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Helping Clients Prosper

Town of East Lyme

Quarterly Investment Review - First Quarter 2024

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Fiducient Advisors Update

Retirement Plans

Featured Insights

- Blog: Addressing Lost Participants with SECURE 2.0
- Blog: Is Your Plan in Need of a True-up?
- Plan Sponsor Newsletter

Coming Soon

- Pension Pulse Newsletter
- The Public Fiduciary Newsletter

Research Insights

- Monthly Market Recaps
- Monthly Market Updates
- Navigating Markets in an Election Year
- Private Markets Semi-Annual Update
- Maximize Your Cash
- Annual Target Date Update

Endowments & Foundations

Featured Insights

- Nonprofit Investment Stewards Podcast
- Looking Beyond the Label – A Focus on ESG Investment Due Diligence
- Cultural Institutions Study & Webcast
- Steward Newsletter

The Wealth Office®

Featured Insights

- Advisor Connect Newsletter
- Financial Planning Considerations Webcast
- Blog: Guarding Your Digital Identity – Defending Against AI-Driven Fraud
- Tips Tuesday Video Series: *Financial Literacy Month*

New Associates – Welcome!

Amy Cowles
Compliance Manager

Andrew Lendnal
Director of
Financial Wellness

Benjamin Van Zoest
Consulting Analyst



Fiducient Advisors Update

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2024 Investor Conference

*Chicago Marriott Downtown
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Fiduciary Governance Calendar

The fiduciary governance calendar is designed to create a disciplined framework around governance, which helps ensure that over the course of a calendar year key fiduciary obligations and responsibilities are being met.



*Liquidity analysis is provided only for portfolios with marketable alternatives and/or private equity.



Investment Policy Statement

A well-written Investment Policy Statement serves as the blueprint for the management of the investment program. As such, there are certain criteria that are required in an IPS, and other criteria that may or may not be included based on the organization’s circumstances:

Important elements of an IPS to consider:

- Investment objective(s) ✓
- Assignment of responsibilities ✓
- Asset allocation framework ✓
- Rebalancing guidelines ✓
- Selection and monitoring criteria for investment strategies ✓
- Termination guidelines for investment strategies ✓
- Proxy Voting ✓

In the following pages, you will find the most recent IPS on file for the Town of East Lyme Pension.

- The body of the IPS and the asset allocation table in Appendix A are as of June 2022.
- The IPS was most recently reviewed/approved by the Investment Committee in August 2023.
- We are recommending updates to Appendix A, as shown in the redlined sections in the following pages.

Town of East Lyme Pension Plan Investment Policy Statement

Adoption

This Investment Policy Statement (“IPS”) was adopted by the Pension Board of the Town of East Lyme (“Plan Sponsor”) for the Town of East Lyme Pension Plan (“Plan”) on June 2nd, 2022.

If any terms of this IPS conflict with the Plan documents, the terms and conditions of the plan documents shall prevail.

Purpose of Plan and IPS

The Plan’s purpose is to provide retirement benefits to employees who are eligible to receive benefits under the Plan.

The purpose of the IPS is to outline the following general provisions affecting the Plan by:

- Assisting the Pension Board to fulfill its fiduciary responsibilities;
- Conveying the Plan’s purpose, investment objective, investment strategy and constraints;
- Establishing a decision-making framework to promote the effectiveness of the Plan;
- Intending for the Plan to be maintained in compliance with applicable laws and the Internal Revenue Code;
- Setting forth the roles and responsibilities of the Board, Investment Consultant (“Consultant”) and other relevant parties.

Statement of Goals & Objectives

The primary objective of the Plan is to meet the retirement benefit obligations to covered employees who are entitled to receive benefits under the Plan.

When endeavoring to meet this objective, the Plan will seek to assume an appropriate amount of risk to ensure enough assets are available over the life of the Plan to satisfy current and future liabilities. The Plan will seek to achieve and maintain a fully funded status while mitigating the funded status volatility. The strategy for achieving and maintaining this status may vary based on the current funded status, the duration of the Plan’s liabilities, the demographics of plan participants and other factors.

In addition to achieving primary objective, the goal of the overall investment strategy is to meet or exceed (a risk-appropriate) benchmark over full market cycles.

Roles and Responsibilities

The following is a summary of roles and responsibilities of various parties involved in overseeing or safeguarding the Plan’s assets:

Selectman

- Select members to serve on the Pension Board
- Provide guidance to the Pension Board on the Fund’s objectives

- Review and approve Investment Policy Statement
- Periodically receive performance updates from Board

Pension Board ("Board")

- Oversee the management of assets.
- Act solely in the best interest of the Plan beneficiaries and the Plan's objectives.
- Determine investment objectives and constraints. Immediately communicate any revision in objectives or constraints to the Investment Consultant.
- Set and revise the investment policies (including asset allocation) and receive Selectman approval as necessary.
- Select Consultants, investment managers, custodians and any other vendors required to administer and manage the Plan's investments.
- Periodically review Plan-related investment expenses to ensure they are competitive and appropriate.
- Review and evaluate investment results and make changes as needed.
- Avoid prohibited transactions and conflicts of interest.

Actuary

- Provide actuarial information for the Plan to the Plan Sponsor as requested.
- On a timely basis, notify the Board if there are pertinent regulatory developments that would impact the Plan.

Consultant

- Assist in the development and periodic review of the investment policy.
- Proactively recommend changes to enhance the effectiveness of the investment policy, investment strategy or asset allocation.
- Make proactive investment manager hire and fire recommendations.
- Monitor aggregate and manager-level performance to ensure compliance with stated objectives.
- Provide the Board with performance-related information on a regular basis, no less than quarterly.
- On a timely basis, notify the Board if there are pertinent developments with any of the Plan's investment managers.

Investment Managers

- Manage assets in accordance with the guidelines and objectives outlined in prospectuses (mutual funds), investment agreements (commingled funds, private partnerships, etc.), or manager-specific investment guidelines (separate accounts).
- Exercise investment discretion to buy, manage and sell assets held in the portfolios.
- Promptly vote proxies and related actions in a manner consistent with the long-term interest of the Plan as an investor.
- Communicate all organizational changes in a timely manner, including but not limited to ownership, organizational structure, financial condition and professional staff.
- Seek “best price and execution” for transactions. Both explicit and implicit transactions costs should be considered.
- Use the same care, skill, prudence, and due diligence under the circumstances then prevailing that experienced investment professionals acting in a like capacity and fully familiar with such matters would use in like activities for like portfolios with like aims.

Custodian(s)/Benefit Payor

- Safeguard portfolio assets.
- Facilitate recurring and non-recurring benefit payments to participants as instructed by the Plan Sponsor.
- Accurately value portfolio holdings.
- Execute buy/sell orders and cash transfers in a timely manner as directed by the Board.
- Collect all income and dividends owed to the Plan.
- Settle all transactions (buy/sell orders) initiated by separate account investment managers.
- Provide monthly reports that detail transactions, cash flows, securities values and changes in the value of each security and the overall portfolio since the previous report.
- Provide all requested portfolio information to the Consultant and Board in a timely manner.

Investment Strategy and Rebalancing

Asset allocation decisions will be based on seeking to optimize long-term surplus risk-adjusted performance.

The Plan Sponsor plans to maintain the Plan. It is currently open to town employees, police, and firefighters. The Plan Sponsor reserves the right to amend the Plan, but the optimal investment strategy will be determined based on the plan provisions as they exist at any point in time.

The Board acknowledges that the Plan's asset allocation strategy is likely to be its primary determinant of performance. The Plan's investment strategy involves diversifying among various

asset classes, investment strategies and investment managers in order to pursue the Plan's investment objective(s) while complying with its constraints.

While reserving the right to take timely advantage of long-term investment opportunities as they present themselves, the Board intends to refrain from making dramatic shifts to the Plan's investment strategy based solely on short-term capital market expectations.

With the assistance of its Consultant, the Board intends to review or revise the target allocation to asset classes periodically to ensure the investment strategy remains consistent with the Plan's investment objectives, as those objectives may evolve over time given the plan's funding status and other factors.

With the assistance of its Consultant, the Plan's allocation will be monitored on a periodic basis to determine whether rebalancing back to its target allocation is warranted. This rebalancing process is likely to result in withdrawing from investments that have recently outperformed and/or adding to investments that have recently underperformed. With regards to periodic withdrawals (or contributions) that may be made to (or from) the Plan, partial rebalancing will generally have the objective of bringing the Plan closer to its target asset allocation.

The Plan's target allocation and ranges are set forth in Appendix A. Short-term market volatility may cause the asset mix to deviate from stated targets; however it is expected that deviation outside the allocation ranges will be rebalanced back into tolerance when the Board deems it appropriate to do so.

The benchmark will constitute underlying market indices appropriate for the strategy, and its components will be illustrated in the periodic performance report provided by the Consultant. The Board will also evaluate the Plan performance versus the actuarial assumed rate of return and additional performance benchmarks including, but not limited to, broader and/or more specific benchmarks made up of multiple underlying indices, or any other benchmark the Board believes will further its evaluation of the Plan's relative risk-adjusted performance.

Investment Manager Selection

The Plan may select investment managers through a variety of investment vehicles including, but not limited to, separate accounts, mutual funds, commingled funds or private partnerships. The Board understands that managers have full responsibility for security selection, diversification, turnover, and allocation of holdings among selected securities and industry groups, as particularly detailed in the Investment Guidelines of each of the Fund's separately managed accounts or in the prospectus or offering memorandum for each mutual fund/commingled fund/private partnership.

The underlying investment managers selected for the Plan are intended to be selected with the care, skill and diligence that would be applied by a prudent person acting in a like capacity and knowledgeable about investing.

With the assistance of its Consultant, the Board will examine investment managers' investment objectives and processes; historical adherence to stated objectives and processes; depth of resources; quality of personnel; historical performance (including risk) versus various appropriate benchmarks; appropriateness of diversification; reasonableness of fees; and any other metric that may be material when evaluating investment managers' capabilities. The Board will use all available information and its best judgment when seeking to hire skillful

investment managers. The Board may also select low cost, passively managed investment products where appropriate.

Investment Manager Evaluation and Oversight

With the assistance of its Consultant, the Board intends to periodically review the performance of the underlying investment managers. Performance monitoring is the mechanism for revisiting the investment selection process and confirming that the criteria originally satisfied remain intact and that an investment continues to be appropriate for the Fund. While frequent change is neither expected nor desirable, the process of monitoring investment performance relative to specified guidelines is an on-going process.

Events that may trigger termination of a manager include, but are not limited to, illegal or unethical behavior on the part of the manager; failure to follow investment guidelines; turnover among key personnel; a change in investment style or strategy; insufficient infrastructure to keep pace with asset growth; significant increase in expenses or fees; performance-related concerns; and any other observation the Board deems may prevent the manager from carrying out its duties effectively. Since several studies have demonstrated that the vast majority of strong long-term performing investment managers suffer multi-year periods of underperformance, failure to meet performance or other qualitative guidelines will not automatically trigger a manager termination. The Board intends to use all known information and their best judgment to determine if and when terminating a manager is warranted. In addition, managers may be terminated at any time for any reason at the discretion of the Board.

Evaluating and Selecting Service Providers

Plan assets are intended to be used for the exclusive purpose of providing benefits to participants and beneficiaries and defraying reasonable costs of administering the Plan.

In carrying out the policies of this IPS, the Board may rely on various service providers including, but not limited to, the Consultant, trustee/custodian, administrative services provider(s) and investment managers. Such service providers generally shall be evaluated and selected based on the following:

- Furthering the Purpose of the Plan in Cost-Effective Manner. Each service provider is intended to advance the purpose of the Plan, which is to meet the objectives previously stated in this IPS. The service providers shall be expected to deliver administratively efficient services and charge fees that are reasonable given the service(s) provided.
- Core Business Commitment and Expertise. Each service provider is intended to have a history of providing services to other similar Plans and demonstrate an ongoing commitment to such business. Its employees should have a reputation among its clients for the quality of its services. The firm should show an appropriate knowledge of applicable statutes and regulation.
- Fiduciary Status and Conflicts of Interest. To the extent required based on the services being provided to the Plan, the service provider shall acknowledge its role as a fiduciary to the Plan. Service providers are expected to disclose any potential conflicts of interest to the Board.

Voting of Proxies

For separately managed accounts, if applicable, investment managers will be expected to vote proxies in the best interest of the Plan as an investor. When applicable, mutual fund proxies are intended to be voted in the best interest of the Plan.

Approval

It is understood that this investment policy is to be reviewed periodically by the Pension Board to determine if any revisions are warranted by changing circumstances including, but not limited to, changes in financial status, risk tolerance, or changes involving the investment managers.

Appendix A

Asset Allocation Guidelines:	Lower Limit	Target	Upper Limit	Benchmark
Cash or Cash Equivalents	0%	1%	5%	90-Day T-Bill
Fixed Income	30%	40%	55%	Blmbg. U.S. Aggregate Blmbg. U.S. Corp High Yield Blmbg. Global Aggregate
Publicly Traded Global Equity	40%	54%	70%	
<i>Domestic Equity</i>	20% <u>23%</u>	31% <u>33.5%</u>	40% <u>43%</u>	S&P 500 Index Russel 2000 Index
<i>International Equity</i>	10%	23% <u>20.5%</u>	30%	MSCI ACWI ex USA Index MSCI Emerging Markets Index
Real Assets	0%	5%	10%	DWS Real Assets Index



Governance & Oversight

“Five Key Duties”

- While governmental plans are not subject to Title I of ERISA, which deals with fiduciary duties, they are subject to applicable provisions in the Internal Revenue Code (“Code”) and state laws.
- Legislative history suggests that the satisfaction of ERISA rules would be sufficient to satisfy the Code requirements.
- The “exclusive benefit rule” under IRC Section 401(a)(2) has been interpreted to mean exercise of prudence in the investment of plan assets is a requirement.
- Many states have adopted “prudent investor” language, which includes many of the basic ERISA fiduciary principles (including duty of loyalty, duty of prudence, duty to diversify).

Duty of Loyalty: Act exclusively in the interest of plan participants and beneficiaries
Duty of Prudence: Act in accordance with the “prudent expert rule”
Duty to Diversify Investments: Diversify the portfolio options to balance risk
Duty to Follow Plan Documents: Follow the plan provisions and policies governing the plan
Duty to Avoid Prohibited Transactions: Ensure legal and appropriate transactions and be free from conflict



Committee/Board Best Practices

Structure/Makeup

- **Committee/Board Makeup**
 - ✓ Controlled turnover leads to well-informed Committee/Board members with institutional memory
 - ✓ Diversity (of age, gender, economic background, profession, etc.) fosters lively discussion and varied points of view
 - ✓ Large enough to promote meaningful discussion/debate, but small enough to reach consensus
 - ✓ Seek ongoing Committee/Board education to enable members to make informed decisions.

Governance

- **Meeting Frequency/Attendance**
 - ✓ Meetings must be frequent enough for the Committee/Board to fulfill its duties, not so frequent as to discourage attendance
 - ✓ Meeting attendance is expected, member participation should be encouraged
- **Meeting Preparation**
 - ✓ Use of a formal agenda leads to a structured, efficient meeting
 - ✓ Materials should be sent in advance and reviewed by all members prior to the meeting
- **Governance Calendar**
 - ✓ Ensures that significant fiduciary responsibilities/obligations are reviewed on a regular basis
 - ✓ Allows for a structured long-term approach in the face of potential short-term “fire drills”

Documentation

- **Investment Policy Statement**
 - ✓ Serves as the Committee’s/Board’s blueprint
 - ✓ Outlines roles and responsibilities of the Committee/Board members and other parties
 - ✓ Establishes formal procedures for hiring/terminating managers, evaluating performance, etc.
- **Meeting minutes**
 - ✓ Should be reviewed and approved by all Committee/Board members on a timely basis
 - ✓ Provide historical context for why/how decisions were made and educate newer members on past decisions
- **Clearly outlined goals and objectives**
 - ✓ Require well-defined methods for evaluation

Note: This is not meant to be a complete list of all fiduciary duties and responsibilities. Please consult your legal advisor for advice about your specific situation.



Actuarial Review

USI Consulting Group Actuarial Valuation Report		
	1/1/2023	1/1/2022
Actuarial Value of Assets	\$31,484,812	\$33,393,274
EAN Accrued Liability	\$31,605,744	\$30,392,757
Funded Ratio	99.6%	109.8 %
Actuarial Return Assumption	6.50%	6.50%

Source: USI Consulting Group, 2023 Valuation Report, as of 1/1/2023



Market Themes

1. The S&P 500 Index reached new highs in the first quarter and valuations moved higher. Strong price movement accounted for the valuation jump as earnings growth remains muted, and much of the valuation move can be attributed to the concentrated top constituents.
2. Profit margins have been trending lower as input costs (higher rates and higher wages) have moved higher. This implies companies will need to exceed revenue expectations, cut costs, or both to meet expectations and justify multiples.
3. Fixed income valuations look favorable relative to equities and with expected rate cuts on the horizon, the expected return prospects for fixed income look attractive.

Forward P/E Ratio – Top 10 Constituents vs. S&p 500

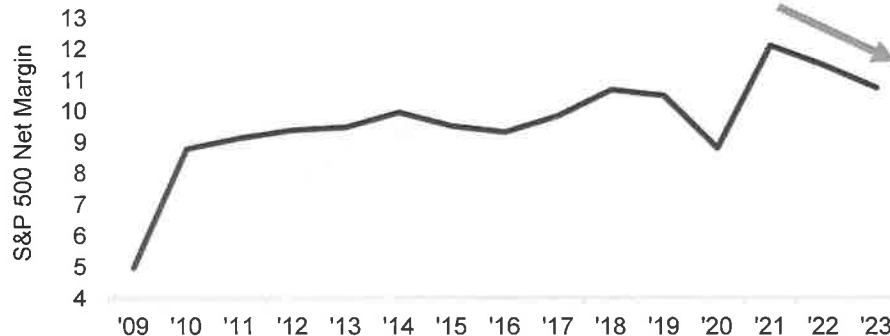
Concentrated leadership in the S&P 500 has driven valuations higher. The top ten constituents trade at a significant premium to the remaining stocks in the index creating potential opportunities outside of these expensive large cap names.



Sources: FactSet, S&P, JPMorgan. As of March 31, 2024.

S&P 500 Net Margins Trending Off Recent Highs

Corporate profitability remains favorable compared to the last 15 years, but has trended lower from highs in 2021. Higher wages and rising cost of capital (higher interest rates) have all contributed to the shrinking. Expectations are for positive earnings growth in Q1 (3.6%) and for CY 2024 (11%) but slimming margins may be a headwind.



Sources: FactSet. As of March 31, 2024.

Performance Following the Fed's First Cut – Next 12 Months

Expectations for interest rate cuts have shifted to later in the year. Over the last three cut cycles, fixed income has performed well relative to both cash and equities. Additionally, core fixed income has a positive asymmetric return profile at current duration and yield levels.

Date of First Fed Rate Cut	Forward 12-M Return from Date of First Rate Cut		
	Bbg Agg	1-3M T-Bill	S&P 500
3/1/2019	10.1	1.3	12.0
9/18/2007	6.0	2.8	-20.0
1/3/2001	7.0	4.0	-8.8
9/29/1998	0.3	4.6	23.9
7/6/1995	3.3	5.5	23.0
Averages	5.4	3.7	6.0

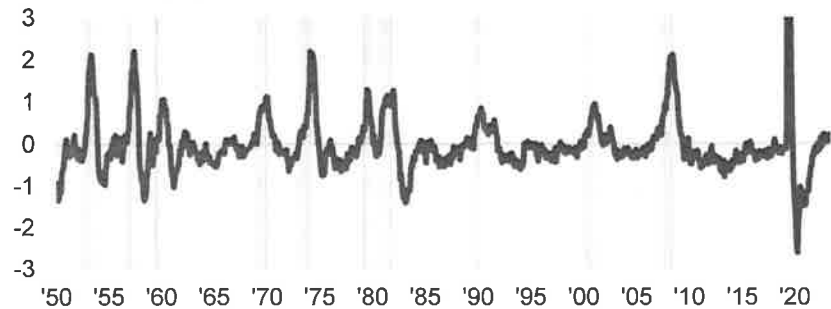
Sources: Federal Reserve, FactSet, Morningstar Direct. As of March 31, 2024. Indexes used are Bloomberg U.S. Aggregate Bond Index, Bloomberg 1-3m TBill Index, and S&P 500 Index.



Economic Review

U.S. Unemployment vs. 12-Month Moving Average

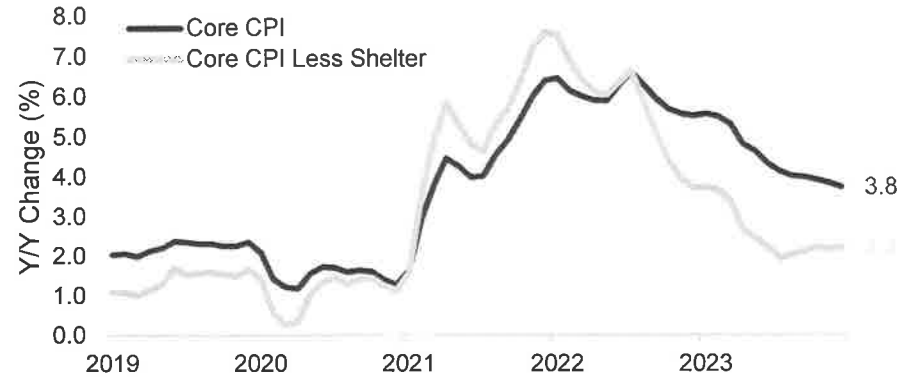
The U.S. labor market remains strong and unemployment has remained below 4% for the longest time since the 1960s. However, despite the strength, the unemployment rate has moved above its 12-month moving average which has been a warning signal historically.



Sources: FactSet, BLS. As of February 29, 2023. Data is the monthly U.S. unemployment rate less the 12 month moving average of the U.S. unemployment rate. Note, axis scale cuts off the extreme values in April and May of 2020, 10.3 and 7.9 respectively. Grey bars indicate U.S. recession.

U.S. Core Inflation

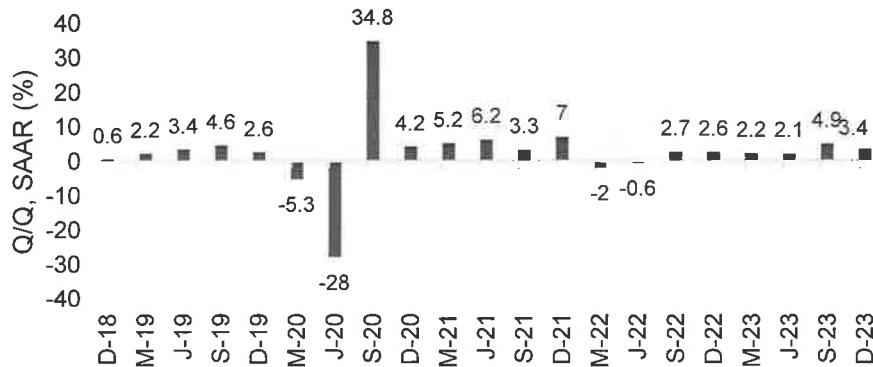
U.S. inflation continues to trend lower, but overall remains above the Fed's 2% target. However, if we remove the sticky and lagged shelter component, inflation is much closer to target and has remained relatively stable since fall 2023, providing support for interest rate cuts later in the year.



Sources: FactSet, BLS. As of February 29, 2024

U.S. Real GDP Growth

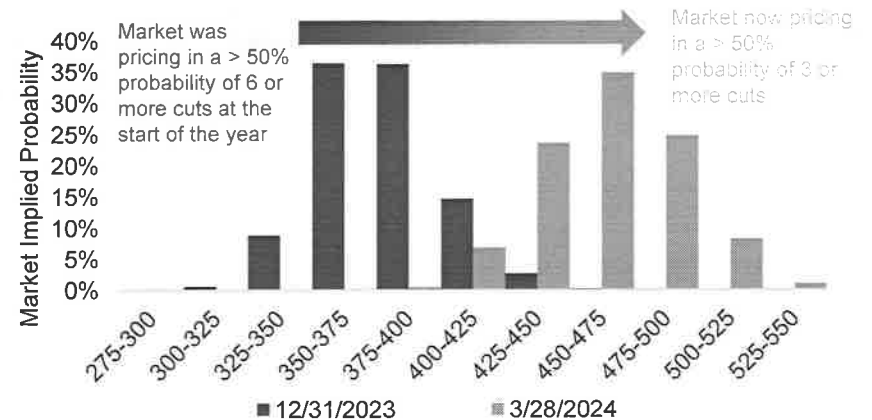
The U.S. economy remains resilient, and the anticipated recession of 2023 never came to fruition. In fact, we have experienced six quarters of consecutive growth and witnessed an upward revision to the most recent Q4 2023 report.



Sources: FactSet, BEA. As of March 29, 2024.

Fed Fund Rate Probabilities for December 2024 Meeting

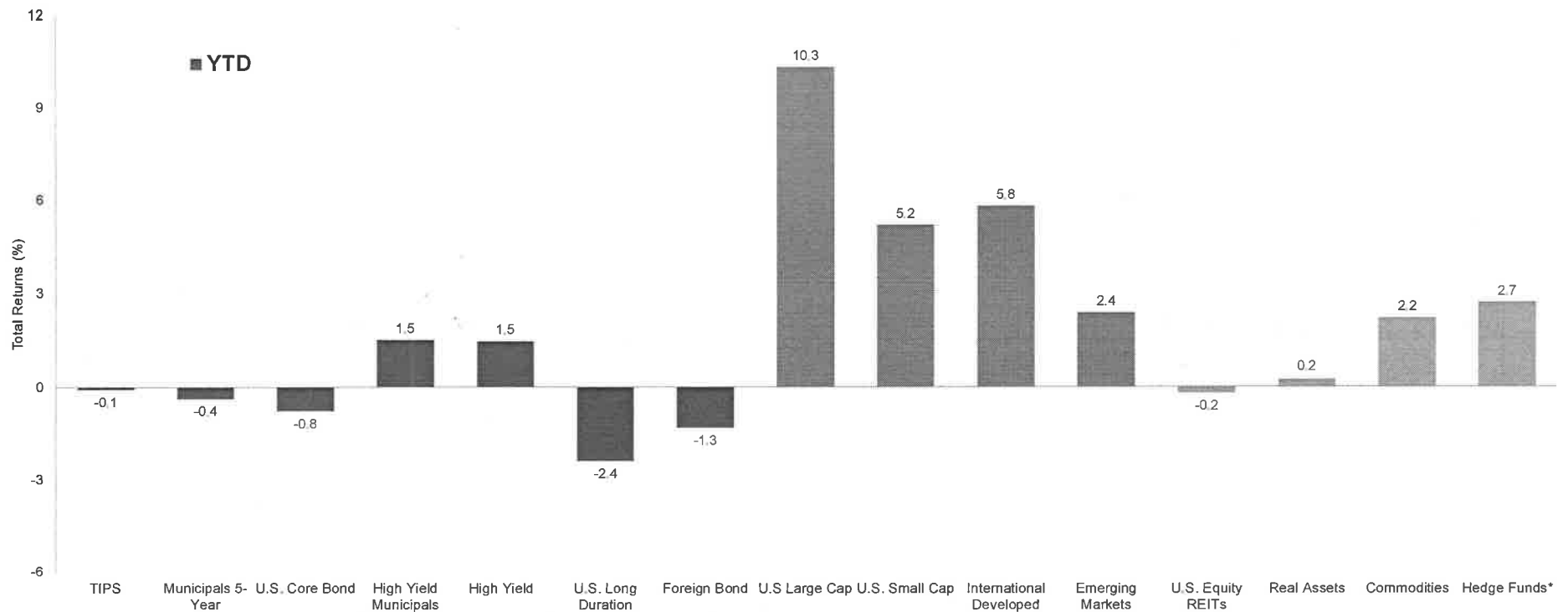
Market expectations finally "caught up" with the Federal Reserve's outlook and we witnessed a significant shift in expectations from the start of the year. This was a large driver of the move higher in interest rates over the quarter.



Source: CME FedWatch Tool. As of March 31, 2024



Asset Class Returns



Source: Morningstar Direct. As of March 31, 2024. *Hedge fund returns as of February 29, 2024.

Fixed Income (1Q 2024)

- The broader fixed income market came under pressure in the quarter as interest rates moved higher. Markets repriced expectations from six rate cuts to three by the end of the year.

+ High yield outperformed within fixed income during the quarter. A resilient economic backdrop and reasonable corporate fundamentals have supported the sector.

- A stronger U.S. dollar was a large driver of non-USD fixed income weakness.

Equity (1Q 2024)

+ U.S. equities posted strong returns in the first quarter with U.S. large cap hitting new highs and outpacing small cap. A small number of large index constituents continue to be a material driver of returns.

+ Developed non-U.S. had a nice quarter. Japan had a notable quarter amid corporate reform and a lower yen price, while moderating inflation in Europe buoyed the region despite anemic growth.

+ Emerging markets was positive as well, with India posting a strong gain while Brazil and China detracted.

Real Asset / Alternatives (1Q 2024)

- Rising interest rates were a headwind for REITs in the quarter. Diversified and self storage detracted while data centers and specialty outperformed.

+ Commodities generated a positive return, driven by price strength within the energy and precious metal sub-sectors.

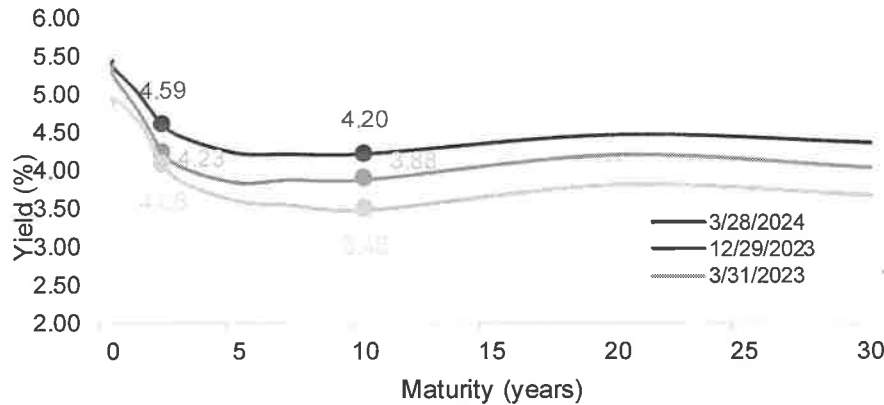
+ Hedge funds (reported on a month lag) posted a positive return for the first two months of the year. Long short equity and technology & healthcare strategies performed well.



Fixed Income Market Update

U.S. Treasury Yield Curve

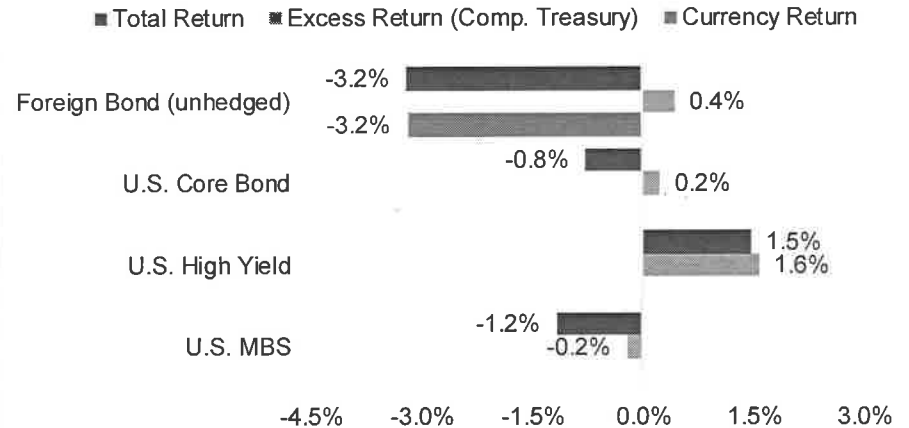
The U.S. yield curve shifted higher during the first quarter as expectations in the market for a first Fed rate cut in March subsided and shifted to later in the year. The curve has steepened (10s-2s spread) over the past 12 months, but remains inverted.



Source: FactSet. As of March 28, 2024.

Index Performance Attribution (1Q 2024)

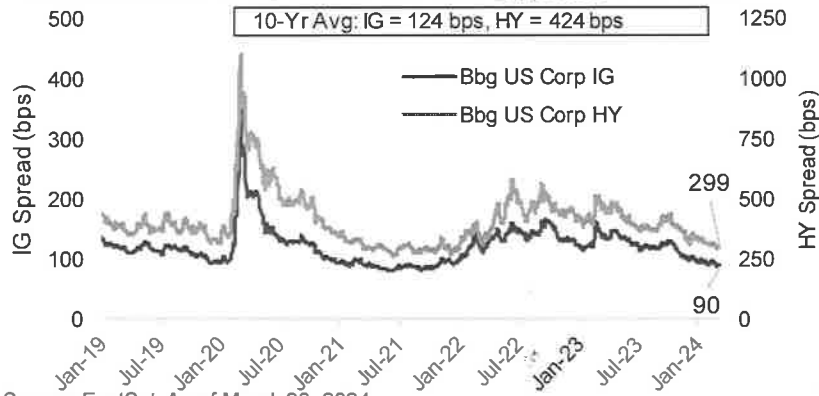
Spread sectors generally outpaced Treasuries in the first quarter. Corporates had another strong quarter while mortgages lagged as interest rate volatility early in the quarter put negative pressure on the space.



Source: FactSet. As of March 28, 2024.

Corporate Market Spreads – Trailing 5 Years

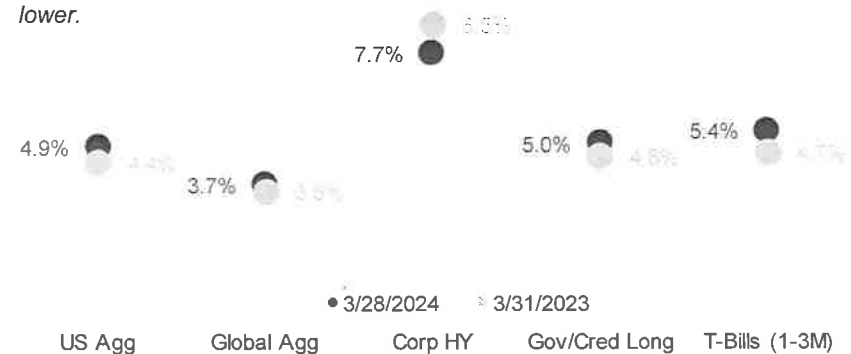
The corporate bond market continues to perform well and credit spreads have moved below longer-term averages. A resilient economy, favorable corporate fundamentals and strong demand have been supportive of the sector.



Source: FactSet. As of March 28, 2024.

Current Yield-to-Worst vs. 1 Year Ago

All-in yields remain attractive across fixed income sectors with many sitting higher than the prior year. However, significant spread compression and strong performance from high yield over the last twelve months have pushed yields lower.



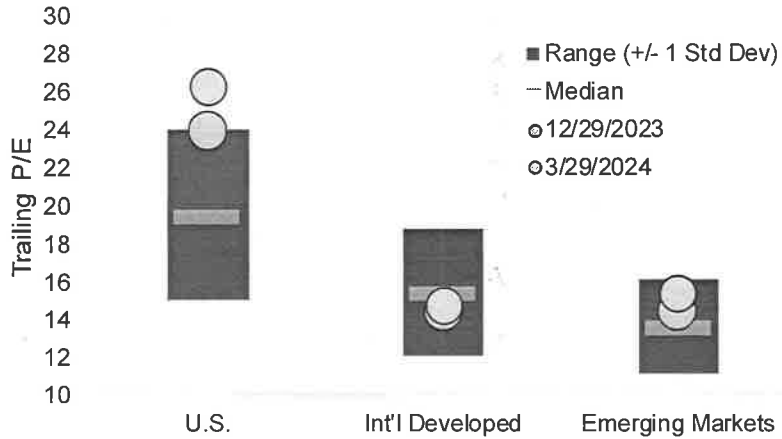
Source: FactSet. As of March 28, 2024. Based on respective Bloomberg Index.



Equity Market Update

Equity Valuations (Trailing PE – Last 15 Years)

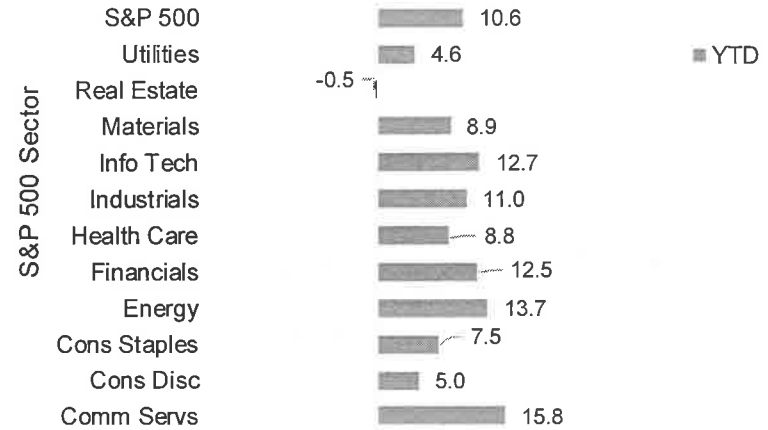
While earnings growth has been positive, price movement was the main driver of equity multiple expansion in the quarter. The relative valuation of non-U.S. continues to look attractive compared to U.S. markets.



Source: FactSet. As of March 29, 2024.

U.S. Equities – Return by Sector (1Q 2024)

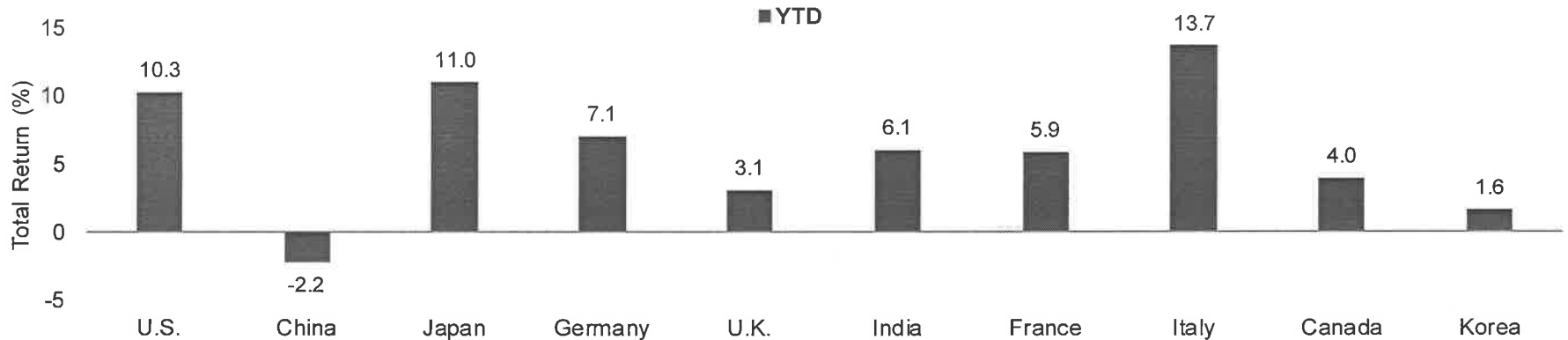
The S&P 500 had its best start to the year since 2019, touching new all-time highs. All sectors, excluding real estate, saw positive returns. Concentrated leadership remains as Nvidia, Meta, Microsoft, and Amazon accounted for 45% of the gain.



Source: Morningstar Direct. As of March 31, 2024. Total Returns.

Country Total Returns (%) – Top 10 Largest Economies

Major economies around the globe saw positive results during the first quarter. Japan had a strong quarter as the BOJ ended yield curve control, inflation and economic growth began to show signs of stabilizing, and corporate governance reforms continued to provide a positive outlook. Inflation in Europe moved lower, supporting the region's performance. China struggled in the quarter; economic growth continues to be underwhelming and uncertainty around the real estate market remains.



Source: Morningstar Direct. As of March 31, 2024.

See disclosures for list of indices representing each asset class. Past performance does not indicate future performance and there is a possibility of a loss.

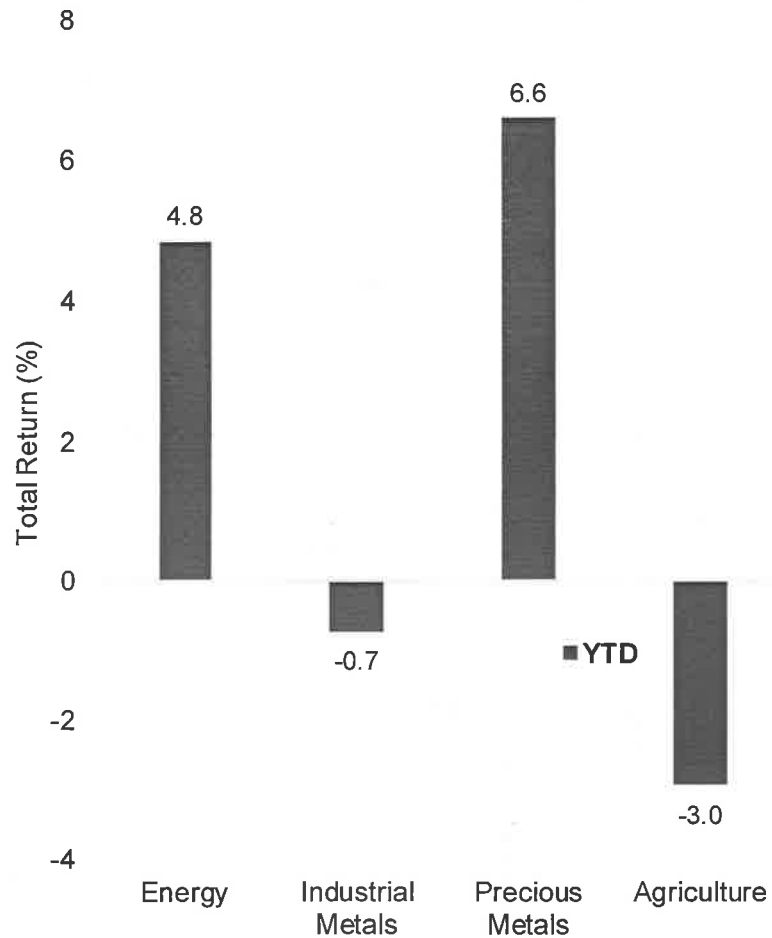
www.FiducientAdvisors.com Indices cannot be invested in directly.



Real Assets Market Update

Commodity Performance (1Q 2024)

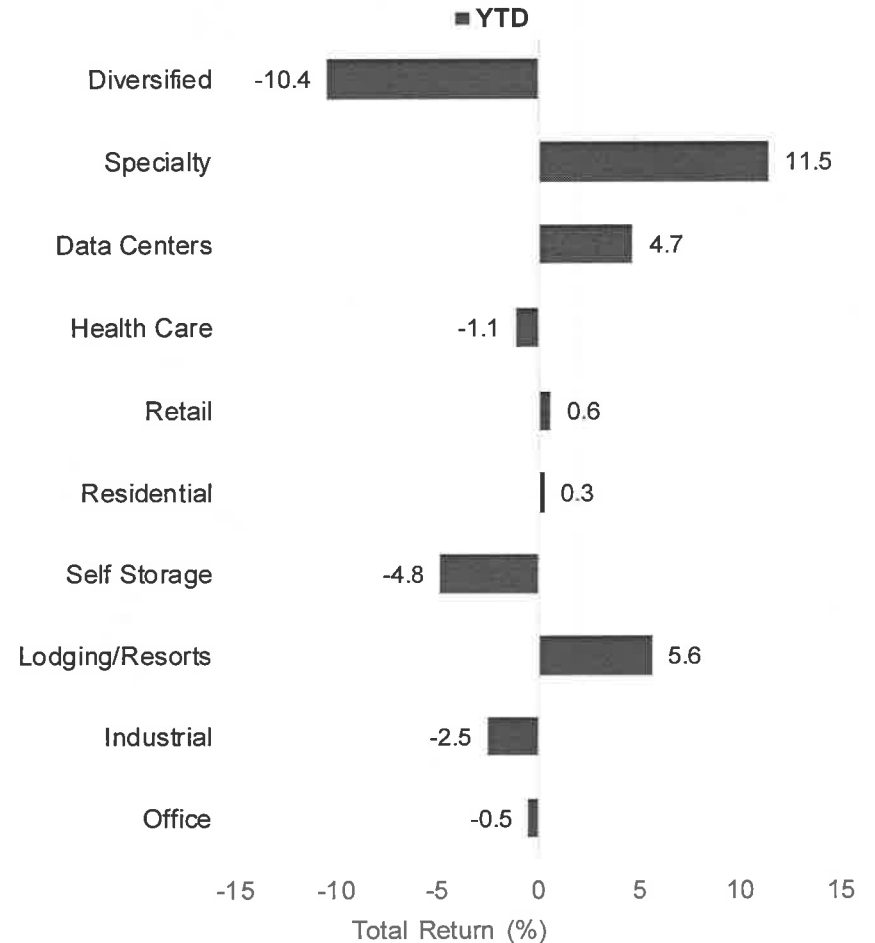
Commodities, overall, were positive in the first quarter, but underlying results were mixed. Precious metals and energy led the way, as geopolitical unrest and supply disruption put upward pressure on prices.



Source: Morningstar Direct. As of March 31, 2024.

REIT Sector Performance (1Q 2024)

The move higher in interest rates was a broad headwind for the REIT sector. Underlying components experienced varied returns. Data centers benefited from the AI driven rally, and advertising related within specialty had a positive impact. The more interest rate sensitive diversified subsector lagged.



Source: Morningstar Direct. As of March 31, 2024.



The Case for Diversification

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD 2024	10 Years (Ann)
U.S. Equity REITs 30.1	U.S. Equity REITs 3.2	U.S. Small Cap 21.3	Emerging Markets 37.3	High Yield Munis 4.8	U.S. Large Cap 31.3	U.S. Small Cap 20.0	U.S. Equity REITs 43.2	Commodities 16.1	U.S. Large Cap 26.5	U.S. Large Cap 10.3	U.S. Large Cap 12.7
High Yield Munis 13.8	Municipals 5-Year 2.4	High Yield 17.1	International Dev 25.0	Municipals 5-Year 1.7	U.S. Equity REITs 26.0	U.S. Large Cap 18.4	Commodities 27.1	Municipals 5-Year -5.3	International Developed 18.2	International Developed 5.8	U.S. Small Cap 7.6
U.S. Large Cap 13.7	High Yield Munis 1.8	U.S. Large Cap 12.0	U.S. Large Cap 21.8	Foreign Bond 0.5	U.S. Small Cap 25.5	Emerging Markets 18.3	U.S. Large Cap 26.5	Hedge Funds -5.6	U.S. Small Cap 16.9	U.S. Small Cap 5.2	U.S. Equity REITs 6.6
Core Bond 6.0	U.S. Large Cap 1.2	Commodities 11.7	EM Debt (unhedged) 15.2	Core Bond 0.0	International Dev 22.5	TIPS 11.0	U.S. Small Cap 14.8	High Yield -11.2	U.S. Equity REITs 13.7	Balanced 3.1	Balanced -4.8
Balanced -5.1	Core Bond 0.6	Emerging Markets 11.2	U.S. Small Cap 14.6	TIPS -1.3	Emerging Markets 18.4	Balanced 8.8	International Dev 11.3	EM Debt (unhedged) -11.7	High Yield 13.4	Hedge Funds 2.7	International Developed 4.8
U.S. Small Cap 4.9	Hedge Funds -0.3	EM Debt (unhedged) 9.9	Balanced 13.6	High Yield -2.1	Balanced 17.5	International Dev 7.8	Balanced 9.8	TIPS -11.8	Balanced 12.8	Emerging Markets 2.4	High Yield Municipals 4.6
TIPS 3.6	International Dev -0.8	U.S. Equity REITs 8.5	High Yield Munis 9.7	Hedge Funds -4.0	High Yield 14.3	Core Bond 7.5	High Yield Munis 7.8	U.S. Core Bond -13.0	EM Debt (unhedged) 12.7	Commodities 2.2	High Yield 4.4
Hedge Funds 3.4	TIPS -1.4	Balanced 7.6	Hedge Funds 7.8	U.S. Large Cap -4.4	EM Debt (unhedged) 13.5	Hedge Funds 7.1	TIPS 6.0	High Yield Municipals -13.1	Emerging Markets 9.8	High Yield Municipals 1.5	Hedge Funds 3.4
Municipals 5-Year 3.2	Foreign Bond -2.3	TIPS 4.7	High Yield 7.5	U.S. Equity REITs -4.6	High Yield Munis 10.7	High Yield 7.1	Hedge Funds -5.7	Foreign Bond -14.2	High Yield Municipals 9.2	High Yield 1.5	Emerging Markets 2.9
Foreign Bond -1.9	Balanced -3.3	Foreign Bond 3.2	Foreign Bond 6.5	Balanced -5.8	Core Bond 8.7	Foreign Bond 7.0	High Yield -5.3	International Dev -14.5	Foreign Bond 7.0	TIPS -0.1	TIPS 2.2
High Yield 2.5	U.S. Small Cap -4.4	High Yield Munis 3.0	U.S. Equity REITs 5.2	EM Debt (unhedged) -6.2	TIPS 8.4	High Yield Munis 4.9	Municipals 5-Year 0.3	Balanced -14.9	U.S. Core Bond 5.5	U.S. Equity REITs -0.2	Municipals 5-Year 1.7
Emerging Markets -2.2	High Yield -4.5	Core Bond 2.6	Core Bond 3.5	U.S. Small Cap -11.0	Hedge Funds 7.8	Municipals 5-Year 4.3	Core Bond -1.5	U.S. Large Cap -19.1	Hedge Funds 4.4	Municipals 5-Year -0.4	U.S. Core Bond 1.5
International Dev -1.9	Emerging Markets -14.9	International Dev 1.0	Municipals 5-Year 3.1	Commodities -11.2	Commodities 7.7	EM Debt (unhedged) 2.7	Emerging Markets -2.5	Emerging Markets -20.1	Municipals 5-Year 4.3	U.S. Core Bond -0.8	Foreign Bond 0.6
EM Debt (unhedged) -5.7	EM Debt (unhedged) -14.9	Hedge Funds 0.5	TIPS 3.0	International Dev -13.6	Foreign Bond 6.3	Commodities -3.1	Foreign Bond -4.2	U.S. Small Cap -20.4	TIPS 3.9	Foreign Bond -1.3	EM Debt (unhedged) -0.3
Commodities -17.0	Commodities -24.7	Municipals 5-Year -0.4	Commodities 1.7	Emerging Markets -14.6	Municipals 5-Year 5.4	U.S. Equity REITs -8.0	EM Debt (unhedged) -8.7	U.S. Equity REITs -24.4	Commodities -7.9	EM Debt (unhedged) -2.1	Commodities -1.8

Sources: Morningstar, FactSet. As of March 31, 2024. *Periods greater than one year are annualized. Total returns in U.S. dollars. Hedge Funds as of February 29, 2024.



Financial Markets Performance

Total Return as of March 31, 2024
Periods greater than one year are annualized
All returns are in U.S. dollar terms

Global Fixed Income Markets	QTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Bloomberg 1-3-Month T-Bill	1.3%	1.3%	5.4%	2.7%	2.0%	1.9%	1.4%	0.9%
Bloomberg U.S. TIPS	-0.1%	-0.1%	0.5%	-0.5%	2.5%	2.3%	2.2%	3.1%
Bloomberg Municipal Bond (5 Year)	-0.4%	-0.4%	2.0%	-0.3%	1.2%	1.6%	1.7%	2.5%
Bloomberg High Yield Municipal Bond	1.5%	1.5%	7.9%	0.6%	3.0%	4.2%	4.6%	6.8%
Bloomberg U.S. Aggregate	-0.8%	-0.8%	1.7%	-2.5%	0.4%	1.1%	1.5%	2.6%
Bloomberg U.S. Corporate High Yield	1.5%	1.5%	11.2%	2.2%	4.2%	4.4%	4.4%	8.9%
Bloomberg Global Aggregate ex-U.S. Hedged	0.6%	0.6%	5.9%	-0.4%	1.0%	2.0%	2.6%	3.2%
Bloomberg Global Aggregate ex-U.S. Unhedged	-3.2%	-3.2%	-0.7%	-6.5%	-2.5%	-0.8%	-1.4%	0.8%
Bloomberg U.S. Long Gov / Credit	-2.4%	-2.4%	-1.1%	-6.0%	-0.6%	1.0%	2.3%	4.5%
Global Equity Markets	QTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
S&P 500	10.6%	10.6%	29.9%	11.5%	15.0%	14.1%	13.0%	15.6%
Dow Jones Industrial Average	6.1%	6.1%	22.2%	8.7%	11.3%	12.3%	11.8%	14.4%
NASDAQ Composite	9.3%	9.3%	35.1%	8.2%	17.2%	16.7%	15.7%	18.3%
Russell 3000	10.0%	10.0%	29.3%	9.8%	14.3%	13.4%	12.3%	15.4%
Russell 1000	10.3%	10.3%	29.9%	10.5%	14.8%	13.8%	12.7%	15.6%
Russell 1000 Growth	11.4%	11.4%	39.0%	12.5%	18.5%	18.1%	16.0%	17.8%
Russell 1000 Value	9.0%	9.0%	20.3%	8.1%	10.3%	9.2%	9.0%	13.1%
Russell Mid Cap	8.6%	8.6%	22.3%	6.1%	11.1%	10.6%	9.9%	14.9%
Russell Mid Cap Growth	9.5%	9.5%	26.3%	4.6%	11.8%	12.9%	11.4%	15.6%
Russell Mid Cap Value	8.2%	8.2%	20.4%	6.8%	9.9%	8.4%	8.6%	14.2%
Russell 2000	5.2%	5.2%	19.7%	-0.1%	8.1%	7.7%	7.6%	12.9%
Russell 2000 Growth	7.6%	7.6%	20.3%	-2.7%	7.4%	8.4%	7.9%	13.4%
Russell 2000 Value	2.9%	2.9%	18.8%	2.2%	8.2%	6.6%	6.9%	12.1%
MSCI ACWI	8.2%	8.2%	23.2%	7.0%	10.9%	10.2%	8.7%	11.6%
MSCI ACWI ex. U.S.	4.7%	4.7%	13.3%	1.9%	6.0%	5.9%	4.3%	7.9%
MSCI EAFE	5.8%	5.8%	15.3%	4.8%	7.3%	6.7%	4.8%	8.4%
MSCI EAFE Growth	7.0%	7.0%	13.3%	2.8%	7.8%	7.8%	5.9%	9.1%
MSCI EAFE Value	4.5%	4.5%	17.3%	6.6%	6.4%	5.3%	3.5%	7.5%
MSCI EAFE Small Cap	2.4%	2.4%	10.4%	-1.4%	4.9%	5.2%	4.7%	10.1%
MSCI Emerging Markets	2.4%	2.4%	8.2%	-5.0%	2.2%	3.7%	2.9%	6.7%
Alternatives	QTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Consumer Price Index*	0.7%	0.7%	3.2%	5.7%	4.2%	3.5%	2.8%	2.6%
FTSE NAREIT Equity REITs	-0.2%	-0.2%	10.5%	4.1%	4.1%	5.1%	6.6%	13.4%
S&P Real Assets	0.2%	0.2%	6.0%	2.8%	3.9%	4.5%	3.5%	7.3%
FTSE EPRA NAREIT Developed	-1.0%	-1.0%	8.6%	-0.2%	0.7%	3.1%	4.0%	10.0%
FTSE EPRA NAREIT Developed ex U.S.	-1.9%	-1.9%	6.6%	-5.2%	-2.7%	1.0%	1.5%	7.2%
Bloomberg Commodity Total Return	2.2%	2.2%	-0.6%	9.1%	6.4%	4.3%	-1.6%	0.3%
HFRI Fund of Funds Composite*	2.7%	2.7%	7.5%	2.4%	4.9%	4.2%	3.4%	3.9%
HFRI Asset Weighted Composite*	2.9%	2.9%	5.7%	4.3%	4.5%	4.1%	3.6%	5.2%

Sources: Morningstar, FactSet. As of March 31, 2024. *Consumer Price Index and HFRI indexes as of February 29, 2024.

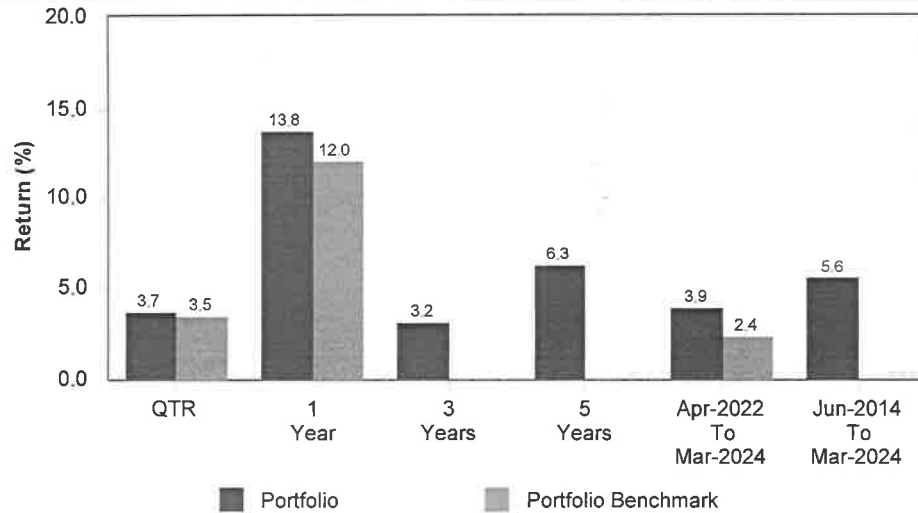
See disclosures for list of indices representing each asset class. Past performance does not indicate future performance and there is a possibility of a loss.

Portfolio Dashboard

Town of East Lyme

As of March 31, 2024

Historical Performance



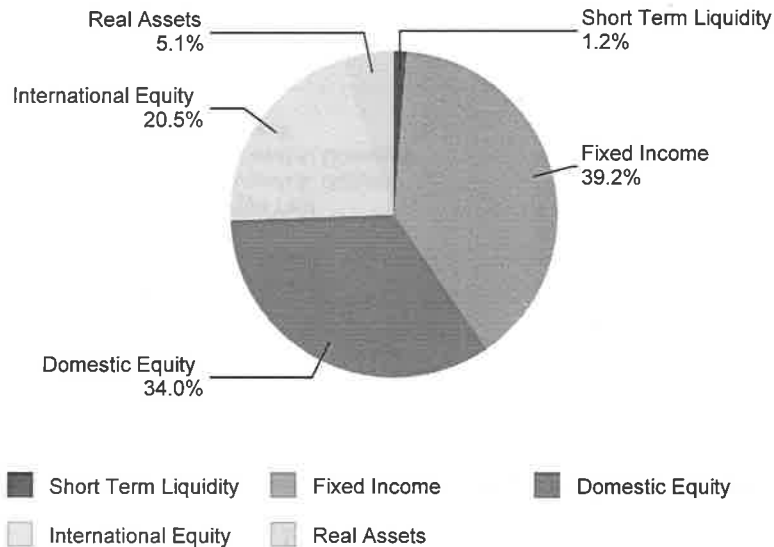
Summary of Cash Flows

	QTR	1 Year	Since Inception
Beginning Market Value	30,621,177	28,436,765	15,340,695
Net Contributions	-361,833	-866,406	2,950,117
Gain/Loss	1,125,765	3,814,751	13,094,298
Ending Market Value	31,385,110	31,385,110	31,385,110

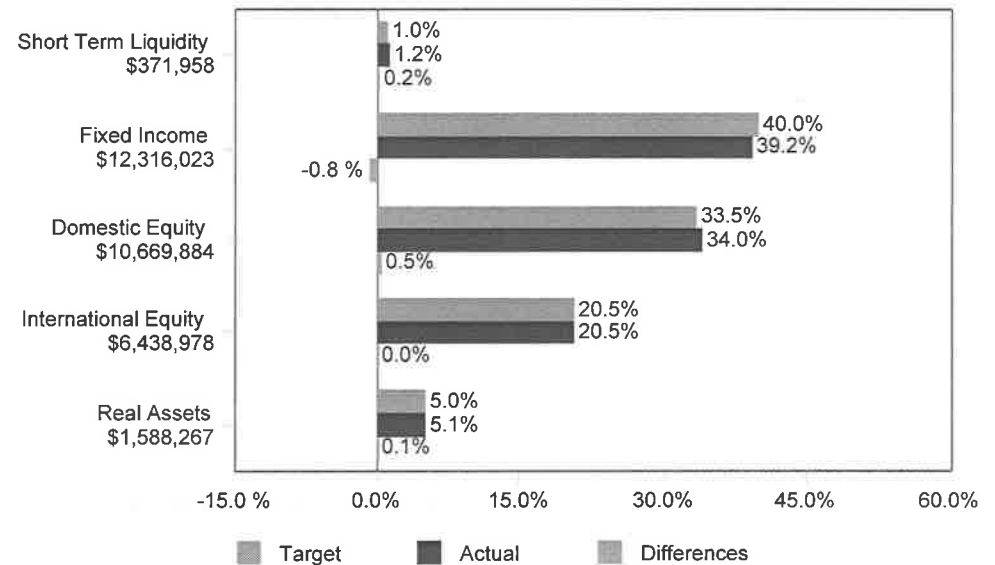
Current Benchmark Composition

From Date	To Date	Composition
03/2024	Present	1.00% 90 Day U.S. Treasury Bill, 35.00% Blmbg. U.S. Aggregate, 2.50% Blmbg. U.S. Corp: High Yield, 2.50% Blmbg. Global Aggregate, 27.00% S&P 500, 6.50% Russell 2000 Index, 14.00% MSCI AC World ex USA (Net), 6.50% MSCI Emerging Markets (Net), 5.00% DWS Real Assets Benchmark

Portfolio Allocation



Actual vs. Target Allocations



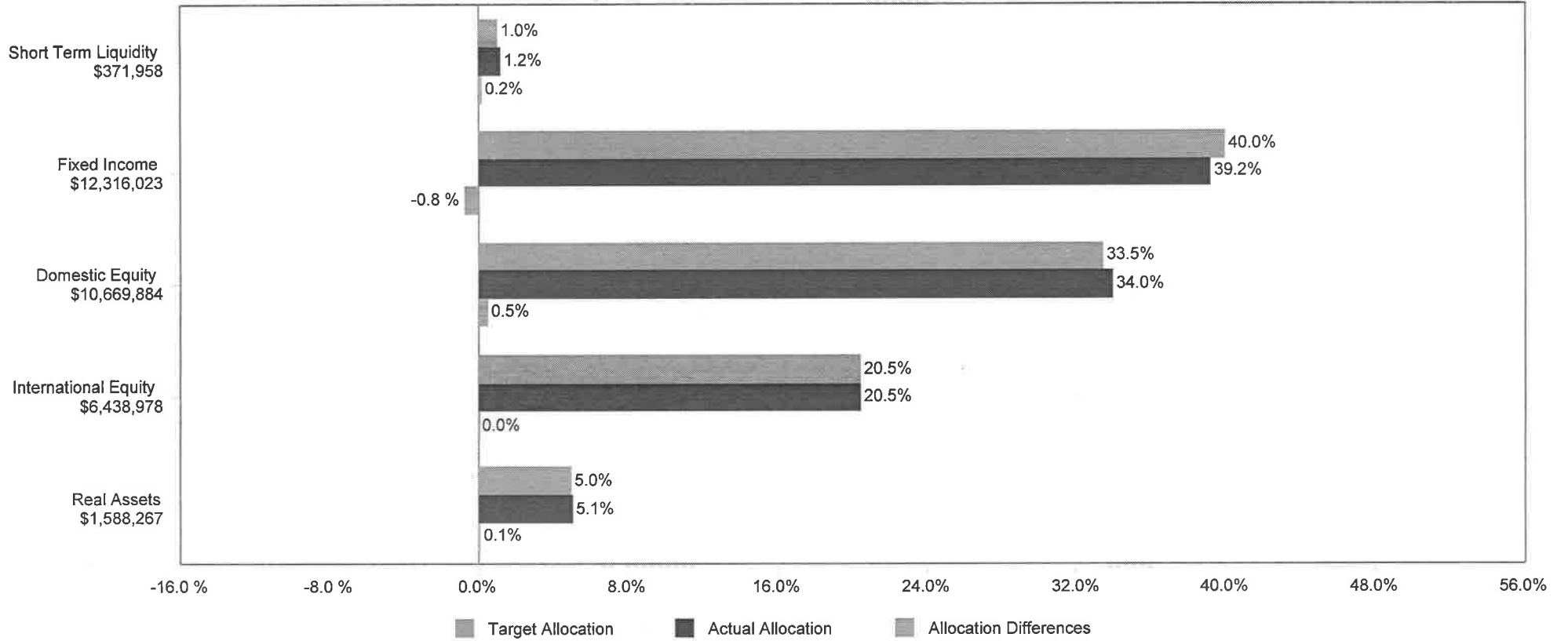
Performance and cash flows data prior to 10/1/2021 was provided by prior consultant and was then linked with prior custodian statements through March 2022. Fiducient Advisors relationship

Asset Allocation

Town of East Lyme

As of March 31, 2024

Actual vs. Target



	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)	Minimum Allocation (%)	Maximum Allocation (%)
Short Term Liquidity	371,958	1.2	1.0	0.2	0.0	5.0
Fixed Income	12,316,023	39.2	40.0	-0.8	30.0	55.0
Domestic Equity	10,669,884	34.0	33.5	0.5	20.0	40.0
International Equity	6,438,978	20.5	20.5	0.0	10.0	30.0
Real Assets	1,588,267	5.1	5.0	0.1	0.0	10.0
Town of East Lyme	31,385,110	100.0	100.0	0.0	-	-

Asset Allocation

Town of East Lyme

As of March 31, 2024

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Town of East Lyme	31,385,110	100.0	100.0	0.0
Short Term Liquidity	371,958	1.2	1.0	0.2
First American Government Fund	371,958	1.2	1.0	0.2
Fixed Income	12,316,023	39.2	40.0	-0.8
Baird Aggregate Bond Fund Class Institutional	4,154,674	13.2	13.5	-0.3
Harbor Core Bond Retirement - IR&M	4,159,247	13.3	13.5	-0.2
BlackRock Strategic Income Opportunities Fund K	2,468,113	7.9	8.0	-0.1
Artisan High Income Fund I	772,415	2.5	2.5	0.0
BrandywineGLOBAL Global Opportunities Bd IS	761,573	2.4	2.5	-0.1
Domestic Equity	10,669,884	34.0	33.5	0.5
Vanguard Institutional Index Fund Instl	8,624,269	27.5	27.0	0.5
Nationwide WCM Focused Sm Cp R6	1,041,029	3.3	3.3	0.1
Conestoga Small Cap Instl	1,004,586	3.2	3.3	0.0
International Equity	6,438,978	20.5	20.5	0.0
Dodge & Cox International Stock Fund	2,251,838	7.2	7.0	0.2
Harding Loevner International Equity Port CI Z	2,176,312	6.9	7.0	-0.1
PIMCO RAE Emerging Markets I	998,477	3.2	3.3	-0.1
GQG Partners Emerging Markets Equity R6	1,012,350	3.2	3.3	0.0
Real Assets	1,588,267	5.1	5.0	0.1
DWS RREEF Real Assets Fund R6	1,588,267	5.1	5.0	0.1

Performance Overview

Town of East Lyme

As of March 31, 2024

Trailing Performance Summary

	Current Quarter	1 Year	3 Years	5 Years	7 Years	10 Years	Apr-2022 To Mar-2024	Jun-2014 To Mar-2024
Town of East Lyme	3.7	13.8	3.2	6.3	6.3	-	3.9	5.6
<i>Town of East Lyme Benchmark</i>	3.5	12.0	-	-	-	-	2.4	-

Calendar Year Performance Summary

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Town of East Lyme	15.4	-16.3	12.3	9.9	19.3	-5.7	15.0	7.5	-0.5	-
<i>Town of East Lyme Benchmark</i>	13.3	-	-	-	-	-	-	-	-	-

Plan Reconciliation

	QTR	1 Year	3 Years	5 Years	Since Inception	Inception Date
Town of East Lyme						06/2014
Beginning Market Value	30,621,177	28,436,765	30,647,519	23,904,846	15,340,695	
Net Contributions	-361,833	-866,406	-2,018,685	-902,081	2,950,117	
Gain/Loss	1,125,765	3,814,751	2,756,276	8,382,345	13,094,298	
Ending Market Value	31,385,110	31,385,110	31,385,110	31,385,110	31,385,110	

Benchmark Composition

	Weight (%)
Mar-2024	
90 Day U.S. Treasury Bill	1.0
Blmbg. U.S. Aggregate	35.0
Blmbg. U.S. Corp: High Yield	2.5
Blmbg. Global Aggregate	2.5
S&P 500	27.0
Russell 2000 Index	6.5
MSCI AC World ex USA (Net)	14.0
MSCI Emerging Markets (Net)	6.5
DWS Real Assets Benchmark	5.0

Performance and cash flows data prior to 10/1/2021 was provided by prior consultant and was then linked with prior custodian statements through March 2022. Fiduciant Advisors relationship performance begins 04/01/2022. Client portfolio performance is presented net of underlying investment manager fees but gross of Fiduciant Advisors' fees.

Manager Status Commentary

Town of East Lyme

As of March 31, 2024

Manager	Recommendation	Comments
Fixed Income		
Baird Aggregate Bond Fund Class Institutional	Maintain	
Harbor Core Bond Retirement - IR&M	Maintain	
BlackRock Strategic Income Opportunities Fund K	Maintain	
Artisan High Income Fund I	Maintain	
BrandywineGLOBAL Global Opportunities Bd IS	Maintain	
Domestic Equity		
Vanguard Institutional Index Fund Instl	Maintain	
Nationwide WCM Focused Sm Cp R6	Maintain	
Conestoga Small Cap Instl	Maintain	
International Equity		
Dodge & Cox International Stock Fund	Maintain	
Harding Loevner International Equity Port Cl Z	Maintain	
PIMCO RAE Emerging Markets I	Maintain	
GQG Partners Emerging Markets Equity R6	Maintain	
Real Assets		
DWS RREEF Real Assets Fund R6	Maintain	

Manager Performance

Town of East Lyme

As of March 31, 2024

	Allocation		Performance(%)								Inception Date	Manager Status
	Market Value (\$)	%	QTR	1 Year	3 Years	5 Years	10 Years	Apr-2022 To Mar-2024	Since Inception			
Town of East Lyme	31,385,110	100.0	3.7	13.8	3.2	6.3	-	3.9	5.6	06/2014		
<i>Town of East Lyme Benchmark</i>			3.5	12.0	-	-	-	2.4	-			
Short Term Liquidity	371,958	1.2	1.3	5.2	-	-	-	3.8	3.8	04/2022		
<i>90 Day U.S. Treasury Bill</i>			1.3	5.2	2.6	2.0	1.4	3.9	3.9			
First American Government Fund	371,958	1.2	1.3	5.2	-	-	-	3.8	3.8	04/2022		
Fixed Income	12,316,023	39.2	-0.4	4.0	-	-	-	-0.2	-0.2	04/2022		
<i>Fixed Income Benchmark</i>			-0.7	2.3	-	-	-	-1.4	-1.4			
Baird Aggregate Bond Fund Class Institutional	4,154,674	13.2	-0.5	2.8	-2.2	0.8	2.0	-1.0	-1.0	04/2022	Maintain	
<i>Blmbg. U.S. Aggregate</i>			-0.8	1.7	-2.5	0.4	1.5	-1.6	-1.6			
IM U.S. Broad Market Core Fixed Income (MF) Median			-0.5	2.1	-2.5	0.5	1.5	-1.7	-1.7			
Baird Aggregate Bond Fund Class Institutional Rank			43	28	23	28	14	17	17			
Harbor Core Bond Retirement - IR&M	4,159,247	13.3	-0.6	1.8	-2.5	0.7	-	-1.5	0.9	03/2024	Maintain	
<i>Blmbg. U.S. Aggregate</i>			-0.8	1.7	-2.5	0.4	1.5	-1.6	0.9			
IM U.S. Broad Market Core Fixed Income (MF) Median			-0.5	2.1	-2.5	0.5	1.5	-1.7	0.9			
Harbor Core Bond Retirement - IR&M Rank			56	60	46	36	-	34	74			
BlackRock Strategic Income Opportunities Fund K	2,468,113	7.9	0.9	6.7	1.0	3.1	2.8	2.6	2.6	04/2022	Maintain	
<i>Blmbg. U.S. Aggregate</i>			-0.8	1.7	-2.5	0.4	1.5	-1.6	-1.6			
IM Alternative Credit Focus (MF) Median			1.3	6.3	0.7	2.2	1.9	2.5	2.5			
BlackRock Strategic Income Opportunities Fund K Rank			72	43	45	33	23	48	48			
Artisan High Income Fund I	772,415	2.5	1.4	12.1	3.4	6.0	6.1	3.9	3.9	04/2022	Maintain	
<i>Blmbg. U.S. Corp: High Yield</i>			1.5	11.2	2.2	4.2	4.4	3.7	3.7			
IM U.S. High Yield Bonds (MF) Median			1.6	10.2	1.8	3.6	3.5	2.9	2.9			
Artisan High Income Fund I Rank			65	10	9	3	1	20	20			

Client portfolio performance is presented net of underlying investment manager fees but gross of Fiducient Advisors' fees. 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. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. 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.

Manager Performance

Town of East Lyme

As of March 31, 2024

	Allocation		Performance(%)								Manager Status
	Market Value (\$)	%	QTR	1 Year	3 Years	5 Years	10 Years	Apr-2022 To Mar-2024	Since Inception	Inception Date	
BrandywineGLOBAL Global Opportunities Bd IS	761,573	2.4	-4.8	-1.5	-5.3	-0.5	0.5	-5.9	2.8	03/2023	Maintain
<i>Blmbg. Global Aggregate</i>			-2.1	0.5	-4.7	-1.2	-0.1	-3.9	3.4		
IM Global Fixed Income (MF) Median			-0.4	3.4	-2.3	0.2	1.0	-0.9	5.1		
BrandywineGLOBAL Global Opportunities Bd IS Rank			98	96	82	64	60	96	90		
Domestic Equity	10,669,884	34.0	9.0	26.2	-	-	-	8.6	8.6	04/2022	
<i>Domestic Equity Benchmark</i>			9.2	27.3	-	-	-	7.8	7.8		
Vanguard Institutional Index Fund Instl	8,624,269	27.5	10.5	29.8	11.5	15.0	12.9	9.4	9.4	04/2022	Maintain
<i>S&P 500</i>			10.6	29.9	11.5	15.0	13.0	9.5	9.5		
IM U.S. Large Cap Core Equity (MF) Median			10.7	29.6	10.3	14.1	12.0	9.1	9.1		
Vanguard Institutional Index Fund Instl Rank			52	47	28	25	15	44	44		
Nationwide WCM Focused Sm Cp R6	1,041,029	3.3	5.5	19.6	5.9	9.2	8.8	8.9	8.9	04/2022	Maintain
<i>Russell 2000 Value Index</i>			2.9	18.8	2.2	8.2	6.9	1.7	1.7		
IM U.S. Small Cap Value Equity (MF) Median			3.9	20.0	5.6	10.0	7.1	4.9	4.9		
Nationwide WCM Focused Sm Cp R6 Rank			26	55	44	63	10	18	18		
Conestoga Small Cap Instl	1,004,586	3.2	3.6	12.7	1.0	9.0	10.6	3.7	3.7	04/2022	Maintain
<i>Russell 2000 Growth Index</i>			7.6	20.3	-2.7	7.4	7.9	3.7	3.7		
IM U.S. Small Cap Growth Equity (MF) Median			7.4	18.5	-0.9	8.5	8.4	2.6	2.6		
Conestoga Small Cap Instl Rank			93	84	31	40	10	32	32		
International Equity	6,438,978	20.5	3.9	16.7	-	-	-	6.1	6.1	04/2022	
<i>International Equity Benchmark</i>			4.0	11.7	-	-	-	2.1	2.1		
Dodge & Cox International Stock Fund	2,251,838	7.2	3.1	13.4	5.1	7.3	4.0	6.2	6.2	04/2022	Maintain
<i>MSCI AC World ex USA Value (Net)</i>			3.4	15.3	4.6	5.4	3.2	5.2	5.2		
IM International Large Cap Value Equity (MF) Median			4.9	14.5	5.2	6.7	3.7	7.6	7.6		
Dodge & Cox International Stock Fund Rank			94	73	52	36	40	68	68		

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Manager Performance

Town of East Lyme

As of March 31, 2024

	Allocation		Performance(%)								Manager Status
	Market Value (\$)	%	QTR	1 Year	3 Years	5 Years	10 Years	Apr-2022 To Mar-2024	Since Inception	Inception Date	
Harding Loevner International Equity Port CI Z	2,176,312	6.9	1.6	8.5	0.2	6.5	5.8	2.4	2.4	04/2022	Maintain
<i>MSCI AC World ex USA Growth (Net)</i>			5.9	11.2	-0.8	6.2	5.1	2.1	2.1		
IM International Large Cap Core Equity (MF) Median			5.6	13.6	3.8	7.2	4.2	6.2	6.2		
Harding Loevner International Equity Port CI Z Rank			95	90	94	64	4	88	88		
PIMCO RAE Emerging Markets I	998,477	3.2	4.3	22.9	6.1	7.5	-	9.2	9.2	04/2022	Maintain
<i>MSCI Emerging Markets Value (Net)</i>			1.3	11.4	-0.9	2.1	2.2	0.4	0.4		
IM Emerging Markets Equity (MF) Median			3.0	9.0	-5.5	2.7	2.8	-0.7	-0.7		
PIMCO RAE Emerging Markets I Rank			31	4	2	7	-	2	2		
GQG Partners Emerging Markets Equity R6	1,012,350	3.2	10.5	37.9	3.6	9.9	-	10.6	10.6	04/2022	Maintain
<i>MSCI Emerging Markets Growth (Net)</i>			3.4	5.2	-8.9	2.2	3.6	-3.7	-3.7		
IM Emerging Markets Equity (MF) Median			3.0	9.0	-5.5	2.7	2.8	-0.7	-0.7		
GQG Partners Emerging Markets Equity R6 Rank			1	1	4	2	-	1	1		
Real Assets	1,588,267	5.1	2.1	5.1	-	-	-	-4.7	-4.7	04/2022	
<i>DWS Real Assets Benchmark</i>			0.1	3.7	3.6	3.9	3.4	-4.4	-4.4		
DWS RREEF Real Assets Fund R6	1,588,267	5.1	2.1	5.1	3.5	5.7	4.5	-4.7	-4.7	04/2022	Maintain
<i>DWS Real Assets Benchmark</i>			0.1	3.7	3.6	3.9	3.4	-4.4	-4.4		

Performance data prior to 10/1/2021 was provided by prior consultant and was then linked with prior custodian statements through March 2022. Fiduciant Advisors relationship performance begins 04/01/2022.

Client portfolio performance is presented net of underlying investment manager fees but gross of Fiduciant Advisors' fees. 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. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. 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.

Calendar Year Performance

Town of East Lyme

As of March 31, 2024

	Performance(%)									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Town of East Lyme	15.4	-16.3	12.3	9.9	19.3	-5.7	15.0	7.5	-0.5	-
<i>Town of East Lyme Benchmark</i>	13.3	-	-	-	-	-	-	-	-	-
Short Term Liquidity	4.8	-	-	-	-	-	-	-	-	-
<i>90 Day U.S. Treasury Bill</i>	5.0	1.5	0.0	0.7	2.3	1.9	0.9	0.3	0.0	0.0
First American Government Fund	4.8	-	-	-	-	-	-	-	-	-
Fixed Income	7.6	-	-	-	-	-	-	-	-	-
<i>Fixed Income Benchmark</i>	6.1	-	-	-	-	-	-	-	-	-
Baird Aggregate Bond Fund Class Institutional	6.4	-13.4	-1.5	8.6	9.5	-0.3	4.2	3.5	0.6	6.9
<i>Bimbg. U.S. Aggregate</i>	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6	0.5	6.0
IM U.S. Broad Market Core Fixed Income (MF) Median	5.8	-13.7	-1.3	8.2	8.8	-0.6	3.6	2.9	0.0	5.5
Baird Aggregate Bond Fund Class Institutional Rank	23	36	57	37	27	33	22	33	20	8
Harbor Core Bond Retirement - IR&M	5.8	-13.3	-1.6	9.1	8.8	-	-	-	-	-
<i>Bimbg. U.S. Aggregate</i>	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6	0.5	6.0
IM U.S. Broad Market Core Fixed Income (MF) Median	5.8	-13.7	-1.3	8.2	8.8	-0.6	3.6	2.9	0.0	5.5
Harbor Core Bond Retirement - IR&M Rank	48	33	62	26	50	-	-	-	-	-
BlackRock Strategic Income Opportunities Fund K	7.4	-5.6	1.0	7.3	7.8	-0.5	5.0	3.6	-0.6	3.6
<i>Bimbg. U.S. Aggregate</i>	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6	0.5	6.0
IM Alternative Credit Focus (MF) Median	7.3	-7.6	1.9	3.9	7.3	-1.9	4.5	4.9	-1.6	1.0
BlackRock Strategic Income Opportunities Fund K Rank	49	41	58	17	43	29	43	64	25	21
Artisan High Income Fund I	16.0	-9.5	6.4	10.2	14.2	-1.4	8.9	14.5	1.2	-
<i>Bimbg. U.S. Corp: High Yield</i>	13.4	-11.2	5.3	7.1	14.3	-2.1	7.5	17.1	-4.5	2.5
IM U.S. High Yield Bonds (MF) Median	12.2	-11.0	4.9	5.4	13.8	-3.0	6.6	13.8	-4.0	1.5
Artisan High Income Fund I Rank	3	25	19	4	42	11	5	38	2	-
BrandywineGLOBAL Global Opportunities Bd IS	7.4	-15.7	-5.3	12.7	9.2	-4.9	12.8	5.0	-8.5	6.3
<i>Bimbg. Global Aggregate</i>	5.7	-16.2	-4.7	9.2	6.8	-1.2	7.4	2.1	-3.2	0.6
IM Global Fixed Income (MF) Median	6.7	-14.7	-2.7	8.3	8.1	-1.8	6.8	2.9	-3.8	1.9
BrandywineGLOBAL Global Opportunities Bd IS Rank	32	62	80	5	25	95	3	25	96	14

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Calendar Year Performance

Town of East Lyme

As of March 31, 2024

	Performance(%)									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Domestic Equity	25.5	-	-	-	-	-	-	-	-	-
<i>Domestic Equity Benchmark</i>	24.0	-	-	-	-	-	-	-	-	-
Vanguard Institutional Index Fund Instl	26.2	-18.1	28.7	18.4	31.5	-4.4	21.8	11.9	1.4	13.7
<i>S&P 500</i>	26.3	-18.1	28.7	18.4	31.5	-4.4	21.8	12.0	1.4	13.7
IM U.S. Large Cap Core Equity (MF) Median	24.8	-18.7	26.9	18.4	30.7	-5.4	21.5	9.7	0.5	11.5
Vanguard Institutional Index Fund Instl Rank	38	46	26	50	37	32	45	20	35	18
Nationwide WCM Focused Sm Cp R6	23.3	-14.7	19.2	1.3	29.0	-8.5	14.0	23.5	-4.6	11.6
<i>Russell 2000 Value Index</i>	14.6	-14.5	28.3	4.6	22.4	-12.9	7.8	31.7	-7.5	4.2
IM U.S. Small Cap Value Equity (MF) Median	16.6	-11.1	32.0	3.6	21.1	-16.1	8.5	26.7	-7.0	3.4
Nationwide WCM Focused Sm Cp R6 Rank	8	97	99	66	6	2	10	76	19	2
Conestoga Small Cap Instl	22.4	-28.1	16.4	30.6	25.4	0.8	28.7	14.3	8.3	-8.0
<i>Russell 2000 Growth Index</i>	18.7	-26.4	2.8	34.6	28.5	-9.3	22.2	11.3	-1.4	5.6
IM U.S. Small Cap Growth Equity (MF) Median	16.5	-27.5	10.5	36.6	27.6	-5.6	20.7	10.1	-2.4	2.8
Conestoga Small Cap Instl Rank	9	53	27	64	63	12	14	24	2	98
International Equity	19.0	-	-	-	-	-	-	-	-	-
<i>International Equity Benchmark</i>	13.9	-	-	-	-	-	-	-	-	-
Dodge & Cox International Stock Fund	16.7	-6.8	11.0	2.1	22.8	-18.0	23.9	8.3	-11.4	0.1
<i>MSCI AC World ex USA Value (Net)</i>	17.3	-8.6	10.5	-0.8	15.7	-14.0	22.7	8.9	-10.1	-5.1
IM International Large Cap Value Equity (MF) Median	17.0	-10.6	13.2	4.1	19.0	-16.7	22.9	1.3	-1.8	-7.0
Dodge & Cox International Stock Fund Rank	57	10	59	75	6	80	34	1	89	9
Harding Loevner International Equity Port CI Z	15.1	-20.2	8.6	20.4	25.4	-13.9	30.0	5.3	-1.6	-1.6
<i>MSCI AC World ex USA Growth (Net)</i>	14.0	-23.1	5.1	22.2	27.3	-14.4	32.0	0.1	-1.3	-2.6
IM International Large Cap Core Equity (MF) Median	17.2	-15.1	10.7	9.1	22.1	-15.0	25.0	0.0	-1.9	-6.0
Harding Loevner International Equity Port CI Z Rank	78	91	72	1	26	30	16	11	46	6
PIMCO RAE Emerging Markets I	22.7	-10.4	15.9	0.9	13.7	-12.7	29.3	32.5	-	-
<i>MSCI Emerging Markets Value (Net)</i>	14.2	-15.8	4.0	5.5	12.0	-10.7	28.1	14.9	-18.6	-4.1
IM Emerging Markets Equity (MF) Median	10.9	-22.5	-1.6	17.7	20.2	-16.5	35.7	8.3	-13.7	-3.0
PIMCO RAE Emerging Markets I Rank	5	4	4	94	84	17	77	2	-	-

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Calendar Year Performance

Town of East Lyme

As of March 31, 2024

	Performance(%)									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
GQG Partners Emerging Markets Equity R6	28.8	-20.9	-2.4	34.0	21.1	-14.7	32.0	-	-	-
<i>MSCI Emerging Markets Growth (Net)</i>	5.8	-24.0	-8.4	31.3	25.1	-18.3	46.8	7.6	-11.3	-0.3
IM Emerging Markets Equity (MF) Median	10.9	-22.5	-1.6	17.7	20.2	-16.5	35.7	8.3	-13.7	-3.0
GQG Partners Emerging Markets Equity R6 Rank	2	37	57	11	46	32	69	-	-	-
Real Assets	2.6	-	-	-	-	-	-	-	-	-
<i>DWS Real Assets Benchmark</i>	4.2	-7.5	22.3	-3.7	19.7	-7.7	11.6	12.0	-12.2	5.0
DWS RREEF Real Assets Fund R6	2.6	-9.6	23.9	3.9	21.8	-5.1	15.0	4.4	-9.5	3.5
<i>DWS Real Assets Benchmark</i>	4.2	-7.5	22.3	-3.7	19.7	-7.7	11.6	12.0	-12.2	5.0

Performance data prior to 10/1/2021 was provided by prior consultant and was then linked with prior custodian statements through March 2022. Fiducient Advisors relationship performance begins 04/01/2022.

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Investment Gain/Loss Summary

Town of East Lyme

† Quarter Ending March 31, 2024

	Market Value as of 01/01/2024	Net Contributions	Gain/Loss	Market Value As of 03/31/2024
Town of East Lyme	30,621,177	-361,833	1,125,765	31,385,110
Short Term Liquidity	729,521	-364,078	6,515	371,958
First American Government Fund	729,521	-364,078	6,515	371,958
Fixed Income	11,658,392	697,245	-39,614	12,316,023
Baird Aggregate Bond Fund Class Institutional	3,021,860	1,130,000	2,814	4,154,674
Harbor Core Bond Retirement - IR&M	-	4,100,000	59,247	4,159,247
Metropolitan West Total Return Bond PI	3,004,962	-2,932,755	-72,207	-
BlackRock Strategic Income Opportunities Fund K	3,525,283	-1,075,000	17,831	2,468,113
Artisan High Income Fund I	936,823	-175,000	10,592	772,415
BrandywineGLOBAL Global Opportunities Bd IS	1,169,464	-350,000	-57,891	761,573
Domestic Equity	9,657,796	140,000	872,088	10,669,884
Vanguard Institutional Index Fund Instl	7,108,816	725,000	790,453	8,624,269
Nationwide WCM Focused Sm Cp R6	1,296,840	-305,000	49,188	1,041,029
Conestoga Small Cap Instl	1,252,139	-280,000	32,447	1,004,586
International Equity	7,132,744	-945,000	251,234	6,438,978
Dodge & Cox International Stock Fund	2,479,093	-290,000	62,746	2,251,838
Harding Loevner International Equity Port Cl Z	2,463,485	-320,000	32,827	2,176,312
PIMCO RAE Emerging Markets I	1,092,151	-140,000	46,327	998,477
QQG Partners Emerging Markets Equity R6	1,098,016	-195,000	109,335	1,012,350
Real Assets	1,442,725	110,000	35,542	1,588,267
DWS RREEF Real Assets Fund R6	1,442,725	110,000	35,542	1,588,267

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Portfolio Statistics

Town of East Lyme

As of March 31, 2024

	QTR	1 Year	3 Years	5 Years	10 Years	Apr-2022 To Mar-2024	Since Inception	Inception Date
Return	3.7	13.8	3.2	6.3	-	3.9	5.6	06/2014
Standard Deviation	1.2	10.5	12.0	16.5	-	13.4	12.9	
Upside Risk	1.7	2.9	9.0	13.1	-	10.2	10.2	
Downside Risk	0.3	4.9	8.0	10.3	-	8.9	8.1	
vs. Town of East Lyme Benchmark								
Alpha	0.1	1.7	-	-	-	1.5	-	
Beta	0.9	1.0	-	-	-	1.0	-	
Information Ratio	0.9	2.3	-	-	-	1.7	-	
Tracking Error	0.1	0.7	-	-	-	0.8	-	
vs. 90 Day U.S. Treasury Bill								
Sharpe Ratio	0.6	0.8	0.1	0.3	-	0.1	0.4	

Calculation based on monthly periodicity. Performance data prior to 10/1/2021 was provided by prior consultant and was then linked with prior custodian statements through March 2022. Fiducient Advisors relationship performance begins 04/01/2022. Client portfolio performance is presented net of underlying investment manager fees but gross of Fiducient Advisors' fees.

Estimated Fee Analysis

Town of East Lyme

As of March 31, 2024

	Market Value (\$)	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Town of East Lyme	31,385,110	130,370	0.42
Short Term Liquidity	371,958	-	-
First American Government Fund	371,958	-	-
Fixed Income	12,316,023	48,329	0.39
Baird Aggregate Bond Fund Class Institutional	4,154,674	12,464	0.30
Harbor Core Bond Retirement - IR&M	4,159,247	10,814	0.26
BlackRock Strategic Income Opportunities Fund K	2,468,113	15,302	0.62
Artisan High Income Fund I	772,415	5,484	0.71
BrandywineGLOBAL Global Opportunities Bd IS	761,573	4,265	0.56
Domestic Equity	10,669,884	20,388	0.19
Vanguard Institutional Index Fund Instl	8,624,269	3,018	0.04
Nationwide WCM Focused Sm Cp R6	1,041,029	8,328	0.80
Conestoga Small Cap Instl	1,004,586	9,041	0.90
International Equity	6,438,978	47,358	0.74
Dodge & Cox International Stock Fund	2,251,838	13,961	0.62
Harding Loevner International Equity Port CI Z	2,176,312	15,887	0.73
PIMCO RAE Emerging Markets I	998,477	7,588	0.76
GQG Partners Emerging Markets Equity R6	1,012,350	9,921	0.98
Real Assets	1,588,267	14,294	0.90
DWS RREEF Real Assets Fund R6	1,588,267	14,294	0.90

The figures on this page have been obtained from sources we deem to be reliable. Fiducient Advisors has not independently verified this information.

Fee calculations for mutual funds represent fees at the net expense level. Fee calculations for commingled funds and/or alternative investments reflect base management fees and exclude underlying fund expenses captured at the NAV level, any applicable performance-based fees, or incentive fees. Fees for fund of funds are shown at the fund of fund level and do not include fees charged by underlying investment managers/funds.

Benchmark History

Town of East Lyme

As of March 31, 2024

Account Name	From Date	To Date	Benchmark
Blended Benchmark	03/2024	Present	1.0% 90 Day U.S. Treasury Bill, 35.0% Blmbg. U.S. Aggregate, 2.5% Blmbg. U.S. Corp: High Yield, 2.5% Blmbg. Global Aggregate, 27.0% S&P 500, 6.5% Russell 2000 Index, 14.0% MSCI AC World ex USA (Net), 6.5% MSCI Emerging Markets (Net), 5.0% DWS Real Assets Benchmark
	04/2022	03/2024	1.0% 90 Day U.S. Treasury Bill, 33.0% Blmbg. U.S. Aggregate, 3.0% Blmbg. U.S. Corp: High Yield, 4.0% Blmbg. Global Aggregate, 23.0% S&P 500, 8.0% Russell 2000 Index, 16.0% MSCI AC World ex USA (Net), 7.0% MSCI Emerging Markets (Net), 5.0% DWS Real Assets Benchmark
Fixed Income	03/2024	Present	87.5% Blmbg. U.S. Aggregate, 6.3% Blmbg. U.S. Corp: High Yield, 6.3% Blmbg. Global Aggregate
	04/2022	03/2024	82.5% Blmbg. U.S. Aggregate, 7.5% Blmbg. U.S. Corp: High Yield, 10.0% Blmbg. Global Aggregate
Domestic Equity	03/2024	Present	80.6% S&P 500, 19.4% Russell 2000 Index
	04/2022	03/2024	74.2% S&P 500, 25.8% Russell 2000 Index
International Equity	03/2024	Present	68.3% MSCI AC World ex USA (Net), 31.7% MSCI Emerging Markets (Net)
	04/2022	03/2024	69.6% MSCI AC World ex USA (Net), 30.4% MSCI Emerging Markets (Net)

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@fiducient.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 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 Capital US Treasury Inflation Protected Securities Index** consists of Inflation-Protection securities issued by the U.S. Treasury.
- **Bloomberg 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 Muni 1 Year Index** is the 1-year (1-2) component of the Municipal Bond index.
- **Bloomberg Muni 3 Year Index** is the 3-year (2-4) component of the Municipal Bond index.
- **Bloomberg Muni 5 Year Index** is the 5-year (4-6) component of the Municipal Bond index.
- **Bloomberg Muni 7 Year Index** is the 7-year (6-8) component of the Municipal Bond index.
- **Bloomberg 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 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 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 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 Propertyx 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.
- **Fund Specific Broad Real Asset Benchmarks:**
 - **DWS Real Assets:** 30%: Dow Jones Brookfield Infrastructure Index, 30%: FTSE EPRA/NAREIT Developed Index, 15%: Bloomberg Commodity Index, 15%: S&P Global Natural Resources Index, 10%: U.S. Treasury Inflation Notes Total Return Index
 - **PIMCO Inflation Response Multi Asset Fund:** 45% Bloomberg U.S. TIPS, 20% Bloomberg Commodity Index, 15% JP Morgan Emerging Local Markets Plus, 10% Dow Jones Select REIT, 10% Bloomberg Gold Subindex Total Return
 - **Principal Diversified Real Assets:** 35% BbgBarc U.S. Treasury TIPS Index, 20% S&P Global Infrastructure Index NTR, 20% S&P Global Natural Resources Index NTR, 15% Bloomberg Commodity Index, and 10% FTSE EPRA/NAREIT Developed Index NTR
 - **Wellington Diversified Inflation H:** 50% MSCI ACWI Commodity Producers Index, 25% Bloomberg Commodity Index, and 25% Bloomberg Bloomberg US TIPS 1 – 10 Year Index
- **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 US1-5Yr Gov/Cr Flt Adj Index:** Bloomberg U.S. 1–5 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 1–5 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg USS-10Yr Gov/Cr Flt Adj Index:** Bloomberg U.S. 5–10 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 5–10 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US Agg Flt Adj Index:** Bloomberg U.S. Aggregate Bond Index through December 31, 2009; Bloomberg U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US Long Gov/Cr Flt Adj Index:** Bloomberg U.S. Long Government/Credit Bond Index through December 31, 2009; Bloomberg 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 U.S. Aggregate Bond Index through May 31, 2005; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Bond Index through December 31, 2009; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index through January 14, 2013; and 60% CRSP US Total Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Intermediate-Term Tax-Exempt Index:** Bloomberg 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

Fiducient Advisors 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 FA 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 Fiducient Advisors' 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 Fiduciant Advisors' 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 Fiduciant Advisors are described in Part 2 of the Form ADV.

MATERIAL RISKS & LIMITATIONS

Fixed Income securities are subject to interest rate risks, the risk of default and liquidity risk. U.S. investors exposed to non-U.S. fixed income may also be subject to currency risk and fluctuations.
-Liability Driven Investing (LDI) Assets

Cash may be subject to the loss of principal and over longer period of time may lose purchasing power due to inflation.
-Short Term Liquidity

Domestic Equity can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry factors, or other macro events. These may happen quickly and unpredictably.

International Equity can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry impacts, or other macro events. These may happen quickly and unpredictably. International equity allocations may also be impact by currency and/or country specific risks which may result in lower liquidity in some markets.

Real Assets can be volatile and may include asset segments that may have greater volatility than investment in traditional equity securities. Such volatility could be influenced by a myriad of factors including, but not limited to overall market volatility, changes in interest rates, political and regulatory developments, or other exogenous events like weather or natural disaster.

Private Equity involves higher risk and is suitable only for sophisticated investors. Along with traditional equity market risks, private equity investments are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility and/or the potential loss of capital.

Private Credit involves higher risk and is suitable only for sophisticated investors. These assets are subject to interest rate risks, the risk of default and limited liquidity. U.S. investors exposed to non-U.S. private credit may also be subject to currency risk and fluctuations.

Private Real Estate involves higher risk and is suitable only for sophisticated investors. Real estate assets can be volatile and may include unique risks to the asset class like leverage and/or industry, sector or geographical concentration. Declines in real estate value may take place for a number of reasons including, but are not limited to economic conditions, change in condition of the underlying property or defaults by the borrow.

Marketable Alternatives involves higher risk and is suitable only for sophisticated investors. Along with traditional market risks, marketable alternatives are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility or the potential for loss of capital. Additionally, short selling involved certain risks including, but not limited to additional costs, and the potential for unlimited loss on certain short sale positions.

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