3% during the most recent quarterly period.</p> <p>(-) Stock selection in consumer staples had a negative performance impact (-1.3%) during the quarterly period as well.</p> <p>(+) During the past 12 months, beneficial stock selection in information technology (+5.8%) and in financials (+1.4%) had the two largest positive impacts on performance.</p> <p>(+) During the 3-year period, favorable stock selection in information technology (+4.8%) and in industrials (+1.7%) were the biggest boosts for performance.</p> <p>As of 12/31/2020, the three biggest sector overweights (versus the Russell 2000 Growth Index) were in information technology (+8%), consumer staples (+3%), and financials (+2%). The three principal underweights were in health care (-8%), consumer discretionary (-4%), and utilities (-2%). The position in cash was 0.9%.</p>
International Equity		
Vanguard Total International Stock Index Adm (VTIAX)	Maintain	In accordance with its investment objective, the Vanguard Total International Stock Index sufficiently tracked its index, the FTSE Global All Cap ex-US Index, during the quarter with some tracking error due to the impact of fair value pricing.

Manager Commentary

As of December 31, 2020

Manager	Manager Status	Comments
American Funds EuroPacific Growth R6 (RERGX)	Maintain	<p>4Q 2020 - The Portfolio gained during the quarter and outperformed the MSCI ACWI Ex USA Index. Both developed foreign and emerging market stocks posted strong returns during the quarter. More broadly, value-oriented segments of the market outperformed growth and small cap stocks beat large caps. Regionally, South Korea and Brazil were among the strongest performers within the MSCI ACWI ex US Index.</p> <p>(+) Good stock selection in health care was the most important positive performance factor (+1.4%) in the fourth quarter period.</p> <p>(+) Stock selection in consumer discretionary was also favorable adding another 0.9% for the most recent calendar year quarter.</p> <p>(+) An overweight in Brazil enhanced performance (+0.6%) during the quarter as well.</p> <p>(+) Over the past year, favorable stock selection in Japan (+4.2%) and in consumer discretionary (+3.1%) had the two largest positive impacts on performance.</p> <p>(+) For the past 3 years, effective stock selection in Japan (+2.2%) and in consumer discretionary (+1.7%) were the greatest performance contributors.</p> <p>As of 12/31/2020, the three main sector and or country overweights (versus the MSCI ACWI Ex USA Index) were in India (+5%), Brazil (+5%), and health care (+4%). The three chief underweights were in consumer staples (-4%), financials (-4%), and South Korea (-3%). The allocation to cash was 3%.</p>
Real Estate		
Vanguard Real Estate Index Fund Adm (VGSLX)	Maintain	In accordance with its objective, the Vanguard Real Estate Index Fund sufficiently tracked its index during the quarter.

Estimated Fee Analysis - Town

As of December 31, 2020

Manager	Current Target %	Fee Schedule
Vanguard Short Term Bond Adm	5.0%	0.07%
Vanguard Inflation-Protected Secs Adm	5.0%	0.10%
Vanguard Total Bond Market Index Adm	14.8%	0.05%
Metropolitan West Total Return Fund PI	14.8%	0.38%
Vanguard 500 Index Fund Adm	26.0%	0.04%
Vanguard Explorer Value Inv	5.0%	0.64%
ClearBridge Small Cap Growth IS	5.0%	0.78%
Vanguard Total International Stock Index Adm	12.3%	0.11%
American Funds EuroPacific Growth R6	12.3%	0.46%
Weighted Average Investment Management Fee		0.22%

DISCLOSURE: The figures on this page have been obtained from sources we deem to be reliable, including Morningstar. DiMeo Schneider & Associates has not independently verified this information.

Estimated Fee Analysis - BOE

As of December 31, 2020

Manager	Current Target %	Fee Schedule
Vanguard Short Term Bond Adm	7.0%	0.07%
Vanguard Inflation-Protected Secs Adm	7.0%	0.10%
Vanguard Total Bond Market Index Adm	19.8%	0.05%
Metropolitan West Total Return Fund Pl	19.8%	0.38%
Vanguard 500 Index Fund Adm	20.5%	0.04%
Vanguard Explorer Value Inv	4.0%	0.64%
ClearBridge Small Cap Growth IS	4.0%	0.78%
Vanguard Total International Stock Index Adm	9.0%	0.11%
American Funds EuroPacific Growth R6	9.0%	0.46%
Weighted Average Investment Management Fee		0.21%

DISCLOSURE: The figures on this page have been obtained from sources we deem to be reliable, including Morningstar. DiMeo Schneider & Associates has not independently verified this information.

Estimated Fee Analysis - OPEB

As of December 31, 2020

Manager	Current Target %	Fee Schedule
Vanguard Inflation-Protected Secs Adm	10.0%	0.10%
Vanguard Total Bond Market Index Adm	30.0%	0.05%
Vanguard 500 Index Fund Adm	25.0%	0.04%
Vanguard Extended Market Index Adm	5.0%	0.06%
Vanguard Total International Stock Adm	25.0%	0.11%
Vanguard Real Estate Index Fund Adm	5.0%	0.12%
Weighted Average Investment Management Fee		0.07%

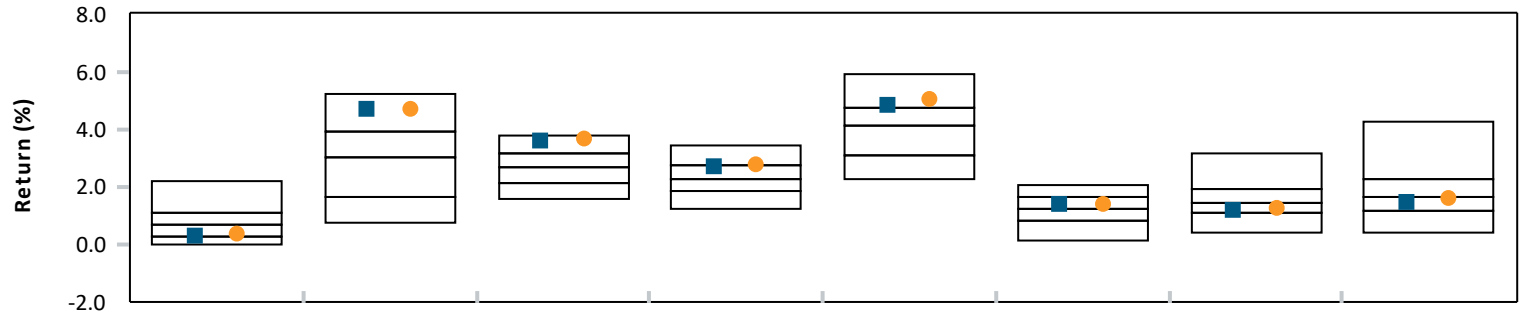
DISCLOSURE: The figures on this page have been obtained from sources we deem to be reliable, including Morningstar. DiMeo Schneider & Associates has not independently verified this information.

Manager Evaluation

Vanguard Short Term Bond Adm

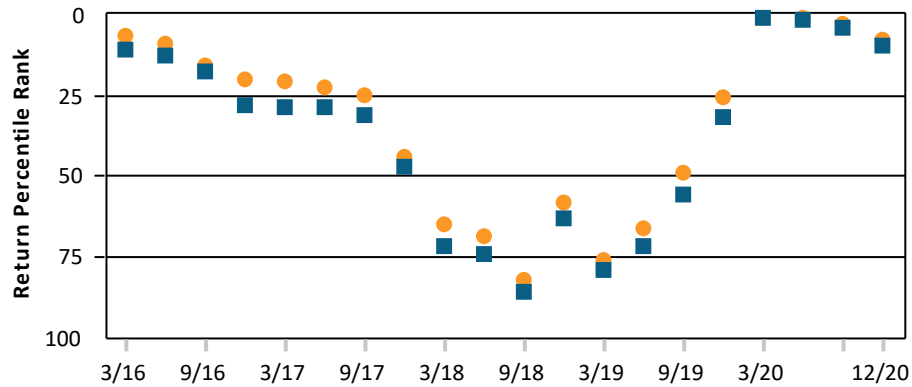
As of December 31, 2020

Peer Group Analysis vs. IM U.S. Short Term Investment Grade (MF)



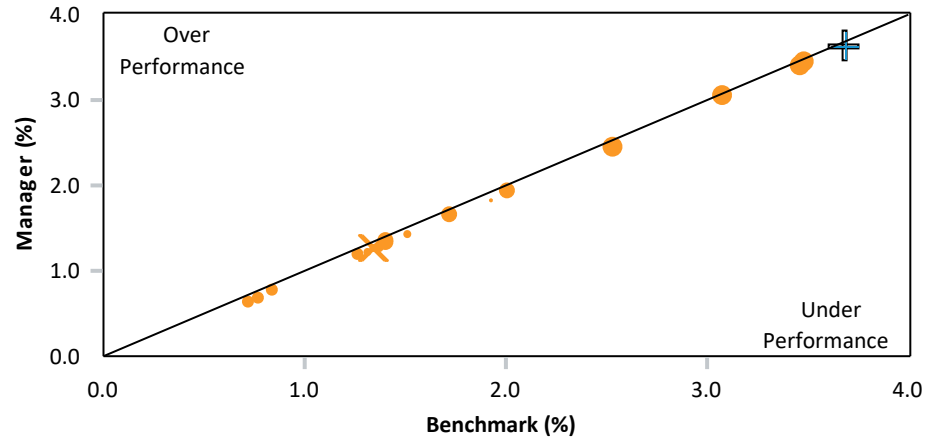
	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
■ Vanguard Short Term Bond Adm	0.3 (73)	4.7 (11)	3.6 (10)	2.7 (28)	4.9 (23)	1.3 (43)	1.2 (73)	1.5 (62)
● Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year	0.3 (69)	4.7 (11)	3.7 (8)	2.8 (23)	5.0 (18)	1.4 (41)	1.3 (67)	1.6 (56)
5th Percentile	2.2	5.3	3.8	3.4	5.9	2.1	3.2	4.3
1st Quartile	1.1	3.9	3.2	2.7	4.8	1.6	1.9	2.3
Median	0.7	3.0	2.7	2.3	4.1	1.2	1.5	1.7
3rd Quartile	0.3	1.6	2.1	1.8	3.1	0.8	1.1	1.2
95th Percentile	0.0	0.7	1.6	1.2	2.3	0.1	0.4	0.4

3 Year Rolling Percentile Ranking vs. IM U.S. Short Term Investment Grade (MF)



■ Vanguard Short Term Bond Adm
 ● Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year

3 Year Rolling Under/Over Performance vs. Blmbg. Barc. U.S. Gov/Credit Float Adj: 1



● Under Performance X Mar-2016 + Dec-2020

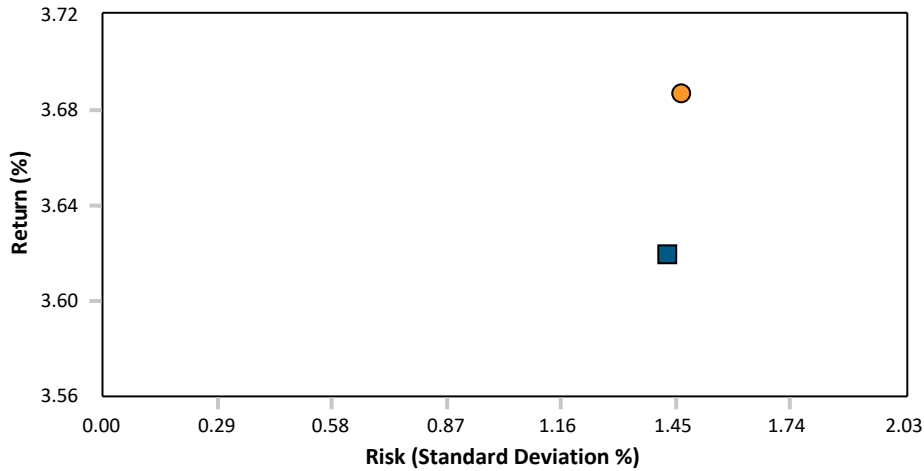
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard Short Term Bond Adm

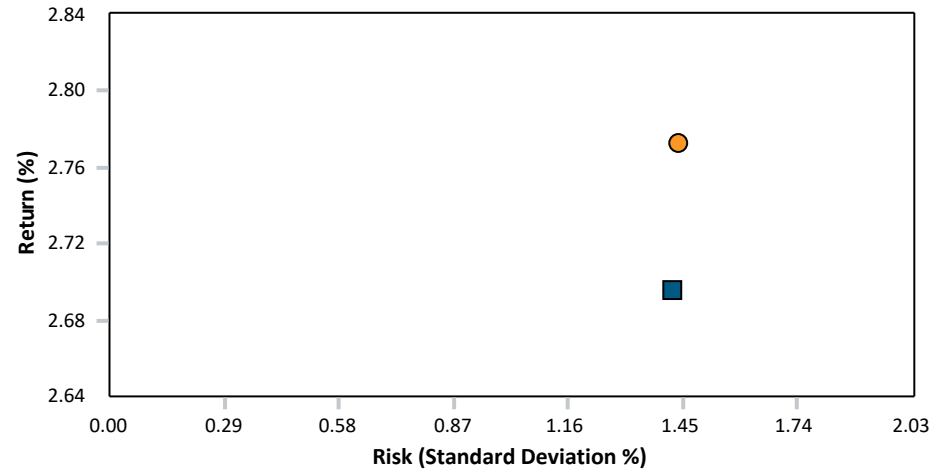
As of December 31, 2020

3 Year Risk and Return



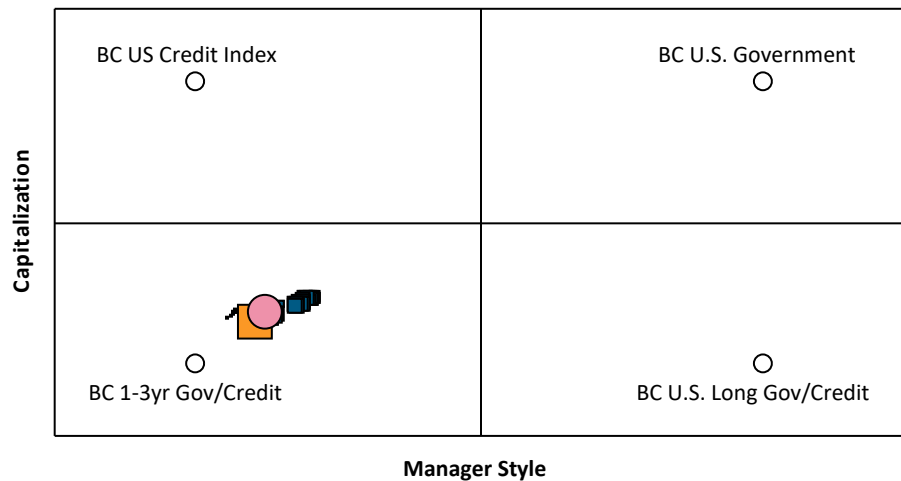
- Vanguard Short Term Bond Adm
- Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year

5 Year Risk and Return



- Vanguard Short Term Bond Adm
- Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year

Style Map - 3 Years



- Style History
- Dec-2020
- Average Style Exposure

MPT Statistics vs. Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year

	3 Years	5 Years
Return	3.6	2.7
Standard Deviation	1.4	1.4
vs. Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year		
Alpha	0.1	0.0
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	50.0	45.0
Up Market Capture	96.3	97.1
Down Market Capture	83.5	96.4
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	1.4	1.1

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard Short Term Bond Adm

Report Date December 31, 2020

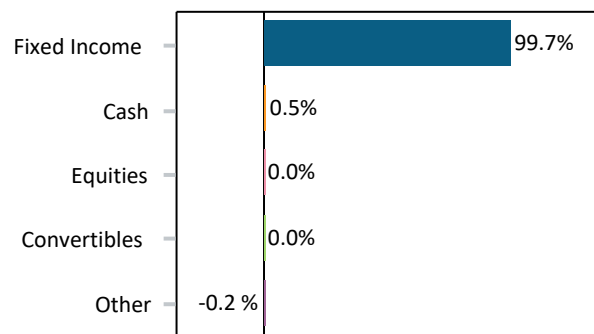
Mutual Fund Information

Fund Name :	Vanguard Bond Index Funds: Vanguard Short-Term Bond Index Fund; Admiral Shares	Portfolio Assets :	\$63,191 Million
Fund Family :	Vanguard Group Inc	Fund Assets :	\$17,915 Million
Ticker :	VBIRX	Portfolio Manager :	Joshua C. Barrickman
Inception Date :	11/12/2001	PM Tenure :	2013
Portfolio Turnover :	44%		

Fund Investment Policy

The Fund seeks to track the performance of a market-weighted bond index with a short-term dollar-weighted average maturity. The Fund employs an indexing investment approach designed to track the performance of the Barclays Capital U.S. 1-5 Year Government/ Credit Float Adjusted Index.

Asset Allocation as of 06/30/20



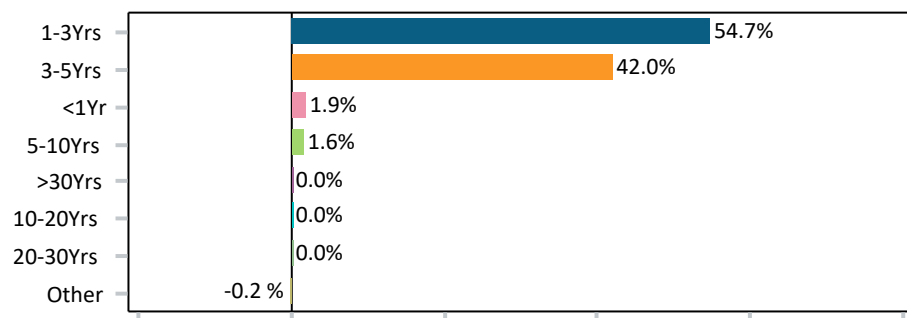
Top 10 Securities as of 06/30/20

Treasury Notes/Bonds	61.3 %
Corporate Notes/Bonds	31.8 %
Government Agency Securities	4.6 %
US\$ Denominated Fgn. Gvt.	2.1 %
Fgn. Currency Denominated Bonds	0.0%

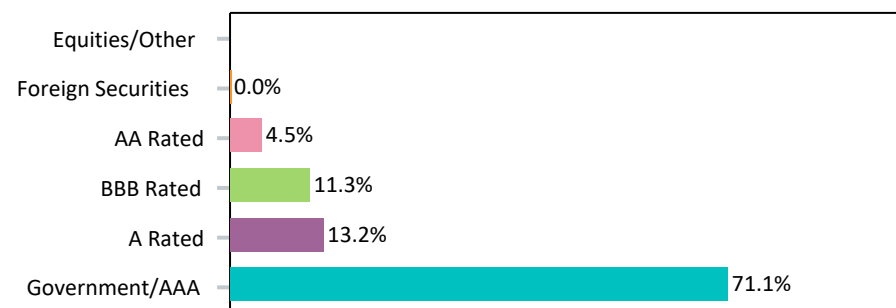
Fixed Income Characteristics as of 06/30/20

Avg. Coupon	2.28 %
Nominal Maturity	N/A
Effective Maturity	2.87 Years
Duration	2.75 Years
SEC 30 Day Yield	1.0
Avg. Credit Quality	AA

Maturity Distribution as of 06/30/20



Quality Allocation as of 06/30/20



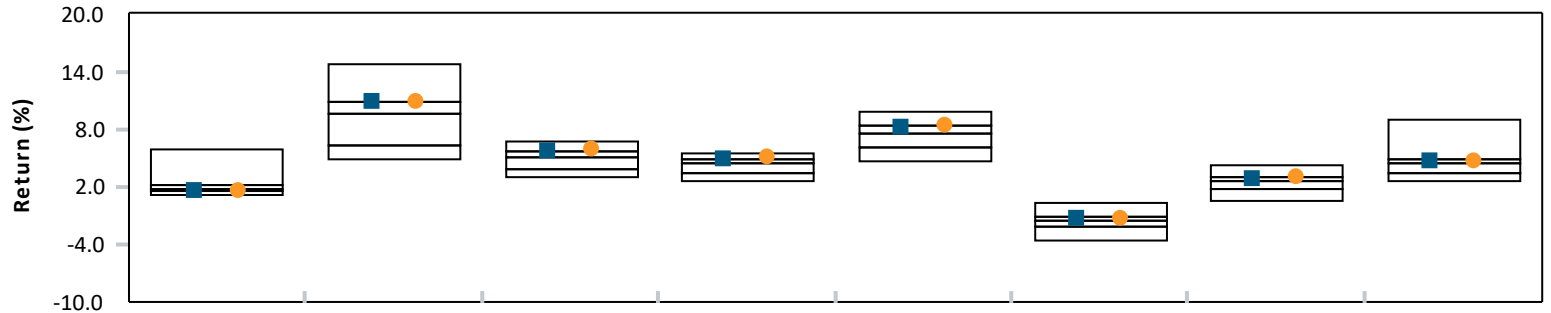
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard Inflation Protected Securities Adm

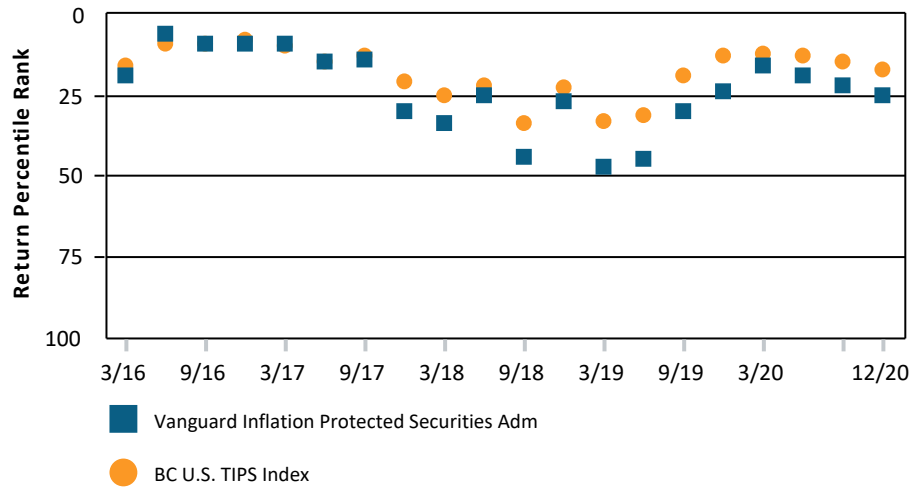
As of December 31, 2020

Peer Group Analysis vs. IM U.S. TIPS (MF)

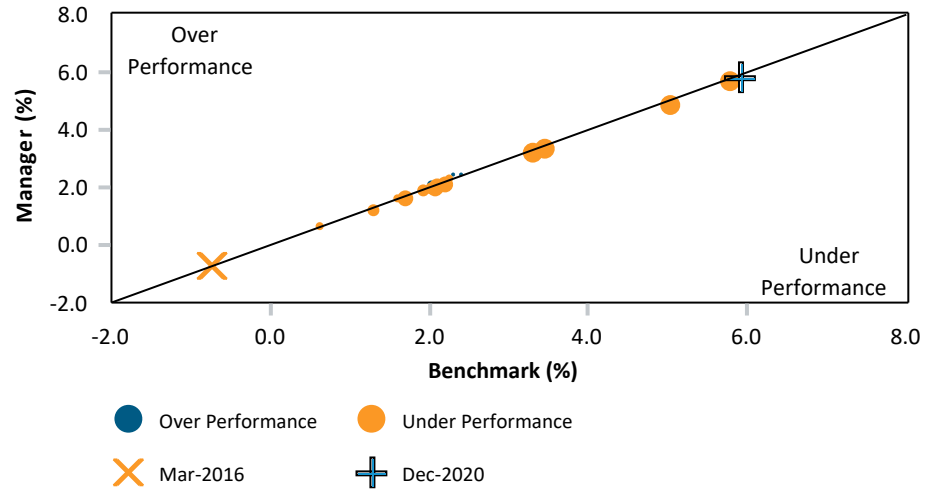


	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
■ Vanguard Inflation Protected Securities Adm	1.6 (65)	11.0 (26)	5.8 (25)	5.0 (26)	8.2 (32)	-1.4 (43)	2.9 (35)	4.6 (40)
● BC U.S. TIPS Index	1.6 (64)	11.0 (25)	5.9 (17)	5.1 (19)	8.4 (19)	-1.3 (35)	3.0 (30)	4.7 (37)
5th Percentile	5.9	14.8	6.8	5.5	9.9	0.4	4.2	9.1
1st Quartile	2.2	11.0	5.7	5.0	8.3	-1.0	3.1	5.0
Median	1.8	9.6	5.1	4.4	7.5	-1.6	2.6	4.4
3rd Quartile	1.5	6.4	3.8	3.5	6.1	-2.2	1.7	3.6
95th Percentile	1.3	4.9	3.0	2.6	4.6	-3.5	0.6	2.5

3 Year Rolling Percentile Ranking vs. IM U.S. TIPS (MF)



3 Year Rolling Under/Over Performance vs. Bloomberg Barclays U.S. TIPS Index



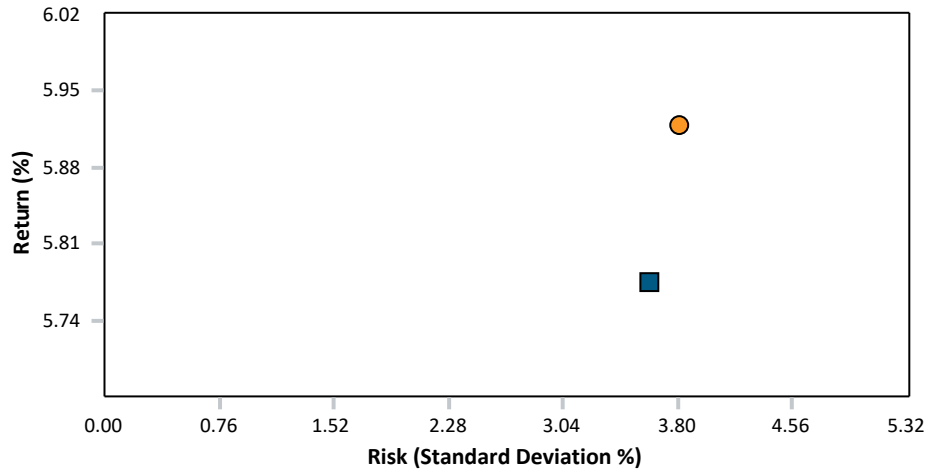
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard Inflation Protected Securities Adm

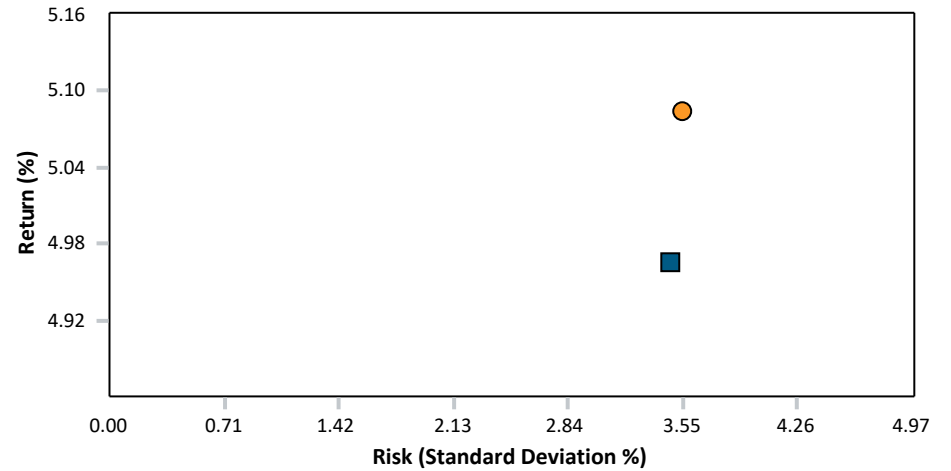
As of December 31, 2020

3 Year Risk and Return



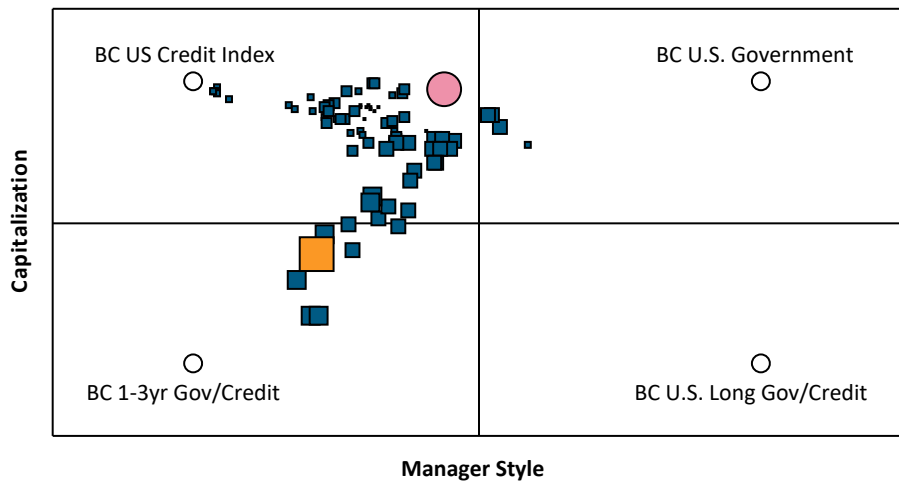
- Vanguard Inflation Protected Securities Adm
- BC U.S. TIPS Index

5 Year Risk and Return



- Vanguard Inflation Protected Securities Adm
- BC U.S. TIPS Index

Style Map - 3 Years



- Style History
- Dec-2020
- Average Style Exposure

MPT Statistics vs. BC U.S. TIPS Index

	3 Years	5 Years
Return	5.8	5.0
Standard Deviation	3.6	3.5
vs. BC U.S. TIPS Index		
Alpha	0.2	0.0
Beta	0.9	1.0
R-Squared	1.0	1.0
Consistency	47.2	48.3
Up Market Capture	96.0	97.3
Down Market Capture	93.1	96.7
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	1.1	1.1

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard Inflation Protected Securities Adm

Report Date December 31, 2020

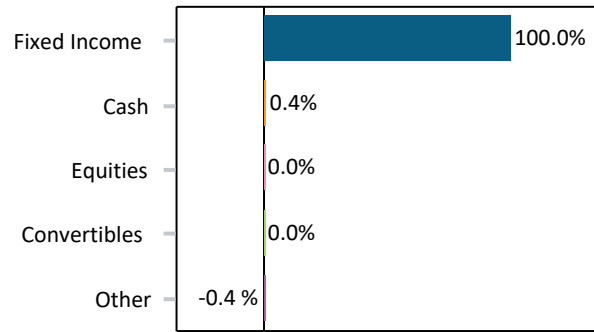
Mutual Fund Information

Fund Name :	Vanguard Bond Index Funds: Vanguard Inflation-Protected Securities Portfolio Assets :	\$32,663 Million
	Fund; Admiral Shares	
Fund Family :	Vanguard Group Inc	Fund Assets :
		\$17,002 Million
Ticker :	VAIPX	Portfolio Manager :
		Gemma Wright-Casparius
Inception Date :	06/10/2005	PM Tenure :
		2011
Portfolio Turnover :	26%	

Fund Investment Policy

The Fund seeks to provide investors inflation protection and income, consistent with investment in inflation-indexed securities. The Fund invests at least 80% of its assets in inflation-indexed bonds issued by the U.S. government, its agencies and instrumentalities, and corporations.

Asset Allocation as of 06/30/20



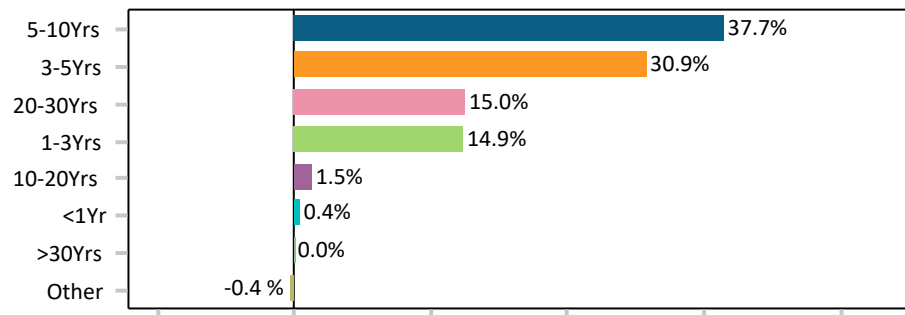
Top 10 Securities as of 06/30/20

Treasury Notes/Bonds	100.0%
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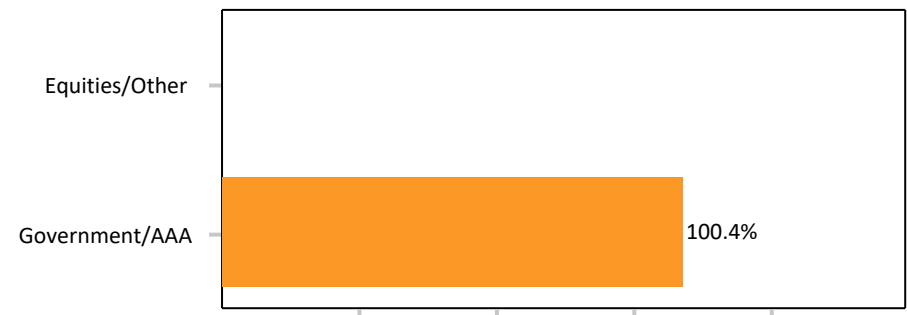
Fixed Income Characteristics as of 06/30/20

Avg. Coupon	0.68%
Nominal Maturity	N/A
Effective Maturity	8.35 Years
Duration	7.55 Years
SEC 30 Day Yield	0.6
Avg. Credit Quality	AAA

Maturity Distribution as of 06/30/20



Quality Allocation as of 06/30/20

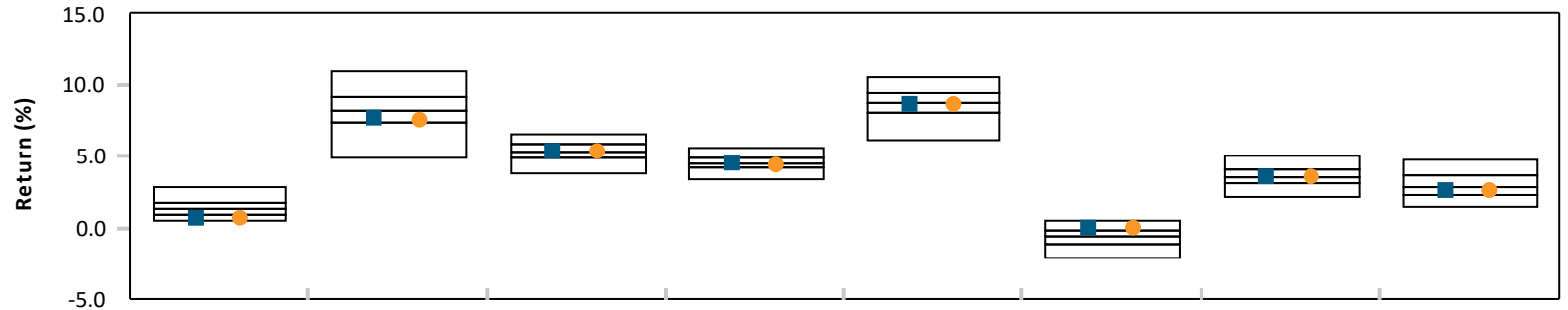


Manager Evaluation

Vanguard Total Bond Market Index Adm

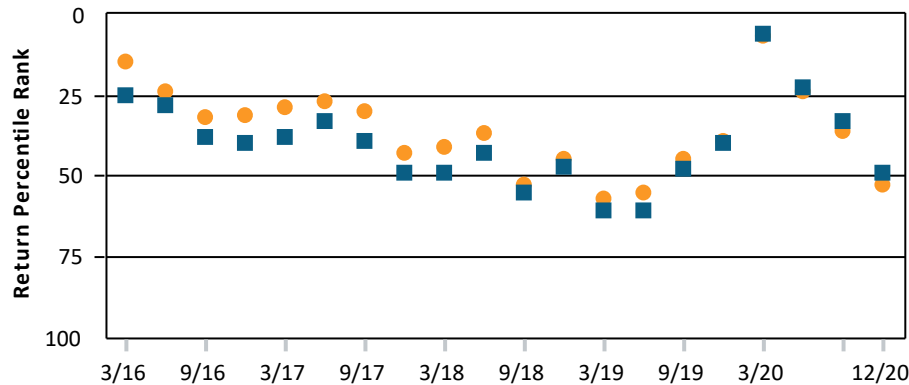
As of December 31, 2020

Peer Group Analysis vs. IM U.S. Broad Market Core Fixed Income (MF)



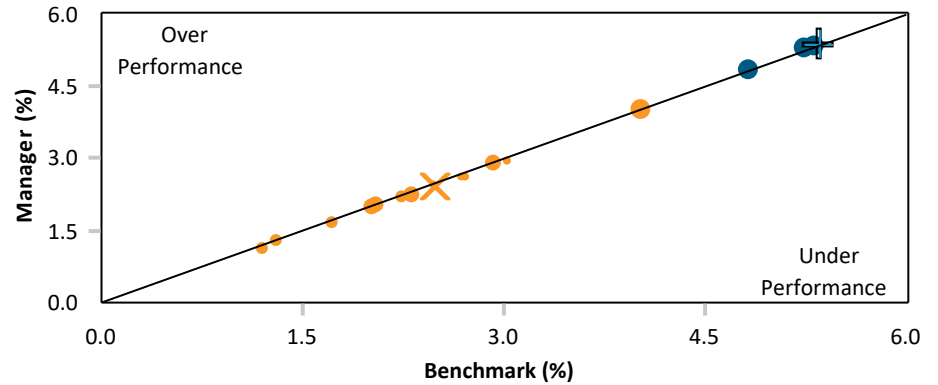
	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
■ Vanguard Total Bond Market Index Adm	0.7 (88)	7.7 (65)	5.4 (49)	4.5 (59)	8.7 (53)	0.0 (20)	3.6 (53)	2.6 (63)
● Blmbg. Barc. U.S. Aggregate Index	0.7 (88)	7.5 (72)	5.3 (53)	4.4 (61)	8.7 (53)	0.0 (18)	3.5 (54)	2.6 (61)
5th Percentile	2.9	10.9	6.6	5.6	10.6	0.6	5.0	4.8
1st Quartile	1.8	9.1	5.8	5.0	9.5	-0.2	4.1	3.7
Median	1.4	8.2	5.4	4.6	8.8	-0.6	3.6	2.9
3rd Quartile	1.0	7.4	5.0	4.2	8.1	-1.1	3.1	2.4
95th Percentile	0.5	4.9	3.8	3.4	6.2	-2.1	2.1	1.5

3 Year Rolling Percentile Ranking vs. IM U.S. Broad Market Core Fixed Income (MF)



■ Vanguard Total Bond Market Index Adm
● Blmbg. Barc. U.S. Aggregate Index

3 Year Rolling Under/Over Performance vs. Blmbg. Barc. U.S. Aggregate Index



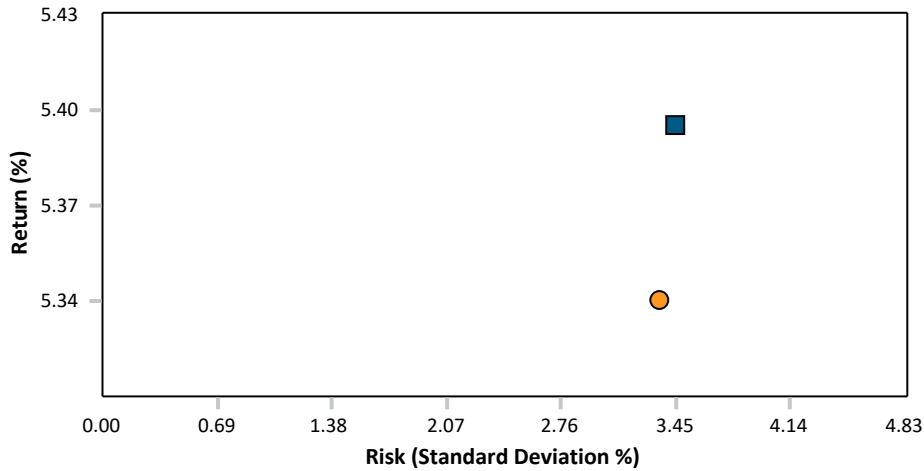
● Over Performance ● Under Performance
X Mar-2016 + Dec-2020

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

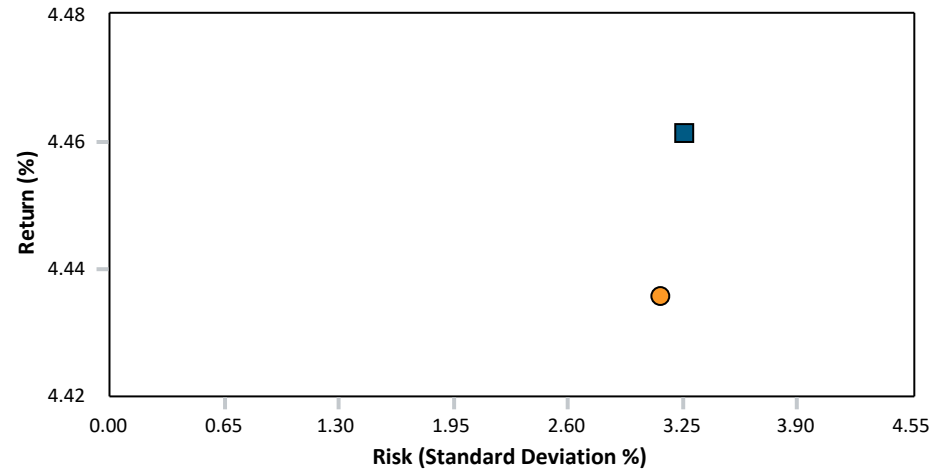
Vanguard Total Bond Market Index Adm
As of December 31, 2020

3 Year Risk and Return



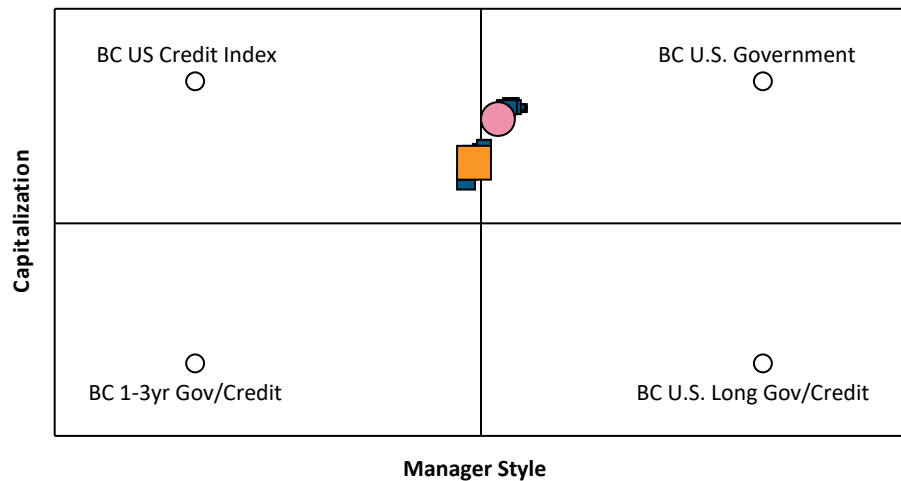
- Vanguard Total Bond Market Index Adm
- Blmbg. Barc. U.S. Aggregate Index

5 Year Risk and Return



- Vanguard Total Bond Market Index Adm
- Blmbg. Barc. U.S. Aggregate Index

Style Map - 3 Years



- Style History
- Dec-2020
- Average Style Exposure

MPT Statistics vs. Blmbg. Barc. U.S. Aggregate Index

	3 Years	5 Years
Return	5.4	4.5
Standard Deviation	3.4	3.3
vs. Blmbg. Barc. U.S. Aggregate Index		
Alpha	-0.1	-0.1
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	52.8	46.7
Up Market Capture	101.1	101.7
Down Market Capture	101.2	103.9
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	1.1	1.0

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard Total Bond Market Index Adm

Report Date December 31, 2020

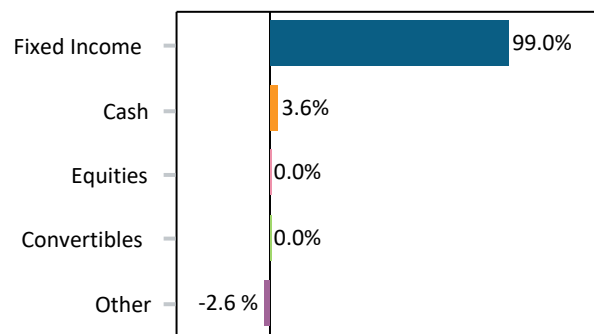
Mutual Fund Information

Fund Name :	Vanguard Bond Index Funds: Vanguard Total Bond Market Index Fund; Admiral Shares	Portfolio Assets :	\$294,665 Million
Fund Family :	Vanguard Group Inc	Fund Assets :	\$119,402 Million
Ticker :	VBTLX	Portfolio Manager :	Joshua C. Barrickman
Inception Date :	11/12/2001	PM Tenure :	2013
Portfolio Turnover :	31%		

Fund Investment Policy

The Fund seeks to track the performance of a broad, market-weighted bond index.

Asset Allocation as of 06/30/20



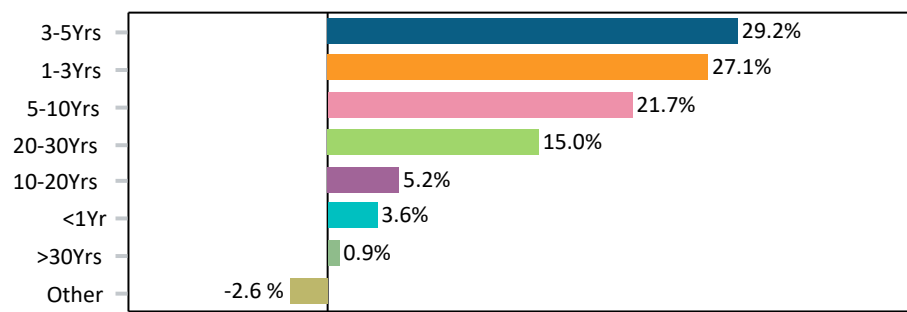
Top 10 Securities as of 06/30/20

Treasury Notes/Bonds	39.3 %
Corporate Notes/Bonds	31.9 %
GNMA and Other Mtg Backed	24.0 %
Government Agency Securities	2.4 %
US\$ Denominated Fgn. Gvt.	1.0 %
Asset Backed Securities	0.4 %
Fgn. Currency Denominated Bonds	0.0%

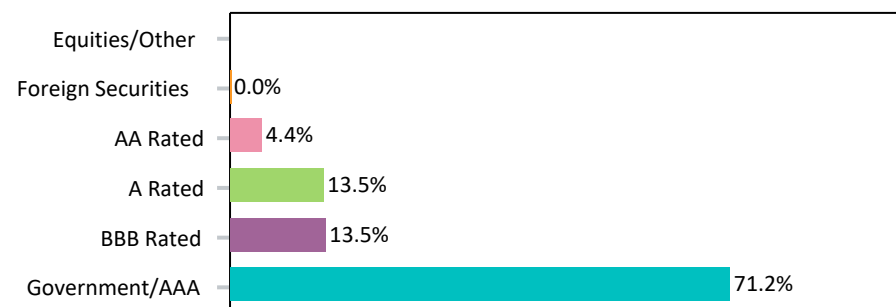
Fixed Income Characteristics as of 06/30/20

Avg. Coupon	3.14 %
Nominal Maturity	N/A
Effective Maturity	8.28 Years
Duration	6.23 Years
SEC 30 Day Yield	2.7
Avg. Credit Quality	AA

Maturity Distribution as of 06/30/20



Quality Allocation as of 06/30/20



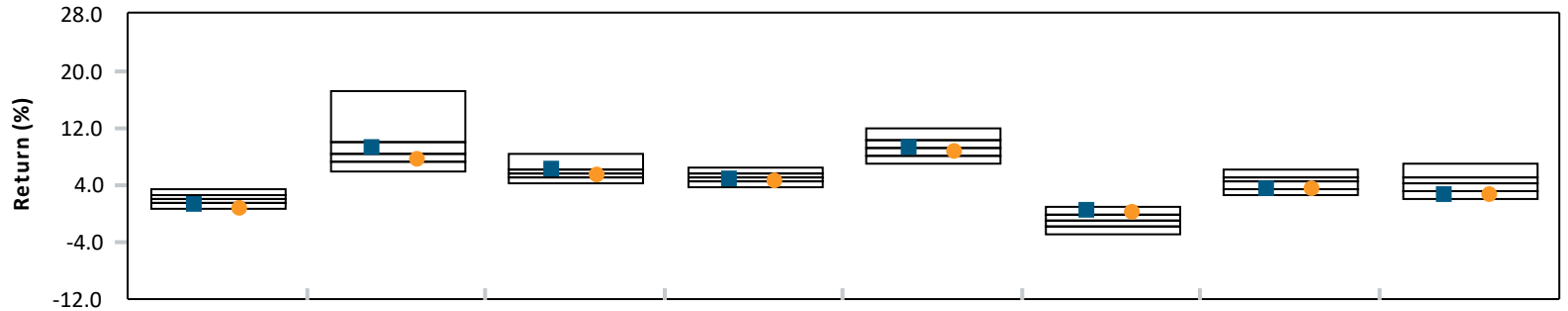
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Metropolitan West Total Return Bond PI

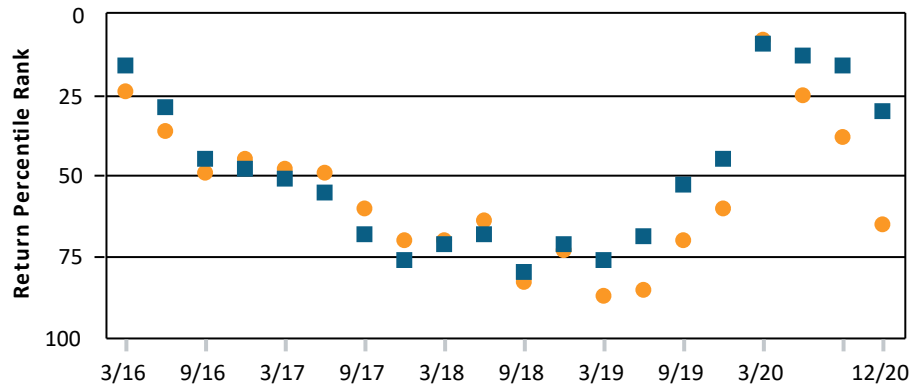
As of December 31, 2020

Peer Group Analysis vs. IM U.S. Broad Market Core+ Fixed Income (MF)



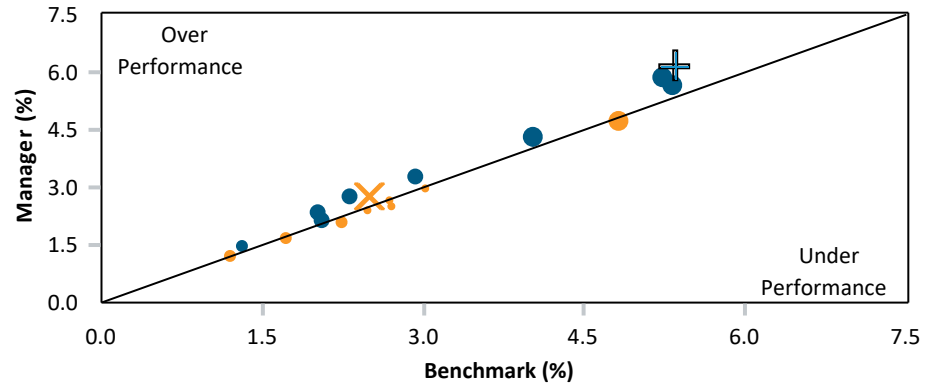
	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
■ Metropolitan West Total Return Bond PI	1.3 (82)	9.2 (35)	6.1 (30)	4.9 (60)	9.2 (54)	0.3 (12)	3.5 (78)	2.6 (86)
● Blmbg. Barc. U.S. Aggregate Index	0.7 (94)	7.5 (73)	5.3 (65)	4.4 (79)	8.7 (64)	0.0 (20)	3.5 (77)	2.6 (83)
5th Percentile	3.4	17.2	8.3	6.4	12.0	0.8	6.3	7.2
1st Quartile	2.5	9.9	6.2	5.6	10.4	-0.3	5.2	5.1
Median	2.0	8.5	5.6	5.1	9.3	-0.9	4.5	4.2
3rd Quartile	1.4	7.4	5.1	4.6	8.3	-1.7	3.6	3.0
95th Percentile	0.6	5.9	4.2	3.8	7.0	-2.8	2.7	1.9

3 Year Rolling Percentile Ranking vs. IM U.S. Broad Market Core+ Fixed Income (MF)



■ Metropolitan West Total Return Bond PI
● Blmbg. Barc. U.S. Aggregate Index

3 Year Rolling Under/Over Performance vs. Blmbg. Barc. U.S. Aggregate Index



● Over Performance ● Under Performance
X Mar-2016 + Dec-2020

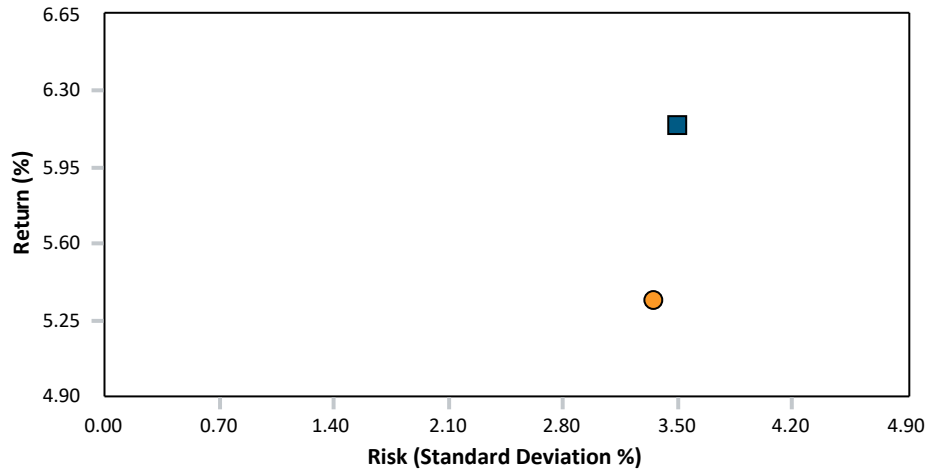
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Metropolitan West Total Return Bond PI

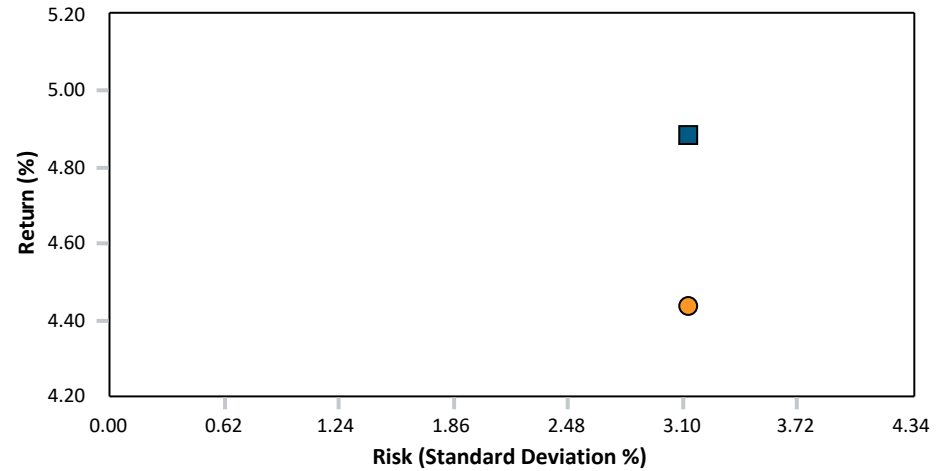
As of December 31, 2020

3 Year Risk and Return



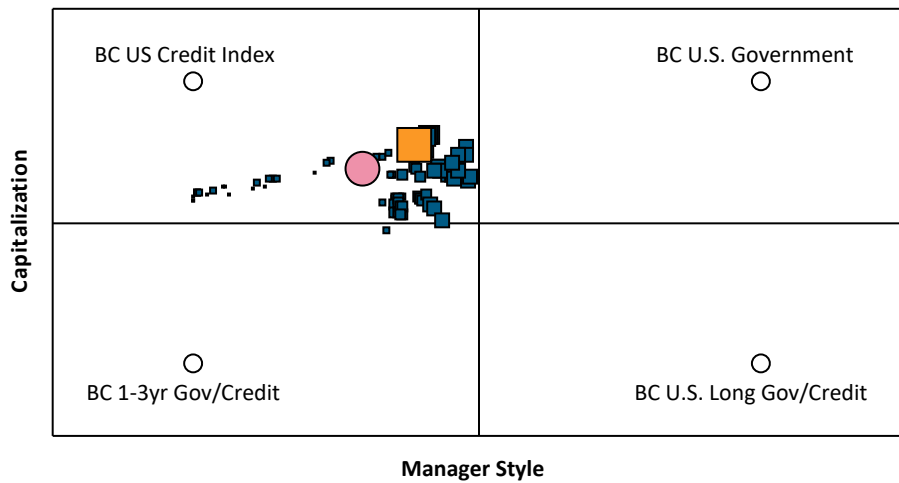
- Metropolitan West Total Return Bond PI
- Blmbg. Barc. U.S. Aggregate Index

5 Year Risk and Return



- Metropolitan West Total Return Bond PI
- Blmbg. Barc. U.S. Aggregate Index

Style Map - 3 Years



- Style History
- Dec-2020
- Average Style Exposure

MPT Statistics vs. Blmbg. Barc. U.S. Aggregate Index

	3 Years	5 Years
Return	6.1	4.9
Standard Deviation	3.5	3.1
vs. Blmbg. Barc. U.S. Aggregate Index		
Alpha	0.6	0.5
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	66.7	58.3
Up Market Capture	108.7	102.8
Down Market Capture	95.4	88.9
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	1.3	1.2

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Metropolitan West Total Return Bond PI

Report Date December 31, 2020

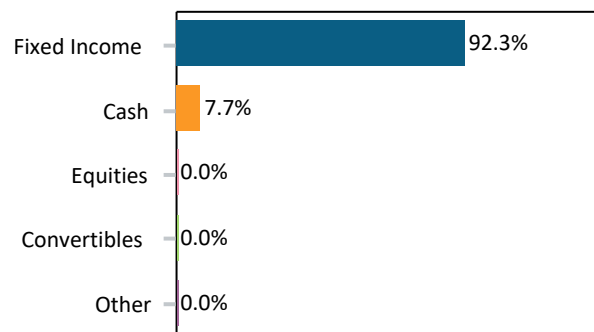
Mutual Fund Information

Fund Name :	Metropolitan West Funds: MetWest Total Return Bond Fund; Plan Class Shares	Portfolio Assets :	\$89,354 Million
Fund Family :	Metropolitan West Asset Management LLC	Fund Assets :	\$25,703 Million
Ticker :	MWTSX	Portfolio Manager :	Team Managed
Inception Date :	07/29/2011	PM Tenure :	
Portfolio Turnover :	405%		

Fund Investment Policy

The Fund seeks to maximize long-term total return. The Fund invests at least 80% of its net assets in investment grade fixed income securities or unrated securities that are determined by the Adviser to be of similar quality. Up to 20% of the Funds net assets may be invested in securities rated below investment grade.

Asset Allocation as of 06/30/20



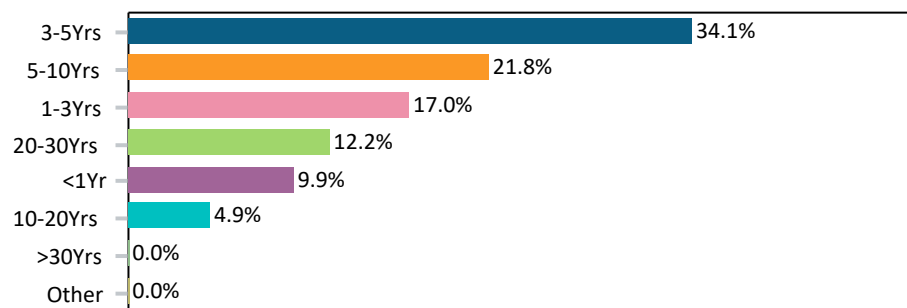
Top 10 Securities as of 06/30/20

GNMA and Other Mtg Backed	42.4 %
Corporate Notes/Bonds	31.2 %
Government Agency Securities	14.9 %
Asset Backed Securities	3.9 %

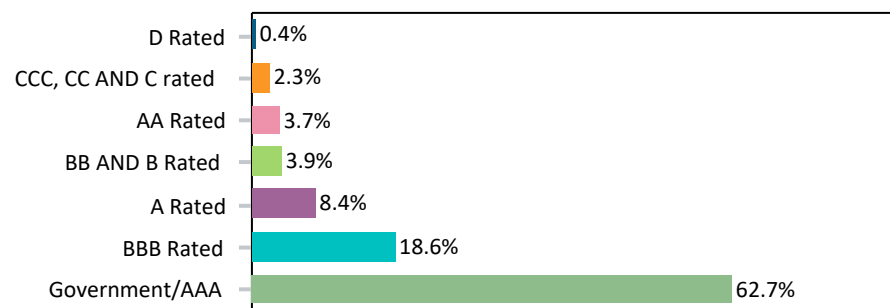
Fixed Income Characteristics as of 06/30/20

Avg. Coupon	2.60 %
Nominal Maturity	7.59 Years
Effective Maturity	N/A
Duration	5.40 Years
SEC 30 Day Yield	N/A
Avg. Credit Quality	AA

Maturity Distribution as of 06/30/20



Quality Allocation as of 06/30/20



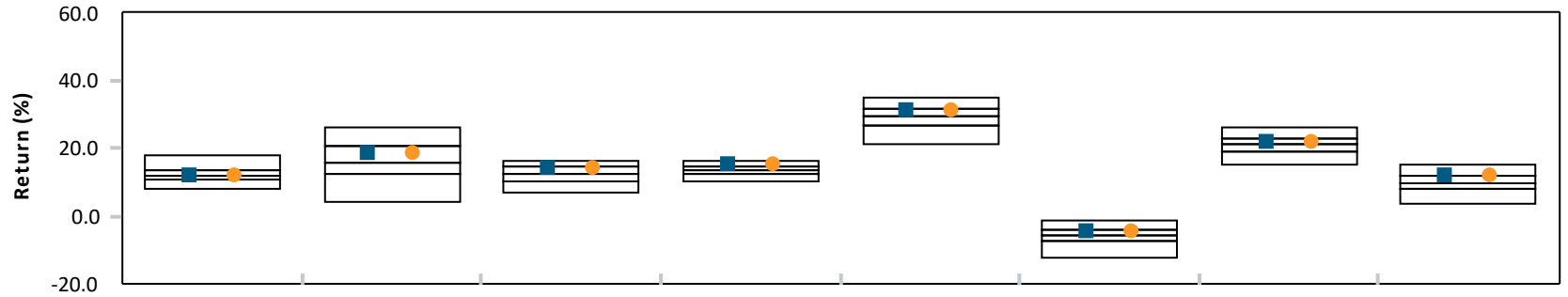
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard 500 Index Fund Adm

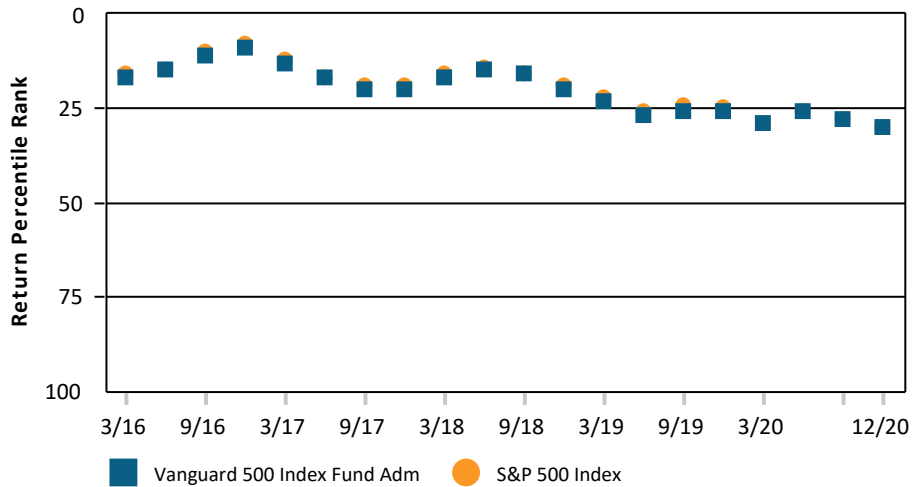
As of December 31, 2020

Peer Group Analysis vs. IM U.S. Large Cap Core Equity (MF)

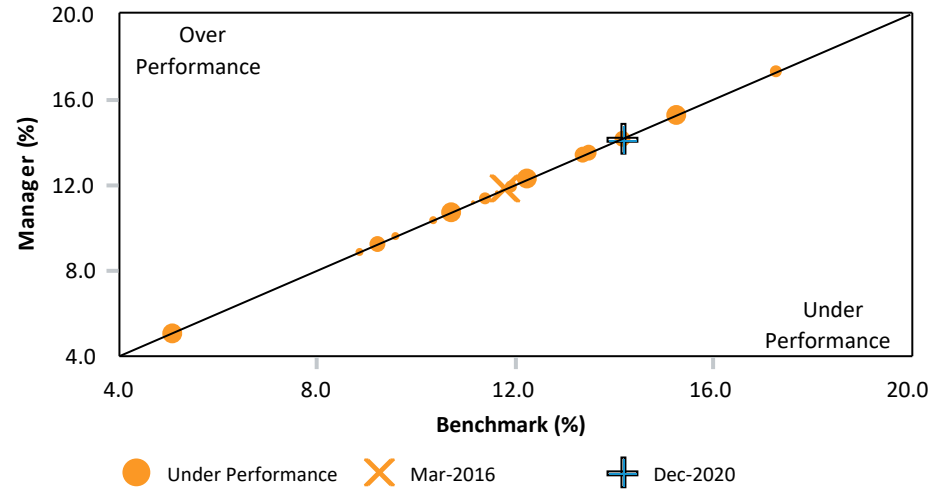


	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
■ Vanguard 500 Index Fund Adm	12.1 (48)	18.4 (40)	14.1 (30)	15.2 (20)	31.5 (30)	-4.4 (31)	21.8 (39)	11.9 (27)
● S&P 500 Index	12.1 (48)	18.4 (40)	14.2 (30)	15.2 (20)	31.5 (30)	-4.4 (30)	21.8 (38)	12.0 (26)
5th Percentile	18.1	26.6	16.6	16.4	35.2	-1.4	26.2	15.6
1st Quartile	13.7	20.7	14.6	14.8	31.8	-3.7	22.8	12.0
Median	12.0	16.0	12.4	13.6	29.7	-5.6	21.2	10.1
3rd Quartile	10.9	12.3	10.3	12.3	27.1	-7.2	19.3	8.3
95th Percentile	8.0	4.5	7.1	10.1	21.5	-12.0	15.5	3.8

3 Year Rolling Percentile Ranking vs. IM U.S. Large Cap Core Equity (MF)



3 Year Rolling Under/Over Performance vs. S&P 500 Index



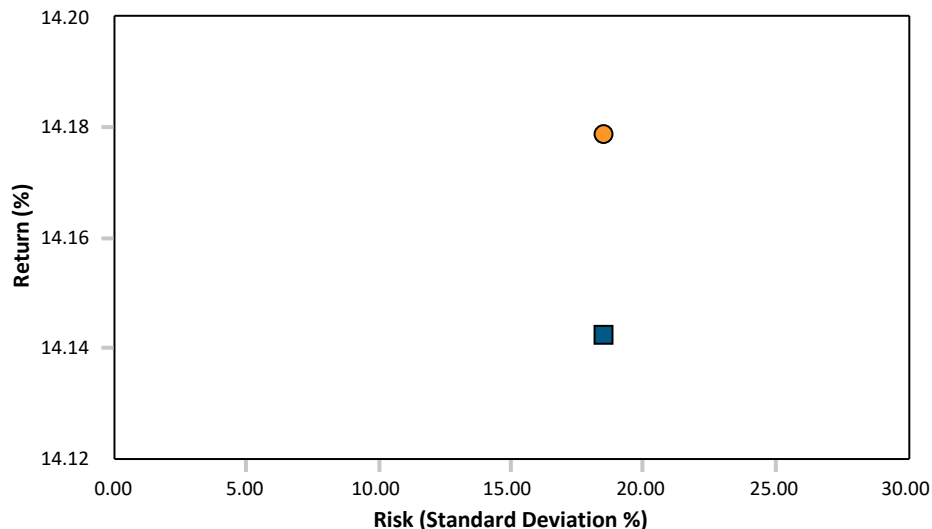
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard 500 Index Fund Adm

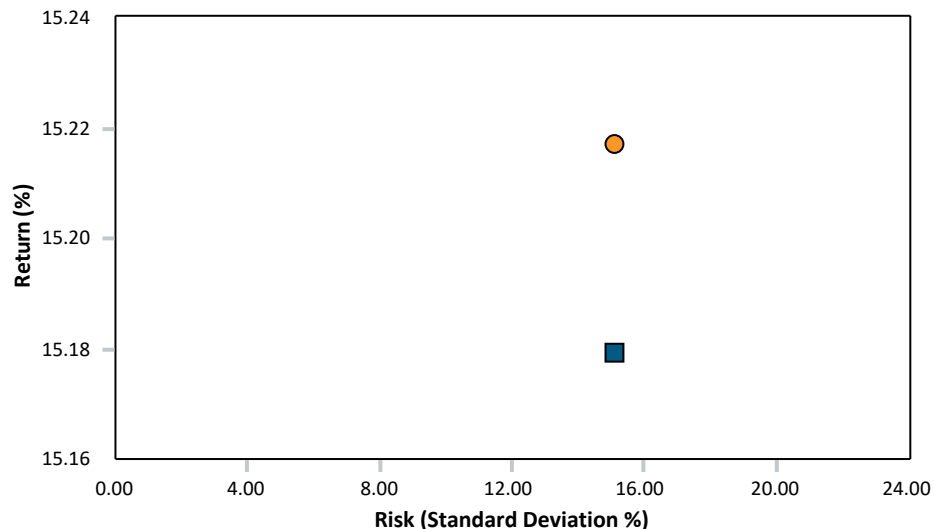
As of December 31, 2020

3 Year Risk and Return



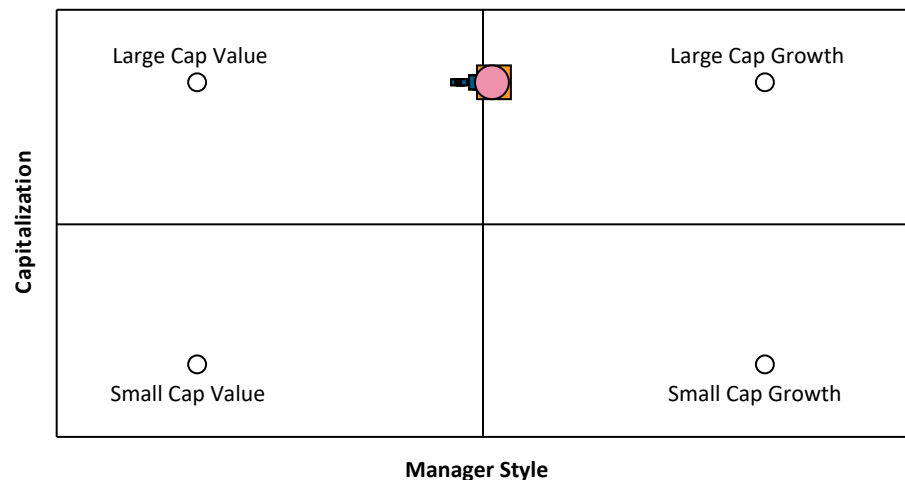
■ Vanguard 500 Index Fund Adm ● S&P 500 Index

5 Year Risk and Return



■ Vanguard 500 Index Fund Adm ● S&P 500 Index

Style Map - 3 Years



■ Style History ■ Dec-2020 ● Average Style Exposure

MPT Statistics vs. S&P 500 Index

	3 Years	5 Years
Return	14.1	15.2
Standard Deviation	18.5	15.1
vs. S&P 500 Index		
Alpha	0.0	0.0
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	16.7	18.3
Up Market Capture	99.9	99.9
Down Market Capture	100.1	100.1
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.7	0.9

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard 500 Index Fund Adm

Report Date December 31, 2020

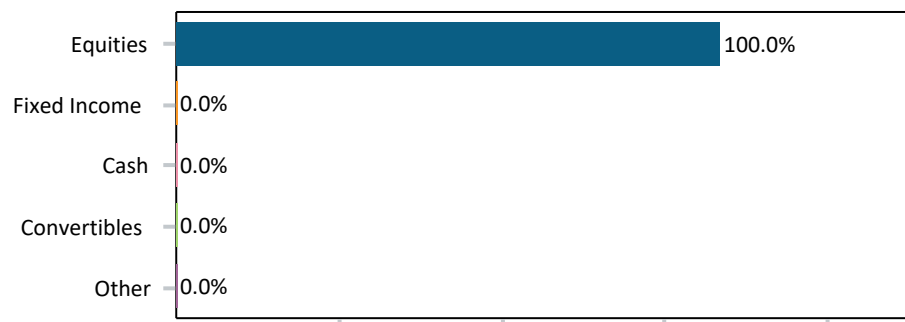
Mutual Fund Information

Fund Name :	Vanguard Index Funds: Vanguard 500 Index Fund; Admiral Shares	Portfolio Assets :	\$611,904 Million
Fund Family :	Vanguard Group Inc	Fund Assets :	\$338,662 Million
Ticker :	VFIAX	Portfolio Manager :	Butler/Louie
Inception Date :	11/13/2000	PM Tenure :	2016--2017
Portfolio Turnover :	4%		

Fund Investment Policy

The Fund seeks to track the performance of its benchmark index, the S&P 500. The Fund employs an indexing investment approach. The Fund attempts to replicate the target index by investing all of its assets in the stocks that make up the Index with the same approximate weightings as the Index.

Asset Allocation as of 09/30/20



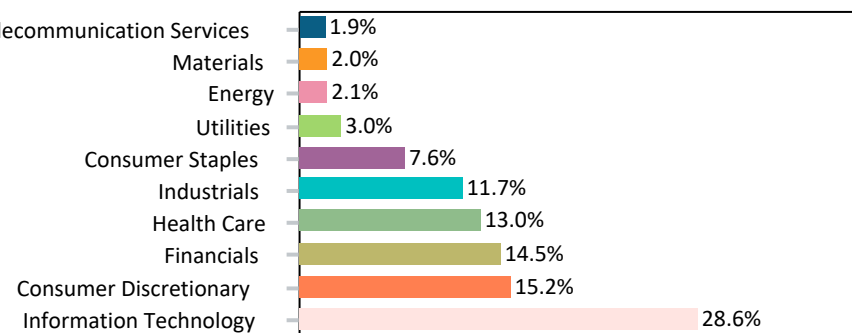
Top 10 Securities as of 09/30/20

Apple Inc ORD	6.7 %
Microsoft Corp ORD	5.7 %
Amazon.com Inc ORD	4.8 %
Facebook Inc ORD	2.3 %
Alphabet Inc ORD 1	1.6 %
Alphabet Inc ORD 2	1.6 %
Berkshire Hathaway Inc ORD	1.5 %
Johnson & Johnson ORD	1.4 %
Procter & Gamble Co ORD	1.2 %
Visa Inc ORD	1.2 %

Equity Characteristics as of 09/30/20

Total Securities	514
Avg. Market Cap	\$443,585 Million
P/E	34.1
P/B	10.4
Div. Yield	2.3%
Annual EPS	11.9
5Yr EPS	15.1
3Yr EPS Growth	18.5

Sector Allocation as of 09/30/20

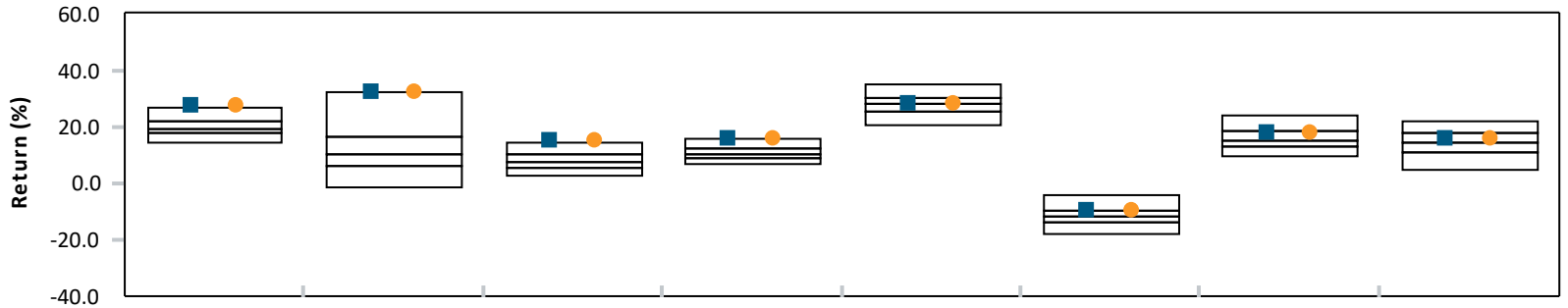


Manager Evaluation

Vanguard Extended Market Index Adm

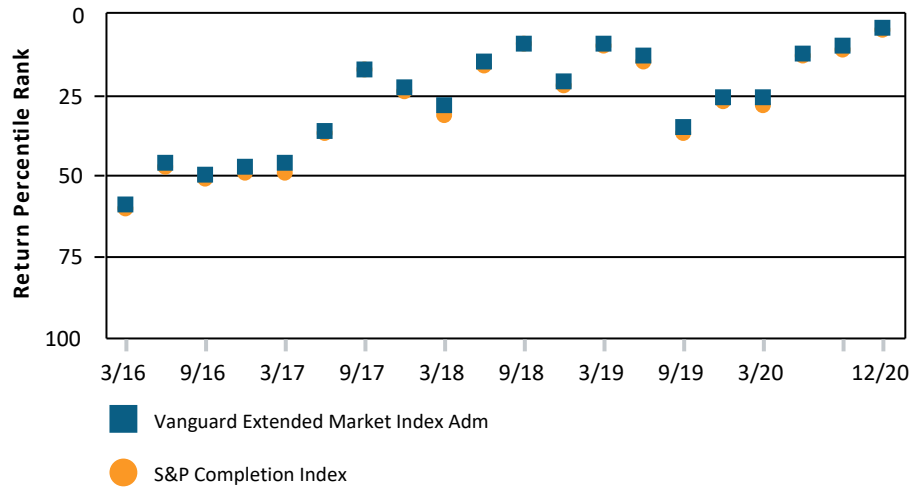
As of December 31, 2020

Peer Group Analysis vs. IM U.S. Mid Cap Core Equity (MF)

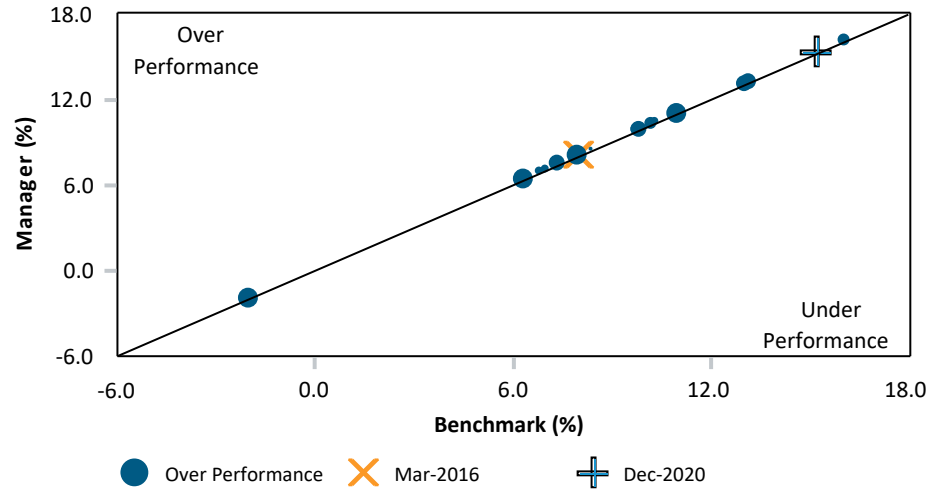


	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
■ Vanguard Extended Market Index Adm	27.4 (5)	32.2 (6)	15.3 (4)	16.0 (4)	28.0 (52)	-9.4 (24)	18.1 (31)	16.1 (34)
● S&P Completion Index	27.4 (5)	32.2 (6)	15.2 (5)	15.9 (4)	27.9 (53)	-9.6 (25)	18.1 (31)	16.0 (35)
5th Percentile	27.0	32.6	14.1	15.6	35.4	-4.1	24.0	22.4
1st Quartile	21.8	16.8	10.2	12.3	30.5	-9.6	18.7	17.9
Median	19.4	10.0	7.9	10.1	28.1	-11.5	15.4	14.2
3rd Quartile	17.6	6.1	5.2	8.7	25.7	-13.6	13.0	11.1
95th Percentile	14.4	-1.6	3.0	6.8	20.5	-17.9	9.9	4.8

3 Year Rolling Percentile Ranking vs. IM U.S. Mid Cap Core Equity (MF)



3 Year Rolling Under/Over Performance vs. S&P Completion Index



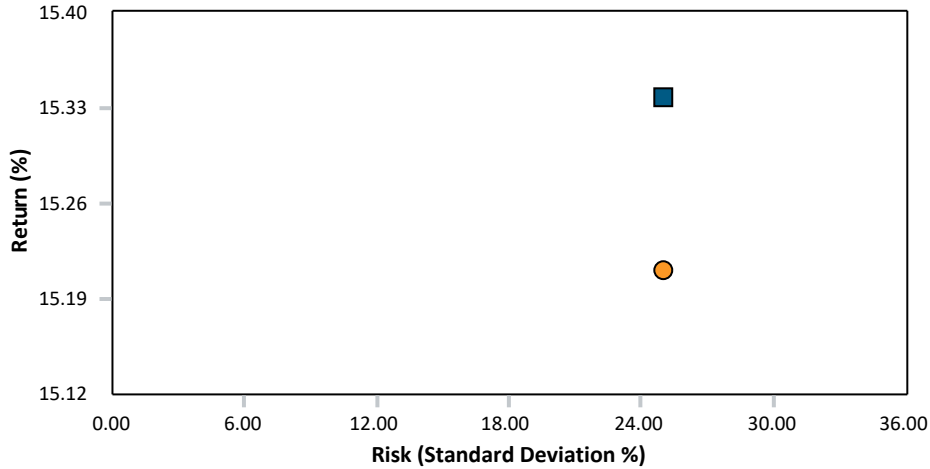
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard Extended Market Index Adm

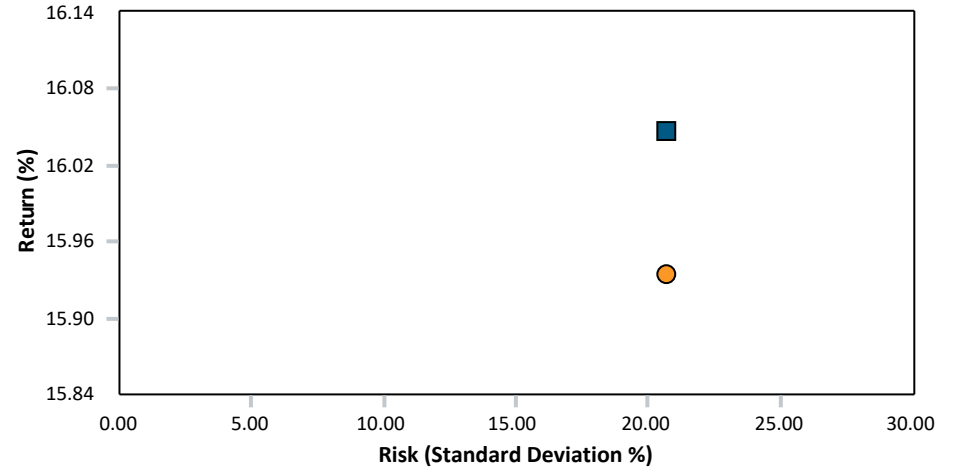
As of December 31, 2020

3 Year Risk and Return



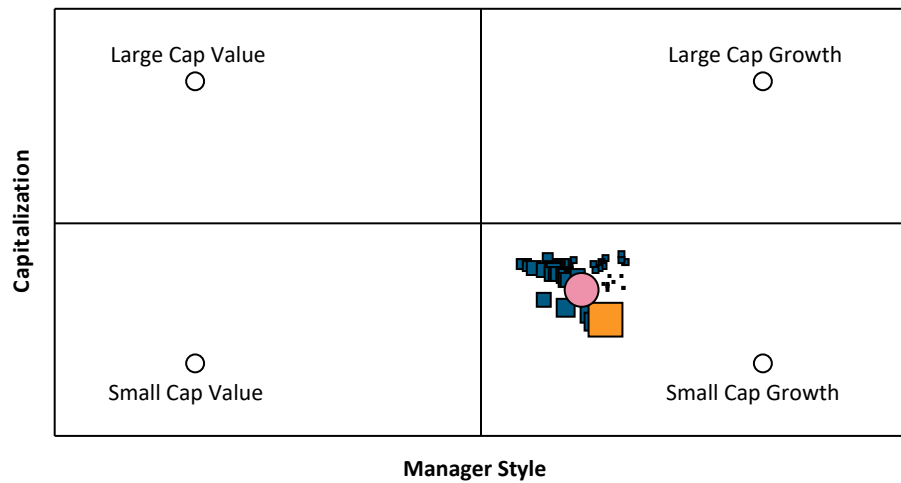
- Vanguard Extended Market Index Adm
- S&P Completion Index

5 Year Risk and Return



- Vanguard Extended Market Index Adm
- S&P Completion Index

Style Map - 3 Years



- Style History
- Dec-2020
- Average Style Exposure

MPT Statistics vs. S&P Completion Index

	3 Years	5 Years
Return	15.3	16.0
Standard Deviation	25.0	20.7
vs. S&P Completion Index		
Alpha	0.1	0.1
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	72.2	71.7
Up Market Capture	100.2	100.2
Down Market Capture	99.9	99.9
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.6	0.8

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard Extended Market Index Adm

Report Date December 31, 2020

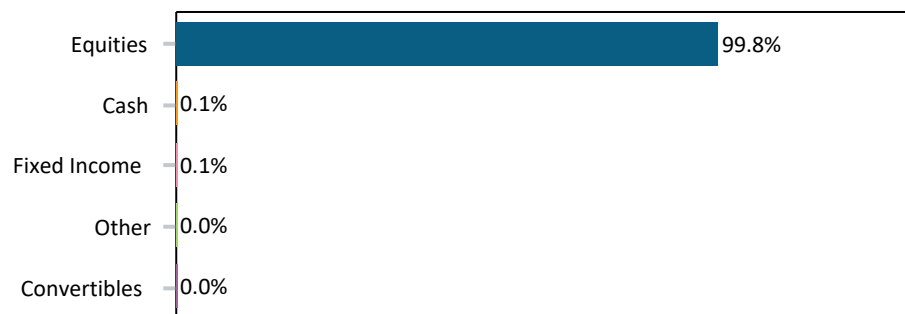
Mutual Fund Information

Fund Name :	Vanguard Index Funds: Vanguard Extended Market Index Fund; Admiral Shares	Portfolio Assets :	\$78,878 Million
Fund Family :	Vanguard Group Inc	Fund Assets :	\$22,553 Million
Ticker :	VEXAX	Portfolio Manager :	Butler/Coleman
Inception Date :	11/13/2000	PM Tenure :	2000--2017
Portfolio Turnover :	13%		

Fund Investment Policy

The Fund seeks to track the performance of a benchmark index that measures the investment return of small- and mid-capitalization stocks.

Asset Allocation as of 08/31/20



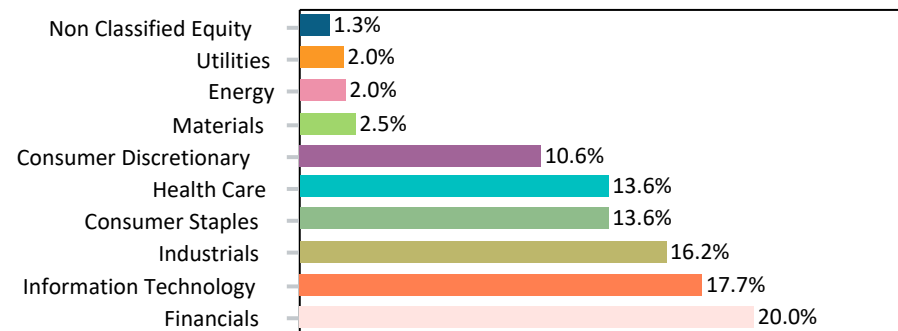
Top 10 Securities as of 08/31/20

Tesla Inc ORD	6.6 %
Square Inc ORD	1.0 %
Lululemon Athletica Inc ORD	0.8 %
Workday Inc ORD	0.7 %
Veeva Systems Inc ORD	0.7 %
Blackstone Group Inc ORD	0.7 %
NXP Semiconductors NV ORD	0.6 %
CoStar Group Inc ORD	0.6 %
Twilio Inc ORD	0.6 %
Splunk Inc ORD	0.6 %

Equity Characteristics as of 08/31/20

Total Securities	3,251
Avg. Market Cap	\$41,094 Million
P/E	37.6
P/B	8.6
Div. Yield	3.1%
Annual EPS	12.4
5Yr EPS	14.2
3Yr EPS Growth	18.7

Sector Allocation as of 08/31/20

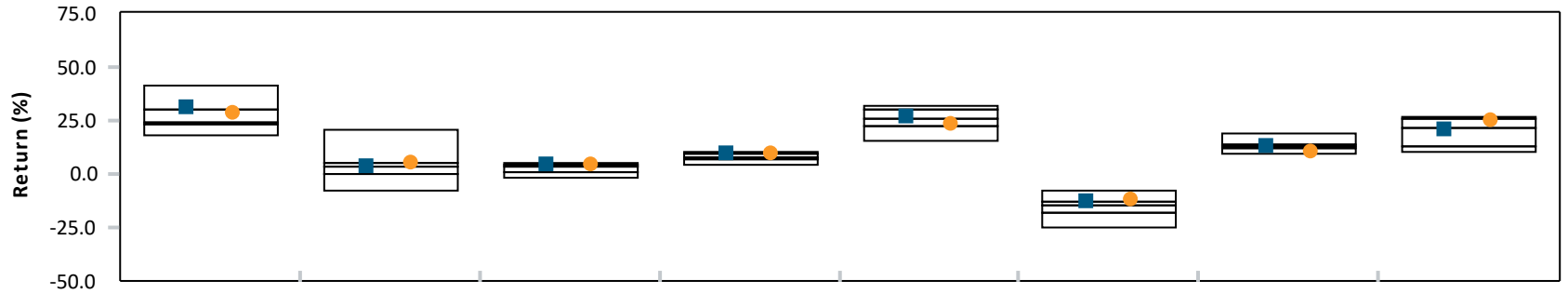


Manager Evaluation

Vanguard Explorer Value Inv

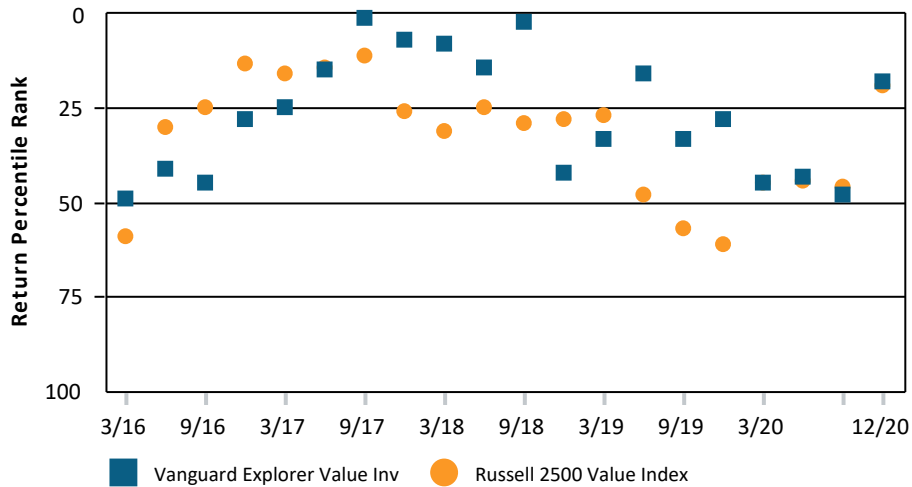
As of December 31, 2020

Peer Group Analysis vs. IM U.S. SMID Cap Value Equity (MF)

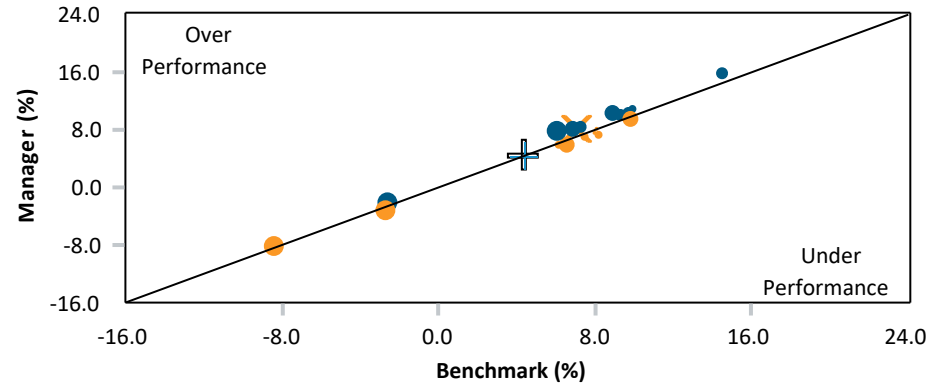


	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
■ Vanguard Explorer Value Inv	31.3 (23)	3.3 (57)	4.5 (18)	9.3 (28)	26.9 (37)	-13.0 (29)	13.3 (46)	20.7 (51)
● Russell 2500 Value Index	28.5 (43)	4.9 (24)	4.3 (19)	9.4 (26)	23.6 (70)	-12.4 (22)	10.4 (88)	25.2 (26)
5th Percentile	41.0	20.6	4.8	10.4	31.9	-7.5	18.7	27.0
1st Quartile	29.9	4.8	4.0	9.4	30.3	-12.9	14.1	25.4
Median	24.4	3.6	3.2	7.6	25.8	-14.5	13.2	21.1
3rd Quartile	23.2	0.4	0.9	7.0	22.1	-18.1	12.1	12.8
95th Percentile	17.9	-8.2	-2.0	4.2	15.8	-25.1	9.3	10.7

3 Year Rolling Percentile Ranking vs. IM U.S. SMID Cap Value Equity (MF)



3 Year Rolling Under/Over Performance vs. Russell 2500 Value Index



- Over Performance
- Under Performance
- × Mar-2016
- + Dec-2020

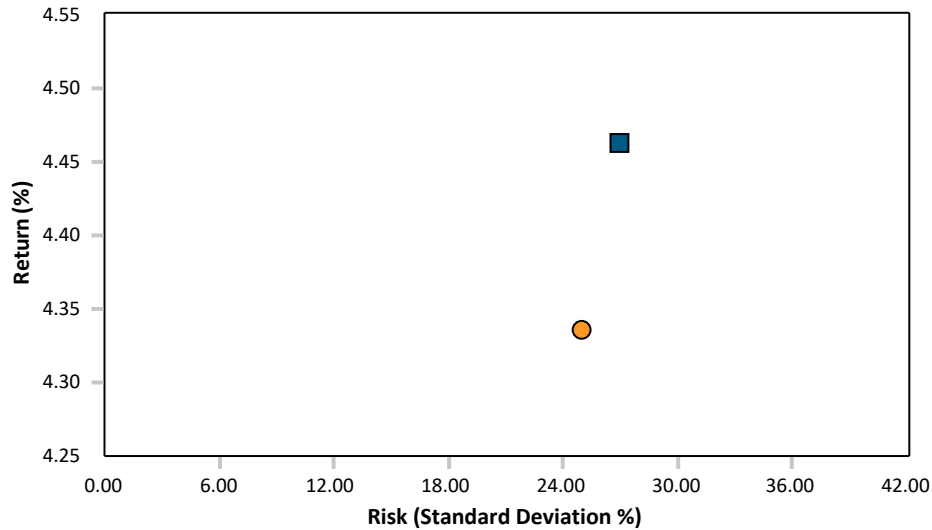
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard Explorer Value Inv

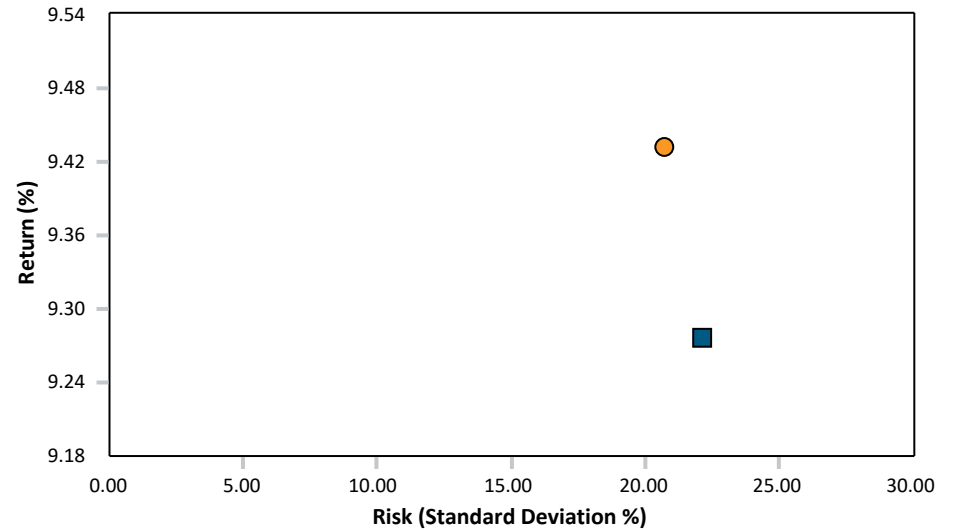
As of December 31, 2020

3 Year Risk and Return



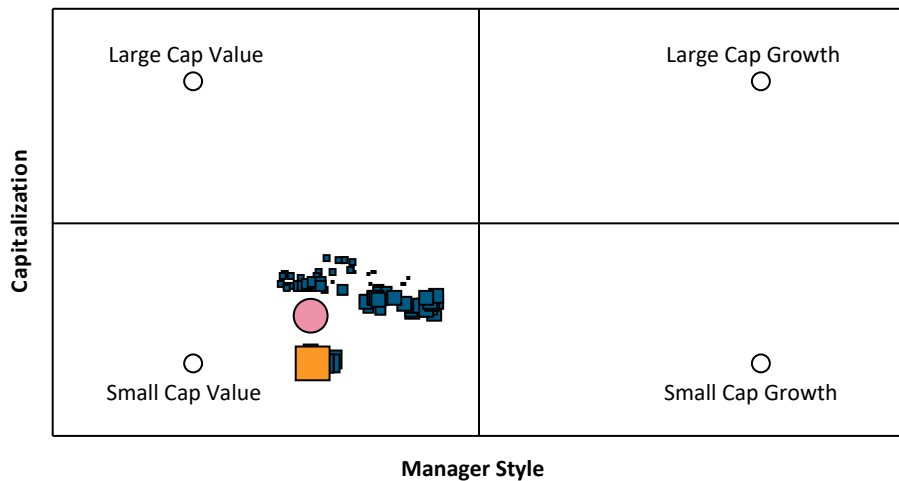
■ Vanguard Explorer Value Inv ● Russell 2500 Value Index

5 Year Risk and Return



■ Vanguard Explorer Value Inv ● Russell 2500 Value Index

Style Map - 3 Years



■ Style History ■ Dec-2020 ● Average Style Exposure

MPT Statistics vs. Russell 2500 Value Index

	3 Years	5 Years
Return	4.5	9.3
Standard Deviation	27.0	22.2
vs. Russell 2500 Value Index		
Alpha	0.2	-0.4
Beta	1.1	1.1
R-Squared	1.0	1.0
Consistency	52.8	51.7
Up Market Capture	105.7	101.6
Down Market Capture	104.7	101.4
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.2	0.5

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard Explorer Value Inv

Report Date December 31, 2020

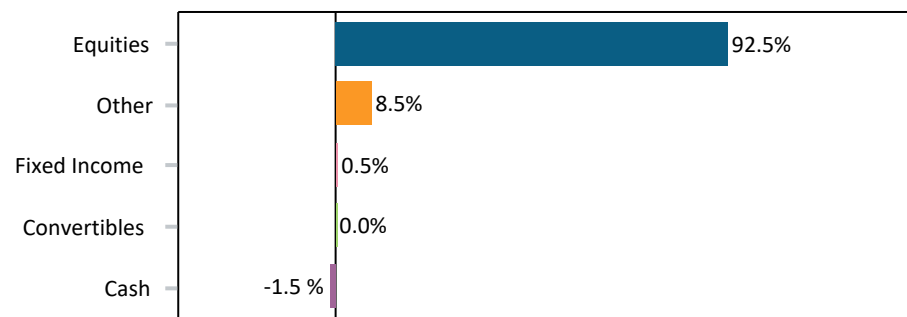
Mutual Fund Information

Fund Name :	Vanguard Scottsdale Funds: Vanguard Explorer Value Fund; Investor Shares	Portfolio Assets :	\$563 Million
Fund Family :	Vanguard Group Inc	Fund Assets :	\$563 Million
Ticker :	VEVFX	Portfolio Manager :	Team Managed
Inception Date :	03/30/2010	PM Tenure :	
Portfolio Turnover :	27%		

Fund Investment Policy

The Fund seeks to provide long-term capital appreciation. The Fund invests mainly in the stocks of small and medium-size U.S. companies, choosing stocks considered by an advisor to be undervalued.

Asset Allocation as of 06/30/20



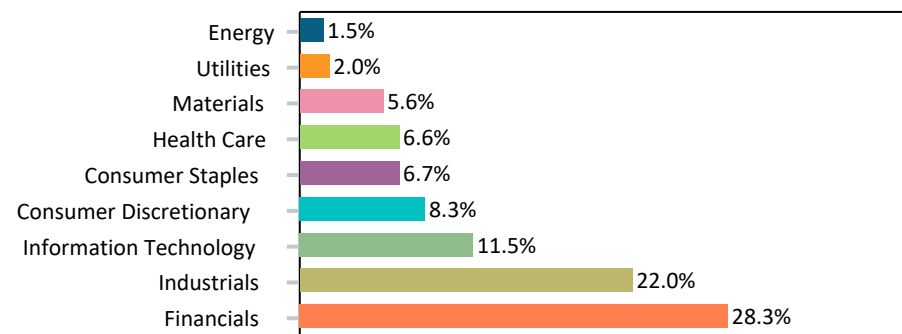
Top 10 Securities as of 06/30/20

Vanguard Market Liquidity Fund	7.6%
FMC Corp ORD	2.8%
ACI Worldwide Inc ORD	2.5%
Medical Properties Trust Inc ORD	2.3%
Silgan Holdings Inc ORD	2.3%
Ligand Pharmaceuticals Inc ORD	1.9%
Silicon Motion Technology Corp	1.7%
Lithia Motors Inc ORD	1.7%
Nexstar Media Group Inc ORD	1.6%
Gaming and Leisure Properties Inc	1.6%

Equity Characteristics as of 06/30/20

Total Securities	114
Avg. Market Cap	\$3,451 Million
P/E	24.1
P/B	2.6
Div. Yield	3.9%
Annual EPS	7.7
5Yr EPS	10.2
3Yr EPS Growth	10.9

Sector Allocation as of 06/30/20

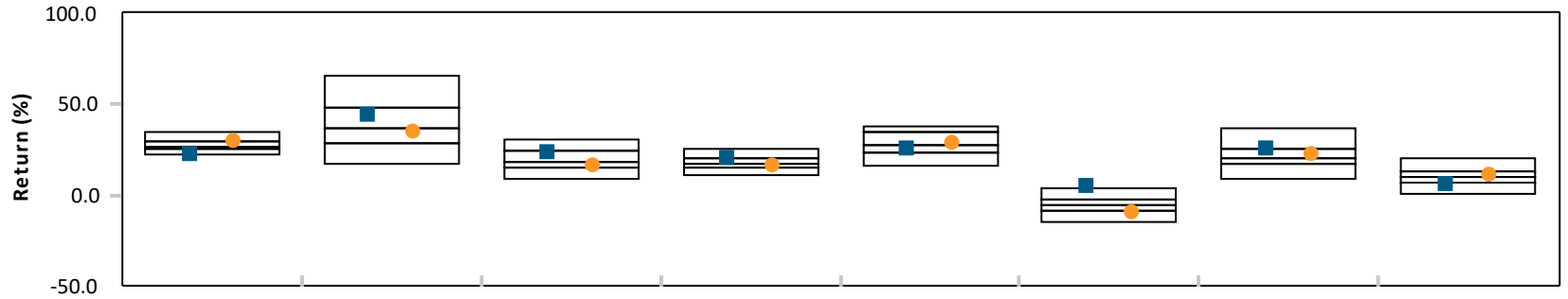


Manager Evaluation

ClearBridge Small Cap Growth IS

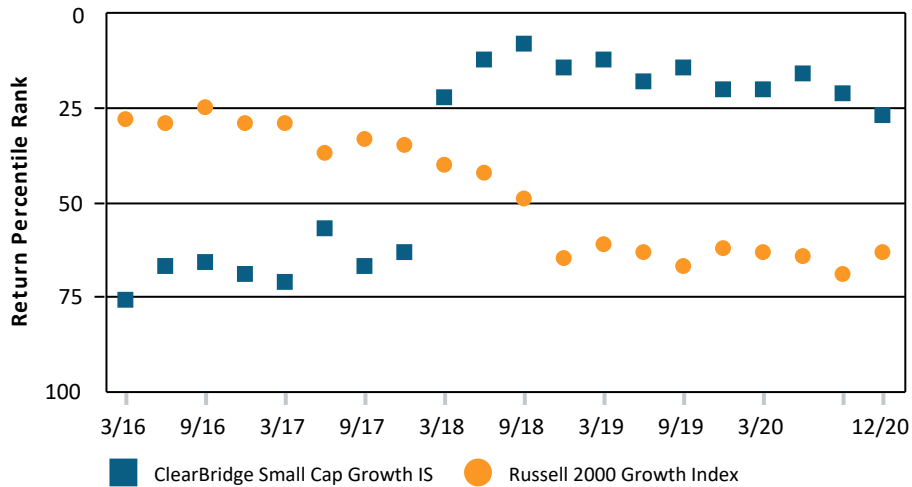
As of December 31, 2020

Peer Group Analysis vs. IM U.S. Small Cap Growth Equity (MF)

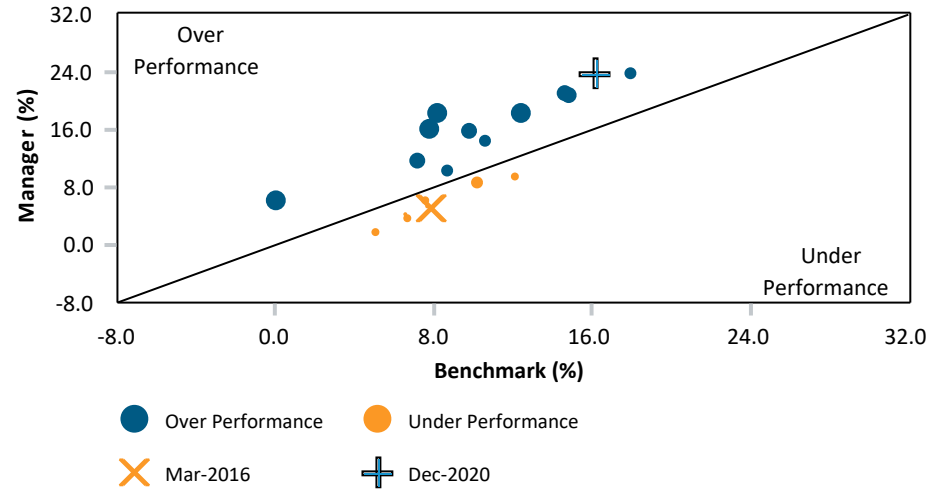


	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
ClearBridge Small Cap Growth IS	21.9 (96)	44.0 (30)	23.7 (27)	20.4 (26)	25.8 (60)	4.6 (5)	25.5 (24)	6.2 (80)
Russell 2000 Growth Index	29.6 (27)	34.6 (59)	16.2 (63)	16.4 (64)	28.5 (47)	-9.3 (79)	22.2 (41)	11.3 (41)
5th Percentile	34.4	66.3	30.3	25.6	38.0	4.2	37.2	20.5
1st Quartile	29.7	48.0	24.6	20.5	34.4	-2.5	25.1	13.2
Median	27.0	37.2	18.1	17.4	27.7	-5.1	20.7	9.9
3rd Quartile	25.2	28.1	15.0	15.2	23.6	-8.6	17.3	7.3
95th Percentile	22.1	17.6	9.2	11.5	16.7	-15.0	9.4	0.6

3 Year Rolling Percentile Ranking vs. IM U.S. Small Cap Growth Equity (MF)



3 Year Rolling Under/Over Performance vs. Russell 2000 Growth Index

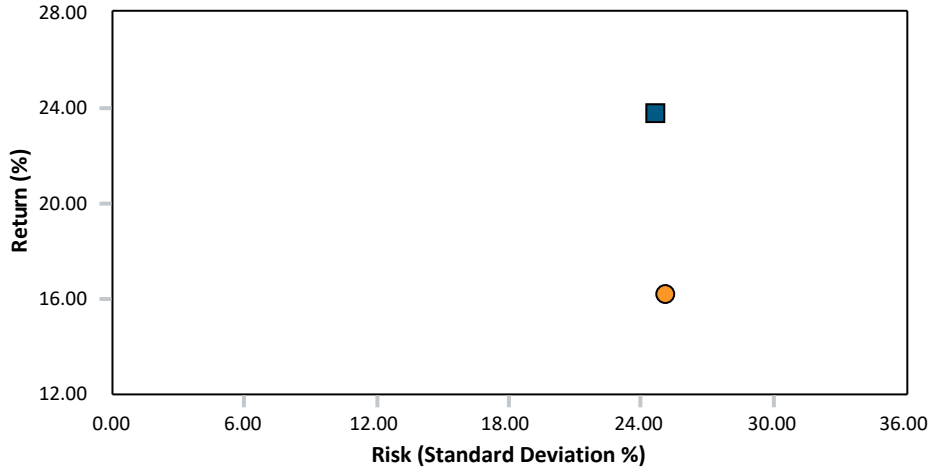


Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

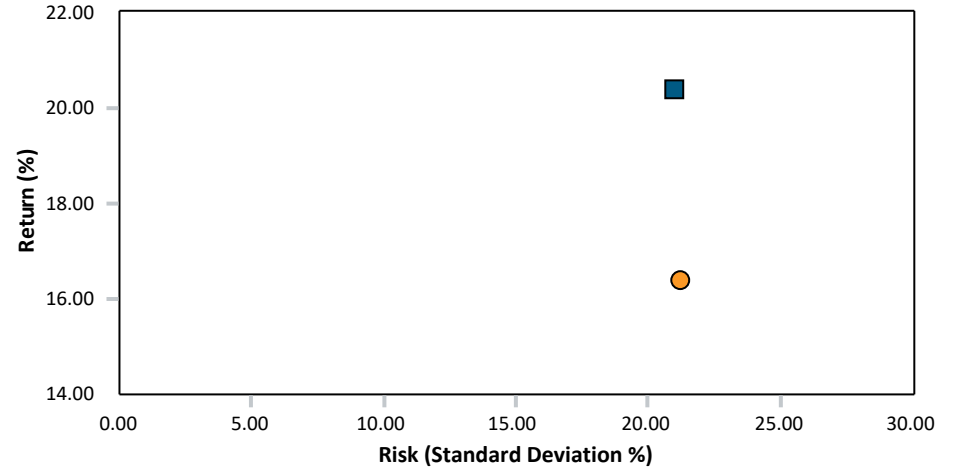
ClearBridge Small Cap Growth IS
As of December 31, 2020

3 Year Risk and Return



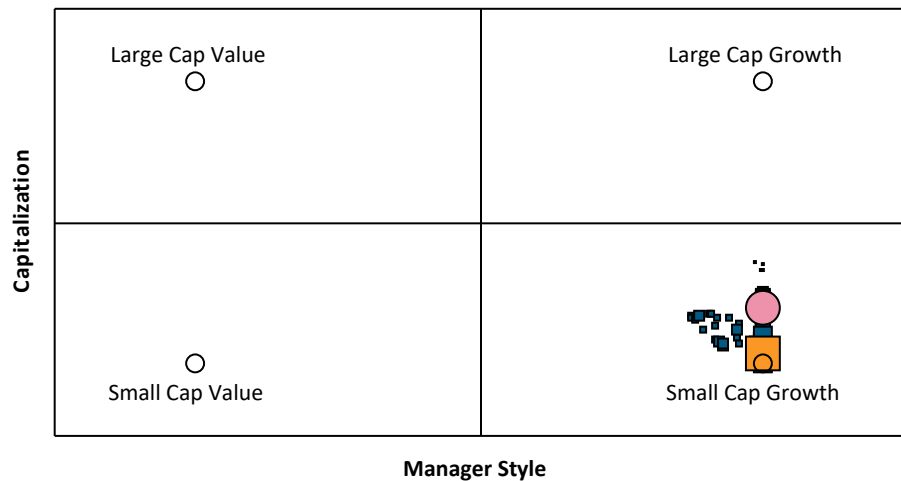
- ClearBridge Small Cap Growth IS
- Russell 2000 Growth Index

5 Year Risk and Return



- ClearBridge Small Cap Growth IS
- Russell 2000 Growth Index

Style Map - 3 Years



- Style History
- Dec-2020
- Average Style Exposure

MPT Statistics vs. Russell 2000 Growth Index

	3 Years	5 Years
Return	23.7	20.4
Standard Deviation	24.6	21.0
vs. Russell 2000 Growth Index		
Alpha	7.5	4.4
Beta	0.9	0.9
R-Squared	0.9	0.9
Consistency	58.3	53.3
Up Market Capture	106.6	104.2
Down Market Capture	85.8	90.0
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.9	0.9

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

ClearBridge Small Cap Growth IS

Report Date December 31, 2020

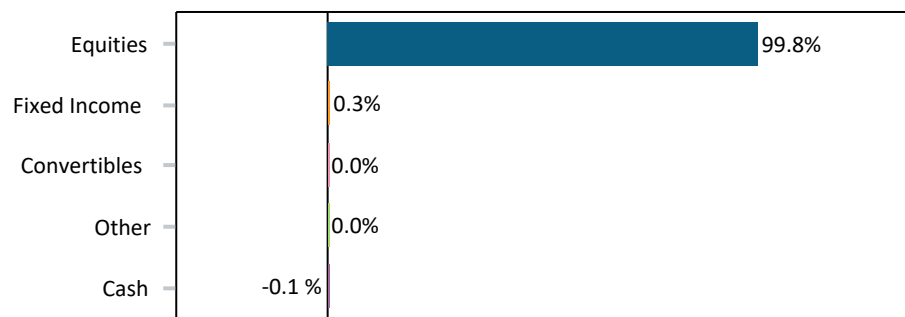
Mutual Fund Information

Fund Name :	Legg Mason Partners Equity Trust: ClearBridge Small Cap Growth Fund; Class IS Shares	Portfolio Assets :	\$4,671 Million
Fund Family :	Franklin Templeton Investments	Fund Assets :	\$2,158 Million
Ticker :	LMOIX	Portfolio Manager :	Russell/Green
Inception Date :	08/04/2008	PM Tenure :	2008--2008
Portfolio Turnover :	18%		

Fund Investment Policy

The Fund seeks to obtain long-term growth of capital by investing primarily in equity securities of companies with market capitalizations at the time of purchase similar to those companies included in the Russell 2000 Index. The Index includes companies with market "caps" below the top 1000 stocks of the equity market.

Asset Allocation as of 06/30/20



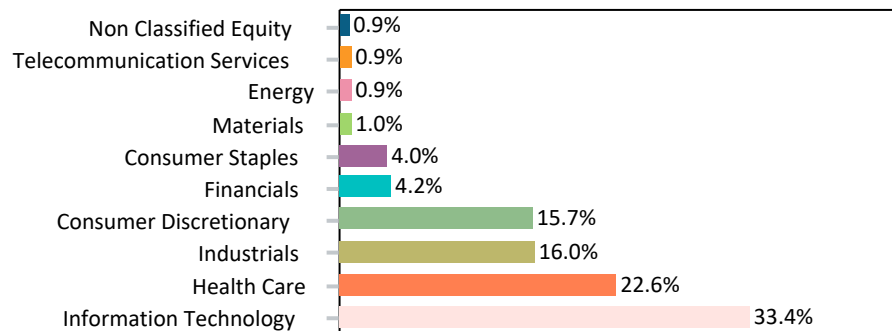
Top 10 Securities as of 06/30/20

Trex Company Inc ORD	4.3 %
Wix.Com Ltd ORD	4.0 %
Insulet Corp ORD	3.7 %
Chegg Inc ORD	3.6 %
ICON PLC ORD	3.0 %
Inphi Corp ORD	3.0 %
BJ's Wholesale Club Holdings Inc	2.9 %
Monolithic Power Systems Inc ORD	2.9 %
Penumbra Inc ORD	2.9 %
Fox Factory Holding Corp ORD	2.6 %

Equity Characteristics as of 06/30/20

Total Securities	81
Avg. Market Cap	\$5,613 Million
P/E	39.8
P/B	10.9
Div. Yield	1.4%
Annual EPS	10.9
5Yr EPS	19.0
3Yr EPS Growth	22.3

Sector Allocation as of 06/30/20

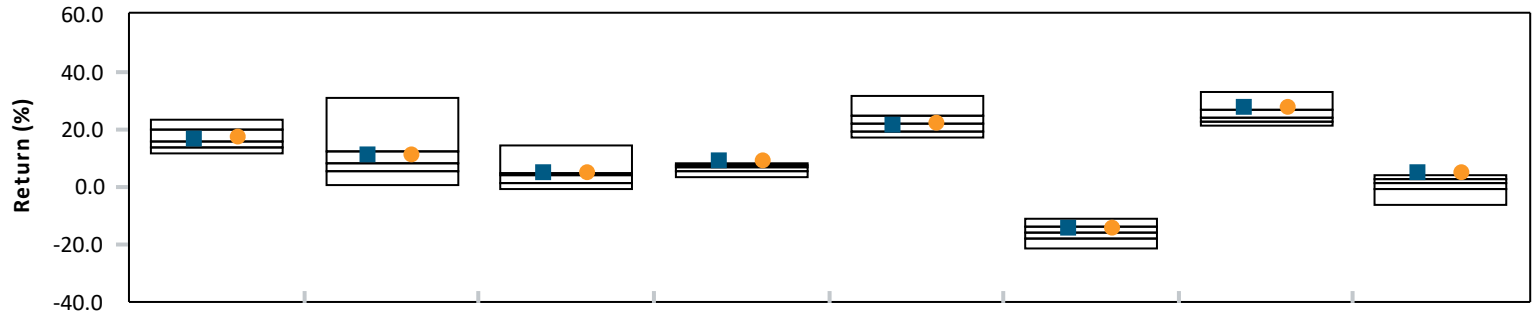


Manager Evaluation

Vanguard Total International Stock Index Adm

As of December 31, 2020

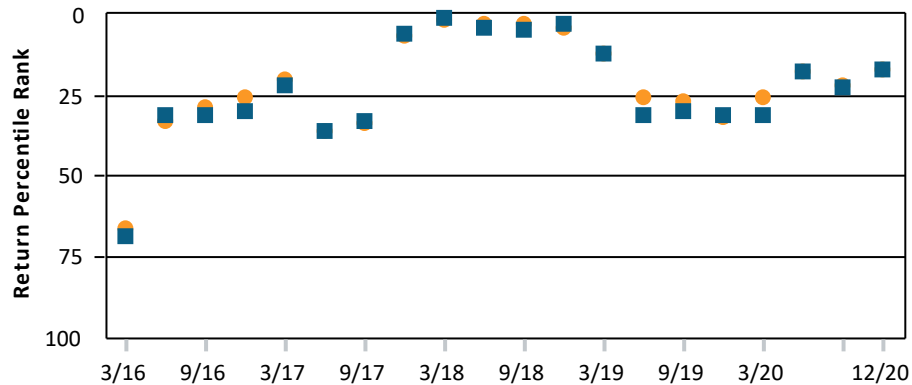
Peer Group Analysis vs. IM International Large Cap Core Equity (MF)



■ Vanguard Total International Stock Index Adm
● FTSE Global All Cap ex US Spliced Index

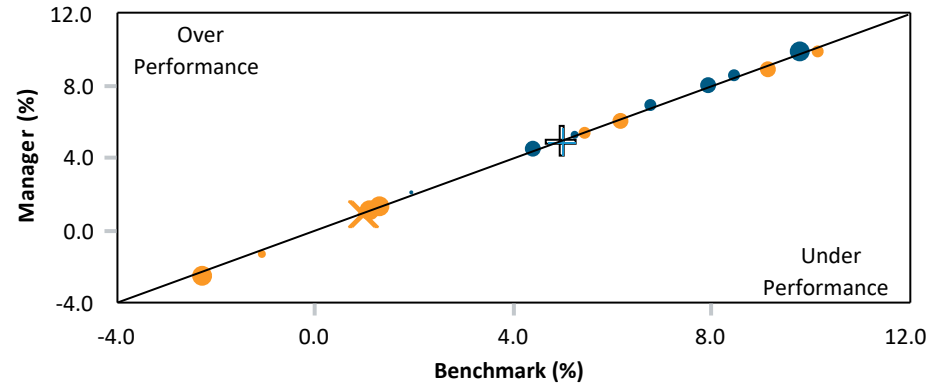
	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
Vanguard Total International Stock Index Adm	16.9 (37)	11.3 (26)	5.0 (17)	9.1 (1)	21.5 (59)	-14.4 (36)	27.6 (14)	4.7 (5)
FTSE Global All Cap ex US Spliced Index	17.2 (35)	11.2 (26)	5.0 (17)	9.1 (1)	21.8 (55)	-14.6 (37)	27.4 (14)	4.7 (5)
5th Percentile	23.3	31.2	14.3	8.5	31.9	-11.1	32.9	4.0
1st Quartile	20.2	12.2	4.8	7.9	25.0	-13.9	26.7	2.5
Median	16.1	8.5	4.2	6.7	22.1	-15.7	24.4	1.3
3rd Quartile	14.1	5.4	1.4	5.3	19.0	-17.9	23.0	-0.9
95th Percentile	11.8	0.6	-0.8	3.4	17.5	-21.7	21.4	-6.5

3 Year Rolling Percentile Ranking vs. IM International Large Cap Core Equity (MF)



■ Vanguard Total International Stock Index Adm
● FTSE Global All Cap ex US Spliced Index

3 Year Rolling Under/Over Performance vs. FTSE Global All Cap ex US Spliced Index



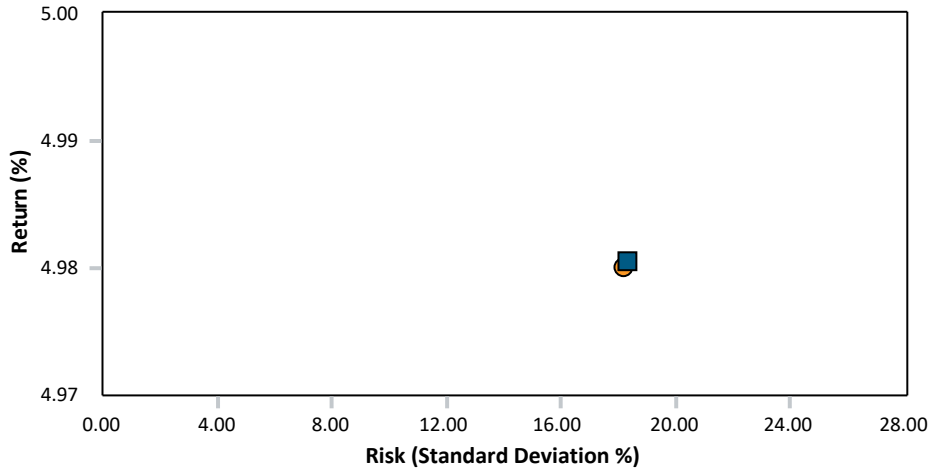
● Over Performance ● Under Performance
X Mar-2016 + Dec-2020

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

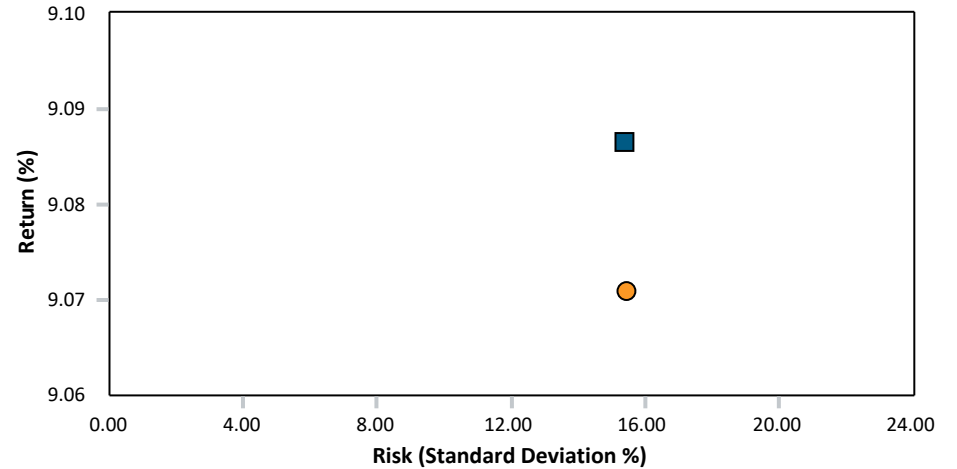
Vanguard Total International Stock Index Adm
As of December 31, 2020

3 Year Risk and Return



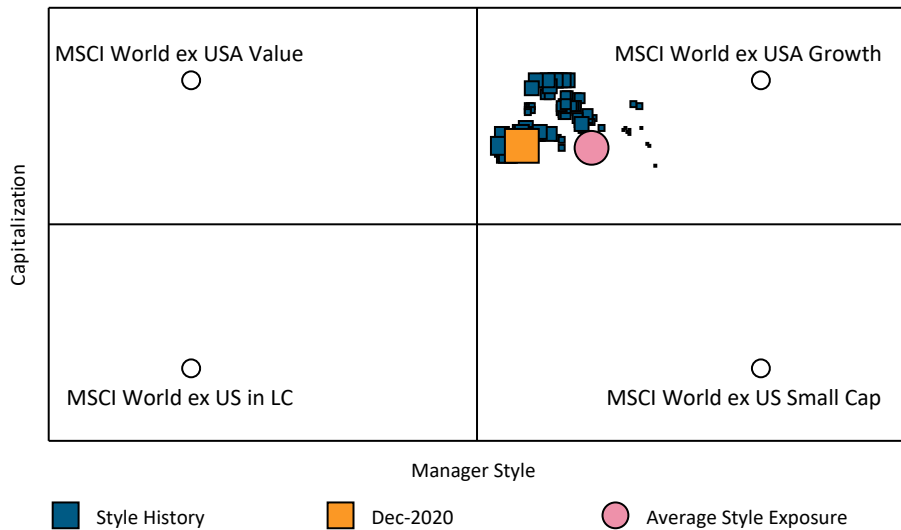
- Vanguard Total International Stock Index Adm
- FTSE Global All Cap ex US Spliced Index

5 Year Risk and Return



- Vanguard Total International Stock Index Adm
- FTSE Global All Cap ex US Spliced Index

Style Map - 3 Years



MPT Statistics vs. FTSE Global All Cap ex US Spliced Index

	3 Years	5 Years
Return	5.0	9.1
Standard Deviation	18.3	15.4
vs. FTSE Global All Cap ex US Spliced Index		
Alpha	0.0	0.1
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	50.0	48.3
Up Market Capture	100.3	99.2
Down Market Capture	100.2	98.7
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.3	0.6

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard Total International Stock Index Adm

Report Date December 31, 2020

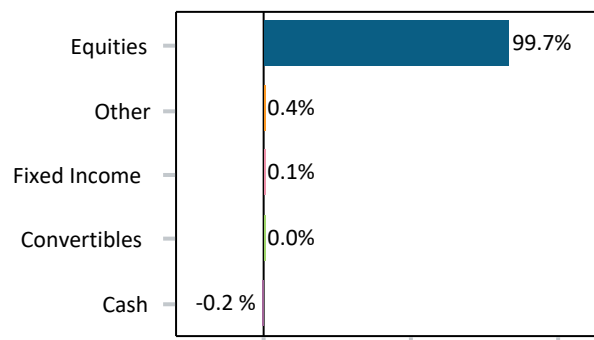
Mutual Fund Information

Fund Name :	Vanguard STAR Funds: Vanguard Total International Stock Index Fund; Admiral Shares	Portfolio Assets :	\$431,746 Million
Fund Family :	Vanguard Group Inc	Fund Assets :	\$71,003 Million
Ticker :	VTIAX	Portfolio Manager :	Perre/Franquin
Inception Date :	11/29/2010	PM Tenure :	2010--2017
Portfolio Turnover :	4%		

Fund Investment Policy

The Fund seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in developed and emerging markets, excluding the United States. The Fund employs an indexing investment approach designed to track the performance of the FTSE Global All Cap ex US Index.

Asset Allocation as of 09/30/20



Top 10 Securities as of 09/30/20

Alibaba Group Holding Ltd DR	2.1 %
Tencent Holdings Ltd ORD	1.6 %
Taiwan Semiconductor Manufacturing	1.5 %
Nestle SA ORD	1.3 %
Roche Holding AG Par	1.0 %
Samsung Electronics Co Ltd ORD	0.9 %
Novartis AG ORD	0.8 %
SAP SE ORD	0.7 %
Toyota Motor Corp ORD	0.7 %
ASML Holding NV ORD	0.6 %

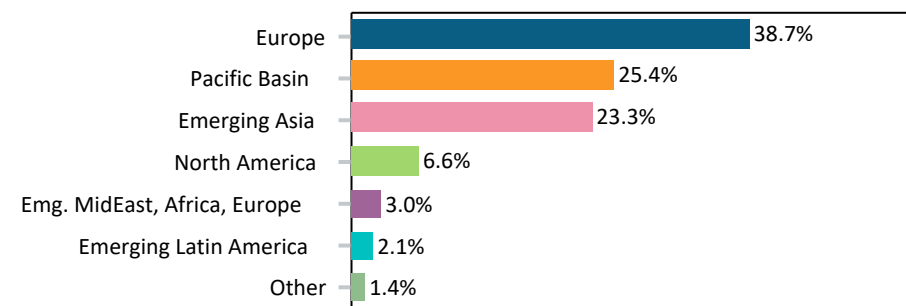
Top 5 Countries as of 09/30/20

Japan	17.2 %
China	11.0 %
United Kingdom	8.0 %
Canada	6.4 %
Switzerland	6.3 %

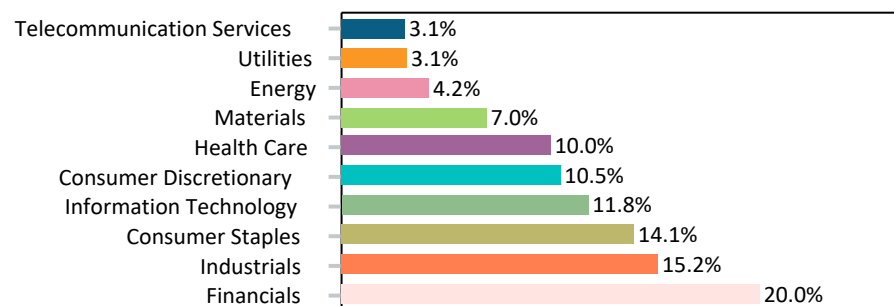
Equity Characteristics as of 09/30/20

Total Securities	7,535
Avg. Market Cap	\$85,546 Million
P/E	28.0
P/B	4.3
Div. Yield	382.5%
Annual EPS	6.0

Region Allocation as of 09/30/20



Sector Allocation as of 09/30/20

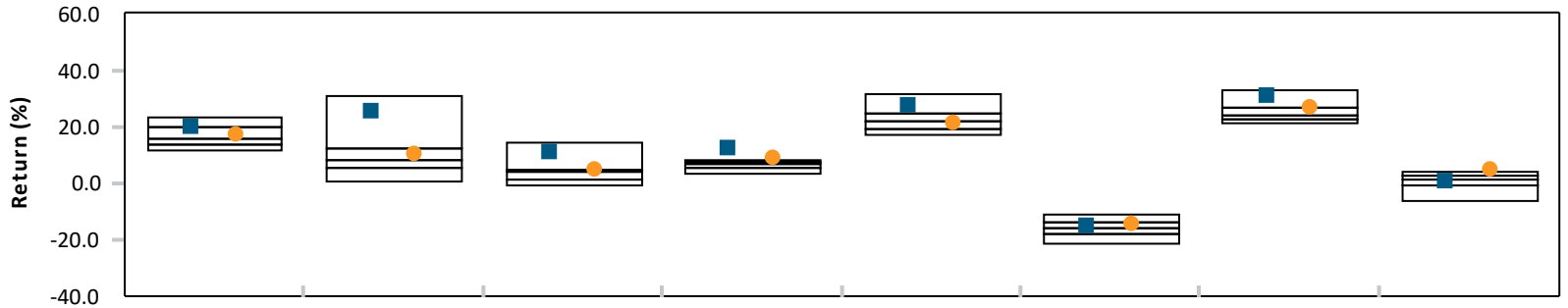


Manager Evaluation

American Funds EuroPacific Growth R6

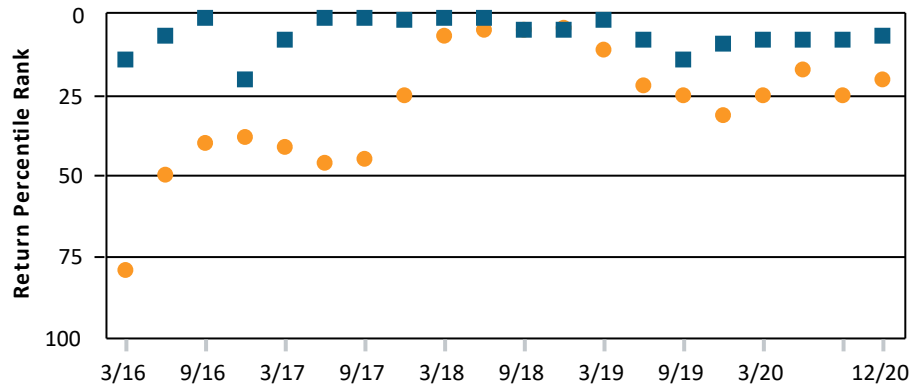
As of December 31, 2020

Peer Group Analysis vs. IM International Large Cap Core Equity (MF)



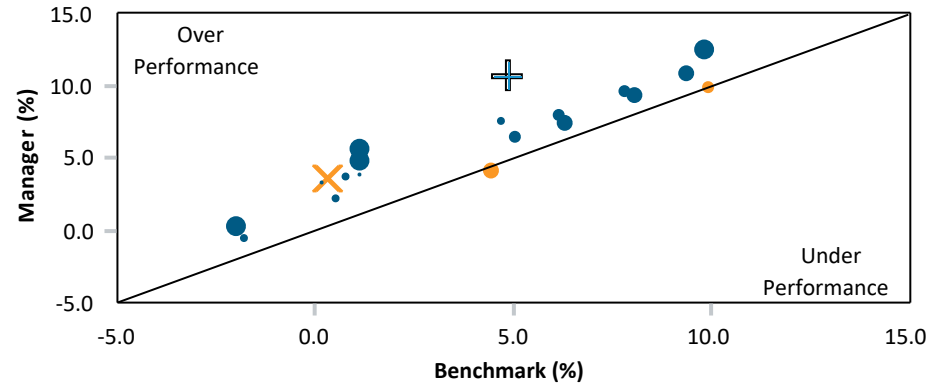
	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
American Funds EuroPacific Growth R6	20.0 (28)	25.3 (8)	10.7 (7)	12.5 (1)	27.4 (11)	-14.9 (44)	31.2 (9)	1.0 (52)
MSCI AC World ex USA (Net)	17.0 (37)	10.7 (27)	4.9 (20)	8.9 (2)	21.5 (59)	-14.2 (33)	27.2 (17)	4.5 (5)
5th Percentile	23.3	31.2	14.3	8.5	31.9	-11.1	32.9	4.0
1st Quartile	20.2	12.2	4.8	7.9	25.0	-13.9	26.7	2.5
Median	16.1	8.5	4.2	6.7	22.1	-15.7	24.4	1.3
3rd Quartile	14.1	5.4	1.4	5.3	19.0	-17.9	23.0	-0.9
95th Percentile	11.8	0.6	-0.8	3.4	17.5	-21.7	21.4	-6.5

3 Year Rolling Percentile Ranking vs. IM International Large Cap Core Equity (MF)



■ American Funds EuroPacific Growth R6
● MSCI AC World ex USA (Net)

3 Year Rolling Under/Over Performance vs. MSCI AC World ex USA (Net)



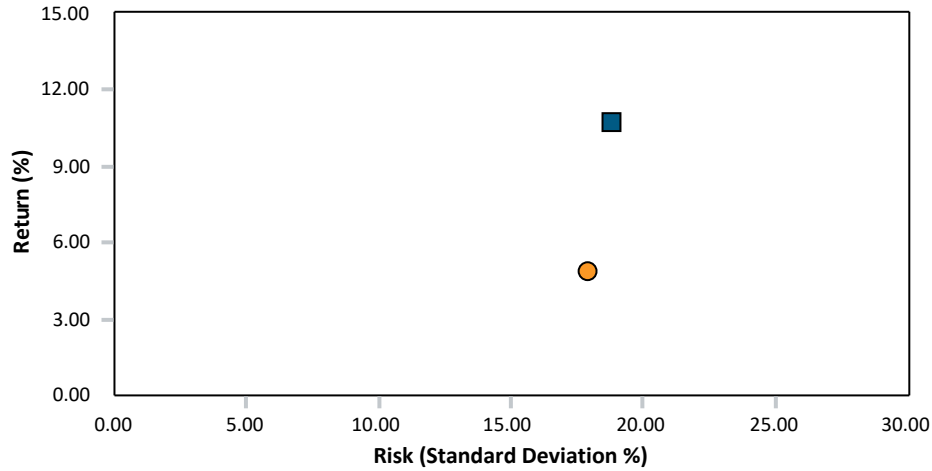
● Over Performance ● Under Performance
X Mar-2016 + Dec-2020

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

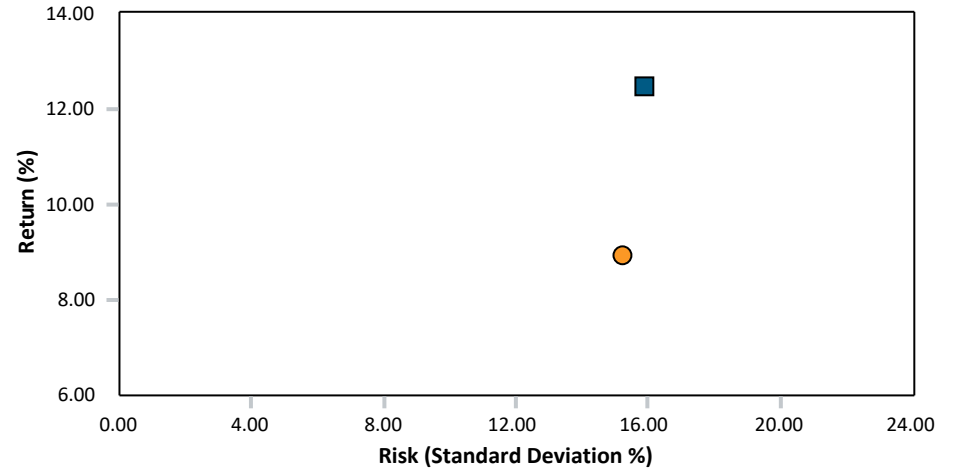
American Funds EuroPacific Growth R6 As of December 31, 2020

3 Year Risk and Return



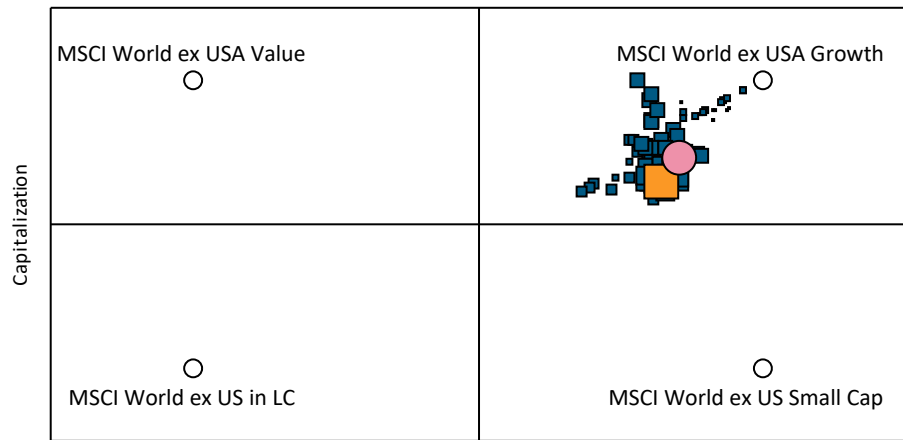
- American Funds EuroPacific Growth R6
- MSCI AC World ex USA (Net)

5 Year Risk and Return



- American Funds EuroPacific Growth R6
- MSCI AC World ex USA (Net)

Style Map - 3 Years



- Style History
- Dec-2020
- Average Style Exposure

MPT Statistics vs. MSCI AC World ex USA (Net)

	3 Years	5 Years
Return	10.7	12.5
Standard Deviation	18.9	15.9
vs. MSCI AC World ex USA (Net)		
Alpha	5.5	3.2
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	61.1	56.7
Up Market Capture	114.5	109.5
Down Market Capture	92.7	94.5
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.5	0.7

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

American Funds EuroPacific Growth R6

Report Date December 31, 2020

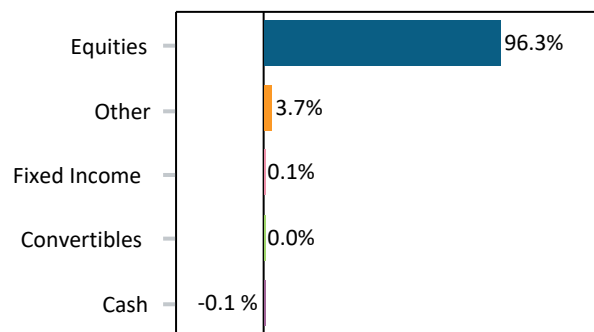
Mutual Fund Information

Fund Name :	EuroPacific Growth Fund; Class R6 Shares	Portfolio Assets :	\$164,400 Million
Fund Family :	American Funds	Fund Assets :	\$77,041 Million
Ticker :	RERGX	Portfolio Manager :	Team Managed
Inception Date :	05/01/2009	PM Tenure :	
Portfolio Turnover :	38%		

Fund Investment Policy

The Fund seeks to provide long-term growth of capital by investing in companies based outside the United States. The Fund invests in companies based chiefly in Europe and the Pacific Basin, ranging from small firms to large corporations.

Asset Allocation as of 06/30/20



Top 10 Securities as of 06/30/20

Capital Group Central Cash Fund;	3.7 %
Reliance Industries Ltd ORD	2.9 %
ASML Holding NV ORD	2.8 %
Mercadolibre Inc ORD	2.7 %
AIA Group Ltd ORD	2.4 %
Alibaba Group Holding Ltd ORD	2.4 %
Daiichi Sankyo Co Ltd ORD	2.1 %
Shopify Inc ORD	1.8 %
Keyence Corp ORD	1.7 %
LVMH Moet Hennessy Louis Vuitton	1.6 %

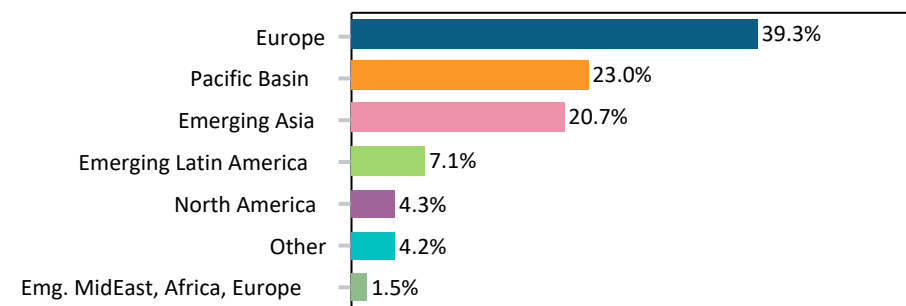
Top 5 Countries as of 06/30/20

Japan	15.2 %
China	9.7 %
India	7.5 %
Netherlands	6.9 %
France	6.5 %

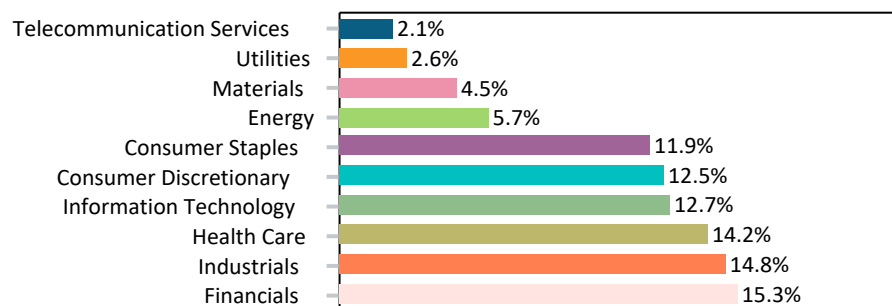
Equity Characteristics as of 06/30/20

Total Securities	338
Avg. Market Cap	\$93,131 Million
P/E	33.5
P/B	6.6
Div. Yield	1.9%
Annual EPS	8.2

Region Allocation as of 06/30/20



Sector Allocation as of 06/30/20

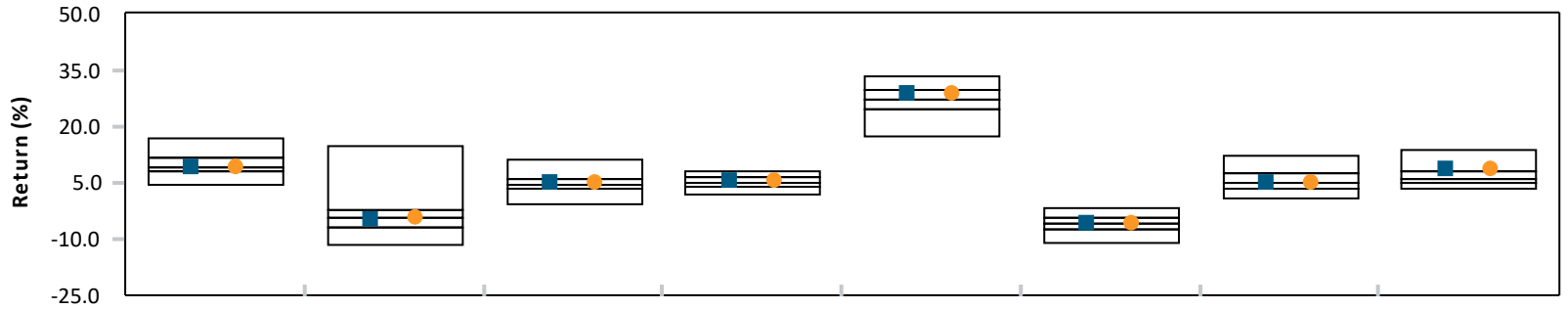


Manager Evaluation

Vanguard Real Estate Index Fund Adm

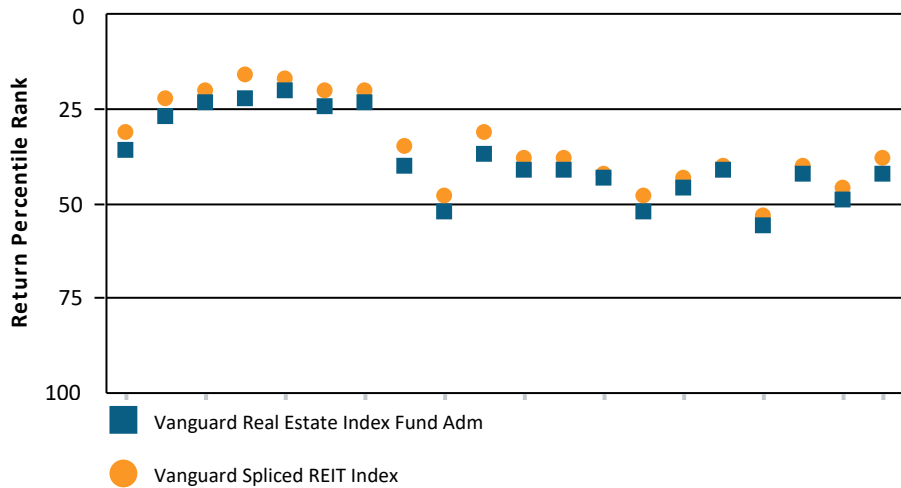
As of December 31, 2020

Peer Group Analysis vs. IM Real Estate Sector (MF)

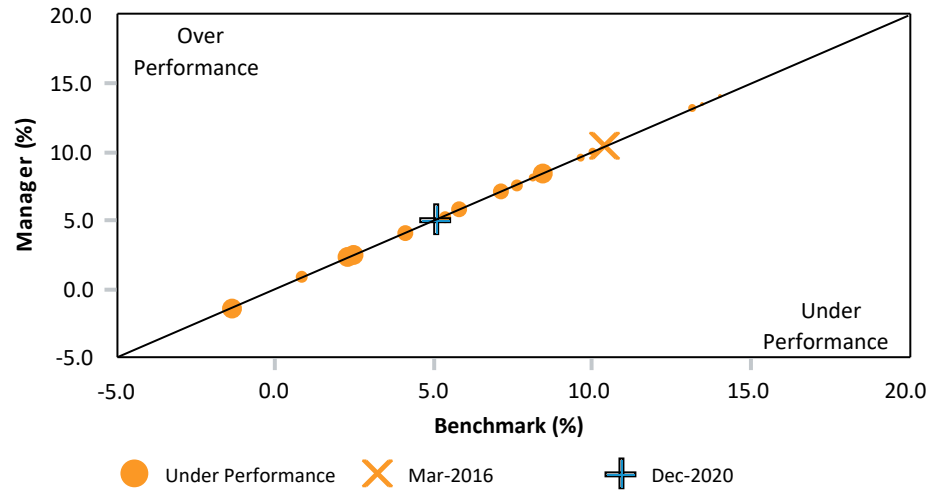


	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
■ Vanguard Real Estate Index Fund Adm	9.3 (49)	-4.7 (55)	5.0 (42)	5.7 (38)	28.9 (35)	-5.9 (54)	4.9 (56)	8.5 (20)
● Vanguard Spliced REIT Index	9.3 (48)	-4.6 (54)	5.1 (38)	5.8 (36)	29.0 (34)	-5.9 (52)	5.1 (52)	8.6 (19)
5th Percentile	16.7	14.9	11.1	8.2	33.4	-1.7	12.1	13.6
1st Quartile	11.5	-2.2	6.0	6.3	29.9	-4.4	7.5	8.0
Median	9.2	-4.2	4.7	5.0	27.4	-5.7	5.2	6.3
3rd Quartile	8.3	-7.0	3.3	4.0	24.5	-7.4	3.7	5.0
95th Percentile	4.7	-11.6	-0.6	1.9	17.6	-11.0	0.9	3.4

3 Year Rolling Percentile Ranking vs. IM Real Estate Sector (MF)



3 Year Rolling Under/Over Performance vs. Vanguard Spliced REIT Index



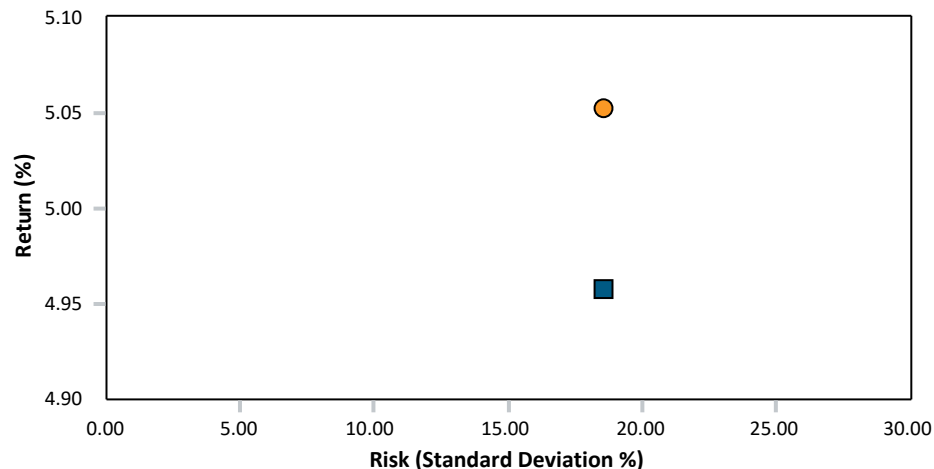
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Vanguard Real Estate Index Fund Adm

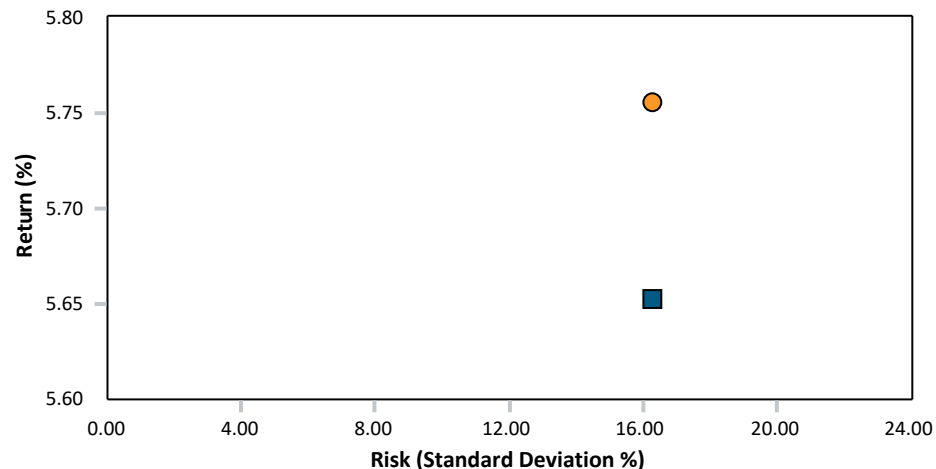
As of December 31, 2020

3 Year Risk and Return



- Vanguard Real Estate Index Fund Adm
- Vanguard Spliced REIT Index

5 Year Risk and Return



- Vanguard Real Estate Index Fund Adm
- Vanguard Spliced REIT Index

MPT Statistics vs. Vanguard Spliced REIT Index

	3 Years	5 Years
Return	5.0	5.7
Standard Deviation	18.6	16.3
vs. Vanguard Spliced REIT Index		
Alpha	-0.1	-0.1
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	13.9	8.3
Up Market Capture	99.8	99.8
Down Market Capture	100.2	100.3
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.3	0.3

Manager Evaluation

Vanguard Real Estate Index Fund Adm

Report Date December 31, 2020

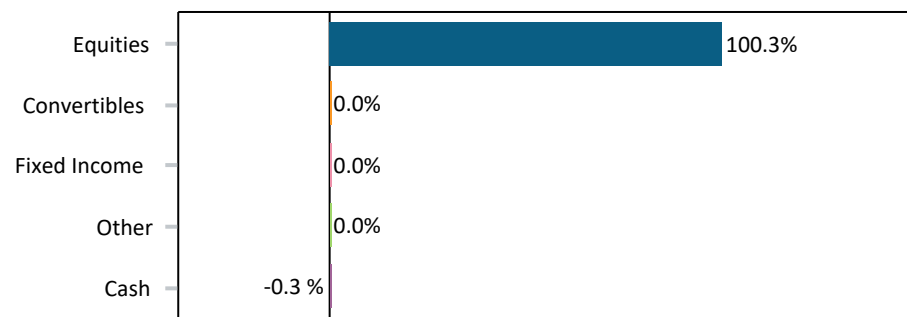
Mutual Fund Information

Fund Name :	Vanguard Specialized Funds: Vanguard Real Estate Index Fund; Admiral Shares	Portfolio Assets :	\$57,595 Million
Fund Family :	Vanguard Group Inc	Fund Assets :	\$19,109 Million
Ticker :	VGSLX	Portfolio Manager :	O'Reilly/Nejman
Inception Date :	11/12/2001	PM Tenure :	2001--2016
Portfolio Turnover :	6%		

Fund Investment Policy

The Fund seeks to provide a high level of income and moderate long-term capital appreciation by tracking the performance of a benchmark index that measures the performance of publicly traded equity REITs and other real estate-related investments. The Fund employs indexing to track the performance of the Index.

Asset Allocation as of 09/30/20



Top 10 Securities as of 09/30/20

Vanguard Real Estate II Index Fund;Insti	12.4 %
American Tower Corp ORD	8.5 %
Prologis Inc ORD	5.9 %
Crown Castle International Corp	5.5 %
Equinix Inc ORD	5.4 %
Digital Realty Trust Inc ORD	3.0 %
SBA Communications Corp ORD	2.8 %
Public Storage ORD	2.7 %
Welltower Inc ORD	1.8 %
Weyerhaeuser Co ORD	1.7 %

Equity Characteristics as of 09/30/20

Total Securities	183
Avg. Market Cap	\$38,301 Million
P/E	47.9
P/B	6.3
Div. Yield	4.5%
Annual EPS	23.2
5Yr EPS	15.0
3Yr EPS Growth	14.9

Sector Allocation as of 09/30/20



Benchmark Composition

New Fairfield Town Plan

As of December 31, 2020

Allocation Mandate	Weight (%)	Allocation Mandate	Weight (%)
Jan-2018		Feb-2013	
Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year	5.0	90 Day U.S. Treasury Bill	15.0
Bloomberg Barclays U.S. TIPS Index	5.0	Blmbg. Barc. U.S. Aggregate Index	26.0
Blmbg. Barc. U.S. Aggregate Index	29.5	Bloomberg Barclays 1-5 Year Gov/Credit Idx	4.5
Russell 3000 Index	36.0	Bloomberg Barclays U.S. TIPS Index	4.5
MSCI AC World ex USA (Net)	24.5	Russell 3000 Index	25.0
		MSCI AC World ex USA (Net)	17.0
Oct-2014		Blackrock Hybrid Benchmark	8.0
Blmbg. Barc. U.S. Aggregate Index	26.0		
Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year	4.5	Jan-2013	
Bloomberg Barclays U.S. TIPS Index	4.5	90 Day U.S. Treasury Bill	23.0
Russell 3000 Index	32.0	Blmbg. Barc. U.S. Aggregate Index	26.0
MSCI AC World ex USA (Net)	22.0	Bloomberg Barclays 1-5 Year Gov/Credit Idx	4.5
Blackrock Hybrid Benchmark	11.0	Bloomberg Barclays U.S. TIPS Index	4.5
		Russell 3000 Index	20.5
Apr-2013		MSCI AC World ex USA (Net)	14.5
Blmbg. Barc. U.S. Aggregate Index	26.0	Blackrock Hybrid Benchmark	7.0
Bloomberg Barclays 1-5 Year Gov/Credit Idx	4.5		
Bloomberg Barclays U.S. TIPS Index	4.5	Dec-2012	
Russell 3000 Index	32.0	90 Day U.S. Treasury Bill	31.5
MSCI AC World ex USA (Net)	22.0	Blmbg. Barc. U.S. Aggregate Index	26.0
Blackrock Hybrid Benchmark	11.0	Bloomberg Barclays 1-5 Year Gov/Credit Idx	4.5
		Bloomberg Barclays U.S. TIPS Index	4.5
Mar-2013		Russell 3000 Index	16.0
90 Day U.S. Treasury Bill	8.0	MSCI AC World ex USA (Net)	12.0
Blmbg. Barc. U.S. Aggregate Index	26.0	Blackrock Hybrid Benchmark	5.5
Bloomberg Barclays 1-5 Year Gov/Credit Idx	4.5		
Bloomberg Barclays U.S. TIPS Index	4.5		
Russell 3000 Index	28.5		
MSCI AC World ex USA (Net)	19.0		
Blackrock Hybrid Benchmark	9.5		

Benchmark Composition

New Fairfield Town Plan

As of December 31, 2020

Allocation Mandate	Weight (%)
Nov-2012	
90 Day U.S. Treasury Bill	40.0
Blmbg. Barc. U.S. Aggregate Index	26.0
Bloomberg Barclays 1-5 Year Gov/Credit Idx	4.5
Bloomberg Barclays U.S. TIPS Index	4.5
Russell 3000 Index	12.5
MSCI AC World ex USA (Net)	8.5
Blackrock Hybrid Benchmark	4.0
Oct-2012	
90 Day U.S. Treasury Bill	48.0
Blmbg. Barc. U.S. Aggregate Index	26.0
Bloomberg Barclays 1-5 Year Gov/Credit Idx	4.5
Bloomberg Barclays U.S. TIPS Index	4.5
Russell 3000 Index	8.5
MSCI AC World ex USA (Net)	5.5
Blackrock Hybrid Benchmark	3.0
Sep-2012	
90 Day U.S. Treasury Bill	57.0
Blmbg. Barc. U.S. Aggregate Index	26.0
Bloomberg Barclays 1-5 Year Gov/Credit Idx	4.5
Bloomberg Barclays U.S. TIPS Index	4.5
Russell 3000 Index	4.0
MSCI AC World ex USA (Net)	2.6
Blackrock Hybrid Benchmark	1.4
Aug-2012	
90 Day U.S. Treasury Bill	100.0
Jan-2010	
Prudential Activity	100.0

Benchmark Composition

New Fairfield BOE Plan

As of December 31, 2020

Allocation Mandate	Weight (%)	Allocation Mandate	Weight (%)
Jan-2018		Jan-2013	
Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year	7.0	90 Day U.S. Treasury Bill	10.0
Bloomberg Barclays U.S. TIPS Index	7.0	Blmbg. Barc. U.S. Aggregate Index	37.0
Blmbg. Barc. U.S. Aggregate Index	39.5	Bloomberg Barclays 1-5 Year Gov/Credit Idx	6.5
Russell 3000 Index	28.5	Bloomberg Barclays U.S. TIPS Index	6.5
MSCI AC World ex USA (Net)	18.0	Russell 3000 Index	19.5
		MSCI AC World ex USA (Net)	13.5
Oct-2014		Blackrock Hybrid Benchmark	7.0
Blmbg. Barc. U.S. Aggregate Index	37.0		
Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year	6.5	Dec-2012	
Bloomberg Barclays U.S. TIPS Index	6.5	90 Day U.S. Treasury Bill	18.0
Russell 3000 Index	25.0	Blmbg. Barc. U.S. Aggregate Index	37.0
MSCI AC World ex USA (Net)	16.0	Bloomberg Barclays 1-5 Year Gov/Credit Idx	6.5
Blackrock Hybrid Benchmark	9.0	Bloomberg Barclays U.S. TIPS Index	6.5
		Russell 3000 Index	15.5
Mar-2013		MSCI AC World ex USA (Net)	11.0
Blmbg. Barc. U.S. Aggregate Index	37.0	Blackrock Hybrid Benchmark	5.5
Bloomberg Barclays 1-5 Year Gov/Credit Idx	6.5		
Bloomberg Barclays U.S. TIPS Index	6.5	Nov-2012	
Russell 3000 Index	25.0	90 Day U.S. Treasury Bill	25.0
MSCI AC World ex USA (Net)	16.0	Blmbg. Barc. U.S. Aggregate Index	37.0
Blackrock Hybrid Benchmark	9.0	Bloomberg Barclays 1-5 Year Gov/Credit Idx	6.5
		Bloomberg Barclays U.S. TIPS Index	6.5
Feb-2013		Russell 3000 Index	12.0
90 Day U.S. Treasury Bill	5.0	MSCI AC World ex USA (Net)	8.5
Blmbg. Barc. U.S. Aggregate Index	37.0	Blackrock Hybrid Benchmark	4.5
Bloomberg Barclays 1-5 Year Gov/Credit Idx	6.5		
Bloomberg Barclays U.S. TIPS Index	6.5		
Russell 3000 Index	22.0		
MSCI AC World ex USA (Net)	15.0		
Blackrock Hybrid Benchmark	8.0		

Benchmark Composition

New Fairfield BOE Plan

As of December 31, 2020

Allocation Mandate	Weight (%)
Oct-2012	
90 Day U.S. Treasury Bill	33.0
Blmbg. Barc. U.S. Aggregate Index	37.0
Bloomberg Barclays 1-5 Year Gov/Credit Idx	6.5
Bloomberg Barclays U.S. TIPS Index	6.5
Russell 3000 Index	8.5
MSCI AC World ex USA (Net)	5.5
Blackrock Hybrid Benchmark	3.0
Sep-2012	
90 Day U.S. Treasury Bill	42.0
Blmbg. Barc. U.S. Aggregate Index	37.0
Bloomberg Barclays 1-5 Year Gov/Credit Idx	6.5
Bloomberg Barclays U.S. TIPS Index	6.5
Russell 3000 Index	4.0
MSCI AC World ex USA (Net)	2.6
Blackrock Hybrid Benchmark	1.4
Aug-2012	
90 Day U.S. Treasury Bill	100.0
Jul-2011	
Principal Activity	100.0

Benchmark Composition

OPEB Blended Benchmark

As of December 31, 2020

Allocation Mandate	Weight (%)
Jan-2013	
Blmbg. Barc. U.S. Aggregate Index	30.0
Bloomberg Barclays U.S. TIPS Index	10.0
MSCI US Broad Market Index	30.0
MSCI AC World ex USA (Net)	25.0
MSCI U.S. REIT Index	5.0

Benchmark Composition

Fixed Income Benchmark (Town)

As of December 31, 2020

Allocation Mandate	Weight (%)
Jan-2018	
Blmbg. Barc. U.S. Aggregate Index	74.7
Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year	12.7
Bloomberg Barclays U.S. TIPS Index	12.7
Oct-2014	
Blmbg. Barc. U.S. Aggregate Index	74.0
Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year	13.0
Bloomberg Barclays U.S. TIPS Index	13.0
Mar-1997	
Blmbg. Barc. U.S. Aggregate Index	74.3
Bloomberg Barclays 1-5 Year Gov/Credit Idx	12.9
Bloomberg Barclays U.S. TIPS Index	12.9

Benchmark Composition

Fixed Income Benchmark (BOE)

As of December 31, 2020

Allocation Mandate	Weight (%)
Jan-2018	
Blmbg. Barc. U.S. Aggregate Index	73.8
Bloomberg Barclays U.S. TIPS Index	13.1
Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year	13.1
Oct-2014	
Blmbg. Barc. U.S. Aggregate Index	74.0
Bloomberg Barclays U.S. TIPS Index	13.0
Blmbg. Barc. U.S. Gov/Credit Float Adj: 1-5 Year	13.0
Mar-1997	
Blmbg. Barc. U.S. Aggregate Index	74.3
Bloomberg Barclays 1-5 Year Gov/Credit Idx	12.9
Bloomberg Barclays U.S. TIPS Index	12.9

Benchmark Composition

Fixed Income Benchmark (OPEB)

As of December 31, 2020

Allocation Mandate	Weight (%)
Mar-1997	
Blmbg. Barc. U.S. Aggregate Index	75.0
Bloomberg Barclays U.S. TIPS Index	25.0

10-Year Capital Market Forecasts (2021-2030)

Asset Class Returns, Standard Deviations, Correlations & Tail Assumptions

January 2021

SYNOPSIS

DiMeo Schneider & Associates, L.L.C. updates asset class assumptions at least annually to reflect 10-year estimates for asset class returns, standard deviations, skewness, kurtosis and correlations. This paper details our input assumptions for the investment period from January 2021 to December 2030.

Executive Summary of Year-Over-Year Return Assumption Changes

Asset Class	12/1/20 E(R)	4/1/20 E(R)	Since 4/1 Rebalance
Cash*	0.08%	0.05%	0.0%
TIPS	0.7%	0.9%	-0.2%
Muni Bond**	1.0%	2.7%	-1.7%
Muni High Yield**	6.7%	8.3%	-1.6%
US Bond	1.2%	1.6%	-0.4%
Dynamic Bonds***	1.7%		
Global Bonds	0.8%		
For. Dev. Bond	0.4%	0.4%	0.1%
HY Bond	3.4%	5.2%	-1.8%
EM Bond	1.7%	2.8%	-1.0%
Global Equity	6.8%	7.3%	-0.6%
US Equity (AC)	5.5%	5.8%	-0.3%
US Equity (LC)	5.4%	5.6%	-0.3%
US Equity (MC)	5.7%	6.0%	-0.3%
US Equity (SC)	5.8%	6.1%	-0.3%
Int'l Dev. Equity	7.0%	7.7%	-0.7%
EM Equity	8.5%	10.1%	-1.6%
Real Estate	5.3%	5.1%	0.2%
Broad Real Assets****	3.9%		
Midstream Energy	8.1%	13.5%	-5.4%
Commod. Fut.	2.3%	3.3%	-1.0%
HFoF Multi-Strat	5.4%	5.9%	-0.5%
Private Equity	8.5%	8.8%	-0.3%

Our Investment Themes for 2021-2030

- Cash remains an expensive opportunity cost for investors.
- Given the reductions in forward looking returns for bonds across the globe, generating positive real returns will be challenging moving forward.
- Global stock market valuations rose in 2020 with prices expanding faster than earnings capacity.
- Real Assets remain an important diversifier as the events of 2020 have likely planted some seeds for rising future inflation.
- Midstream return assumptions are down materially as the asset class has appreciated dramatically off the COVID-induced (March) lows. We expect the asset class to remain volatile in 2021.

*3-month forecast

**Tax equivalent yield based on highest marginal tax rate (37%)

***33% Cash, 33% Corp HY, and 34% Global Bonds

****25% TIPS, 15% Bank Loans, 30% Infrastructure, 15% REITs and 15% Commodities

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10-YEAR RETURN FORECASTS BY ASSET CLASS

INFLATION (CPI): Inflation is used as a building block of total return for several asset classes. Our forecast of inflation is the difference between the 10-year nominal U.S. Treasury yield and the 10-year TIPS real yield. As of November 30, 2020, this difference was 1.80 percent (i.e., 0.84% - -0.96%). We believe this implied breakeven inflation rate (of 1.80 percent) is a rational median case assumption regarding CPI inflation for all items in the Consumer Price Index over the next 10 years. The following are the implied breakeven and our forward CPI expectations based on current breakeven inflation relationships.

Implied Breakeven CPI (11/30/20)

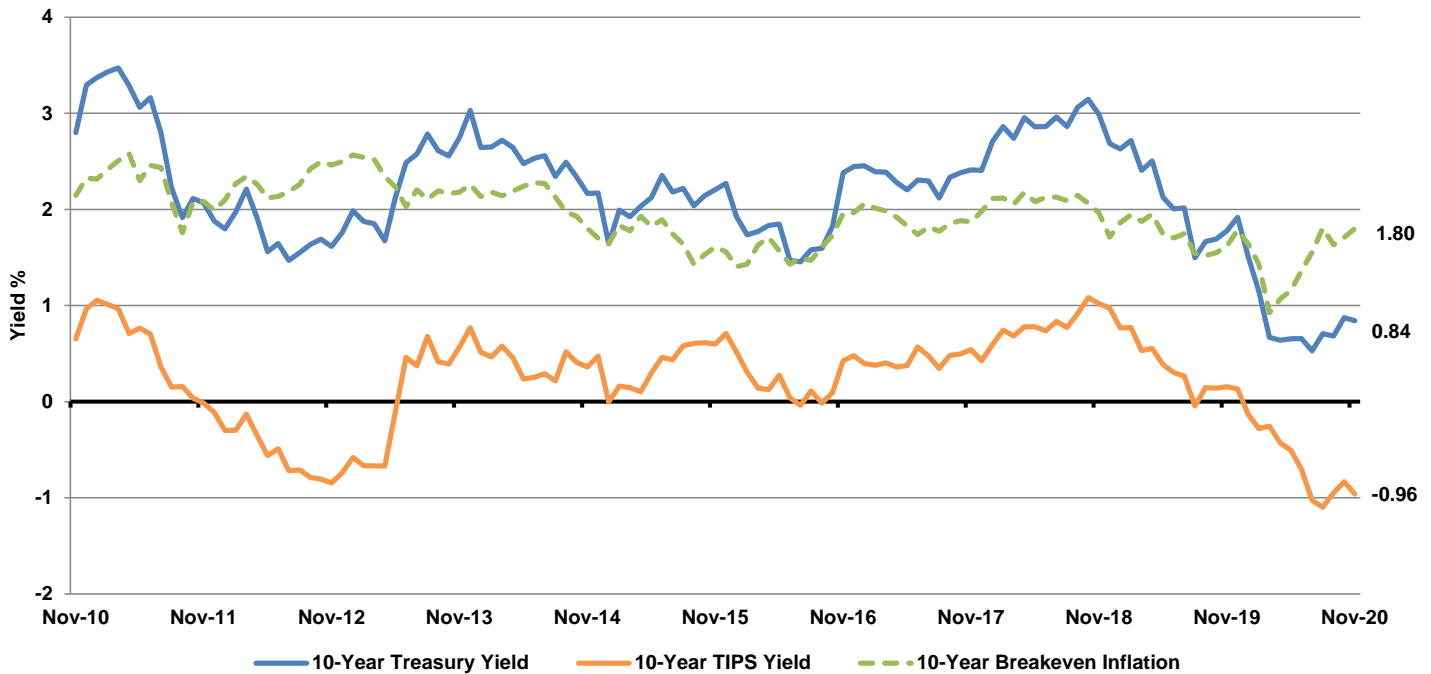
Maturity	Nominal	TIPS	Implied CPI
5 Years	0.36%	-1.35%	1.71%
7 Years	0.61%	-1.41%	2.02%
10 Years	0.84%	-0.96%	1.80%
20 Years	1.36%	-0.56%	1.92%
30 Years	1.57%	-0.37%	1.94%

Implied Forward CPI (11/30/20)

Forward CPI	Implied CPI
1-5 Years	1.71%
5-10 Years	1.89%
10-20 Years	2.04%
20-30 Years	1.97%

Source: Bloomberg

Historical 10-Year U.S. Nominal and Real Rates (as of November 30, 2020)



Source: Bloomberg

While the 10-year CPI forecast is 1.80 percent, we expect lower inflation (1.71 percent) in the first five years and higher inflation (1.89 percent) in the following five years.

10-Year Forecast of Annual CPI: 1.80%

TIPS: As of November 30, 2020, the Bloomberg Barclays Capital U.S. TIPS Index had 43 issues (all U.S. Sovereign) with an average real yield of -1.07 percent and an average maturity of 8.19 years.

Bloomberg Barclays U.S. TIPS
(11/30/20)

Summary Statistics	Value
Average Maturity (Yrs)	8.19
Average Real Duration (Yrs)	7.74
Average Coupon (%)	0.67
Yield to Worst (%)	0.73
Number of Issues	43

Source: Bloomberg, Barclays

Combining the real yield of the Bloomberg Barclays Capital U.S. TIPS Index (-1.07 percent) with our forecasted inflation (1.80 percent) leads to an expected return of 0.73 percent.

10-Year Forecast of Annualized Geometric Return: 0.7%

SHORT TERM BONDS: The historical duration of the asset class has been steady at approximately 2.00 years, which is calculated using blended return assumptions for cash and U.S. investment-grade fixed income. The blended return comes two-thirds from cash and one third from U.S. Investment Grade Fixed Income. Our expected geometric return forecast is 0.5 percent.

10-Year Forecast of Annualized Geometric Return: 0.5%

U.S. TAX-EXEMPT (MUNICIPAL) FIXED INCOME: As of November 30, 2020, the Bloomberg Barclays Capital U.S. Municipal Bond: 5 Year (4-6) Index had 6,088 issues with an average maturity of 4.99 years and an average duration of 3.93 years. The index is investment-grade rated.

Bloomberg Barclays 5-Year U.S.
Municipal Bond (11/30/20)

Summary Statistics	Value
Average Maturity (Yrs)	4.99
Average Duration (Yrs)	3.93
Average Coupon (%)	4.65
Yield to Worst (%)	0.63
Number of Issues	6,088

Source: Bloomberg, Barclays

Our tax-adjusted return forecast for the Bloomberg Barclays Capital Municipal Bond: 5 Year (4-6) Index is found by dividing the current yield to worst by one minus the highest marginal federal tax rate $[(0.63\% / (1 - 0.37)) = 0.99\%$.

10-Year Forecast of Annualized Geometric Return: 1.0%¹

¹The 0.9 percent annualized return assumption is used for optimization purposes to advantage municipal bonds over taxable bonds in taxable accounts as appropriate. However, 0.6 percent in annualized return is used when looking at portfolio level forward looking returns that are a weighted average of the underlying asset class return expectations.

U.S. TAX-EXEMPT (MUNICIPAL) HIGH YIELD FIXED INCOME: As of November 30, 2020, the Bloomberg Barclays Capital U.S. Municipal High Yield Index had 4,891 issues with an average maturity of 20.81 years and an average duration of 5.85 years. The index is below investment-grade rated.

**Bloomberg Barclays U.S. Municipal
High Yield Bond (11/30/20)**

Summary Statistics	Value
Average Maturity (Yrs)	20.81
Average Duration (Yrs)	5.85
Average Coupon (%)	4.73
Yield to Worst (%)	4.22
Number of Issues	4,891

Source: Bloomberg, Barclays

Our tax-adjusted return forecast for the Bloomberg Barclays Capital U.S. Municipal High Yield Index is found by dividing the current yield to worst by one minus the highest marginal federal tax rate $[(4.22\% / (1 - 0.37))] = 6.70\%$.

10-Year Forecast of Annualized Geometric Return: 6.7%²

U.S. INVESTMENT GRADE FIXED INCOME: As of November 30, 2020, the Bloomberg Barclays Capital U.S. Aggregate Bond Index had 11,998 issues with an average maturity of 8.28 years and an average duration of 6.44 years. The index is investment-grade rated.

Bloomberg Barclays U.S. Aggregate (11/30/20)

Sector Breakdown	%	Credit Breakdown	%	Maturity Breakdown	%	Summary Statistics	Value
Govt / Agency	43.2	AAA	69.6	1-3 Years	24.5	Average Maturity (Yrs)	8.28
Corporate	27.6	AA	3.4	3-5 Years	33.1	Average Duration (Yrs)	6.44
MBS	26.6	A	12.1	5-7 Years	12.6	Average Coupon (%)	2.81
ABS	0.3	BBB	14.9	7-10 Years	9.6	Yield to Worst (%)	1.15
CMBS	2.2	BB or lower	0.0	> 10 Years	20.3	Number of Issues	11,998

Source: Bloomberg, Barclays

The return forecast for the Bloomberg Barclays Capital U.S. Aggregate Bond Index is its current yield to worst of 1.15 percent.

10-Year Forecast of Annualized Geometric Return: 1.2%

Dynamic Bonds: The asset class is calculated using blended return assumptions for cash (1/3), corporate high yield (1/3) and global bonds (1/3). The (unbiased) expected geometric return forecast is 1.7 percent.

10-Year Forecast of Annualized Geometric Return: 1.7%

²The 6.7 percent annualized return assumption is used for optimization purposes to advantage municipal bonds over taxable bonds in taxable accounts as appropriate. However, 4.2 percent in annualized return is used when looking at portfolio level forward looking returns that are a weighted average of the underlying asset class return expectations.

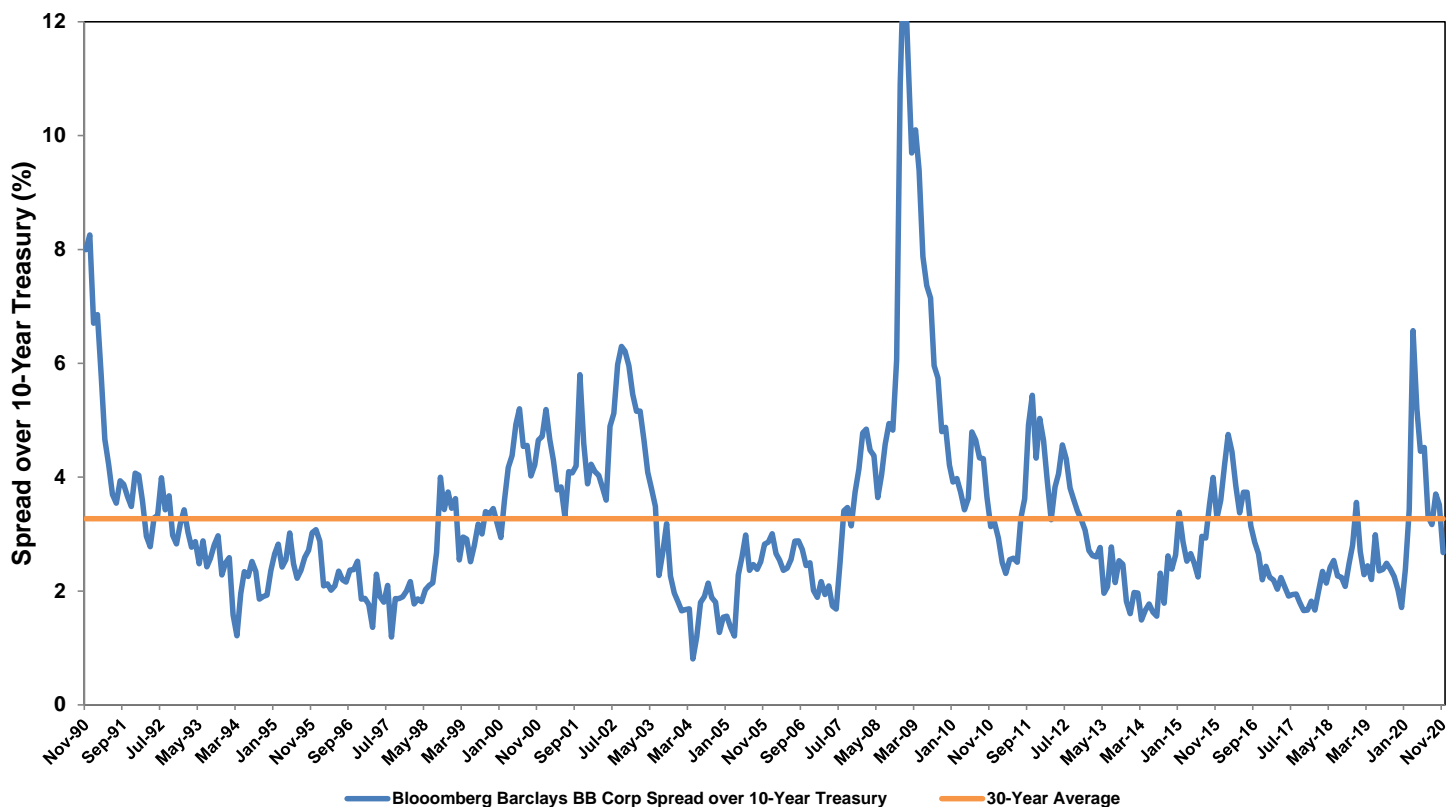
HIGH YIELD BONDS: As of November 30, 2020, the FTSE U.S. High Yield Market Index had 1,729 issues (all BB rated or lower) representing \$1.27 trillion in market value. The yield to worst was 4.78 percent with an average maturity of 6.11 years and a 3.30-year average duration. The following charts reflect current high yield bond market metrics and historical spread data.

FTSE U.S. High Yield Market Index (November 30, 2020)

Market Value (\$B)	Par Value (\$B)	MV / PV Premium (Discount)	Average Coupon (per \$100 Par)	Coupon/ MV Yield	Current YTW
\$1,271	\$1,218	104%	6.07%	5.82%	4.78%

Source: Bloomberg, FTSE

BB-Rated Corporate Spread vs. 10-Year U.S. Treasury (1990-2020)

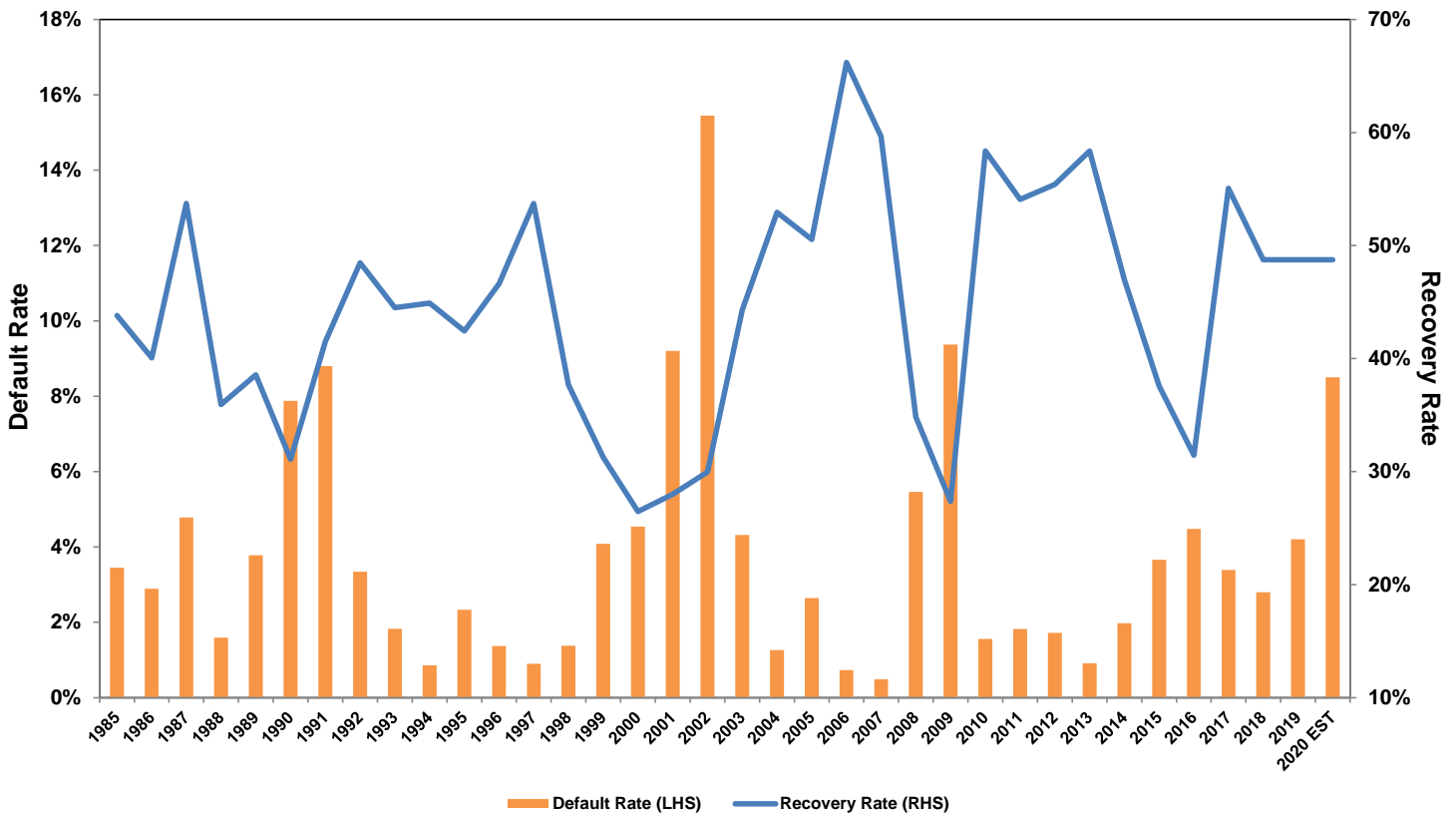


Source: Bloomberg

- As of November 30, 2020, the Bloomberg Barclays BB-rated Corporate Bond spread over the 10-year U.S. Treasury was 2.67 percent, which is 0.60 percent below the long-term historical average of 3.27 percent since November 1990. This represents a spread expansion of 66 basis points on a year-over-year basis, largely attributed to a higher yield on the Index.
- From August 1983 to November 2020, the Bloomberg Barclays U.S. Corporate High Yield Index returned an annualized 8.82 percent versus 7.12 percent for the Bloomberg Barclays Capital U.S. Aggregate Bond Index. This represents a historical risk premium of 1.69 percent for high yield bonds (over investment-grade intermediate bonds).
- Moody's 2020 forecast for U.S. high yield default rate is 8.5 percent³, which is a significant increase year-over-year.

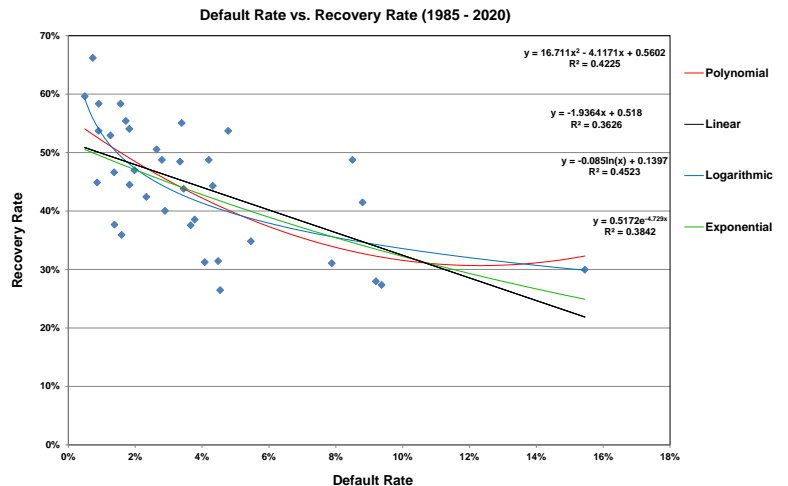
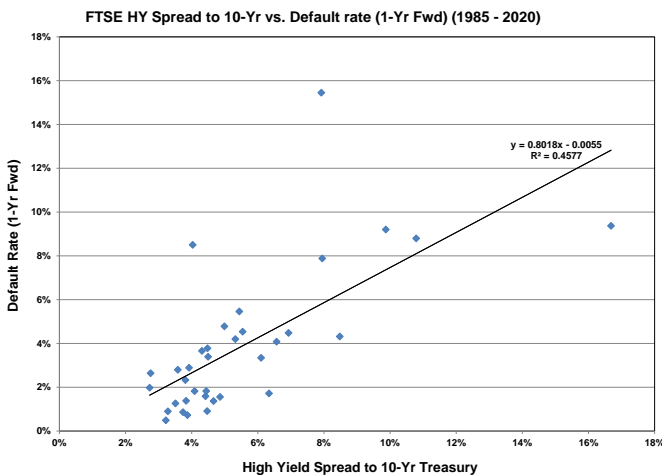
³https://www.moodys.com/research/Moodys-US-speculative-grade-default-tally-falls-in-Q3-2020--PBC_1251731

Historical High Yield Bond Default and Recovery Rates



Source: Credit Suisse through 2013 and Moody's since 2014. Moody's default rate estimate used for 2020 and last year's recovery rate carried over until recovery rates are quantified in the future.

- The geometric return forecast is derived from the *High Yield Default-Loss Method*, where expected return is a function of current credit spreads, our internal expected default rates and expected recovery rates.
- Each year end's high yield credit spread is used to estimate the following year's default rate (left pane below) from 1985 to 2020 and each year's actual default rate is used to predict an implied recovery rate using four different mathematical relationships (right pane below).



Source: Credit Suisse, Moody's, DiMeo Schneider & Associates, L.L.C. Analysis

High Yield Default-Loss Method applied as of November 30, 2020⁴

Polynomial Default-Recovery Regression

10-Year Treasury	Current Yield-to-Worst	Current Spread	Assumed Annual Default Rate	Assumed Annual Recovery Rate	Assumed Annual Loss Rate	Expected Return
0.84%	4.78%	3.94%	2.61%	46.42%	-1.40%	3.38%

Linear Default-Recovery Regression

10-Year Treasury	Current Yield-to-Worst	Current Spread	Assumed Annual Default Rate	Assumed Annual Recovery Rate	Assumed Annual Loss Rate	Expected Return
0.84%	4.78%	3.94%	2.61%	46.74%	-1.39%	3.39%

Logarithmic Default-Recovery Regression

10-Year Treasury	Current Yield-to-Worst	Current Spread	Assumed Annual Default Rate	Assumed Annual Recovery Rate	Assumed Annual Loss Rate	Expected Return
0.84%	4.78%	3.94%	2.61%	45.01%	-1.43%	3.35%

Exponential Default-Recovery Regression

10-Year Treasury	Current Yield-to-Worst	Current Spread	Assumed Annual Default Rate	Assumed Annual Recovery Rate	Assumed Annual Loss Rate	Expected Return
0.84%	4.78%	3.94%	2.61%	45.72%	-1.42%	3.36%

Source: Credit Suisse, Moody's, FTSE, Bloomberg, DiMeo Schneider & Associates, L.L.C. Analysis

- Based on the *High Yield Default-Loss Method*, the market is pricing in a 12-month forward looking 2.61 percent annual expected default rate as of November 30, 2020. This implies an expected recovery rate of around 46 percent, and subsequent annual loss rate of approximately 1.40 percent. This represents an estimate based on recent default and recovery rates. We believe the midpoint of the range of all methods reflects a sensible view of default losses over a full market cycle.

10-Year Forecast of Annualized Geometric Return: 3.4%

FOREIGN DEVELOPED FIXED INCOME: As of November 30, 2020, the FTSE World Government Bond ex-U.S. Index had an average yield to maturity of 0.10 percent with an average maturity of 10.6 years and a 9.99-year average duration.

Expected return is calculated by isolating the *sovereign index yield* and *currency and/or credit* components of the foreign developed bond market. The *sovereign index yield* component is calculated by taking the weighted average local bond market yield. Interest rate parity is then used to calculate the expected *currency* impact embedded in the foreign developed bond markets (in U.S. dollar terms). The difference in like-maturity rates across borders explains the currency Spot-Futures exchange rate relationship. If not, one could borrow in one currency, lend in the other and lock in an arbitrage profit.

⁴Default Rate = -0.0055% + 0.8018 * [HY Yield-to-Worst Spread vs. 10-Year Treasury]. R² = 0.4577. Recovery Rate algorithm combines linear, polynomial, logarithmic and exponential factors; additional details available upon request.

Foreign Developed Bond Market Data as of November 30, 2020⁵

Country	Global Allocation Ex-US (%)	Local Bond Market Maturity (Years)	Local Bond Market YTM (%)	U.S. Treasury Equivalent YTM (%)	Interest Parity (Currency) Spread (%)	Gross Debt to GDP Ratio (%)	Sovereign Credit and/or Currency Premium / (Discount) (%)
Japan	27.5%	12.6	0.15	0.72	0.57	238	(1.00)
France	13.6%	9.6	(0.36)	0.59	0.95	98	0.01
Italy	12.1%	8.9	0.35	0.53	0.18	135	(0.06)
Germany	9.9%	8.3	(0.61)	0.55	1.16	60	0.20
United Kingdom	8.5%	16.0	0.49	0.93	0.44	85	0.05
Spain	7.8%	9.3	(0.04)	0.66	0.70	95	0.01
Australia	3.5%	8.2	0.64	0.59	(0.05)	46	0.33
Belgium	3.2%	11.0	(0.30)	0.68	0.98	99	0.01
Canada	2.5%	8.0	0.54	0.63	0.09	89	0.03
Netherlands	2.5%	9.1	(0.51)	0.68	1.19	48	0.31
Austria	1.9%	11.9	(0.39)	0.84	1.23	70	0.12
Mexico	1.1%	8.1	5.35	0.51	(4.84)	54	0.26
Ireland	1.1%	9.4	(0.32)	0.66	0.98	57	0.22
Finland	0.8%	8.1	(0.50)	0.60	1.10	59	0.21
Poland	0.8%	4.7	0.47	0.36	(0.11)	46	0.33
Denmark	0.7%	10.1	(0.42)	0.63	1.05	29	0.53
Malaysia	0.6%	9.3	2.76	0.65	(2.11)	57	0.22
Singapore	0.6%	9.1	0.71	0.59	(0.12)	130	(0.04)
Israel	0.6%	7.7	0.65	0.49	(0.16)	60	0.20
Sweden	0.4%	6.1	(0.18)	0.46	0.64	35	0.46
Norway	0.3%	5.5	0.54	0.38	(0.16)	41	0.38
Total / WTD Average	100.00%	10.6	0.10	0.66	0.56	129	(0.21)
United States	N/A*	7.9	0.56			109	

*The United States is 35.8% of the Total World Government Bond Index.

Source: Bloomberg, FTSE

Fixed Income Returns Decomposition Method: (YLD) +/- (IRP) +/- (CRE/CUR)

10-Year Forecast (2021 - 2030): (0.10%) + (0.56%) + (-0.21%) = 0.44%

- YLD = Index Yield
- IRP = Interest Rate Parity Currency Adjustment
- CRE/CUR = Sovereign Credit/Currency Adjustment

The sovereign credit and/or currency premium / (discount) adjustment is applied to individual countries based on their debt-to-GDP ratios and reflects our opinion of how interest parity relationships do not fully reflect the potential for currency debasement (a form of implicit default) or actual potential principal losses due to explicit default.

10-Year Forecast of Annualized Geometric Return: 0.4%

⁵Source: FTSE (FTSE World Government Bond ex-U.S. Index data); DSA Calculation. Formerly the Citi World Government Bond ex-U.S. Index.

EMERGING MARKETS (LOCAL CURRENCY) FIXED INCOME: As of November 30, 2020, the JPMorgan GBI-EM Global Diversified Index had an average yield to maturity of 4.47 percent with an average maturity of 7.46 years and a 5.38-year average duration. Expected return is calculated by isolating the *sovereign index yield, currency and/or credit* components of the emerging markets bond market. The *sovereign index yield* component is calculated by taking the weighted average local bond market yield. Interest rate parity is then used to calculate the expected *currency* impact embedded in the emerging markets bond markets (in U.S. dollar terms). The difference in like-maturity rates across borders explains the currency Spot-Futures exchange rate relationship. If not, one could borrow in one currency, lend in the other and lock in an arbitrage profit. In order to isolate each country's implied credit spread, credit default swaps for each country are used to quantify credit risk above and beyond that of U.S. denominated bonds. This amount is then backed out of each country's yield in order to be removed from the interest rate parity calculation since implied credit risk is captured in the local bond yield and therefore should not be accounted for in the interest rate parity calculation as well.

JPMorgan GBI-EM Emerging Markets Bond Data as of November 30, 2020⁶

Country	Allocation (%)	Local Bond Market Maturity (Years)	Local Bond Market YTM (%)	U.S. Treasury Equivalent YTM (%)	Market Implied Credit Spread	Interest Parity (Currency) Spread (%)	Gross Debt to GDP Ratio (%)	Sovereign Credit and/or Currency Premium / (Discount) (%)
Mexico	9.6%	8.8	5.9	0.6	0.8	(4.5)	54	0.3
Indonesia	9.6%	8.6	6.2	0.5	0.8	(4.8)	30	0.5
China	9.0%	7.2	3.2	0.6	0.3	(2.3)	53	0.3
Thailand	8.7%	9.1	1.4	0.6	0.3	(0.5)	41	0.4
Brazil	8.5%	3.4	6.5	0.4	1.6	(4.5)	89	0.0
Poland	8.2%	4.7	0.6	0.4	0.5	0.2	46	0.3
Russia	7.5%	6.8	5.6	0.5	0.8	(4.4)	14	0.8
South Africa	7.5%	13.4	9.9	1.0	2.3	(6.7)	62	0.2
Malaysia	6.9%	6.1	2.7	0.4	0.3	(1.9)	57	0.2
Colombia	5.5%	7.7	5.2	0.6	0.8	(3.7)	52	0.3
Hungary	4.0%	5.8	1.6	0.4	0.7	(0.6)	66	0.2
Czech Republic	3.9%	6.7	1.0	0.5	0.7	0.2	30	0.5
Romania	3.1%	4.5	2.9	0.4	0.7	(1.9)	37	0.4
Peru	2.9%	10.7	3.9	0.6	0.6	(2.7)	27	0.6
Chile	2.6%	10.1	2.8	0.6	0.4	(1.8)	28	0.6
Turkey	2.1%	3.6	12.4	0.4	3.8	(8.2)	33	0.5
Philippines	0.2%	11.1	3.7	0.7	0.3	(2.7)	37	0.4
Dominican Republic	0.2%	4.3	8.2	0.4	4.7	(3.1)	54	0.3
Uruguay	0.1%	4.2	7.5	0.4	0.5	(6.7)	66	0.2
Argentina	0.0%	4.4	53.7	0.4	5.5	(47.8)	90	0.0
Total / WTD Average	100.0%	7.5	4.5	0.5	0.9	(3.1)	48	0.3
United States		7.9	0.6				109	

Source: Bloomberg, JPMorgan

Fixed Income Returns Decomposition Method: (YLD) +/- (IRP) +/- (CRE/CUR)

10-Year Forecast (2021 - 2030): (4.47%) + (-3.07%) + (0.35%) = 1.74%

- YLD = Index Yield
- IRP = Interest Rate Parity Currency Adjustment
- CRE/CUR = Sovereign Credit/Currency Adjustment

⁶Source: JPMorgan (JPMorgan GBI-EM Global Diversified Index data); Bloomberg (CDS Spreads); DSA Calculation.

The sovereign credit and/or currency premium / (discount) adjustment is applied to individual countries based on their debt-to-GDP ratios and reflects our bias for how interest parity relationships do not fully reflect the potential for currency debasement (a form of implicit default) or actual potential principal losses due to explicit default.

10-Year Forecast of Annualized Geometric Return: 1.7%

GLOBAL FIXED INCOME: The asset class is calculated using blended return assumptions for U.S. investment-grade fixed income (40 percent) and foreign investment grade developed sovereign bonds (60 percent). Our expected geometric return forecast is 0.8 percent.

10-Year Forecast of Annualized Geometric Return: 0.8%

U.S. LARGE CAP EQUITIES: The expected geometric return forecast for U.S. Large Cap Equities (S&P 500) is derived by applying the *Cyclically-Adjusted Earnings Yield Method* where return is a function of the historical 10-year average real earnings, current price and our 10-year inflation assumption (CPI).

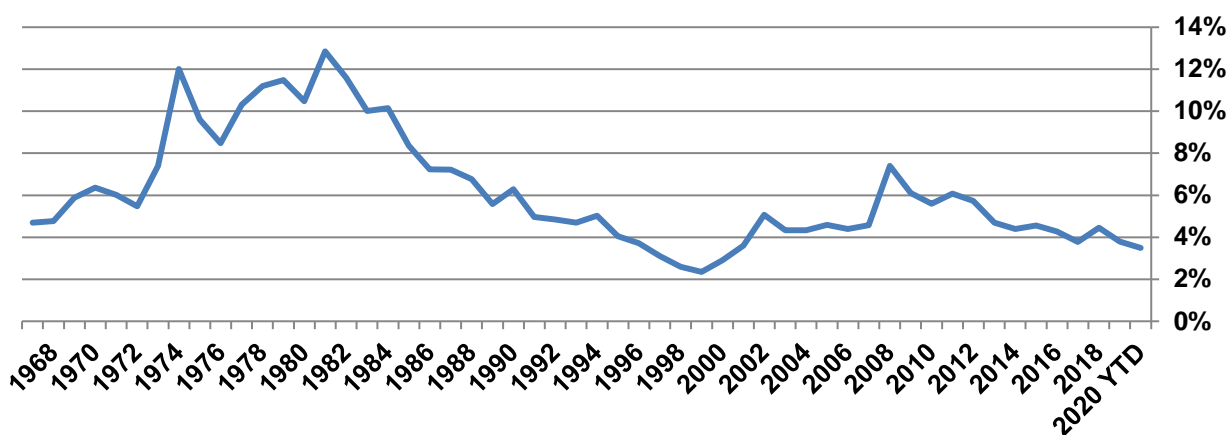
Cyclically-Adjusted Earnings Yield Method: $\{[1 + (\text{EARNINGS}/\text{PRICE})] * (1 + \text{CPI})\} - 1$

10-Year Forecast (2021 - 2030): $\{[1 + (126.46 / 3,621.63)] * (1 + 1.80\%)\} - 1$

10-Year Forecast (2021 - 2030): $\{(1 + 3.49\%) * (1 + 1.80\%)\} - 1 = 5.36\%$

- *EARNINGS* = Historical 10-year average real earnings of the S&P 500 Index as of November 30, 2020
- *PRICE* = Current S&P 500 Index real price as of November 30, 2020
- *CPI* = Our Inflation Forecast

S&P 500 Cyclically-Adjusted Earnings Yield



Source: Bloomberg, Standard & Poor's

As of November 30, 2020.

10-Year Forecast of Annualized Geometric Return: 5.4%

U.S. MID CAP EQUITIES: Using historical correlations and volatility for Large, Mid and Small Cap U.S. Equities (from 1979-2020) and U.S. market cap weights, the Black-Litterman arithmetic return forecast for Mid Cap is 7.3 percent (vs. 5.4 percent for Large Cap). Adjusting for forecasted volatility (17.8 percent Annual Standard Deviation), our expected geometric return is 5.7 percent.

10-Year Forecast of Annualized Geometric Return: 5.7%

Use of Indices and Benchmark Return Indices cannot be invested in directly. Index performance is reported gross of fees and expenses and assumes the reinvest dividends and capital gains. Past performance does not indicate future performance and there is a possibility of a loss. See disclosure page for indices representing each asset class. See the appendix for additional information about the Black-Litterman method.

U.S. SMALL CAP EQUITIES: Using historical correlations and volatility for Large, Mid and Small Cap U.S. Equities (from 1979-2020) and U.S. market cap weights, the (unbiased) Black-Litterman arithmetic return forecast for Small Cap is 7.9 percent (vs. 5.4 percent for Large Cap). Adjusting for forecasted volatility (20.3 percent Annual Standard Deviation), our expected geometric return is 5.8 percent.

10-Year Forecast of Annualized Geometric Return: 5.8%

Black-Litterman (U.S. Mid and Small Cap Equities)^{7,8}

As of: **11/30/2020**

Market Caps

	% MC
Large Cap	69.8%
Mid Cap	20.5%
Small Cap	9.7%

Volatility

	St. Dev.
S&P 500	15.1%
RMID	16.9%
R2000	19.7%

1979-2020

Correlation Matrix

	S&P 500	RMID	R2000
S&P 500	1.00	0.94	0.84
RMID	0.94	1.00	0.94
R2000	0.84	0.94	1.00

1979-2020

Covariance Matrix

	S&P 500	RMID	R2000
S&P 500	2.28%	2.40%	2.51%
RMID	2.40%	2.86%	3.14%
R2000	2.51%	3.14%	3.89%

1979-2020

Mkt St. Dev.	16.66%
Mkt Variance	2.78%
Mkt RP	7.93%
RA Coefficient	2.86
RFR	0.08%

$$[MC_1\% \cdot COV_1 + MC_2\% \cdot COV_2 + MC_3\% \cdot COV_3] \times RA \text{ Coeff.} + RFR$$

Ar. Ret.	6.7%	7.3%	7.9%
St. Dev.	16.4%	17.8%	20.3%
Ge. Ret.	5.36%	5.73%	5.83%

Solve for Mkt RP w/ Large Cap = 5.4%

Risk Aversion Coefficient = MRP/VAR

Source: Morningstar, Bloomberg, MSCI

U.S. ALL CAP EQUITIES: Using relative market capitalization weights⁹, historical correlation, volatility and our forecasted expected returns for Large, Mid and Small Cap U.S. Equities, the expected geometric return forecast for All Cap is 5.5 percent.

10-Year Forecast of Annualized Geometric Return: 5.5%

FOREIGN DEVELOPED EQUITIES: The expected geometric return forecast for Foreign Developed Equities (MSCI EAFE) is derived by applying the *Cyclically-Adjusted Earnings Yield Method* where return is a function of the 10-year average real earnings, current price and our 10-year inflation assumption (CPI).

Cyclically-Adjusted Earnings Yield Method: $\{[1 + (EARNINGS/PRICE)] * (1 + CPI)\} - 1$

10-Year Forecast (2021 - 2030): $\{[1 + (103.98 / 2,053.83)] * (1 + 1.80\%)\} - 1$

10-Year Forecast (2021 - 2030): $\{(1 + 5.06\%) * (1 + 1.80\%)\} - 1 = 6.96\%$

- *EARNINGS* = 10-Year average real earnings of the MSCI EAFE Index as of November 30, 2020
- *PRICE* = Current MSCI EAFE Index real price as of November 30, 2020
- *CPI* = Inflation Forecast

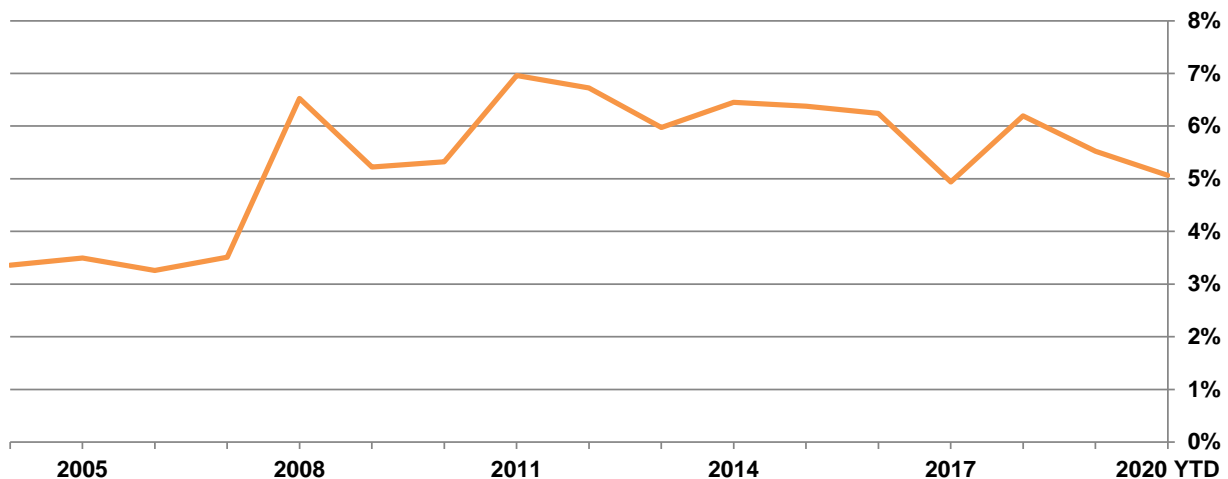
⁷RA Coefficient (i.e., Risk Aversion Coefficient) = Market Risk Premium/Market Variance.

⁸10-Year forecast standard deviation different from 1979-2020 historical standard deviation.

⁹As of 11/30/20, the U.S. equity market capitalization was comprised as follows: 76.7% Large Cap, 12.6% Mid Cap and 10.7% Small Cap. Source: Bloomberg, MSCI.

See disclosures for list of indices representing each asset class. Indices cannot be invested in directly. Performance is reported gross of fees and expenses and assumes the reinvest dividends and capital gains. Past performance does not indicate future performance and there is a possibility of a loss.

MSCI EAFE Cyclically-Adjusted Earnings Yield



Source: Bloomberg, MSCI

As of November 30, 2020.

10-Year Forecast of Annualized Geometric Return: 7.0%

EMERGING MARKETS EQUITIES: The expected geometric return forecast for Emerging Markets Equities (unhedged MSCI Emerging Markets) is derived by applying the *Cyclically-Adjusted Earnings Yield Method* where return is a function of the 10-year average real earnings, current price and our 10-year inflation assumption (CPI).

Cyclically-Adjusted Earnings Yield Method: $\{[1 + (\text{EARNINGS}/\text{PRICE})] * (1 + \text{CPI})\} - 1$

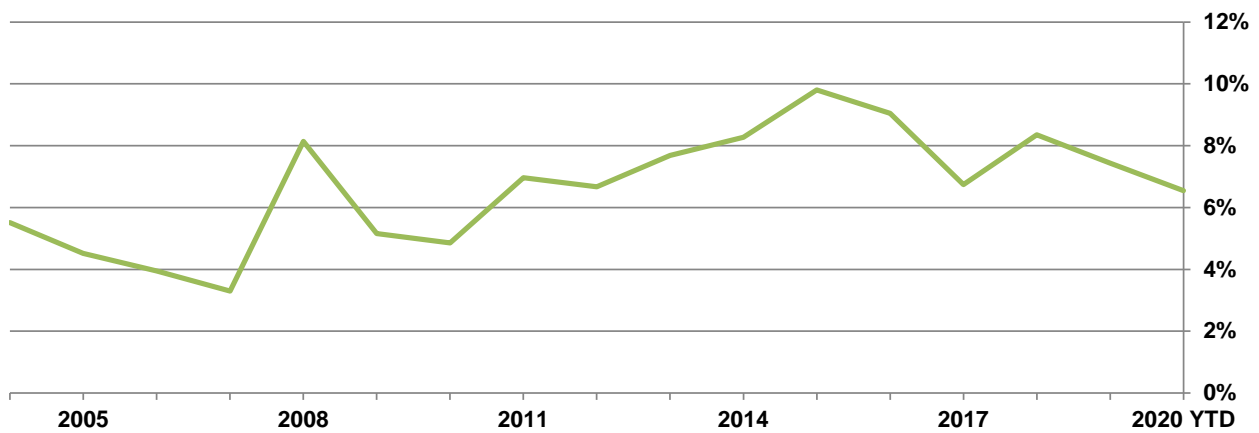
10-Year Forecast (2021 - 2030): $\{[1 + (78.85 / 1,205.07)] * (1 + 1.80\%)\} - 1$

10-Year Forecast (2021 - 2030): $\{(1 + 6.54\%) * (1 + 1.80\%)\} - 1 = 8.46\%$

- *EARNINGS* = 10-year average real earnings of the MSCI Emerging Markets Index as of November 30, 2020
- *PRICE* = Current MSCI Emerging Markets Index real price as of November 30, 2020
- *CPI* = Inflation Forecast

Use of Indices and Benchmark Return Indices cannot be invested in directly. Index performance is reported gross of fees and expenses and assumes the reinvest dividends and capital gains. Past performance does not indicate future performance and there is a possibility of a loss. See disclosure page for indices representing each asset class.

MSCI EM Cyclically-Adjusted Earnings Yield



Source: Bloomberg, MSCI

As of November 30, 2020.

10-Year Forecast of Annualized Geometric Return: 8.5%

GLOBAL EX-U.S. EQUITIES: Using relative market capitalization weights¹⁰ (excluding the U.S.), historical correlation, volatility and forecasted expected returns for Foreign Developed and Emerging Markets Equity, our expected geometric return forecast for Global ex-U.S. is 7.7 percent.

10-Year Forecast of Annualized Geometric Return: 7.7%

GLOBAL EQUITIES: Using relative market capitalization weights¹¹, correlation, volatility and forecasted expected returns for U.S. All Cap, Foreign Developed and Emerging Markets Equity, our expected geometric return forecast for Global is 6.8 percent.

10-Year Forecast of Annualized Geometric Return: 6.8%

REAL ESTATE (REITs): From 1972-2020, the FTSE NAREIT Equity REITs Total Return Index had a total annualized return of 11.04 percent. The price component of return was 3.77 percent with 0.90 percent (annualized) coming from yield compression (*as the dividend yield fell from 6.13 percent in 1972 to 3.98 percent in 2020*). CPI averaged 3.93 percent annually, so real price return (excluding yield compression) was -1.06 percent annually. At 7.27 percent annually, the dividend was the largest component of return. The following returns decomposition method is used to forecast returns where total return is a function of dividend yields, real price return, yield compression and inflation (CPI).

Given the uncertainty related to real estate as the effects of COVID continue to manifest in the economy, our forecasted yield contains a 12 percent adjustment downward on the expected dividend (the numerator of the yield calculation) in addition to an already observed decline of approximately 12 percent to the dividend in the last 12 months. Taken together, together, our forward return estimate is revised downward by 25 percent in total compared to last year's calculation.

Use of Indices and Benchmark Return Indices cannot be invested in directly. Index performance is reported gross of fees and expenses and assumes the reinvest dividends and capital gains. Past performance does not indicate future performance and there is a possibility of a loss. See disclosure page for indices representing each asset class.

¹⁰As of 11/30/20, the Global ex-U.S. equity market capitalization was comprised as follows: 70.0% Foreign Developed and 30.0% Emerging Markets. Source: Bloomberg, MSCI.

¹¹As of 11/30/20, the Global equity market capitalization was comprised as follows: 57.7% U.S., 29.6% Foreign Developed and 12.7% Emerging Markets. Source: Bloomberg, MSCI.

Modified Returns Decomposition Method: [(DY) + (RPR¹²) + (YLD C) + (CPI)]

Historical FTSE NAREIT Equity REITs Total Return Index (1972-2020): [(7.27%) + (-1.06%) + (0.90%) + (3.93%)] = 11.04%
10-Year Forecast (2021-2030): [(3.50%) + (0.00%) + (0.00%) + (1.80%)] = 5.30%

- DY = Dividend Yield
- RPR = Real price return excluding yield compression
- YLD C = Return resulting from yield compression
- CPI = Inflation Forecast

10-Year Forecast of Annualized Geometric Return: 5.3%

MIDSTREAM ENERGY: As the energy infrastructure asset class has continued to evolve, so too has our methodology for calculating an applicable capital market return assumption. Part of the change in methodology is due to a change in the opportunity set that continues to include more C-Corps, which are infrastructure companies that are structured as corporations instead of master limited partnerships (MLPs). Additionally, we have observed that more companies in the space are starting to retain some operating cash flow on their balance sheets for growth purposes instead of borrowing in the capital markets continuously to finance new projects. This change contradicts the previous assumption that yield generated by each company will eventually being paid out to shareholders. To account for these changes, in 2019 we believe a better approach is to approximate free cash flow generation regardless of how much is paid out to shareholders, which we derive below. Additionally in 2019, the opportunity set expanded and we believe the Alerian North American Midstream Energy index is the broadest and most appropriate opportunity set since it contains both MLPs and C-Corps, whereas the Alerian MLP index only contains MLPs.

Given the uncertainty related to Midstream as the effects of COVID continue to manifest in the economy, our forecasted yield contains a 25% adjustment downward on the expected dividend (the numerator of the yield calculation) in addition to an already observed decline of approximately 13% to the dividend in the last 12 months. Taken together, our forward return is revised downward by 35% in total compared to last year's calculation.

Additionally, our assumed Distribution Coverage ratio has been revised down to 1.1x with our belief that midstream companies will continue to need use some of their built up "cash cushions." This ratio measures the difference between how much cash is generated in the business and how much is paid out through dividends. A number greater than 1 implies the business is generating more cash than is expected to be paid out to shareholders.

Modified Returns Decomposition Method: [(DY) * (DCR¹³)] = FCFP + (CPI)

Historical Alerian North American Midstream Energy Total Return Index (October 2013 – November 2020): [5.72% * -0.75x¹⁴] = -4.29% + 2.19% = -2.09%

Historical Alerian MLP Total Return Index (January 1996 – November 2020): [7.44% * 0.89x] = 6.62% + 2.19% = 8.81%
10-Year Forecast (2021-2030): [5.71% * 1.1x] = 6.28% + 1.80% = 8.08%

Source: Alerian

- DY = Distribution Yield
- DCR = Distribution Coverage Ratio (or market-implied Distribution Coverage Ratio for historical calculations)
- FCFP = Free Cash Flow Proxy
- CPI = Our Inflation Forecast

10-Year Forecast of Annualized Geometric Return: 8.1%

¹²Unlike traditional stocks, REITs pay out virtually all their earnings (or FFO) in dividends and rely on the issuance of new equity (and debt) to grow earnings (or FFO). Therefore, the expected long-term RPR is capped at zero.

¹³The Distribution Coverage ratio is calculated by Alerian for each underlying security and rolled up into a median calculation across the Alerian MLP index. According to Alerian, Distribution coverage is defined as "...the cushion between cash flow being generated and cash being paid out as distributions to unitholders." A number of 1.0x or greater means cash flow generation by the company is higher than the expected distribution payout, and a number below 1.0x indicates the expected distribution is greater than what was generated by the company.

¹⁴The market-implied historical distribution coverage ratio was calculated using the historical total return, income return, and average inflation for the Alerian MLP index (starting January 1996) and the Alerian North American Midstream Energy index (starting October 2013).

BROAD REAL ASSETS: The asset class is calculated using blended return assumptions for TIPS (25 percent), Global Infrastructure (30 percent), Bank Loans (15 percent), REITs (15 percent) and Commodities (15 percent). Our expected geometric return forecast is 3.9 percent.

10-Year Forecast of Annualized Geometric Return: 3.9%

HEDGE FUNDS (DIVERSIFIED MULTI-STRATEGY PORTFOLIO): The hedge fund return forecast is unique in that it (along with private equity) are the only investment categories with net positive manager alpha assumptions. That is, the hedge fund return forecast is not meant to represent a return expectation for the aggregate hedge fund market, but rather a skillful portfolio of hedge funds. For purposes of measuring historical risk exposures (correlations to other asset classes) of hedge funds, the HFRI Fund of Funds Index, an equal-weighted composite, is used as the proxy. The return, risk, correlation, skewness and kurtosis assumptions are expected to differ on a strategy-by-strategy basis.

Our current 10-year standard deviation (or volatility) forecast for a diversified multi-strategy portfolio of hedge funds is 8.7 percent, the same volatility expected of hypothetical portfolio consisting of 58 percent investment grade U.S. fixed income and 42 percent global equity mix based on our 10-year forecasts. This fixed/equity mix has a 3.91 percent 10-year geometric expected return forecast. Our expectation is for a skillful and diversified portfolio of hedge fund managers to add 1.5 percent of excess return (i.e., $3.9\% + 1.5\% = 5.4\%$) net of manager fees at approximately the same volatility level. For liquid alternatives, the same process is employed but a zero percent excess return is used to arrive at a 3.9 percent return assumption.

10-Year Forecast of Annualized Geometric Return: 5.4% for FOHF¹⁵ & 3.9% for Liquid Alternatives

PRIVATE EQUITY: We assume investors demand a 3 percent risk premium over U.S. All Cap Equity net of manager fees to justify the risk and illiquidity of investing in private equity. The private equity return forecast is not meant to represent a return expectation for the aggregate private equity market, but rather a portfolio of skillful private equity funds. This return forecast is expected to differ depending upon the unique properties of the private equity investment product (i.e., buyout, venture, etc.).

10-Year Forecast of Annualized Geometric Return: 8.5%

¹⁵While our 10-year return forecast is expressed as if hedge fund returns were normally distributed, the Frontier Engineer™ model treats the return forecast as a median (rather than mean), and fattens the left tail, increasing the magnitude of lower probability events. Additional detail surrounding forecast assumptions at the individual hedge fund sub-strategy level is available upon request.

APPENDIX 1: RETURN, RISK, AND CORRELATION ASSUMPTIONS (ANNUALIZED)

Return & Risk Assumptions (Forecasts)	Arithmetic Return	Geometric Return	Standard Deviation	Skewness	Kurtosis
Cash	0.1%	0.1%	0.0%	0	0
ST Bonds	0.5%	0.5%	2.3%	0.52	1.02
TIPS	1.2%	0.7%	10.1%	-0.79	5.27
Muni Bond	0.7%	0.6%	4.7%	-0.38	1.75
Muni High Yield	5.3%	4.2%	14.7%	-1.55	10.70
US Bond	1.4%	1.1%	6.8%	-0.23	1.01
US Bonds - Dynamic	2.0%	1.8%	5.7%	-1.11	8.21
For. Dev. Bond	0.8%	0.4%	8.9%	0.00	0.69
HY Bond	4.4%	3.4%	14.1%	-1.18	8.90
EM Bond	3.2%	1.7%	17.0%	-1.71	9.62
Bank Loans	3.0%	1.9%	14.9%	-2.69	24.20
Global Bonds	1.1%	0.8%	7.2%	-0.15	0.07
Global Equity	8.4%	6.8%	17.7%	-0.68	1.59
US Equity (AC)	6.9%	5.5%	16.6%	-0.63	1.26
US Equity (LC)	6.7%	5.4%	16.4%	-0.58	1.04
US Equity (MC)	7.3%	5.7%	17.8%	-0.75	2.49
US Equity (SC)	7.9%	5.8%	20.3%	-0.50	1.37
Non-US Equity (ACWI)	10.2%	7.7%	22.1%	-0.65	1.72
Int'l Dev. Equity	9.3%	7.0%	21.9%	-0.57	1.42
EM Equity	12.6%	8.5%	28.9%	-0.70	1.98
Real Estate	7.5%	5.3%	21.1%	-0.72	7.62
Broad Real Assets	4.7%	3.9%	12.9%	-1.89	11.36
Midstream Energy	15.2%	8.1%	37.6%	0.01	19.69
Commod. Fut.	4.2%	2.3%	19.9%	-0.78	3.88
Global Infrastructure	7.2%	5.4%	18.9%	-0.92	2.30
HFoF Multi-Strat	5.8%	5.4%	8.7%	-0.93	5.30
Private Equity	11.1%	8.5%	22.9%	0.00	0.00

Correlation Assumptions (Forecasts)	Cash	ST Bonds	TIPS	Muni Bond	Muni High Yield	US Bond	US Bonds - Dynamic	For. Dev. Bond	HY Bond	EM Bond	Bank Loans	Global Bonds	Global Equity	US Equity (AC)	US Equity (LC)	US Equity (MC)	US Equity (SC)	Non-US Equity (ACWI)	Int'l Dev. Equity	EM Equity	Real Estate	Broad Real Assets	Midstream Energy	Commod. Fut.	Global Infrastructure	HFoF Multi-Strat	Private Equity
Cash	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ST Bonds	0	1.00	0.59	0.66	0.11	0.89	0.21	0.51	0.17	0.23	-0.11	0.78	0.01	0.11	0.11	0.11	0.05	0.01	0.11	-0.01	0.14	0.07	0.09	0.29	0.12	0.06	-0.16
TIPS	0	0.59	1.00	0.57	0.36	0.76	0.47	0.58	0.29	0.34	0.19	0.68	0.10	0.06	0.05	0.10	0.02	0.14	0.12	0.16	0.25	0.56	0.17	0.54	0.39	0.14	-0.04
Muni Bond	0	0.66	0.57	1.00	0.47	0.75	0.44	0.46	0.25	0.27	0.13	0.72	0.08	0.10	0.10	0.11	0.03	0.08	0.08	0.05	0.16	0.23	0.16	0.14	0.27	0.12	-0.09
Muni High Yield	0	0.11	0.36	0.47	1.00	0.32	0.53	0.20	0.47	0.24	0.58	0.32	0.26	0.23	0.22	0.28	0.19	0.28	0.26	0.25	0.33	0.47	0.28	0.28	0.43	0.36	0.14
US Bond	0	0.89	0.76	0.75	0.32	1.00	0.35	0.55	0.29	0.30	-0.01	0.94	0.09	0.18	0.19	0.19	0.10	0.08	0.15	0.03	0.21	0.20	0.09	0.31	0.29	0.08	-0.11
US Bonds - Dynamic	0	0.21	0.47	0.44	0.53	0.35	1.00	0.26	0.95	0.60	0.72	0.49	0.59	0.54	0.53	0.57	0.51	0.55	0.47	0.53	0.54	0.65	0.45	0.30	0.76	0.50	0.17
For. Dev. Bond	0	0.51	0.58	0.46	0.20	0.55	0.26	1.00	0.12	0.33	-0.04	0.66	0.26	0.04	0.05	0.03	-0.03	0.33	0.37	0.12	0.11	0.25	0.09	0.28	0.41	0.04	-0.08
HY Bond	0	0.17	0.29	0.25	0.47	0.29	0.95	0.12	1.00	0.57	0.79	0.20	0.63	0.63	0.61	0.67	0.63	0.60	0.54	0.59	0.61	0.66	0.47	0.32	0.74	0.52	0.22
EM Bond	0	0.23	0.34	0.27	0.24	0.30	0.60	0.33	0.57	1.00	0.35	0.29	0.64	0.57	0.57	0.58	0.52	0.66	0.61	0.74	0.47	0.59	0.38	0.46	0.74	0.57	0.21
Bank Loans	0	-0.11	0.19	0.13	0.58	-0.01	0.72	-0.04	0.79	0.35	1.00	-0.03	0.54	0.51	0.49	0.58	0.51	0.54	0.52	0.48	0.52	0.67	0.56	0.40	0.60	0.57	0.27
Global Bonds	0	0.78	0.68	0.72	0.32	0.94	0.49	0.66	0.20	0.29	-0.03	1.00	0.08	0.07	0.09	0.08	-0.01	0.07	0.07	0.02	0.18	0.24	0.08	0.15	0.28	0.09	-0.10
Global Equity	0	0.01	0.10	0.08	0.26	0.09	0.59	0.26	0.63	0.64	0.54	0.08	1.00	0.90	0.90	0.87	0.78	0.97	0.95	0.77	0.57	0.63	0.41	0.34	0.83	0.64	0.40
US Equity (AC)	0	0.11	0.06	0.10	0.23	0.18	0.54	0.04	0.63	0.57	0.51	0.07	0.90	1.00	0.99	0.97	0.89	0.77	0.69	0.69	0.65	0.57	0.42	0.30	0.77	0.62	0.40
US Equity (LC)	0	0.11	0.05	0.10	0.22	0.19	0.53	0.05	0.61	0.57	0.49	0.09	0.90	0.99	1.00	0.94	0.84	0.77	0.69	0.67	0.62	0.55	0.41	0.29	0.78	0.59	0.38
US Equity (MC)	0	0.11	0.10	0.11	0.28	0.19	0.57	0.03	0.67	0.58	0.58	0.08	0.87	0.97	0.94	1.00	0.94	0.76	0.67	0.70	0.71	0.62	0.45	0.32	0.78	0.65	0.39
US Equity (SC)	0	0.05	0.02	0.03	0.19	0.10	0.51	-0.03	0.63	0.52	0.51	-0.01	0.78	0.89	0.84	0.94	1.00	0.69	0.62	0.66	0.70	0.57	0.40	0.27	0.69	0.62	0.38
Non-US Equity (ACWI)	0	0.01	0.14	0.08	0.28	0.08	0.55	0.33	0.60	0.66	0.54	0.07	0.97	0.77	0.77	0.76	0.69	1.00	0.99	0.77	0.52	0.63	0.38	0.37	0.83	0.62	0.37
Int'l Dev. Equity	0	0.11	0.12	0.08	0.26	0.15	0.47	0.37	0.54	0.61	0.52	0.07	0.95	0.69	0.69	0.67	0.62	0.99	1.00	0.71	0.50	0.55	0.36	0.35	0.82	0.58	0.35
EM Equity	0	-0.01	0.16	0.05	0.25	0.03	0.53	0.12	0.59	0.74	0.48	0.02	0.77	0.69	0.67	0.70	0.66	0.77	0.71	1.00	0.47	0.56	0.33	0.38	0.77	0.67	0.30
Real Estate	0	0.14	0.25	0.16	0.33	0.21	0.54	0.11	0.61	0.47	0.52	0.18	0.57	0.65	0.62	0.71	0.70	0.52	0.50	0.47	1.00	0.75	0.32	0.28	0.68	0.35	0.21
Broad Real Assets	0	0.07	0.56	0.23	0.47	0.20	0.65	0.25	0.66	0.59	0.67	0.24	0.63	0.57	0.55	0.62	0.57	0.63	0.55	0.56	0.75	1.00	0.53	0.60	0.91	0.50	0.25
Midstream Energy	0	0.09	0.17	0.16	0.28	0.09	0.45	0.09	0.47	0.38	0.56	0.08	0.41	0.42	0.41	0.45	0.40	0.38	0.36	0.33	0.32	0.53	1.00	0.44	0.65	0.45	0.19
Commod. Fut.	0	0.29	0.54	0.14	0.28	0.31	0.30	0.28	0.32	0.46	0.40	0.15	0.34	0.30	0.29	0.32	0.27	0.37	0.35	0.38	0.28	0.60	0.44	1.00	0.58	0.44	0.12
Global Infrastructure	0	0.12	0.39	0.27	0.43	0.29	0.76	0.41	0.74	0.74	0.60	0.28	0.83	0.77	0.78	0.78	0.69	0.83	0.82	0.77	0.68	0.91	0.65	0.58	1.00	0.71	0.45
HFoF Multi-Strat	0	0.06	0.14	0.12	0.36	0.08	0.50	0.04	0.52	0.57	0.57	0.09	0.64	0.62	0.59	0.65	0.62	0.62	0.58	0.67	0.35	0.50	0.45	0.44	0.71	1.00	0.49
Private Equity	0	-0.16	-0.04	-0.09	0.14	-0.11	0.17	-0.08	0.22	0.21	0.27	-0.10	0.40	0.40	0.38	0.39	0.38	0.37	0.35	0.30	0.21	0.25	0.19	0.12	0.45	0.49	1.00

DISCLOSURES

This report does not represent a specific investment recommendation. Comparisons to any indices referenced herein are for illustrative purposes only and are not meant to imply that actual returns or volatility will be similar to the indices. Indices cannot be invested in directly. Unmanaged index returns assume reinvestment of any and all distributions and are reported gross of any fees and expenses. Any forecasts represent future expectations and actual returns; volatilities and correlations will differ from forecasts.

When referencing asset class returns or statistics, the following indices are used to represent those asset classes, unless otherwise notes. Each index is unmanaged and investors can not actually invest directly into an index.

APPENDIX 2: INDEX DISCLOSURES

Indices used to generate historical risk and return metrics	Most Recent Index	Index Dates		Linked Index 1	Index Dates		Linked Index 2	Index Dates		Linked Index 2	Index Dates		
Cash	FTSE Treasury Bill 3 Mon USD	11/20	-	1/79	N.A.	N.A.	-	N.A.	N.A.	N.A.	N.A.	-	N.A.
ST Bonds	BBgBarc US Govt/Credit 1-3 Yr TR USD	11/20	-	1/79	N.A.	N.A.	-	N.A.	N.A.	N.A.	N.A.	-	N.A.
TIPS	BBgBarc US Treasury US TIPS TR USD	11/20	-	3/97	BBgBarc US Agg Bond TR USD	2/97	-	1/79	N.A.	N.A.	-	N.A.	N.A.
Muni Bond	BBgBarc Municipal 5 Yr 4-6 TR USD	11/20	-	1/88	BBgBarc US Agg Bond TR USD	12/87	-	1/79	N.A.	N.A.	-	N.A.	N.A.
Muni High Yield	BBgBarc HY Muni TR USD	11/20	-	11/95	BBgBarc Municipal 5 Yr 4-6 TR USD	10/95	-	1/88	BBgBarc US Agg Bond TR USD	12/87	-	1/79	N.A.
US Bond	BBgBarc US Agg Bond TR USD	11/20	-	1/79	N.A.	N.A.	-	N.A.	N.A.	N.A.	-	N.A.	N.A.
US Bonds - Dynamic	BBgBarc US Agg Bond TR USD	11/20	-	2/90	BBgBarc US Agg Bond TR USD	1/90	-	1/79	N.A.	N.A.	-	N.A.	N.A.
For. Dev. Bond	50% CitiWGBI NonUSD Hdq 50% CitiWGBI NonUSD	11/20	-	1/85	BBgBarc US Agg Bond TR USD	12/84	-	1/79	N.A.	N.A.	-	N.A.	N.A.
HY Bond	BBgBarc US Corporate High Yield TR USD	11/20	-	7/83	BBgBarc US Agg Bond TR USD	6/83	-	1/79	N.A.	N.A.	-	N.A.	N.A.
EM Bond	JPM GBI-EM Global Diversified TR USD	11/20	-	1/03	JPM EMBI Global Diversified TR USD	12/02	-	1/94	BBgBarc US Corporate High Yield TR USD	12/93	-	7/83	BBgBarc US Agg Bond TR USD
Bank Loans	S&P/LSTA Leveraged Loan TR	11/20	-	12/96	BBgBarc US Corporate High Yield TR USD	11/96	-	7/83	BBgBarc US Agg Bond TR USD	6/83	-	1/79	N.A.
Global Bonds	BBgBarc Global Aggregate TR Hdq USD	11/20	-	2/90	BBgBarc US Agg Bond TR USD	1/90	-	1/79	N.A.	N.A.	-	N.A.	N.A.
Global Equity	MSCI ACWI GR USD	11/20	-	1/88	S&P 500 TR USD	12/87	-	1/79	N.A.	N.A.	-	N.A.	N.A.
US Equity (AC)	Russell 3000 TR USD	11/20	-	1/79	N.A.	N.A.	-	N.A.	N.A.	N.A.	-	N.A.	N.A.
US Equity (LC)	S&P 500 TR USD	11/20	-	1/79	N.A.	N.A.	-	N.A.	N.A.	N.A.	-	N.A.	N.A.
US Equity (MC)	Russell Mid Cap TR USD	11/20	-	1/79	N.A.	N.A.	-	N.A.	N.A.	N.A.	-	N.A.	N.A.
US Equity (SC)	Russell 2000 TR USD	11/20	-	1/79	N.A.	N.A.	-	N.A.	N.A.	N.A.	-	N.A.	N.A.
Non-US Equity (ACWI)	MSCI ACWI Ex USA GR USD	11/20	-	1/88	MSCI EAFE GR USD	12/87	-	1/79	N.A.	N.A.	-	N.A.	N.A.
Int'l Dev. Equity	MSCI EAFE GR USD	11/20	-	1/79	N.A.	N.A.	-	N.A.	N.A.	N.A.	-	N.A.	N.A.
EM Equity	MSCI EM GR USD	11/20	-	1/88	MSCI EAFE GR USD	12/87	-	1/79	N.A.	N.A.	-	N.A.	N.A.
Real Estate	Wilshire US RESI TR USD	11/20	-	1/79	N.A.	N.A.	-	N.A.	N.A.	N.A.	-	N.A.	N.A.
Broad Real Assets	*Custom Real Assets Index	11/20	-	1/79	N.A.	N.A.	-	N.A.	N.A.	N.A.	-	N.A.	N.A.
Midstream Energy	Alerian MLP TR USD	11/20	-	1/96	BCI+AGG-CASH	12/95	-	1/91	GSCI+AGG-CASH	12/90	-	1/79	N.A.
Commod. Fut.	BCI+TIPS-CASH	11/20	-	3/97	BCI+AGG-CASH	2/97	-	1/91	GSCI+AGG-CASH	12/90	-	1/79	N.A.
Global Infrastructure	DJ Brookfld Global Infra TR USD	11/20	-	2/03	Alerian MLP TR USD	1/03	-	1/96	Wilshire US RESI TR USD	12/95	-	1/79	N.A.
HFoF Multi-Strat	HFRI Fund of Funds Composite USD	11/20	-	1/90	HFN Hedge Fund Aggregate Average	12/89	-	1/79	N.A.	N.A.	-	N.A.	N.A.
Private Equity	Cambridge PE 67% Buyout vs. 33% Venture	11/20	-	4/86	Russell 2000 TR USD	3/86	-	1/79	N.A.	N.A.	-	N.A.	N.A.

APPENDIX 3: STANDARD DEVIATION FORECASTS

Annualizing a historical monthly standard deviation by multiplying by $\sqrt{12}$ understates true annual volatility (because of monthly serial correlation). Therefore, standard deviation is derived (for all asset classes) by calculating the annual standard deviation of all historical 12-month periods.

An adjustment will be made to asset classes with shorter return streams that will attempt to normalize volatility between asset classes. The methodology is used for the following asset classes:

Asset Classes

- TIPS (March 1997)
- Emerging Markets Bonds (January 1994)
- Hedge Funds Portfolio (January 1990)
- Midstream Energy (January 1990)
- Emerging Market Equities (January 1988)
- Foreign Bonds (January 1985)
- High Yield Bonds (November 1984)

Methodology

Standard Deviation (σ) of Asset = $\frac{[\text{short-term } \sigma \text{ of asset}] * [\text{long-term } \sigma \text{ of comparable asset}]}{[\text{short-term } \sigma \text{ of comparable asset}]}$

APPENDIX 4: DIFFERENTIATING ARITHMETIC AND GEOMETRIC ASSUMPTIONS

1. ARITHMETIC RETURNS VS. GEOMETRIC RETURNS

The arithmetic average annual return is always equal to or greater than a geometric (or compounded) annualized return. Since the CAPM and the Black-Litterman are single time period models, they forecast an arithmetic return (i.e., one-year). On the other hand, geometric returns are more appropriate for quantifying expected holding period returns (i.e., 10-years).

Geometric Return = [Arithmetic Return] – [(Standard Deviation)²] / 2

The Frontier Engineer™ asset allocation modeling seeks to optimize (the median expected) aggregate portfolio geometric returns (per unit risk) rather than arithmetic returns (per unit risk).

2. OPTIMIZING FOR GEOMETRIC RETURN

If two assets have the same expected return (and low correlation), they can be combined in a portfolio to generate a higher holding period return (geometric) than either two investments on a segregated basis. The following example shows how two investments with 10 percent expected arithmetic returns and 20 percent expected annual standard deviations can be combined in a portfolio to generate a higher time horizon return (geometric) than either on a segregated basis (*correlation = 0*).

Expected Arithmetic Return (2 asset portfolio) = $w_1 * (AR_1) + w_2 * (AR_2)$

Expected Arithmetic Return (2 asset portfolio) = $0.50 * 10\% + 0.50 * 10\% = 10.0\%$

$AR_1 = \text{Arithmetic Return of asset 1}$

$AR_2 = \text{Arithmetic Return of asset 2}$

$w_1 = \text{weight of asset 1}$

$w_2 = \text{weight of asset 2}$

Expected Standard Deviation (2 asset portfolio) = $\sqrt{[(w_1^2 * \sigma_1^2 + w_2^2 * \sigma_2^2) + (2 * w_1 * w_2 * \sigma_1 * \sigma_2 * r_{(1,2)})]}$

Expected Standard Deviation (2 asset portfolio) = $\sqrt{[(0.50^2 * 0.20^2 + 0.50^2 * 0.20^2) + (2 * 0.50 * 0.50 * 0.20 * 0.20 * 0.00)]} = 14.1\%$

$w_1 = \text{weight of asset 1}$

$w_2 = \text{weight of asset 2}$

$\sigma_1 = \text{standard deviation of asset 1}$

$\sigma_2 = \text{standard deviation of asset 2}$

$r_{(1,2)} = \text{Correlation between asset 1 and 2}$

As previously stated, geometric return = arithmetic return – $\sigma^2/2$

- Expected Geometric Return (Asset 1 in vacuum) = $10\% - 20\%^2/2 = 8.0\%$
- Expected Geometric Return (Asset 2 in vacuum) = $10\% - 20\%^2/2 = 8.0\%$
- Expected Geometric Return (50/50 Portfolio) = $10\% - 14.1\%^2/2 = 9.0\%$

3. CONCLUSION

Two low correlating assets with the same arithmetic return have a higher geometric return when combined within a portfolio (and rebalanced) than either has on a stand-alone basis.

APPENDIX 5: DEFINITIONS

DiMeo Schneider & Associates, L.L.C.'s Frontier Engineer™ portfolio optimization requires 10-year forecasts of the following metrics:

1. **Expected Median Annual Return**¹⁶ of each asset class
2. **Expected Annual Geometric Return**¹⁷ of each asset class
3. **Expected Annual Standard Deviation** of each asset class
4. **Expected Correlation** among all asset classes
5. **Expected Skewness** of each asset class (corrected for asymmetry)
6. **Expected Excess Kurtosis** of each asset class (corrected for tails)

Expected 10-Year Median Annual Return Forecast

Our annual median return forecast represents the expected midpoint of all possible future 10-year returns for an asset class. These return forecasts (or expected returns) are highly unlikely to be precisely correct over the 10-year time horizon. We expect the actual 10-year return to have a 50 percent probability of being higher or lower than the forecast.

Expected 10-Year Geometric Annual Return¹⁸ Forecast

Our geometric return forecast represents the expected midpoint of all possible future 10-year outcomes for an asset class. These geometric return forecast estimates (or expected returns) are highly unlikely to be precisely correct over the 10-year time horizon. We expect the actual 10-year return to have a 50 percent probability of being higher or lower than the forecast.

Expected 10-Year Annual Standard Deviation Forecast

Our 10-year standard deviation forecast represents the median expected (normally distributed) variability of annual returns about the mean. The higher the standard deviation, the more uncertain the outcome.

Expected Correlation

Our 10-year forecast of asset class correlation coefficients quantifies the degree to which two assets are expected to move together. The correlation coefficient can range from -1 (perfect negative correlation) to +1 (perfect positive correlation).

Expected Skewness

Our 10-year skewness forecast quantifies the degree of expected asymmetry of the return distribution. If the left tail is more pronounced than the right tail, the asset has negative skewness. If the reverse is true, it has positive skewness. If the two are equal, it has zero skewness (normally distributed).

Expected Excess Kurtosis

Our 10-year excess kurtosis forecast of each asset class quantifies the degree of expected *peakedness* (or flatness) of the return distribution. If excess kurtosis is positive, the distribution is more peaked (with extreme events). If excess kurtosis is negative, the distribution is flatter (with fewer extreme events).

¹⁶Median return is used because it does not require a normal return distribution assumption.

¹⁷The expression of the expected geometric return forecast (from median returns) requires a normal return distribution assumption (i.e., that mean = median). This is for illustrative purposes only. The geometric return forecasts are expressed as if returns were normal (i.e., median = mean). For Frontier Engineer™ optimization, asset class return distributions do not have to be normally (Gaussian) distributed.

¹⁸Geometric Return = Arithmetic Mean or Median Return – $\sigma^2/2$.

APPENDIX 6: FORECASTING METHODS

RETURNS:

10-year asset class return forecasts are developed using various methodologies including:

1. Risk Premium Method
2. Equity Returns Decomposition Method
3. Cyclically-Adjusted Earnings Yield (Modified CAPE) Method
4. Black-Litterman Method
5. Fixed Income Returns Decomposition Method
6. High Yield Default-Loss Method
7. Commodity Futures Returns Decomposition Method
8. Corrections for extreme asset class over/under valuation (or other disequilibrium in capital market assumptions)

1. The Risk Premium Method adds a risk premium to a referenced asset's return forecast.

$$\text{Return} = (\text{RA}) \pm (\text{RP})$$

- *RA = Forecasted Return of "Reference Asset"*
- *RP = Appropriate "Risk Premium" added to the Referenced Asset's forecast*

2. The Equity Returns Decomposition Method breaks out the components of equity returns.

$$\text{Return} = [(1 + \text{DIV}) * (1 + \text{P/E}) * (1 + \text{REG}) * (1 + \text{CPI})] - 1$$

- *DIV = Dividend Yield*
- *P/E = P/E Expansion/Contraction*
- *REG = Real Earnings Growth = [Return on Equity] * [Earnings Retention Ratio]*
- *CPI = Inflation (Consumer Price Index)*

The following is the Modified Equity Returns Decomposition Method for REITs and MLPs:

$$\text{Return} = [(DY) \pm (RPR) \pm (YLD C) \pm (CPI)]$$

- *DY = Dividend/Distribution Yield*
- *RPR = Real price return excluding yield compression*
- *YLD C = Price return resulting from yield compression*
- *CPI = Inflation (Consumer Price Index)*

3. The Cyclically-Adjusted Earnings Yield Method incorporates a smoothing technique to earnings by dividing the average real earnings by the current (real) Index price. The result is a cyclically-adjusted real earnings yield of an individual equity asset class, to which forward-looking inflation expectations are applied to garner an unbiased nominal expected return.

$$\text{Return} = \{[1 + (\text{EARNINGS/PRICE})] * (1 + \text{CPI})\} - 1$$

- *EARNINGS = 10-year average real earnings of Index*
- *PRICE = Current real price of Index*
- *CPI = Inflation (Consumer Price Index)*

4. The Black-Litterman Method uses reverse mean-variance optimization to arrive at unbiased asset class return forecasts by inputting correlation, volatility and market capitalization weights, then solving for (equilibrium) expected returns (or risk premiums).

- *Market capitalization weights for each asset*
- *Correlation between the assets*
- *Volatility (or standard deviation) of assets*
- *Risk free rate*
- *The risk aversion coefficient of the reference market portfolio*

5. The Fixed Income Returns Decomposition Method forecasts the components of fixed income Index returns (Yield Δ and Price Δ) and combines them for a total return forecast.

$$\text{Returns} = (\text{YLD}) +/- (\text{CUR}) +/- (\text{PE}) +/- (\text{CRED})$$

- *YLD = Bond Index YTM*
- *CUR = Expected currency effect derived from interest rate parity*
- *PE = Bond Index "Price Effect"*
- *CRED = Credit spread premium*

6. The High Yield Default-Loss Method forecasts fixed income returns by regressing default rates, recovery rates and credit spreads to generate an expected loss rate, then combines the Index yield to solve for a total return forecast.

- *Bond Index Yield*
- *U.S. Treasury Yield*
- *Historical Default Rates*
- *Historical Recovery Rates*

7. The Commodity Futures Index Returns Decomposition Method forecasts and aggregates the components of a commodity futures Index's total return.

$$\text{Returns} = (\text{SPOT}) +/- (\text{ROLL}) +/- (\text{COLLATERAL})$$

- *SPOT = Spot price return, which is assumed to keep pace with inflation as measured by CPI forecast*
- *ROLL = Roll return expected to be earned from holding a futures contract to (near) maturity*
- *COLLATERAL = Collateral return, which is earned by the return of the asset used to collateralize futures/swaps (i.e. T-Bills)*

8. DiMeo Schneider & Associates, L.L.C. reserves the right to make corrections for over or undervaluation of asset classes (or what we believe is capital markets disequilibrium) when developing forecasts. An expectation of mean-reversion in relative valuations (convergence of relationships) may be used when developing 10-year capital market assumptions.

STANDARD DEVIATION:

Standard deviation is derived by calculating the rolling annual standard deviation of all historical 12-month periods. For asset classes with short track records, adjustments to historical standard deviations may be made where appropriate. Such adjustments may be made using the following methodology:

$$\text{Standard Deviation } (\sigma) \text{ of Asset} = \frac{[\text{short-term } \sigma \text{ of asset}] * [\text{long-term } \sigma \text{ of comparable asset}]}{[\text{short-term } \sigma \text{ of comparable asset}]}$$

CORRELATION:

For all but two asset classes, correlation is calculated using long-term historical monthly data over common time periods. Cash is assumed to have a zero correlation to all asset classes. Private Equity's correlation is calculated using long-term historical (calendar year) annual data over common time periods.

SKEWNESS AND KURTOSIS:

We observe (monthly) skewness and excess kurtosis for each asset class over a uniform period of time (1997 to present). Failing to observe skewness and excess kurtosis over a uniform period of time for each asset class, especially during periods of stress (i.e., no emerging markets equity data for October 1987), will likely understate the impact of extreme events for asset classes with shorter return streams relative to those with longer return streams. Adjustments may be made to skewness and excess kurtosis from historical measures if warranted.

2021 Outlook: Poised for Growth

January 2021

Economic recovery, vaccine and portfolio considerations

Chris Kachmar, CFA, Partner, Chief Market Strategist
Stephen Proffer, CFA, Consultant, Market Strategist

Key Observations

- Financial assets produced remarkable returns over the final nine months of 2020, characterized by rising equity valuations and narrowing credit spreads amid a global pandemic and a disjointed global economy.
- The global economy is poised to achieve strong year-over-year growth and modest inflationary pressures in the first half of 2021, which should benefit risk assets and spread sectors. Wide-scale vaccination efforts may be the link to more sustained economic growth as the year progresses.
- While it is uncertain if the market rotation that began in November will continue, we advise maintaining broad diversification within and across asset classes to ensure a portfolio does not unnecessarily hinge on any one economic outcome.

Financial Market Conditions

Economic Growth

Although global economic activity picked up in the second half of 2020 as economies emerged from strict containment measures, the pace of recovery may be poised to moderate sequentially (quarter-over-quarter). Policymakers remain vigilant against COVID-19, reinstating mitigation measures in some areas (e.g., Illinois, New York and Massachusetts) until vaccination efforts are able to play a more active role on the public safety front. Although the pace of economic growth is likely to slow quarter-over-quarter, year-over-year economic and earnings growth should rebound sharply in the first half of 2021, particularly in the second quarter. However, our base case expectation for 2021 is best described as a tale of two halves, distinguished by uncertainty about the ultimate pace of economic normalization.

Monetary Policy

Global central banks remain committed to using all tools necessary to reinforce the ongoing economic recovery and achieve policy objectives. Apart from temporary programs designed to alleviate financial hardships caused by the pandemic, the Federal Reserve, European Central Bank and Bank of Japan all reiterated plans to maintain asset purchase programs until individual economies meet their respective policy objective(s). That may change in 2021, should the bifurcation between monetary and fiscal policies diminish.

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Fiscal Policy

The exogenous shock caused by the global pandemic exposed the limits of conventional monetary policy measures, which take time to work through economic channels and largely remain stuck in the financial sector, and pressured policymakers to respond decisively with unprecedented deficit spending. In the U.S. alone, the fiscal deficit grew \$2.8 trillion from March to November as Congress attempted to ease private sector financial conditions hit hardest by lost income. Janet Yellen, President Biden's nominee for U.S. Treasury Secretary and former Fed Chair, is familiar with the limits of monetary policy absent coordinated fiscal policy. Her nomination signals a potential merger between the Treasury and Fed to deliver targeted accommodation to the private sector if the economic recovery should slow.

Inflation

Through November, the Fed's preferred year-over-year inflation measure, the Core Personal Consumption Expenditure Price Index ("PCE"), remained stubbornly low at just 1.4 percent, and long-term broad inflation expectations remain well-anchored. However, the impact of pandemic-induced stimulus and ongoing measures to alleviate the economic burdens on households (evidenced by a deceleration in the labor market recovery) may cause inflation to rise in 2021.

Currency

Following its dramatic run-up in March as investor appetite for risk plummeted, the trade-weighted U.S. dollar fell nearly 11 percent by late December (the year-over-year decline was a more subdued 3 percent). In 2021, the U.S. dollar may continue to encounter downward pressures given the current configuration of domestic monetary and fiscal policy, which could ignite opportunities (and higher valuations) in tangible assets and international equities for U.S. investors.

Capital Market Assumptions

The resiliency demonstrated by capital markets during the last nine months of 2020 was remarkable and certainly welcomed by investors in an otherwise challenging year. Gains achieved across many asset classes influence and inform our most recent efforts to recast our capital market expectations, and elevated valuations inhibit our forward-looking return assumptions. The table below summarizes our return estimates and demonstrates the higher hurdle (and lower expected returns) that are by-products, largely, of the last three quarters' worth of strong risk asset returns.

The Federal Open Market Committee (FOMC) took its policy interest rate to zero in the first quarter of 2020, which drove bond prices higher and subsequently reduced our return expectations across fixed income. Our bond return expectations are further constrained by credit spread levels, which narrowed from April through December on reopening optimism and demonstrable progress toward a vaccine. Strong global equity returns in 2020 resulted in elevated equity valuations to start 2021 and lowered our equity return expectations 0.3 to 1.6 percent.

We have also reduced our return expectations for real assets and alternatives, although these asset classes continue to offer important diversification benefits within a thoughtful portfolio construction exercise. Changes to hedge fund and private equity forecasts are tangential to changes in public fixed income and equity return assumptions.

Our latest capital market forecast generally calls for lower returns relative to prior years for stated volatility targets. As such, investors should review portfolio compositions with a particular and elevated focus regarding their capacity to assume risk and be guarded in their efforts to source returns in what, we suspect, may be another eventful year in the capital markets.

Asset Class	10-Year Expected Return	20-Year Expected Return
Cash ¹	0.1%	0.7%
TIPS	0.7%	1.7%
Muni Bond ²	1.0%	1.6%
Muni High Yield ²	6.7%	5.2%
US Bond	1.2%	2.1%
Dynamic Bonds ³	1.7%	2.8%
Global Bonds	0.8%	1.8%
For. Dev. Bond	0.4%	1.4%
HY Bond	3.4%	4.4%
EM Bond	1.7%	2.7%
Global Equity	6.8%	7.7%
US Equity (AC)	5.5%	6.4%
US Equity (LC)	5.4%	6.3%
US Equity (MC)	5.7%	6.6%
US Equity (SC)	5.8%	6.7%
Int'l Dev. Equity	7.0%	7.9%
EM Equity	8.5%	9.4%
Real Estate	5.3%	6.2%
Broad Real Assets ⁴	3.9%	4.8%
Midstream Energy	8.1%	9.0%
Commod. Fut.	2.3%	3.2%
HFoF Multi-Strat	5.4%	6.3%
Private Equity	8.5%	9.4%

1. 3-month forecast

2. Tax equivalent yield based on highest marginal tax rate (37%)

3. 33% Cash, 33% Corp HY, and 34% Global Bonds

4. 25% TIPS, 15% Bank Loans, 30% Infrastructure, 15% REITs and 15% Commodities

Outputs and opinions are as of the date referenced and are subject to change based on market or economic conditions. Information is intended for general information purposes only and does not represent any specific investment recommendation. Please consult with your advisor, attorney and accountant, as appropriate, regarding specific advice. There is no guarantee that any of these expectations will become actual results.

For additional information on forecast methodologies, please speak with your advisor. Please see Index Proxy Summary page at the end of this paper for summary of indices used to represent each asset class. Past performance does not indicate future performance and there is a possibility of a loss.

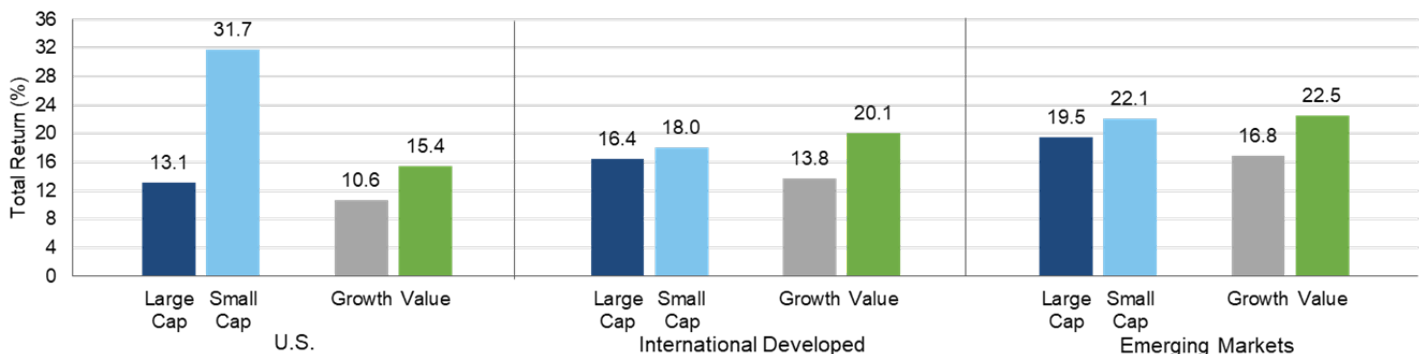
Investment Themes for 2021

Financial market conditions as 2021 begins are book-ended by a wholly unique set of circumstances inescapably linked to global efforts to remediate the pandemic. Unprecedented levels of stimulus had the immediate effect of stabilizing markets and elevating investors' risk appetite, yet vaccination dissemination programs remain nascent and somewhat fragmented. While we expect these factors will continue to govern and sway investment markets near-term, we are cautiously inclined to favor thoughtful exposure to risk assets as the New Year starts. As we highlight below, we are encouraged by the increasing breadth of asset class returns witnessed in the fourth quarter of 2020 – a precursor, perhaps, to the advent of a new economic regime exemplified by more sustained and synchronized levels of global economic activity. Wide-scale and effective vaccination distribution necessarily coincides with this expectation.

1. The Pandemic's Wake

Key Observation Beginning 2021 – Before the development of a COVID-19 vaccine, the period of social, emotional and economic adversity seemingly had no end in sight. Though early bipartisan legislation offered financial relief to households and businesses, incremental fiscal stimulus was mired in political gridlock until late December. In many ways, the advent of a vaccine from global pharmaceutical companies (e.g., Pfizer, Moderna and others expected in 2021) offered a glimpse of a path forward. Vaccine development and distribution efforts, once they fully take hold, boost the likelihood of harmonized economic growth normalization in 2021. Importantly, there is ample historical precedence evidencing a broadening pattern of asset class returns as the global economy finds its footing, generates momentum and begins to navigate a path to more sustained growth. As highlighted below, activity in the markets in the fourth quarter of 2020 may offer a first hint for this potential moving forward.

Small cap and value-orientated equities produced substantial returns in the fourth quarter, improving market breadth heading into 2021.



Source: Bloomberg. See disclosures for list of indices representing each asset class. Indices cannot be invested in directly. Performance is reported gross of fees and expenses and assumes the reinvest dividends and capital gains. Past performance does not indicate future performance and there is a possibility of a loss.

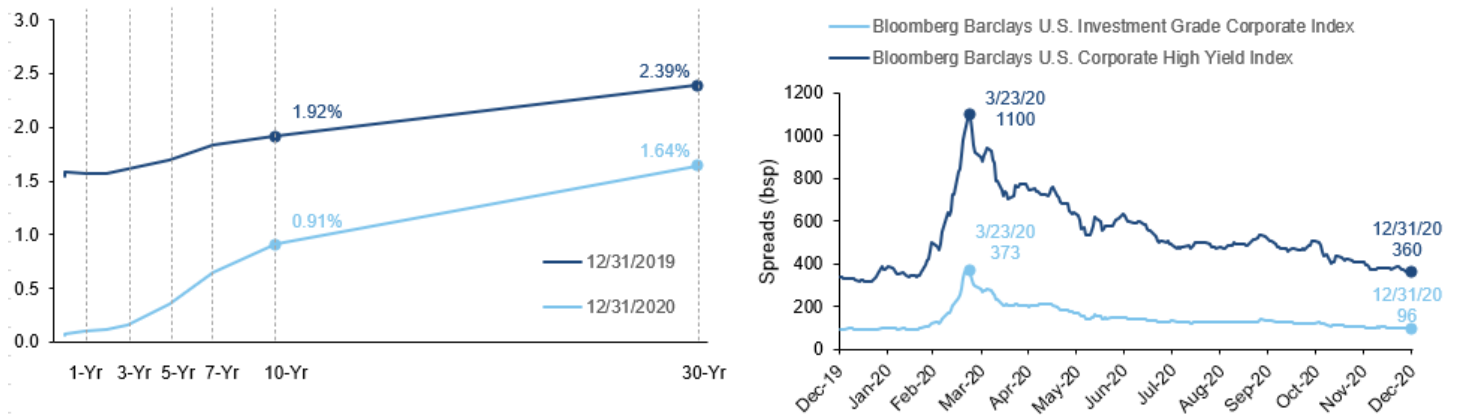
Portfolio impact – The strong rebound in equity valuations following the first quarter sell-off in 2020, while certainly welcome and encouraging, did not entirely eradicate the relative dislocations across certain segments of the domestic equity markets. We expect relative performance between the growth and value styles will likely mean-revert over time and that recent tailwinds favoring growth equities may serve as headwinds in 2021.

Though not impossible, it is difficult to imagine how this year’s much championed “stay-at-home” stocks could replicate growth rates on a year-over-year basis in the face of (1) tough 2020 comparables (2) improving coordination on the vaccine distribution front and (3) a footprint of broadening economic growth. Outcomes across the capitalization spectrum take their cues from where within the cycle the economy resides and, consistent with our baseline forecast that we are early in the next cycle, suggest that small cap stocks may be poised to sustain the return advantages they generated in the fourth quarter of 2020. As always, we advocate that maintaining broad diversification within and across asset classes most effectively ensures that a portfolio is not overly exposed to any single economic outcome.

2. Opportunities in a Low-Interest Rate Environment

Key Observation Beginning 2021 – Global central banks responded to the pandemic swiftly by slashing policy rates significantly – to zero in many cases. The quick response supported the functionality of global financial markets, staved off deflationary forces and bolstered the financial sector. The corollary is that fixed income return expectations on a go-forward basis are necessarily diminished. Entering 2021, investors must now contend with historically low return estimates from many traditional fixed income asset classes (e.g., sovereign bonds, investment-grade corporates and high yield debt).

Low-interest rates and tight credit spreads portend lower forward-looking returns in traditional fixed income



Source: Bloomberg. Past performance does not indicate future performance there is a possibility of a loss.

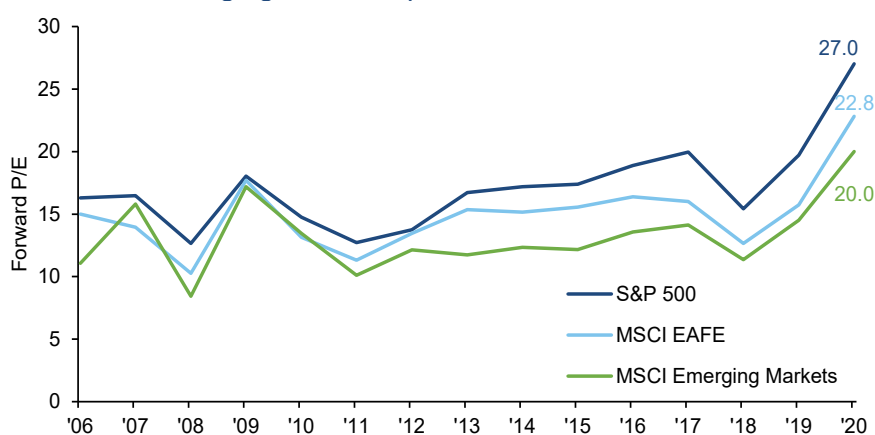
Portfolio impact – Historically low interest rates, uneven global economic recovery and the potential for modest inflation volatility necessitate a particularly attentive fixed income allocation as 2021 begins. Investors may want to consider how, for example, dynamic bond strategies fit within a portfolio as a means of navigating the current backdrop. These strategies customarily invest widely across fixed income markets, often seeking opportunities in more nuanced bond segments while typically possessing lower sensitivity to interest rates. Expect nimbleness and selectivity to be key attributes needed in the quest for fixed income returns this year.

3. A Case for Global Equity Exposure

Key Observation Beginning 2021 – Stay-at-home efforts to contain the spread of COVID-19 was the impetus for sharply increased demand for productivity and entertainment solutions. These service providers, many in the technology sector, were rewarded with impressive earnings growth and handsome returns in 2020. However, as vaccines lay the groundwork for more normal economic activity, companies hit hardest by the

pandemic could experience dramatic earnings growth in 2021 and a continuation of the advantaged returns that were witnessed in the fourth quarter of 2020. As we outlined earlier, those equity sectors and styles that lagged during the financial market recovery, such as small cap and value equities, produced strong returns in November and December. International equity markets produced advantageous returns as well as 2020 drew to a close.

Relatively more attractive international valuations and the prospects of further U.S. dollar weakness support the prospects of international and emerging market equities.



Source: Bloomberg. Past performance does not indicate future performance and there is a possibility of a loss.

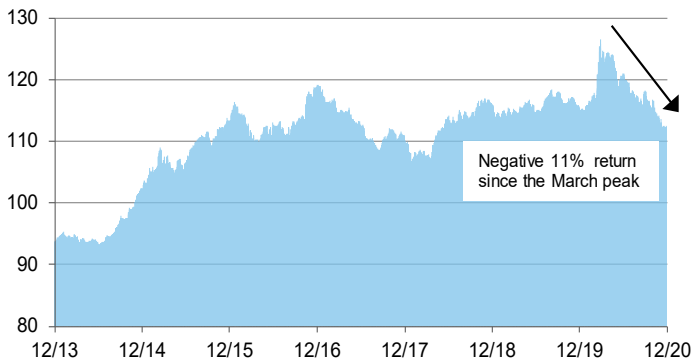
Portfolio impact – Equities are inherently more sensitive to economic growth and rising inflation than bonds. While we are mindful of elevated valuations, an economic recovery, prospects for further weakness in the U.S. dollar and stability within the commodity complex elevate prospects for international developed and emerging market equities. As highlighted above, relative valuation advantages persist across wide swaths of equity markets overseas, and the inherent composition of many of these markets also postures more favorably to a prolonged global economic recovery.

4. Returns from Real Assets

Key Observation Beginning 2021 – Despite extraordinary measures on the monetary stimulus front, official inflation measures have remained stubbornly low over the last 10 years. Core Personal Consumption Expenditures (“PCE”), the Fed’s preferred inflation measure, averaged just 1.6 percent during this timeframe – well below the stated 2 percent target. We attribute much of the disconnect to two forces. First, monetary stimulus is susceptible to clogs in the financial sector and disproportionately benefits financial asset inflation over inflation in real assets (for more information, please see our [Inflation Framework video](#)). Second, continued U.S. dollar strength over the last six years has weighed on raw material prices.

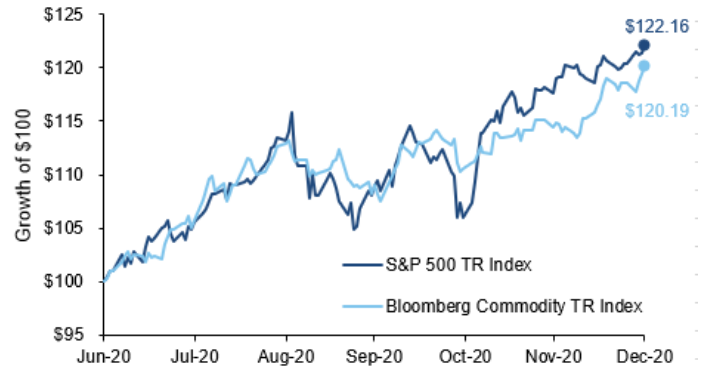
However, increased emphasis on fiscal policy, precisely those policies aimed at putting money directly into consumers’ hands, can raise the velocity of money and buoy inflation in real assets. Increased federal deficits, paired with the Fed’s \$1.4 trillion annual asset purchase program, may set the stage for a secular decline in the U.S. dollar.

Fiscal policy, in coordination with existing monetary policy, put downward pressure on the U.S. dollar...



Source: Federal Reserve based on H.10 exchange rate data.

...which benefitted commodity prices in the second half of 2020.



Source: Bloomberg.

Past performance does not indicate future performance and there is a possibility of a loss.

Portfolio impact – Over the last ten years, U.S. dollar strength disproportionately benefitted financial assets while hindering tangible asset returns. Looking forward, fiscal and monetary support to households and businesses may finally spur inflation in commodities and real assets. Therefore, we continue to believe a well-diversified portfolio should include a thoughtful allocation to tangible assets.

Outlook Summary

The global economy is poised to achieve strong year-over-year growth and only modest inflationary pressures in the first half of 2021, which should benefit risk assets and support spread sectors. However, the path toward social and economic normalization will probably be jagged and uneven until vaccine distribution efforts harmonize a more balanced global recovery experience.

As 2020 came to a close, the prospects for a broader economic reopening foreshadowed the benefits of portfolio diversification. Economic sectors and equity styles that lagged earlier in the recovery, such as small cap, value and international stocks, produced substantial returns in the last two months of the calendar year.

While it is uncertain if the market rotation that began in November will continue, our baseline forecast anticipates continuing (if uneven) reparations in the global economy – a backdrop best addressed via fully diversified investment programs that otherwise align with your investment goals and objectives.

For more information and assistance, please contact any professional at DiMeo Schneider & Associates, L.L.C.

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Steve provides investment consulting services to institutional clients and nonprofit organizations. He services clients by providing advice and expertise on asset allocation, portfolio design, investment policy statements, manager search process, fiduciary stewardship and overall investment management. Steve also produces financial market commentary and supports capital market research at the firm. He is a member of the firm's Capital Markets Team. Prior to joining the firm in 2017, Steve was an Associate Client Investment Officer with Northern Trust Asset Management where he provided comprehensive investment management services to discretionary institutional client portfolios. Steve earned a BA in Economics and Finance from the University of Illinois Urbana-Champaign and earned a Masters of Analytics from the University of Chicago in June 2018. He is a CFA® Charterholder and a member of the CFA Institute, CFA Society of Chicago and The Chicago Council on Global Affairs. Additionally, he serves on the investment committee of Special Kids Foundation, a nonprofit that makes a positive impact in the lives of children with developmental disabilities through education, treatment and/or inclusion. Steve enjoys outdoor activities and spending time with family.

DISCLOSURES AND INDEX PROXIES

This report does not represent a specific investment recommendation. Comparisons to any indices referenced herein are for illustrative purposes only and are not meant to imply that actual returns or volatility will be similar to the indices. Indices cannot be invested in directly. Unmanaged index returns assume reinvestment of any and all distributions and are reported gross of any fees and expenses. Any forecasts represent future expectations and actual returns; volatilities and correlations will differ from forecasts.

When referencing asset class returns or statistics, the following indices are used to represent those asset classes, unless otherwise notes. Each index is unmanaged and investors can not actually invest directly into an index:

Indices used to generate historical risk and return metrics	Most Recent Index	Index Dates		Linked Index 1	Index Dates		Linked Index 2	Index Dates		Linked Index 2	Index Dates	
Cash	FTSE Treasury Bill 3 Mon USD	11/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
ST Bonds	BBgBarc US Govt/Credit 1-3 Yr TR USD	11/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
TIPS	BBgBarc US Treasury US TIPS TR USD	11/20	- 3/97	BBgBarc US Agg Bond TR USD	2/97	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
Muni Bond	BBgBarc Municipal 5 Yr 4-6 TR USD	11/20	- 1/88	BBgBarc US Agg Bond TR USD	12/87	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
Muni High Yield	BBgBarc HY Muni TR USD	11/20	- 11/95	BBgBarc Municipal 5 Yr 4-6 TR USD	10/95	- 1/88	BBgBarc US Agg Bond TR USD	12/87	- 1/79	N.A.	N.A.	- N.A.
US Bond	BBgBarc US Agg Bond TR USD	11/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
US Bonds - Dynamic		11/20	- 2/90	BBgBarc US Agg Bond TR USD	1/90	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
For. Dev. Bond	50% CitiWGBI NonUSD Hdg 50% CitiWGBI NonUSD	11/20	- 1/85	BBgBarc US Agg Bond TR USD	12/84	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
HY Bond	BBgBarc US Corporate High Yield TR USD	11/20	- 7/83	BBgBarc US Agg Bond TR USD	6/83	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
EM Bond	JPM GBI-EM Global Diversified TR USD	11/20	- 1/03	JPM EMBI Global Diversified TR USD	12/02	- 1/94	BBgBarc US Corporate High Yield TR USD	12/93	- 7/83	BBgBarc US Agg Bond TR USD	6/83	- 1/79
Bank Loans	S&P/LSTA Leveraged Loan TR	11/20	- 12/96	BBgBarc US Corporate High Yield TR USD	11/96	- 7/83	BBgBarc US Agg Bond TR USD	6/83	- 1/79	N.A.	N.A.	- N.A.
Global Bonds	BBgBarc Global Aggregate TR Hdg USD	11/20	- 2/90	BBgBarc US Agg Bond TR USD	1/90	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
Global Equity	MSCI ACWI GR USD	11/20	- 1/88	S&P 500 TR USD	12/87	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
US Equity (AC)	Russell 3000 TR USD	11/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
US Equity (LC)	S&P 500 TR USD	11/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
US Equity (MC)	Russell Mid Cap TR USD	11/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
US Equity (SC)	Russell 2000 TR USD	11/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
Non-US Equity (ACWI)	MSCI ACWI Ex USA GR USD	11/20	- 1/88	MSCI EAFE GR USD	12/87	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
Int'l Dev. Equity	MSCI EAFE GR USD	11/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
EM Equity	MSCI EM GR USD	11/20	- 1/88	MSCI EAFE GR USD	12/87	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
Real Estate	Wilshire US RESI TR USD	11/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
Broad Real Assets	*Custom Real Assets Index	11/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
Midstream Energy	Alerian MLP TR USD	11/20	- 1/96	BCI+AGG-CASH	12/95	- 1/91	GSCI+AGG-CASH	12/90	- 1/79	N.A.	N.A.	- N.A.
Commod. Fut.	BCI+TIPS-CASH	11/20	- 3/97	BCI+AGG-CASH	2/97	- 1/91	GSCI+AGG-CASH	12/90	- 1/79	N.A.	N.A.	- N.A.
Global Infrastructure	DJ Brookfld Global Infra TR USD	11/20	- 2/03	Alerian MLP TR USD	1/03	- 1/96	Wilshire US RESI TR USD	12/95	- 1/79	N.A.	N.A.	- N.A.
HFoF Multi-Strat	HFRI Fund of Funds Composite USD	11/20	- 1/90	HFN Hedge Fund Aggregate Average	12/89	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
Private Equity	Cambridge PE 67% Buyout vs. 33% Venture	11/20	- 4/86	Russell 2000 TR USD	3/86	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.

Index	Country	Asset Class
S&P 500 Total Return Index	U.S.	Large Cap
Russell 2000 Total Return Index	U.S.	Small Cap
Russell 3000 Growth TR Index	U.S.	Growth
Russell 3000 Value TR Index	U.S.	Value
MSCI EAFE Large Cap Net Total Return USD Index	International Developed	Large Cap
MSCI EAFE Small Cap Net Total Return Total Return USD Index	International Developed	Small Cap
MSCI World ex USA Growth Net Total Return USD Index	International Developed	Growth
MSCI World ex USA Value Net Total Return USD Index	International Developed	Value
MSCI Emerging Markets Large Cap Net Total Return USD Index	EM	Large Cap
MSCI Emerging Markets Small Cap Net Total Return USD Index	EM	Small Cap
MSCI Emerging Markets Growth Net Total Return Index	EM	Growth
MSCI Emerging Markets Value Net Total Return Index	EM	Value

Prospectus Links

As of December 31, 2020

<u>FUND FAMILY</u>	<u>WEB SITE</u>
American Funds	www.americanfunds.com
Clearbridge	www.clearbridge.com
Metropolitan West	www.tcw.com
Vanguard	www.vanguard.com



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APPENDIX FRONTIER ENGINEER ANALYSIS DISCLOSURES



CAPITAL MARKET ASSUMPTIONS (20-Year)

Return & Risk Assumptions (Forecasts)	Arithmetic Return	Geometric Return	Standard Deviation	Skewness	Kurtosis
Cash	0.7%	0.7%	0.0%	0	0
TIPS	2.2%	1.7%	10.1%	-0.79	5.27
US Bond	2.4%	2.1%	6.8%	-0.23	1.01
US Bonds - Dynamic	3.0%	2.8%	5.7%	-1.11	8.21
For. Dev. Bond	1.8%	1.4%	8.9%	0.00	0.69
HY Bond	5.4%	4.4%	14.1%	-1.18	8.90
EM Bond	4.2%	2.7%	17.0%	-1.71	9.62
Global Bonds	2.0%	1.8%	7.2%	-0.15	0.07
US Equity (LC)	7.6%	6.3%	16.4%	-0.58	1.04
US Equity (SC)	8.8%	6.7%	20.3%	-0.50	1.37
Int'l Dev. Equity	10.3%	7.9%	21.9%	-0.57	1.42
EM Equity	13.5%	9.4%	28.9%	-0.70	1.98
Real Estate	8.4%	6.2%	21.1%	-0.72	7.62
Broad Real Assets	5.6%	4.8%	12.9%	-1.89	11.36
Midstream Energy	16.1%	9.0%	37.6%	0.01	19.69
HFoF Multi-Strat	6.7%	6.3%	8.7%	-0.93	5.30
Private Equity	12.0%	9.4%	22.9%	0.00	0.00

January 1, 2021 Twenty-Year Forecasted CMA

Correlation Assumptions (Forecasts)	Cash	TIPS	US Bond	US Bonds - Dynamic	For. Dev. Bond	HY Bond	EM Bond	Global Bonds	US Equity (LC)	US Equity (SC)	Int'l Dev. Equity	EM Equity	Real Estate	Broad Real Assets	Midstream Energy	HFoF Multi-Strat	Private Equity
Cash	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TIPS	0	1.00	0.76	0.47	0.58	0.29	0.34	0.68	0.05	0.02	0.12	0.16	0.25	0.56	0.17	0.14	-0.04
US Bond	0	0.76	1.00	0.35	0.55	0.29	0.30	0.94	0.19	0.10	0.15	0.03	0.21	0.20	0.09	0.08	-0.11
US Bonds - Dynamic	0	0.47	0.35	1.00	0.26	0.95	0.60	0.49	0.53	0.51	0.47	0.53	0.54	0.65	0.45	0.50	0.17
For. Dev. Bond	0	0.58	0.55	0.26	1.00	0.12	0.33	0.66	0.05	-0.03	0.37	0.12	0.11	0.25	0.09	0.04	-0.08
HY Bond	0	0.29	0.29	0.95	0.12	1.00	0.57	0.20	0.61	0.63	0.54	0.59	0.61	0.66	0.47	0.52	0.22
EM Bond	0	0.34	0.30	0.60	0.33	0.57	1.00	0.29	0.57	0.52	0.61	0.74	0.47	0.59	0.38	0.57	0.21
Global Bonds	0	0.68	0.94	0.49	0.66	0.20	0.29	1.00	0.09	-0.01	0.07	0.02	0.18	0.24	0.08	0.09	-0.10
US Equity (LC)	0	0.05	0.19	0.53	0.05	0.61	0.57	0.09	1.00	0.84	0.69	0.67	0.62	0.55	0.41	0.59	0.38
US Equity (SC)	0	0.02	0.10	0.51	-0.03	0.63	0.52	-0.01	0.84	1.00	0.62	0.66	0.70	0.57	0.40	0.62	0.38
Int'l Dev. Equity	0	0.12	0.15	0.47	0.37	0.54	0.61	0.07	0.69	0.62	1.00	0.71	0.50	0.55	0.36	0.58	0.35
EM Equity	0	0.16	0.03	0.53	0.12	0.59	0.74	0.02	0.67	0.66	0.71	1.00	0.47	0.56	0.33	0.67	0.30
Real Estate	0	0.25	0.21	0.54	0.11	0.61	0.47	0.18	0.62	0.70	0.50	0.47	1.00	0.75	0.32	0.35	0.21
Broad Real Assets	0	0.56	0.20	0.65	0.25	0.66	0.59	0.24	0.55	0.57	0.55	0.56	0.75	1.00	0.53	0.50	0.25
Midstream Energy	0	0.17	0.09	0.45	0.09	0.47	0.38	0.08	0.41	0.40	0.36	0.33	0.32	0.53	1.00	0.45	0.19
HFoF Multi-Strat	0	0.14	0.08	0.50	0.04	0.52	0.57	0.09	0.59	0.62	0.58	0.67	0.35	0.50	0.45	1.00	0.49
Private Equity	0	-0.04	-0.11	0.17	-0.08	0.22	0.21	-0.10	0.38	0.38	0.35	0.30	0.21	0.25	0.19	0.49	1.00



INDICES FOR PAST RETURN AND RISK METRICS

Indices used to generate historical risk and return metrics	Most Recent Index	Index Dates		Linked Index 1	Index Dates		Linked Index 2	Index Dates		Linked Index 2	Index Dates	
Cash	FTSE Treasury Bill 3 Mon USD	12/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
TIPS	BBgBarc US Treasury US TIPS TR USD	12/20	- 3/97	BBgBarc US Agg Bond TR USD	2/97	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
US Bond	BBgBarc US Agg Bond TR USD	12/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
US Bonds - Dynamic	<small>BBgBarc US Agg Bond TR USD</small>	12/20	- 2/90	BBgBarc US Agg Bond TR USD	1/90	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
For. Dev. Bond	50% CITI WGBI NonUSD Hdg 50% CITI WGBI NonUSD	12/20	- 1/85	BBgBarc US Agg Bond TR USD	12/84	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
HY Bond	BBgBarc US Corporate High Yield TR USD	12/20	- 7/83	BBgBarc US Agg Bond TR USD	6/83	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
EM Bond	JPM GB+EM Global Diversified TR USD	12/20	- 1/03	JPM EMBI Global Diversified TR USD	12/02	- 1/94	BBgBarc US Corporate High Yield TR USD	12/93	- 7/83	BBgBarc US Agg Bond TR USD	6/83	- 1/79
Global Bonds	BBgBarc Global Aggregate TR Hdg USD	12/20	- 2/90	BBgBarc US Agg Bond TR USD	1/90	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
US Equity (LC)	S&P 500 TR USD	12/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
US Equity (SC)	Russell 2000 TR USD	12/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
Int'l Dev. Equity	MSCI EAFE GR USD	12/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
EM Equity	MSCI EM GR USD	12/20	- 1/88	MSCI EAFE GR USD	12/87	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
Real Estate	Wilshire US RESI TR USD	12/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
Broad Real Assets	*Custom Real Assets Index	12/20	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
Midstream Energy	Alerian MLP TR USD	12/20	- 1/96	BCH+AGG-CASH	12/95	- 1/91	GSCI+AGG-CASH	12/90	- 1/79	N.A.	N.A.	- N.A.
HFoF Multi-Strat	HFRI Fund of Funds Composite USD	12/20	- 1/90	HFN Hedge Fund Aggregate Average	12/89	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.
Private Equity	Cambridge PE 67% Buyout vs. 33% Venture	12/20	- 4/86	Russell 2000 TR USD	3/86	- 1/79	N.A.	N.A.	- N.A.	N.A.	N.A.	- N.A.

*Custom Real Assets Index - Blended indices of 25% TIPS, 15% loans, 30% infra., 15% REITs & 15% Commod.

Note: Private Equity Index is frequently 3-6 months behind the other indices. For historical return calculation purposes, it is given 0% returns during the most recent period where gaps may exist.



DISCLOSURES

The historical performance information derived from the Frontier Engineer and used or presented in charts, tables, or graphs represent simulated historical performance, which has been derived by retroactively applying an asset allocation modeling process in its most recently developed form with its most recently derived twenty-year (forward-looking) capital market assumptions. Such historical return simulations (or back testing) was performed by simulating the combination of actual index returns for the historical period with a buy and hold strategy effective January 1, 1988 through the most recently available month-end date with simulated rebalancing occurring every month-end (with the reinvestment of dividends and capital gains from each index).

Back tested performance is hypothetical and does not reflect actual trades or actual client performance. As with all models, there are inherent limitations which are derived from the retroactive application developed with the benefit of hindsight, including the risk that certain factors such as material economic and market conditions could have contributed to materially different (either higher or lower) performance results than those depicted, or that certain material factors may have been included or excluded from consideration. As such, actual results during the applicable back tested period would have been different than those depicted.

The asset allocation modeling process currently used was initially developed in 2002 and was not offered as a strategy prior to that time. The output of a forward-looking model (or process) is a representation of allocation percentages among specific asset classes. Clients cannot invest directly in a target allocation, but rather, in underlying securities within designated asset classes. Advisor may change its models from time to time, and regularly updates its model as additional capital market assumption information becomes available or to increase or decrease relative weightings or emphasis on certain factors. Consequently, the Advisor may choose to deviate from a stated model over time as the model itself is revised, which could have a materially positive or negative impact on performance.

During the period represented, numerous modelling changes were made, including the regular changes in (twenty-year) forward-looking expected returns, expected volatilities, expected non-normal return distribution assumptions, as well as tracking-error assumptions and risk budgets. Furthermore, such assumptions can be modified client-by-client depending on certain preferences, priorities, constraints or unique considerations applicable to each client.

Other economic and market factors may have impacted decision-making when using the model to manage client funds, including the list of approved asset classes by a client or client type as well as any client-directed or Advisor implemented constraints.

All investments bear the risk of loss, including the loss of principal. Past performance, actual or hypothetical, is no guarantee of future results.

The returns displayed on the preceding pages are gross of fees. Actual performance would be reduced by investment advisory fees and other expenses that may be incurred in the management of the client's portfolio. The collection of fees produces a compounding effect on the total rate of return net of management fees. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 0.50% annual investment advisory fee would be \$5,228 in the first year, and cumulative effects of \$30,342 over five years and \$73,826 over ten years. Additional information on advisory fees charged by DiMeo Schneider are described in Part 2 of the Form ADV.



DISCLOSURES AND DEFINITIONS

INDEX DEFINITIONS

- **FTSE Treasury Bill 3 Month** measures return equivalents of yield averages and are not marked to market. It is an average of the last three three-month Treasury bill month-end rates.
- **Bloomberg Barclays Capital US Treasury Inflation Protected Securities Index** consists of Inflation-Protection securities issued by the U.S. Treasury.
- **Bloomberg Barclays Muni 5 Year Index** is the 5-year (4-6) component of the Municipal Bond index.
- **Bloomberg Barclays High Yield Municipal Bond Index** covers the universe of fixed rate, non-investment grade debt.
- **Bloomberg Barclays U.S. Aggregate Index** covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.
- **FTSE World Government Bond Index (WGBI) (Unhedged)** provides a broad benchmark for the global sovereign fixed income market by measuring the performance of fixed-rate, local currency, investment-grade sovereign debt from over 20 countries,
- **FTSE World Government Bond Index (WGBI) (Hedged)** is designed to represent the FTSE WGBI without the impact of local currency exchange rate fluctuations.
- **Bloomberg Barclays US Corporate High Yield TR USD** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.
- **JP Morgan Government Bond Index-Emerging Market Index (GBI-EMI)** is a comprehensive, global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.
- **JPMorgan EMBI Global Diversified** is an unmanaged, market-capitalization weighted, total-return index tracking the traded market for U.S.-dollar-denominated Brady bonds, Eurobonds, traded loans, and local market debt instruments issued by sovereign and quasi-sovereign entities.
- **MSCI ACWI** is designed to represent performance of the full opportunity set of large- and mid-cap stocks across multiple developed and emerging markets, including cross-market tax incentives.
- **The S&P 500** is a capitalization-weighted index designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
- **Russell 3000** is a market-cap-weighted index which consists of roughly 3,000 of the largest companies in the U.S. as determined by market capitalization. It represents nearly 98% of the investable U.S. equity market.
- **Russell Mid Cap** measures the performance of the 800 smallest companies in the Russell 1000 Index.
- **Russell 2000** consists of the 2,000 smallest U.S. companies in the Russell 3000 index.
- **MSCI EAFE** is an equity index which captures large and mid-cap representation across Developed Markets countries around the world, excluding the US and Canada. The index covers approximately 85% of the free float-adjusted market capitalization in each country.
- **MSCI Emerging Markets** captures large and mid-cap representation across Emerging Markets countries. The index covers approximately 85% of the free-float adjusted market capitalization in each country
- **The Wilshire US Real Estate Securities Index (Wilshire US RESI)** is comprised of publicly-traded real estate equity securities and designed to offer a market-based index that is more reflective of real estate held by pension funds.
- **Alerian MLP Index** is a float adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis.
- **Bloomberg Commodity Index (BCI)** is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification.
- **Treasury Inflation-Protected Securities (TIPS)** are Treasury bonds that are indexed to inflation to protect investors from the negative effects of rising prices. The principal value of TIPS rises as inflation rises.
- **HFRI Fund of Funds Composite** is an equal-weighted index consisting of over 800 constituent hedge funds, including both domestic and offshore funds.
- **Cambridge Associates U.S. Private Equity Index (67% Buyout vs. 33% Venture)** is based on data compiled from more than 1,200 institutional-quality buyout, growth equity, private equity energy, and mezzanine funds formed between 1986 and 2015.
- **HFN Hedge Fund Aggregate Average** is an equal weighted average of all hedge funds and CTA/managed futures products reporting to the HFN Database. Constituents are aggregated from each of the HFN Strategy Specific Indices.
- **Goldman Sachs Commodity Index (GSCI)** is a broadly diversified, unleveraged, long-only composite index of commodities that measures the performance of the commodity market.

Definitions & Disclosures

Please note: Due to rounding methodologies of various data providers, certain returns in this report might differ slightly when compared to other sources

REGULATORY DISCLOSURES

Offer of ADV Part 2A: Rule 204-3 under the Investment Advisers Act of 1940 requires that we make an annual offer to clients to send them, without charge, a written disclosure statement meeting the requirements of such rule. We will be glad to send a copy of our ADV Part 2A to you upon your written request to compliance@dimeoschneider.com.

INDEX DEFINITIONS

- **Citigroup 3 Month T-Bill** measures monthly return equivalents of yield averages that are not marked to market. The Three-Month Treasury Bill Indexes consist of the last three three-month Treasury bill issues.
- **Ryan 3 Yr. GIC** is an arithmetic mean of market rates of \$1 million Guaranteed Interest Contracts held for three years.
- **Bloomberg Barclays Treasury U.S. T-Bills-1-3 Month Index** includes aged U.S. Treasury bills, notes and bonds with a remaining maturity from 1 up to (but not including) 3 months. It excludes zero coupon strips.
- **Bloomberg Barclays Capital US Treasury Inflation Protected Securities Index** consists of Inflation-Protection securities issued by the U.S. Treasury.
- **Bloomberg Barclays Muni Index** is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade by at least two ratings agencies.
- **Bloomberg Barclays Muni 1 Year Index** is the 1 year (1-2) component of the Municipal Bond index.
- **Bloomberg Barclays Muni 3 Year Index** is the 3 year (2-4) component of the Municipal Bond index.
- **Bloomberg Barclays Muni 5 Year Index** is the 5 year (4-6) component of the Municipal Bond index.
- **Bloomberg Barclays Muni 7 Year Index** is the 7 year (6-8) component of the Municipal Bond index.
- **Bloomberg Barclays Intermediate U.S. Gov't/Credit** is the Intermediate component of the U.S. Government/Credit index, which includes securities in the Government and Credit Indices. The Government Index includes treasuries and agencies, while the credit index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.
- **Bloomberg Barclays U.S. Aggregate Index** covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.
- **Bloomberg Barclays Global Aggregate ex. USD Indices** represent a broad-based measure of the global investment-grade fixed income markets. The two major components of this index are the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds and Canadian government, agency and corporate securities.
- **Bloomberg Barclays U.S. Corporate High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.
- **JP Morgan Government Bond Index-Emerging Market (GBI-EM) Index** is a comprehensive, global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.
- **The S&P 500** is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
- **The Dow Jones Industrial Index** is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry.
- **The NASDAQ** is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market.
- **Russell 3000** is a market-cap-weighted index which consists of roughly 3,000 of the largest companies in the U.S. as determined by market capitalization. It represents nearly 98% of the investable U.S. equity market.
- **Russell 1000** consists of the largest 1000 companies in the Russell 3000 Index.
- **Russell 1000 Growth** measures the performance of those Russell 1000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 1000 Value** measures the performance of those Russell 1000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell Mid Cap** measures the performance of the 800 smallest companies in the Russell 1000 Index.
- **Russell Mid Cap Growth** measures the performance of those Russell Mid Cap companies with higher P/B ratios and higher forecasted growth values.
- **Russell Mid Cap Value** measures the performance of those Russell Mid Cap companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2000** consists of the 2,000 smallest U.S. companies in the Russell 3000 index.
- **Russell 2000 Growth** measures the performance of the Russell 2000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2000 Value** measures the performance of those Russell 2000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2500** consists of the 2,500 smallest U.S. companies in the Russell 3000 index.
- **Russell 2500 Growth** measures the performance of the Russell 2500 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2500 Value** measures the performance of those Russell 2500 companies with lower P/B ratios and lower forecasted growth values.
- **MSCI World** captures large and mid-cap representation across 23 Developed Markets countries. With 1,645 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
- **MSCI ACWI (All Country World Index) ex. U.S. Index** captures large and mid-cap representation across 22 of 23 Developed Markets countries (excluding the United States) and 23 Emerging Markets countries. With 1,859 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.
- **MSCI ACWI (All Country World Index) ex. U.S. Small Cap Index** captures small cap representation across 22 of 23 Developed Markets countries (excluding the US) and 23 Emerging Markets countries. With 4,368 constituents, the index covers approximately 14% of the global equity opportunity set outside the US.
- **MSCI EAFE** is an equity index which captures large and mid-cap representation across Developed Markets countries around the world, excluding the US and Canada. With 930 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

- **MSCI EAFE Value** captures large and mid-cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the US and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 507 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI EAFE Growth** captures large and mid-cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the US and Canada. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend. With 542 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI Emerging Markets** captures large and mid-cap representation across 23 Emerging Markets countries. With 836 constituents, the index covers approximately 85% of the free-float adjusted market capitalization in each country.
- **Consumer Price Index** is a measure of prices paid by consumers for a market basket of consumer goods and services. The yearly (or monthly) growth rates represent the inflation rate.
- **FTSE NAREIT Equity REITs Index** contains all Equity REITs not designed as Timber REITs or Infrastructure REITs.
- **S&P Developed World Property** defines and measures the investable universe of publicly traded property companies domiciled in developed markets. The companies in the index are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **S&P Developed World Property x U.S.** defines and measures the investable universe of publicly traded property companies domiciled in developed countries outside of the U.S. The companies included are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **Bloomberg Commodity Index** is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification.
- **HFRI Fund Weighted Composite Index** is a global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net of all fees performance in US Dollar and have a minimum of \$50 Million under management or a twelve (12) month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.
- **The Alerian MLP Index** is the leading gauge of energy Master Limited Partnerships (MLPs). The float adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis.
- **The Adjusted Alerian MLP Index** is commensurate with 65% of the monthly returns of the Alerian MLP Index to incorporate the effect of deferred tax liabilities incurred by MLP entities.
- **Cambridge Associates U.S. Private Equity Index** is based on data compiled from more than 1,200 institutional-quality buyout, growth equity, private equity energy, and mezzanine funds formed between 1986 and 2015.
- **Cambridge Associates U.S. Venture Capital Index** is based on data compiled from over 1,600 institutional-quality venture capital funds formed between 1986 and 2015.
- **Vanguard Spliced Bloomberg Barclays US1-5Yr Gov/Cr Flt Adj Index:** Bloomberg Barclays U.S. 1–5 Year Government/Credit Bond Index through December 31, 2009; Bloomberg Barclays U.S. 1–5 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg Barclays US5-10Yr Gov/Cr Flt Adj Index:** Bloomberg Barclays U.S. 5–10 Year Government/Credit Bond Index through December 31, 2009; Bloomberg Barclays U.S. 5–10 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg Barclays US Agg Flt Adj Index:** Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009; Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg Barclays US Long Gov/Cr Flt Adj Index:** Bloomberg Barclays U.S. Long Government/Credit Bond Index through December 31, 2009; Bloomberg Barclays U.S. Long Government/Credit Float Adjusted Index thereafter.
- **Vanguard Balanced Composite Index:** Made up of two unmanaged benchmarks, weighted 60% Dow Jones U.S. Total Stock Market Index (formerly the Dow Jones Wilshire 5000 Index) and 40% Bloomberg Barclays U.S. Aggregate Bond Index through May 31, 2005; 60% MSCI US Broad Market Index and 40% Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009; 60% MSCI US Broad Market Index and 40% Bloomberg Barclays U.S. Aggregate Float Adjusted Index through January 14, 2013; and 60% CRSP US Total Market Index and 40% Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Intermediate-Term Tax-Exempt Index:** Bloomberg Barclays 1–15 Year Municipal Bond Index.
- **Vanguard Spliced Extended Market Index:** Dow Jones Wilshire 4500 Index through June 17, 2005; S&P Transitional Completion Index through September 16, 2005; S&P Completion Index thereafter.
- **Vanguard Spliced Value Index:** S&P 500 Value Index (formerly the S&P 500/Barra Value Index) through May 16, 2003; MSCI US Prime Market Value Index through April 16, 2013; CRSP US Large Cap Value Index thereafter.
- **Vanguard Spliced Large Cap Index:** Consists of MSCI US Prime Market 750 Index through January 30, 2013, and the CRSP US Large Cap Index thereafter.
- **Vanguard Spliced Growth Index:** S&P 500 Growth Index (formerly the S&P 500/Barra Growth Index) through May 16, 2003; MSCI US Prime Market Growth Index through April 16, 2013; CRSP US Large Cap Growth Index thereafter.
- **Vanguard Spliced Mid Cap Value Index:** MSCI US Mid Cap Value Index through April 16, 2013; CRSP US Mid Cap Value Index thereafter.
- **Vanguard Spliced Mid Cap Index:** S&P MidCap 400 Index through May 16, 2003; the MSCI US Mid Cap 450 Index through January 30, 2013; and the CRSP US Mid Cap Index thereafter.
- **Vanguard Spliced Mid Cap Growth Index:** MSCI US Mid Cap Growth Index through April 16, 2013; CRSP US Mid Cap Growth Index thereafter.
- **Vanguard Spliced Total Stock Market Index:** Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005; MSCI US Broad Market Index through June 2, 2013; and CRSP US Total Market Index thereafter.
- **Vanguard Spliced Small Cap Value Index:** SmallCap 600 Value Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Value Index through April 16, 2013; CRSP US Small Cap Value Index thereafter.
- **Vanguard Spliced Small Cap Index:** Russell 2000 Index through May 16, 2003; the MSCI US Small Cap 1750 Index through January 30, 2013; and the CRSP US Small Cap Index thereafter.
- **Vanguard Spliced Small Cap Growth Index:** S&P SmallCap 600 Growth Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Growth Index through April 16, 2013; CRSP US Small Cap Growth Index thereafter.
- **Vanguard Spliced Total International Stock Index:** Consists of the Total International Composite Index through August 31, 2006; the MSCI EAFE + Emerging Markets Index through December 15, 2010; the MSCI ACWI ex USA IMI Index through June 2, 2013; and FTSE Global All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Developed Markets Index:** MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index through December 20, 2015; FTSE Developed All Cap ex US Transition Index through May 31, 2016; FTSE Developed All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Emerging Markets Index:** Select Emerging Markets Index through August 23, 2006; MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; FTSE Emerging Index through November 1, 2015; and FTSE Emerging Markets All Cap China A Transition Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard REIT Spliced Index:** MSCI US REIT Index adjusted to include a 2% cash position (Lipper Money Market Average) through April 30, 2009; MSCI US REIT Index through January 31, 2018; MSCI US Investable Market Real Estate 25/50 Transition Index through July 24, 2018; MSCI US Investable Market Real Estate 25/50 Index thereafter.

Additional:

- Equity sector returns are calculated by Russell and MSCI for domestic and international markets, respectively. MSCI sector definitions correspond to the MSCI GICS® classification (Global Industry Classification System); Russell uses its own sector and industry classifications.
- MSCI country returns are calculated by MSCI, and are free float-adjusted market capitalization indices that are designed to measure equity market performance in each specific country.
- Currency returns are calculated using Bloomberg's historical spot rate indices and are calculated using the U.S. dollar as the base currency.
- The Index of Leading Economic Indicators, calculated by The Conference Board, is used as a barometer of economic activity over a range of three to six months. The index is used to determine the direction and stability of the economy. The composite index of leading indicators, which is derived from 10 leading indicators, helps to signal turning points in the economy and forecast economic cycles. The leading indicators are the following: average weekly hours, average weekly initial claims, manufacturers' new orders, both consumer and non-defense capital goods, vendor performance, building permits, stock prices, money supply (M2), the interest rate spread and the index of consumer expectations.
- S&P Target Date Indexes are constructed using a survey method of current target date investments with \$100 million or more in assets under management. Allocations for each vintage are comprised of exchange-traded-funds that represent respective asset classes used in target date portfolios. The indexes are designed to represent a market consensus glide path.

DEFINITION OF KEY STATISTICS AND TERMS

- **Returns:** A percentage figure used when reporting historical average compounded rate of investment return. All returns are annualized if the period for which they are calculated exceeds one year.
- **Universe Comparison:** The universe compares the fund's returns to a group of other investment portfolios with similar investment strategies. The returns for the fund, the index and the universe percentiles are displayed. A percentile ranking of 1 is the best, while a percentile ranking of 100 is the worst. For example, a ranking of 50 indicates the fund outperformed half of the universe. A ranking of 25 indicates the fund was in the top 25% of the universe, outperforming 75%.
- **Returns In Up/Down Markets:** This measures how the fund performed in both up and down markets. The methodology is to segregate the performance for each time period into the quarters in which the market, as defined by the index, was positive and negative. Quarters with negative index returns are treated as down markets, and quarters with positive index returns are treated as up markets. Thus, in a 3 year or 12 quarter period, there might be 4 down quarters and 8 up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the down quarters. The up market capture ratio is the ratio of the fund's return in up markets to the index. The down market capture ratio is the ratio of the fund's return in down markets to the index. Ideally, the fund would have a greater up market capture ratio than down market capture ratio.
- **Standard Deviation:** Standard deviation is a statistical measure of the range of performance within which the total returns of a fund fall. When a fund has a high standard deviation, the range of performance is very wide, meaning there is a greater volatility. Approximately 68% of the time, the total return of any given fund will differ from the average total return by no more than plus or minus the standard deviation figure. Ninety-five percent of the time, a fund's total return will be within a range of plus or minus two times the standard deviation from the average total return. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Standard deviation can be misleading as a risk indicator for funds with high total returns because large positive deviations will increase the standard deviation without a corresponding increase in the risk of the fund. While positive volatility is welcome, negative is not.
- **R-Squared:** This reflects the percentage of a fund's movements that are explained by movements in its benchmark index. An R-squared of 100 means that all movements of a fund are completely explained by movements in the index. Conversely, a low R-squared indicates very few of the fund's movements are explained by movements in the benchmark index. R-squared can also be used to ascertain the significance of a particular beta. Generally, a higher R-squared will indicate a more reliable beta figure. If the R-squared is lower, then the beta is less relevant to the fund's performance. A measure of diversification, R-squared indicates the extent to which fluctuations in portfolio returns are explained by market. An R-squared = 0.70 implies that 70% of the fluctuation in a portfolio's return is explained by the fluctuation in the market. In this instance, overweighting or underweighting of industry groups or individual securities is responsible for 30% of the fund's movement.
- **Beta:** This is a measure of a fund's market risk. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse than the market in down markets. It is important to note, however, a low fund beta does not imply the fund has a low level of volatility; rather, a low beta means only that the fund's market-related risk is low. Because beta analyzes the market risk of a fund by showing how responsive the fund is to the market, its usefulness depends on the degree to which the markets determine the fund's total risk (indicated by R-squared).
- **Alpha:** The Alpha is the nonsystematic return, or the return that can't be attributed to the market. It can be thought of as how the manager performed if the market's return was zero. A positive alpha implies the manager added value to the return of the portfolio over that of the market. A negative alpha implies the manager did not contribute any value over the performance of the market.
- **Sharpe Ratio:** The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. Higher numbers are better, indicating more return for the level of risk experienced. The ratio is a fund's return minus the risk-free rate of return (30-day T-Bill rate) divided by the fund's standard deviation. The higher the Sharpe ratio, the more reward you are receiving per unit of total risk. This measure can be used to rank the performance of mutual funds or other portfolios.
- **Treynor Ratio:** The Treynor ratio measures returns earned in excess of that which could have been earned on a riskless investment per each unit of market risk. The ratio relates excess return over the risk-free rate to the additional risk taken; however, systematic risk is used instead of total risk. The Treynor ratio is similar to the Sharpe ratio, except in the fact that it uses the beta to evaluate the returns rather than the standard deviation of portfolio returns. High values mean better return for risk taken.
- **Tracking Error:** Tracking error measures the volatility of the difference in annual returns between the manager and the index. This value is calculated by measuring the standard deviation of the difference between the manager and index returns. For example, a tracking error of +/- 5 would mean there is about a 68% chance (1 standard deviation event) that the manager's returns will fall within +/- 5% of the benchmark's annual return.
- **Information Ratio:** The information ratio is a measure of the consistency of excess return. This value is determined by taking the annualized excess return over a benchmark (style benchmark by default) and dividing it by the standard deviation of excess return.
- **Consistency:** Consistency shows the percent of the periods the fund has beaten the index and the percent of the periods the index has beat the fund. A high average for the fund (e.g. over 50) is desirable, indicating the fund has beaten the index frequently.
- **Downside Risk:** Downside risk is a measure similar to standard deviation but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.
- **M-Squared:** M-squared, or the Modigliani risk-adjusted performance measure is used to characterize how well a portfolio's return rewards an investor for the amount of risk taken, relative to that of some benchmark portfolio and to the risk-free rate.

DEFINITION OF KEY PRIVATE EQUITY TERMS

- **PIC (Paid in Capital):** The amount of committed capital that has been transferred from the limited partner to the general partner.
- **TVPI (Total Value to Paid in Capital):** Money returned to limited partners plus the fund's unrealized investments, divided by money paid-in to the partnership. The TVPI should equal RVPI plus DPI.
- **DPI (Distribution to Paid In Capital):** Money returned (distributions) to limited partners divided by money paid in to the partnership. Also called cash-on-cash multiple.
- **RVPI (Residual Value to Paid In Capital):** The value of a fund's unrealized investments divided by money paid-in to the partnership.
- **Internal rate of return (IRR):** This is the most appropriate performance benchmark for private equity investments. It is a time-weighted return expressed as a percentage. IRR uses the present sum of cash drawdowns (money invested), the present value of distributions (money returned from investments) and the current value of unrealized investments and applies a discount.
- **Commitment:** Every investor in a private equity fund commits to investing a specified sum of money in the fund partnership over a specified period of time. The fund records this as the limited partnership's capital commitment. The sum of capital commitments is equal to the size of the fund.
- **Capital Distribution:** These are the returns that an investor in a private equity fund receives. It is the income and capital realized from investments less expenses and liabilities. Once a limited partner has had their cost of investment returned, further distributions are actual profit. The partnership agreement determines the timing of distributions to the limited partner. It will also determine how profits are divided among the limited partners and general partner.
- **Carried Interest:** The share of profits that the fund manager is due once it has returned the cost of investment to investors. Carried interest is normally expressed as a percentage of the total profits of the fund.
- **Co-Investment:** Co-Investments are minority investments made alongside a private equity investor in an LBO, a recapitalization or an expansion capital transaction. It is a passive, non-controlling investment, as the private equity firm involved will typically exercise control and perform monitoring functions.
- **General Partner (GP):** This can refer to the top-ranking partners at a private equity firm as well as the firm managing the private equity fund.
- **GP Commitments:** It is normal practice for the GP managing a private equity fund to also make a financial commitment to the fund on the same basis as the LPs in the fund, and this is seen as an important factor driving the alignment of GP and LP interests. The historic benchmark for GP commitments has been 1% of the total fund size, but this is by no means universal, and many GPs commit significantly larger amounts. Furthermore, there has been a marked trend towards GPs making larger commitments to their funds over recent years.
- **Leveraged Buy-Out (LBO):** The acquisition of a company using debt and equity finance.
- **Limited Partner (LP):** Institutions or high-net-worth individuals/sophisticated investors that contribute capital to a private equity fund.
- **Public Market Equivalent (PME):** Performance measure used to evaluate performance relative to the market. It is calculated as the ratio of the discounted value of the LP's inflows divided by the discounted value of outflows, with the discounting performed using realized market returns.
- **Primaries:** An original investment vehicle that invests directly into a company or asset.

VALUATION POLICY

DiMeo Schneider does not engage an independent third party pricing service to value securities. Our reports are generated using the security prices provided by custodians used by our clients. Our custodial pricing hierarchy is available upon request. If a client holds a security not reported by the first custodian within the hierarchy, the valuation is generated from the next custodian within the hierarchy, and so forth. Each custodian uses pricing services from outside vendors, where the vendors may generate nominally different prices. Therefore, this report can reflect minor valuation differences from those contained in a custodian's report. In rare instances where DSA overrides a custodial price, prices are taken from Bloomberg.

REPORTING POLICY

This report is intended for the exclusive use of the client listed within the report. Content is privileged and confidential. Any dissemination or distribution is strictly prohibited. Information has been obtained from a variety of sources believed to be reliable though not independently verified. Any forecast represents median expectations and actual returns, volatilities and correlations will differ from forecasts. Please note each client has customized investment objectives and constraints and the investment strategy for each portfolio is based on a client-specific asset allocation model. Past performance does not indicate future performance and there is a possibility of a loss. Performance calculated net of investment fees. Certain portfolios presented may be gross of DiMeo Schneider's fees and actual performance would be reduced by investment advisory fees. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney and accountant, as appropriate, regarding specific advice.

Custodian reports are the reports that govern the account. There will be different account values between DiMeo Schneider's reports and the custodian reports based on whether the report utilizes trade date or settlement date to calculate value. Additionally, difference between values contained on reports may be caused by different accrued income values. Any forecasts represent future expectations and actual returns, volatilities and correlations will differ from forecasts. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney and accountant, as appropriate, regarding specific advice. Past performance does not indicate future performance and there is a possibility of a loss.

Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Unless specified otherwise, all returns are net of individual manager fees, represent total returns and are annualized for periods greater than one year. The deduction of fees produces a compounding effect that reduces the total rate of return over time. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 0.50% annual investment advisory fee would be \$5,228 in the first year, and cumulative effects of \$30,342 over five years and \$73,826 over ten years. Additional information on advisory fees charged by DiMeo Schneider are described in Part 2 of the Form ADV.

OTHER

By regulation, closed-end funds utilizing debt for leverage must report their interest expense, as well as their income tax expense, as part of their total expense ratio. To make for a useful comparison between closed-end funds and both open-end funds and exchange-traded funds, adjusted expense ratios excluding interest and income tax expenses are utilized for closed-end funds within this report. See disclosure on closed-end fund fact sheets for information regarding the total expense ratio of each closed-end fund.

Please advise us of any changes in your objectives or circumstances.

CUSTODIAN STATEMENTS

Please remember to review the periodic statements you receive from your custodian. If you do not receive periodic statements from your custodian, or notice issues with the activity reported in those statements, please contact DSA or your custodian immediately.

YEAR END FIRM UPDATE DISCLOSURES

Barron's Institutional Consulting Teams ranking is based on quantitative and qualitative factors including team's assets, revenue, size and character of the team itself. Barron's invites firms that, in their opinion, are competitive given size and sophistication. There is no fee associated with participating in the ranking. DiMeo Schneider's ranking took into consideration the combined capabilities of the firm and its subsidiary, Fiduciary Investment Advisors, LLC.

P&I's 2020 Best Places to Work in Money Management ranking is a proprietary survey produced by Pension & Investment in partnership with Best Companies Group. 94 companies were recognized in 2020 and results are based on evaluating each nominated company's workplace policies, practices, philosophy, systems and demographics, as well as an employee survey to measure employee experience. DiMeo Schneider's rankings are representative of the firm and its subsidiary, Fiduciary Investment Advisors, LLC. There is no fee associated with participating in the ranking.

P&I's Consultant Ranking is a proprietary survey produced by Pension & Investment. Results are based on 80 questionnaire responses sent to 213 consultants determined by P&I that self-reported institutional assets under advisement as of June 30, 2020. Consultants with multiple subsidiaries are asked to provide information on a consolidated basis. There is no fee associated with participating in the ranking. The ranking is not indicative of DiMeo Schneider's future performance.