

# **City of Marietta Employees Pension Plan**

Investment Performance Analysis

For Period Ended

September 30, 2017

We have compiled the accompanying summary of the market value, performance statistics and performance results of City of Marietta Employees Pension Plan as of September 30, 2017. Our responsibility is to evaluate the performance results of the investment advisors or unregistered money managers through comparisons with market indices and other universe performance data deemed appropriate and to make observations and recommendations thereon.

We performed time-weighted rates of return and internal rate of return calculations in accordance with standards recommended by the CFA Institute. The calculations performed are based on information provided to us by the custodians, administrators, investment advisors, and/or unregistered money managers. Our approach is to analyze transactions reflected in the custodian and/or administrator statements as well as review the audited market values of the portfolio. This provides us with a reasonable basis, not absolute, that the investment information presented is free from a significant misstatement. We believe that our method of evaluating and measuring performance results contained herein provides us a reasonable basis for our observations and recommendations.

The investment information referred to above presents the market value as of September 30, 2017 and the performance results of the investment advisors or unregistered money managers for the calendar quarter. Based on our procedures, nothing came to our attention that would cause us to believe the information is significantly misstated; however, we do not warrant the complete accuracy of the information.

GAVION does not provide legal or tax advice to clients. All clients with tax considerations, including the effect of UBTI resulting from alternative investment strategies, are strongly urged to consult their tax advisers regarding such issues. A copy of GAVION's current Form ADV Part II may be obtained by contacting the firm's compliance department at (901)-761-8080.

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Past performance is no guarantee of future results.

GAVION, LLC

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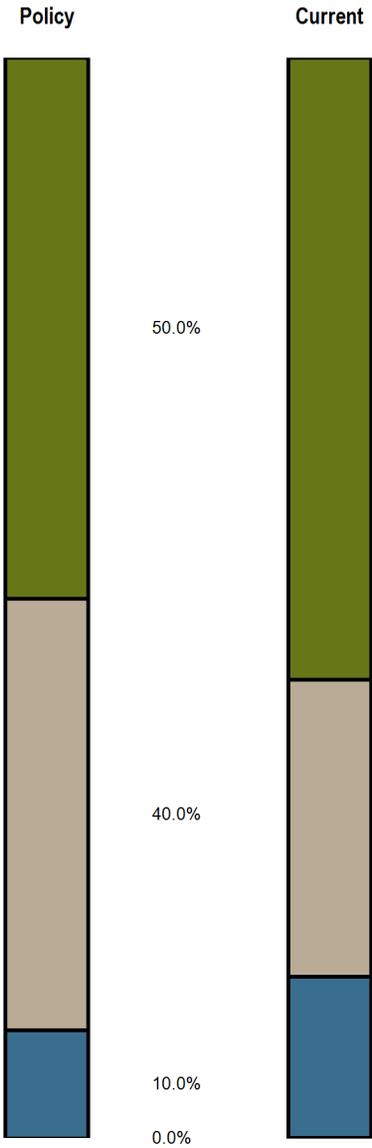
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## **Total Fund Analysis**

Asset Allocation vs. Target Policy

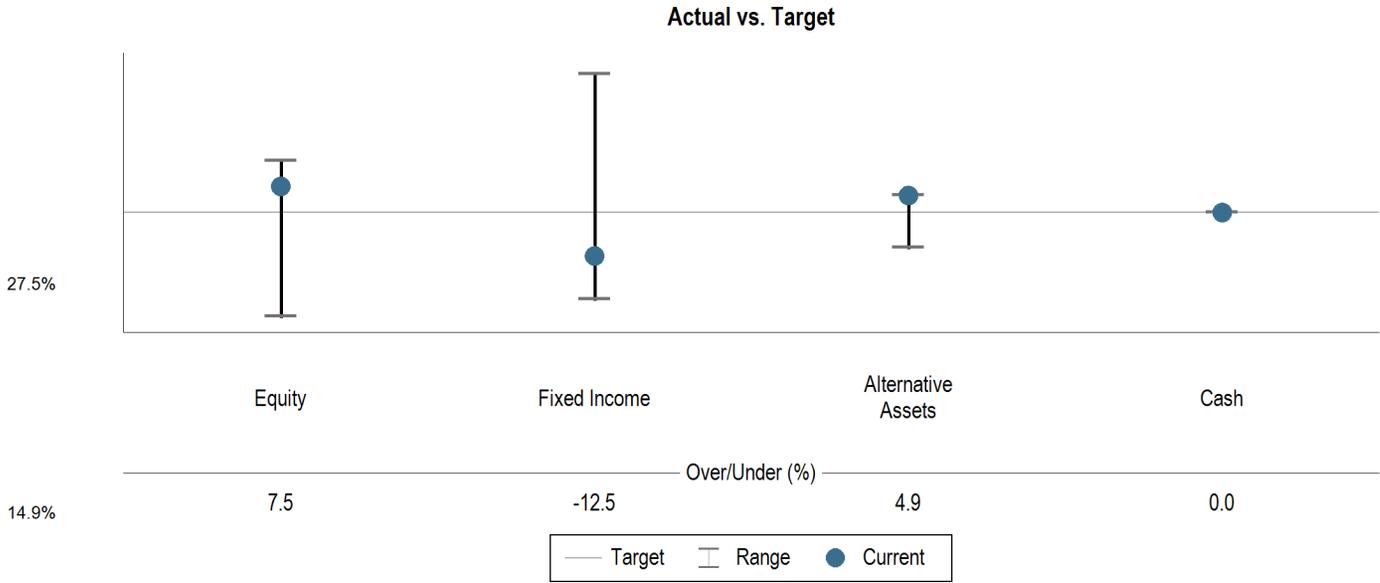
Total Portfolio



Asset Allocation vs. Target  
As Of September 30, 2017

	Policy Range	Policy	%	Current	%	Difference*	%
Equity	20.0% - 65.0%	\$52,261,684	50.0%	\$60,139,735	57.5%	\$7,878,051	7.5%
Fixed Income	15.0% - 80.0%	\$41,809,347	40.0%	\$28,728,172	27.5%	-\$13,081,175	-12.5%
Alternative Assets	0.0% - 15.0%	\$10,452,337	10.0%	\$15,618,399	14.9%	\$5,166,062	4.9%
Cash	0.0% - 0.0%	\$0	0.0%	\$37,062	0.0%	\$37,062	0.0%
<b>Total</b>		<b>\$104,523,369</b>	<b>100.0%</b>	<b>\$104,523,369</b>	<b>100.0%</b>		

\*Difference between Policy and Current Allocation



## Cash Flow Summary

Total Portfolio

## Cash Flow Summary

Fiscal YTD Ending September 30, 2017

	Beginning Market Value	Contributions	Withdrawals	Fees	Net Investment Change	Ending Market Value	Period Return
Eagle Capital Management	\$23,833,631	\$0	-\$2,132	-\$49,170	\$830,073	\$24,661,572	3.48%
Seizert Capital Partners	\$16,126,902	\$0	-\$1,604	-\$26,206	\$281,660	\$16,406,958	1.75%
Westfield Capital All Cap	\$18,087,364	\$0	-\$1,739	-\$33,896	\$985,580	\$19,071,205	5.45%
Sage Advisory Core Taxable Fixed Income	\$13,675,850	\$0	-\$51,436	-\$13,215	\$126,060	\$13,750,473	0.92%
Orleans Capital Management Investment Grade Fixed Income	\$14,838,417	\$0	-\$1,516	-\$5,528	\$140,798	\$14,977,699	0.95%
Victory INCORE Investment Grade Convertible Securities	\$14,909,521	\$0	-\$21,721	\$0	\$730,599	\$15,618,399	4.90%
Cash	\$24,232	\$51,001	-\$38,246	\$0	\$75	\$37,062	0.25%
<b>Total</b>	<b>\$101,495,916</b>	<b>\$51,001</b>	<b>-\$118,394</b>	<b>-\$128,016</b>	<b>\$3,094,845</b>	<b>\$104,523,369</b>	<b>3.05%</b>

## Performance Summary

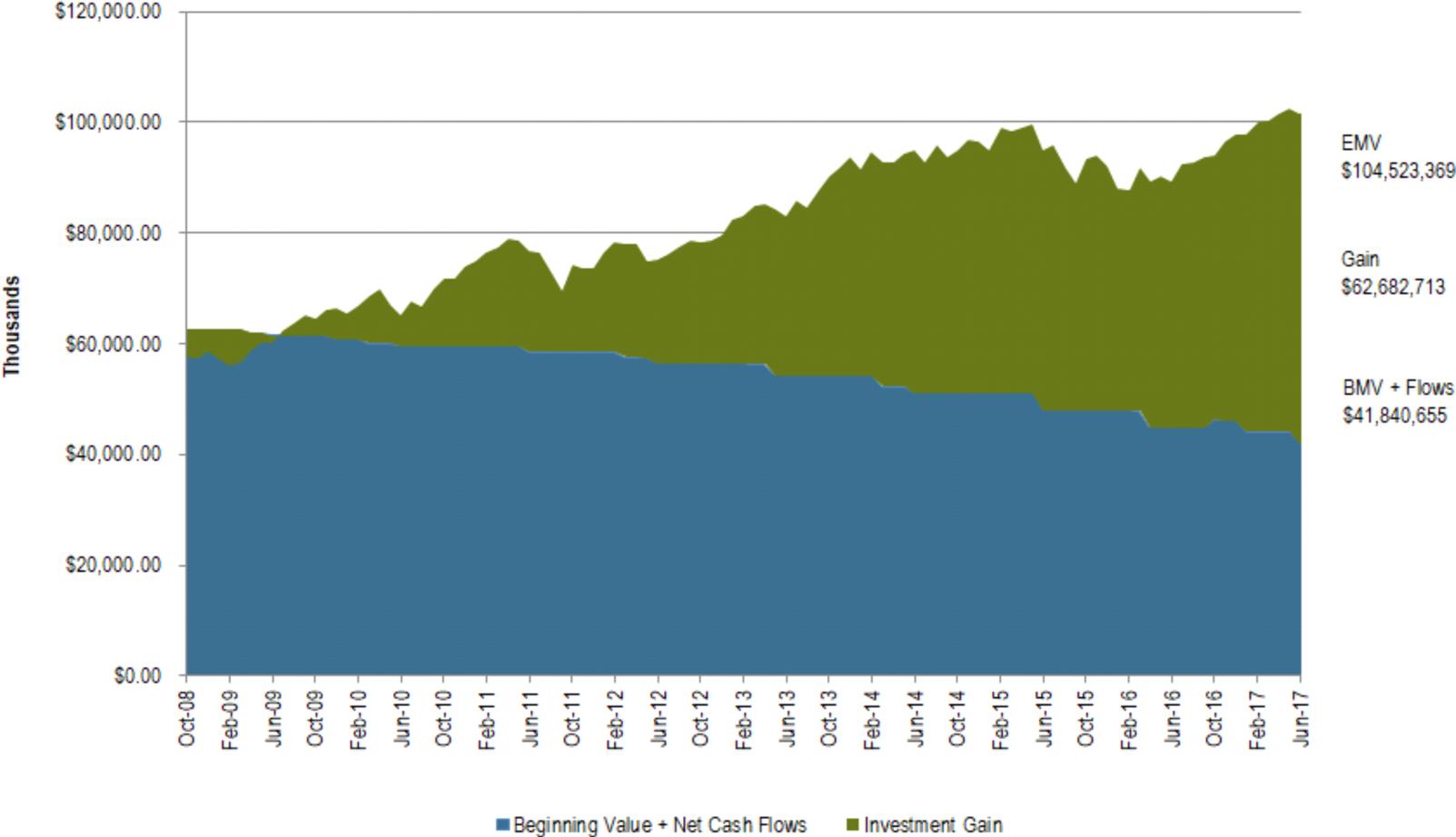
## Total Portfolio

	Ending September 30, 2017								Inception	
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
<b>Total Fund</b>	<b>104,523,369</b>	<b>100.0</b>	<b>3.1</b>	<b>11.3</b>	<b>14.8</b>	<b>7.0</b>	<b>9.1</b>	<b>6.5</b>	<b>8.4</b>	<b>Dec-90</b>
45% S&P 500 / 45% Barclays Agg / 10% ML Conv			2.9	9.3	10.2	7.4	8.7	6.0	8.4	Dec-90
35% S&P 500 / 45% Barclays Agg / 10% ML Conv / 10% ACWI x US			3.1	10.0	10.3	6.8	8.0	5.6	--	Dec-90
<b>Total Equity</b>	<b>60,139,735</b>	<b>57.5</b>	<b>3.6</b>	<b>14.2</b>	<b>21.5</b>	<b>8.8</b>	<b>13.0</b>	<b>--</b>	<b>10.7</b>	<b>Aug-08</b>
S&P 500			4.5	14.2	18.6	10.8	14.2	7.4	10.1	Aug-08
<b>Total Domestic Equity</b>	<b>60,139,735</b>	<b>57.5</b>	<b>3.6</b>	<b>14.2</b>	<b>21.5</b>	<b>8.8</b>	<b>12.9</b>	<b>--</b>	<b>16.3</b>	<b>Feb-09</b>
Eagle Capital Management	24,661,572	23.6	3.5	15.4	22.9	11.0	15.2	--	17.8	Mar-09
S&P 500			4.5	14.2	18.6	10.8	14.2	7.4	16.9	Mar-09
Seizert Capital Partners	16,406,958	15.7	1.7	4.8	18.9	--	--	--	6.5	Mar-15
Russell 2500 Value			3.8	5.9	15.7	9.9	13.3	7.6	8.3	Mar-15
Westfield Capital All Cap	19,071,205	18.2	5.4	22.3	22.0	9.0	14.0	--	16.1	Mar-09
Russell 3000 Growth			5.9	20.4	21.9	12.6	15.2	9.0	18.0	Mar-09
<b>Total Fixed Income</b>	<b>28,728,172</b>	<b>27.5</b>	<b>0.9</b>	<b>3.3</b>	<b>0.5</b>	<b>2.7</b>	<b>1.9</b>	<b>--</b>	<b>3.8</b>	<b>Aug-08</b>
Sage Advisory Core Taxable Fixed Income	13,750,473	13.2	0.9	3.3	0.3	2.2	1.8	--	3.2	Dec-09
BBgBarc US Aggregate TR			0.8	3.1	0.1	2.7	2.1	4.3	3.7	Dec-09
Orleans Capital Management Investment Grade Fixed Income	14,977,699	14.3	0.9	3.3	0.8	3.2	--	--	3.2	Jan-14
BBgBarc US Govt/Credit TR			0.8	3.5	0.0	2.8	2.1	4.3	3.4	Jan-14
<b>Total Alternative</b>	<b>15,618,399</b>	<b>14.9</b>	<b>4.9</b>	<b>15.2</b>	<b>17.1</b>	<b>8.4</b>	<b>10.7</b>	<b>--</b>	<b>11.1</b>	<b>Mar-09</b>
Victory INCORE Investment Grade Convertible Securities	15,618,399	14.9	4.9	15.2	17.1	8.4	10.7	--	11.1	Mar-09
BofA ML US Convertibles 5% Constrained			4.4	14.5	17.5	10.4	12.2	--	--	Mar-09
<b>Total Cash</b>	<b>37,062</b>	<b>0.0</b>	<b>0.3</b>	<b>0.5</b>	<b>0.6</b>	<b>2.7</b>	<b>1.7</b>	<b>--</b>	<b>1.1</b>	<b>Feb-09</b>
Cash	37,062	0.0	0.3	0.5	0.6	2.7	1.7	--	1.1	Feb-09
91 Day T-Bills			0.3	0.6	0.7	0.3	0.2	0.4	0.2	Feb-09

Growth of Assets

Total Portfolio

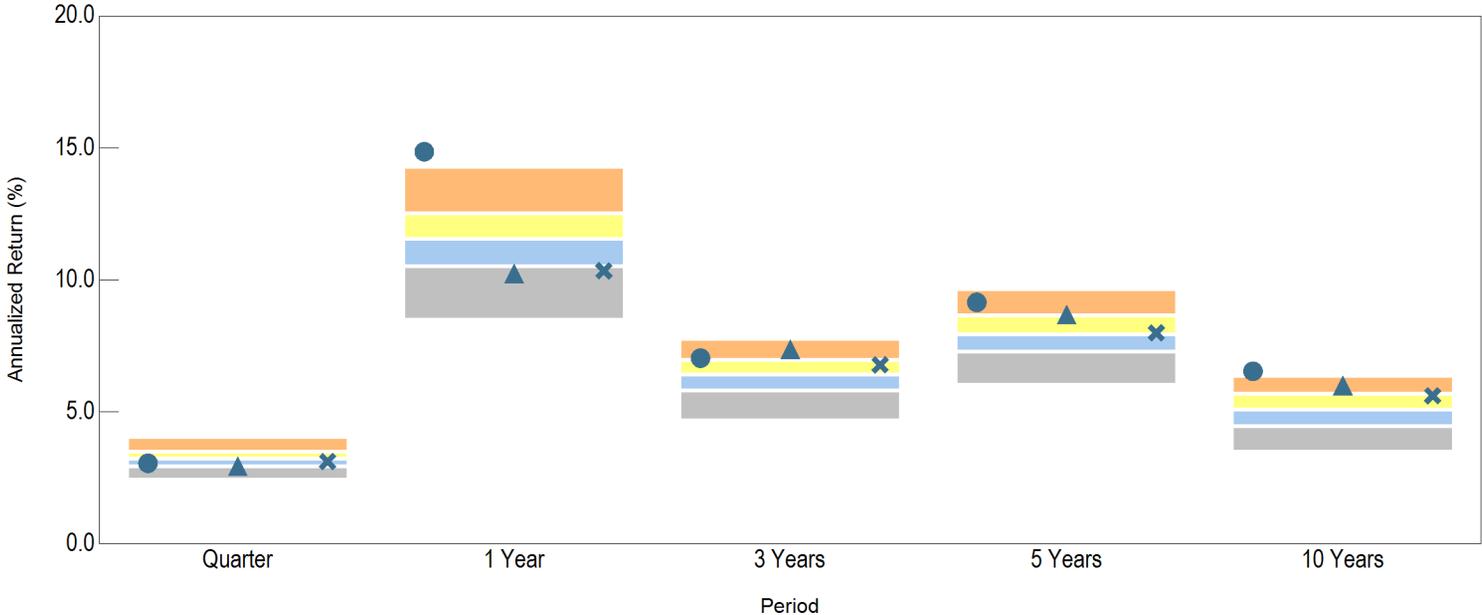
Ending September 30, 2017



Universe Comparison

Total Portfolio

InvestorForce Public DB Net Accounts  
Ending September 30, 2017

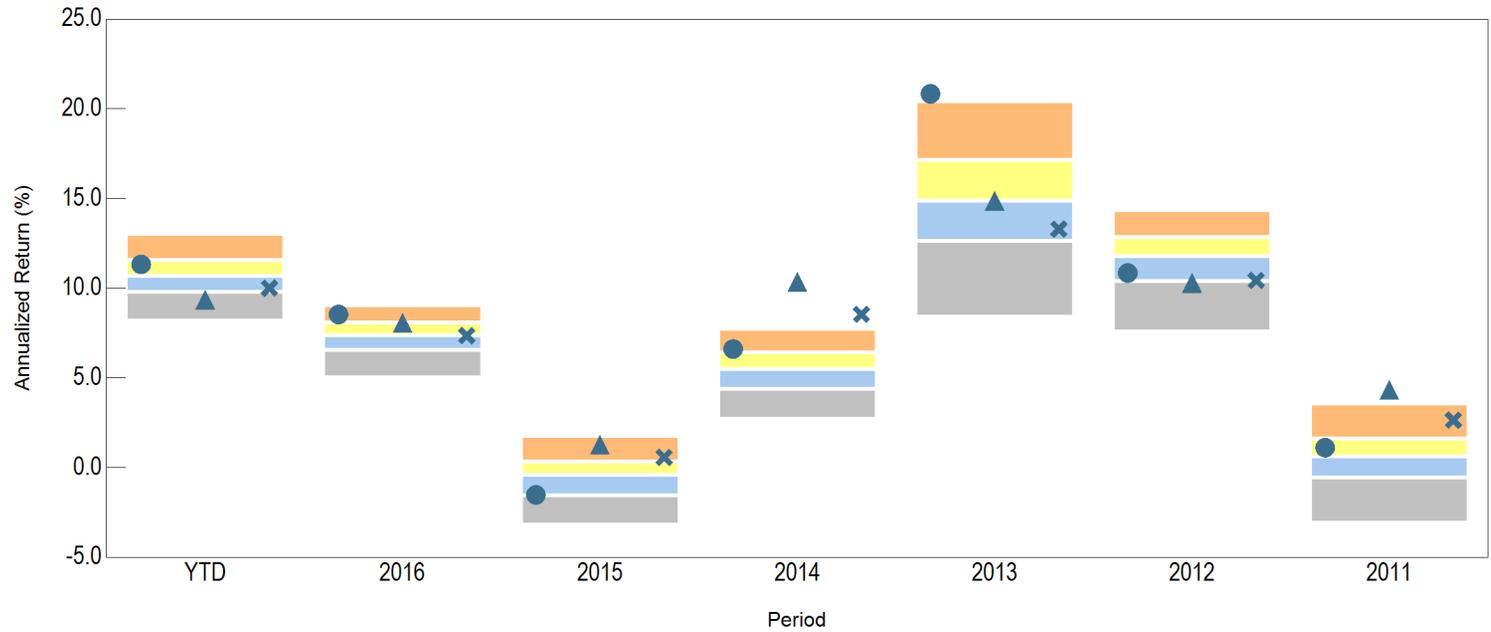


	Return (Rank)		Quarter		1 Year		3 Years		5 Years		10 Years	
5th Percentile		4.0	14.3	7.7	9.6	6.4						
25th Percentile		3.5	12.5	7.0	8.7	5.7						
Median		3.2	11.6	6.4	8.0	5.1						
75th Percentile		3.0	10.5	5.8	7.3	4.5						
95th Percentile		2.4	8.5	4.7	6.0	3.5						
# of Portfolios		214	214	206	187	145						
● Total Fund	3.1	(69)	14.8	(4)	9.1	(11)	6.5	(4)				
▲ 45% S&P 500 / 45% Barclays Agg / 10% ML C	2.9	(76)	10.2	(82)	8.7	(25)	6.0	(11)				
× 35% S&P 500 / 45% Barclays Agg / 10% ML C	3.1	(63)	10.3	(79)	8.0	(49)	5.6	(29)				

Universe Comparison

Total Portfolio

InvestorForce Public DB Net Accounts  
Ending September 30, 2017



	Return (Rank)													
	YTD		2016		2015		2014		2013		2012		2011	
5th Percentile	13.0		9.0		1.7		7.7		20.4		14.3		3.6	
25th Percentile	11.6		8.1		0.4		6.4		17.2		12.9		1.6	
Median	10.7		7.4		-0.4		5.5		14.9		11.8		0.6	
75th Percentile	9.8		6.6		-1.5		4.4		12.7		10.4		-0.5	
95th Percentile	8.2		5.0		-3.2		2.7		8.4		7.6		-3.1	
# of Portfolios	214		269		262		210		191		159		137	
● Total Fund	11.3	(31)	8.5	(15)	-1.5	(76)	6.6	(22)	20.8	(3)	10.8	(69)	1.1	(35)
▲ 45% S&P 500 / 45% Barclays Agg / 10% ML C	9.3	(86)	8.1	(26)	1.3	(9)	10.4	(1)	14.8	(51)	10.3	(77)	4.3	(3)
× 35% S&P 500 / 45% Barclays Agg / 10% ML C	10.0	(72)	7.3	(52)	0.6	(21)	8.5	(3)	13.3	(71)	10.4	(75)	2.6	(10)



# **Domestic Equity Analysis**

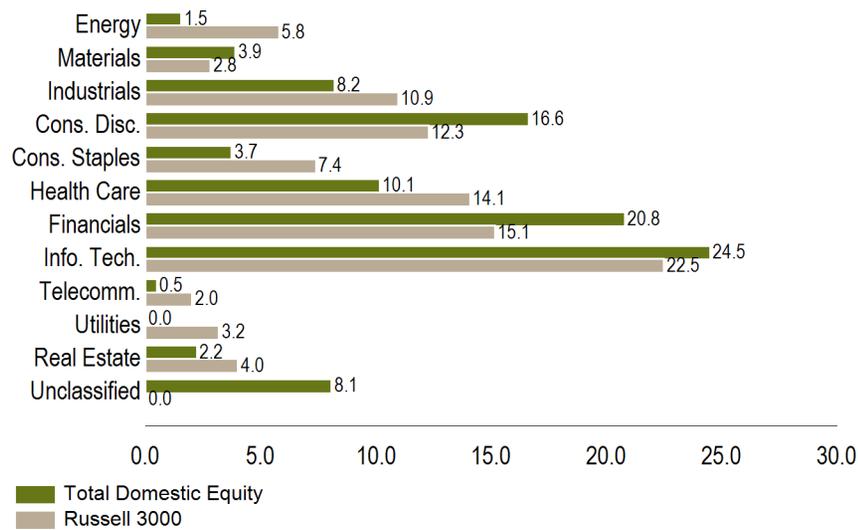
Equity Analysis

Total Domestic Equity

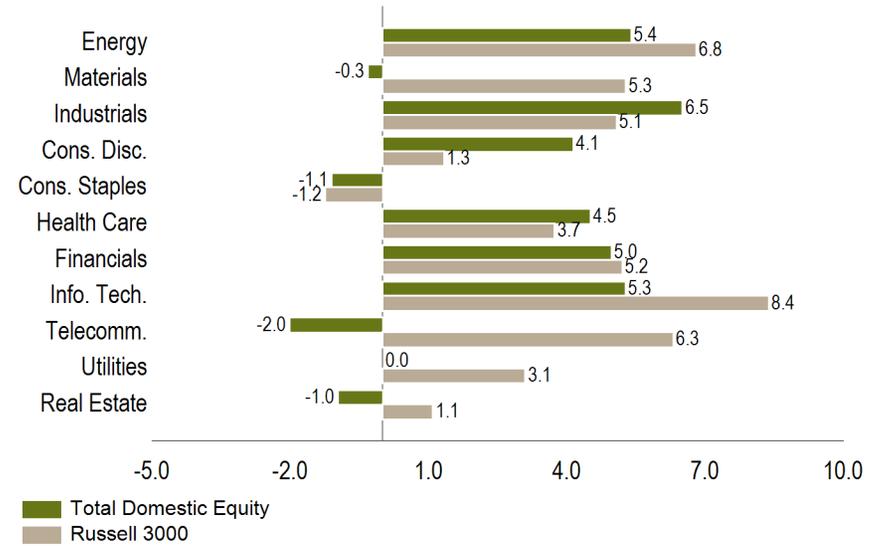
Characteristics

	Portfolio	Russell 3000
Number of Holdings	167	2,981
Weighted Avg. Market Cap. (\$B)	134.65	135.88
Median Market Cap. (\$B)	9.24	1.65
Price To Earnings	25.55	25.07
Price To Book	5.07	4.39
Price To Sales	3.50	3.58
Return on Equity (%)	17.48	17.19
Yield (%)	1.19	1.83

Sector Allocation (%) vs Russell 3000



Sector Returns (%) vs Russell 3000



## Equity Analysis

## Total Domestic Equity

## Top Holdings

MICROSOFT	4.02%
BERKSHIRE HATHAWAY 'B'	3.88%
ALPHABET 'C'	3.60%
AMAZON.COM	3.11%
ORACLE	2.94%
CITIGROUP	2.65%
MARRIOTT INTL.'A'	1.95%
ECOLAB	1.86%
UNITEDHEALTH GROUP	1.79%
APPLE	1.66%
<b>Total</b>	<b>27.46%</b>

## Top Positive Relative Contributors in Percentage

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
GENERAL MOTORS	1.39%	0.20%	0.18%	16.79%
BERKSHIRE HATHAWAY 'B'	3.60%	1.35%	0.18%	8.24%
MARRIOTT INTL.'A' (MAR)	1.81%	0.13%	0.16%	10.27%
CITIGROUP	2.46%	0.76%	0.15%	9.27%
MICROSOFT	3.73%	2.14%	0.13%	8.64%
ALPHABET 'C'	3.33%	1.11%	0.12%	5.54%
ZAGG	0.26%	0.00%	0.12%	82.08%
SOLAREDGE TECHNOLOGIES (SEDG)	0.12%		0.11%	42.75%
MEDIFAST	0.32%	0.00%	0.10%	43.98%
INSTALLED BUILDING PRDS. (IBP)	0.15%	0.01%	0.10%	22.38%
<b>Total</b>	<b>17.16%</b>	<b>5.72%</b>		

## Top Negative Relative Contributors in Percentage

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
DISCOVERY COMMS.'C'	0.58%	0.02%	-0.12%	-19.64%
NEWELL BRANDS	0.38%	0.08%	-0.12%	-20.04%
APPLE	1.53%	3.09%	-0.10%	7.45%
VERIZON COMMUNICATIONS	0.31%	0.78%	-0.09%	12.29%
ORACLE (ORCL)	2.73%	0.53%	-0.09%	-3.21%
AMERISOURCEBERGEN	0.59%	0.05%	-0.08%	-12.06%
ASSURED GUARANTY	0.74%	0.02%	-0.08%	-9.27%
TWENTY-FIRST CENTURY FOX CL.B (FOX)	1.03%	0.04%	-0.07%	-6.81%
QUEST DIAGNOSTICS	0.41%	0.05%	-0.06%	-15.41%
ALLIANCE DATA SYSTEMS (ADS)	0.41%	0.04%	-0.06%	-13.49%
<b>Total</b>	<b>8.72%</b>	<b>4.69%</b>		



# **Investment Manager Analysis**

Eagle Capital Management

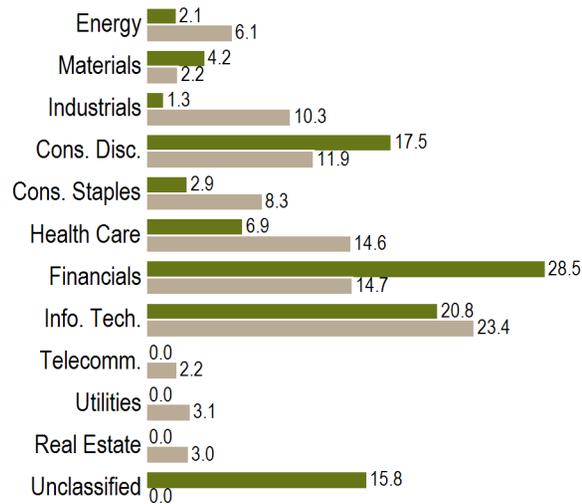
September 30, 2017

Eagle's decision-making process is a bottom-up focus on companies undergoing significant change. They are looking for management teams with a vision to meaningfully change the company over the next three to five years. They must understand the corporation's strategy, evaluate it, judge management's record and ability to execute and ensure that they have the necessary resources. They then confirm that the company is undervalued. Their universe is ranked from companies that they know from adjacent opportunities and from dialogues with cutting-edge thinkers in different industries. While they use databases to highlight mispriced stocks, they do not take reported numbers at face value. Almost all of their value-added comes from original research. Frequent meetings with management, other employees and competitors, suppliers, and customers are integral to their process.

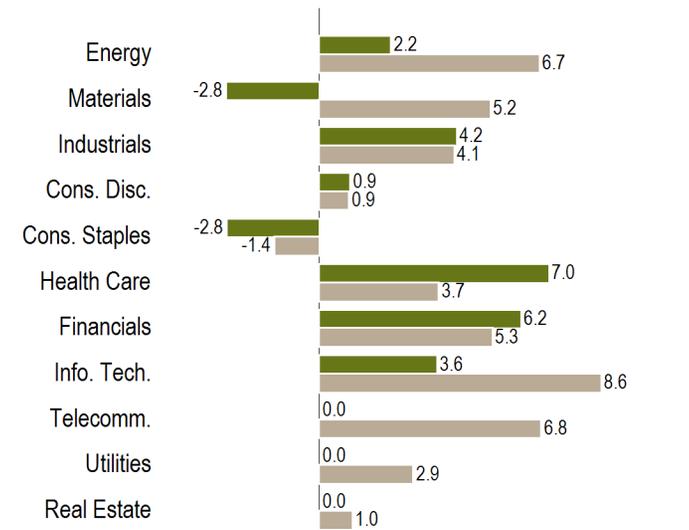
Top Holdings

BERKSHIRE HATHAWAY 'B'	10.2%
ORACLE	7.7%
MICROSOFT	7.5%
CITIGROUP	7.0%
ALPHABET 'C'	6.8%
AMAZON.COM	5.3%
ECOLAB	4.9%
UNITEDHEALTH GROUP	4.7%
GENERAL MOTORS	3.9%
MARRIOTT INTL.'A'	3.9%

Sector Allocation (%) vs S&P 500



Sector Returns (%) vs S&P 500



Eagle Capital Management  
S&P 500

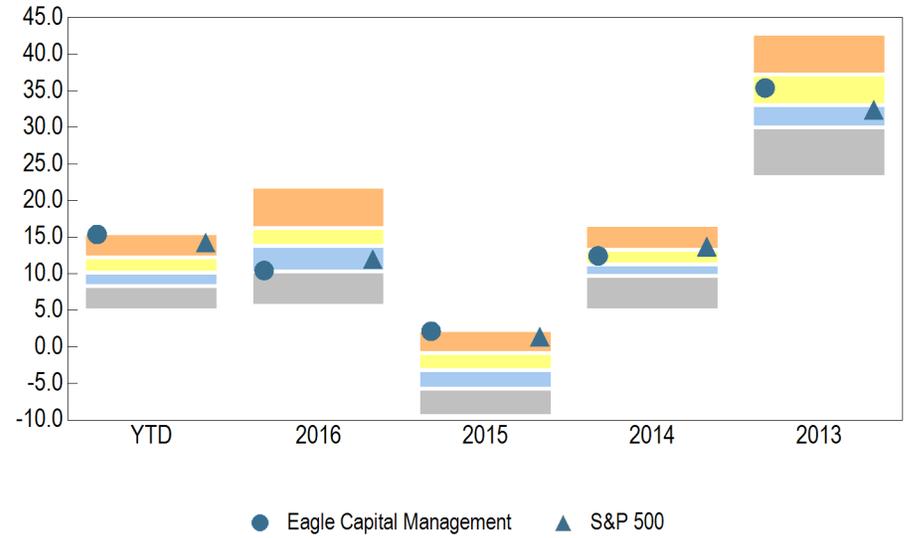
Eagle Capital Management  
S&P 500

	Third Quarter		Year-To-Date		1 Year Ending 9/30/17		3 Years Ending 9/30/17		5 Years Ending 9/30/17	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Eagle Capital Management	3.5%	67	15.4%	6	22.9%	6	11.0%	8	15.2%	10
S&P 500	4.5	33	14.2	9	18.6	34	10.8	8	14.2	25

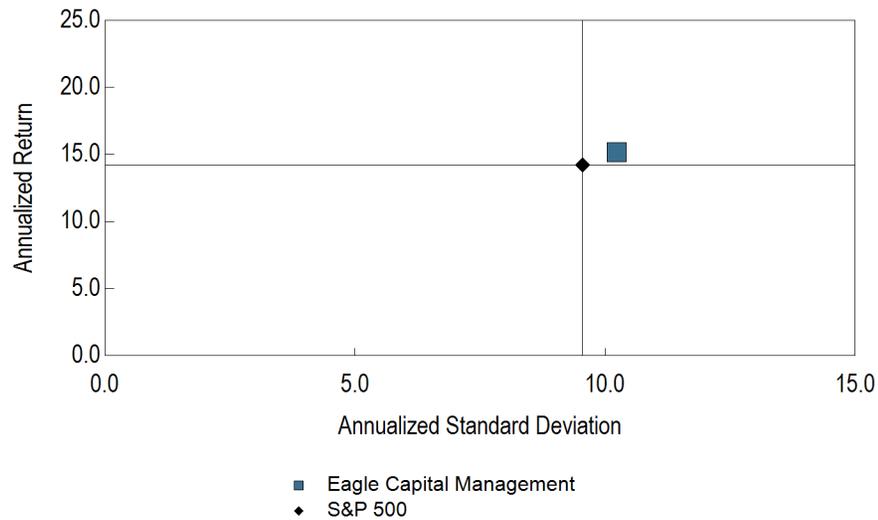
### Characteristics

	Portfolio	S&P 500
<b>PORTFOLIO CHARACTERISTICS</b>		
Price To Earnings	22.61	24.57
P/E Excluding Negative Earnings	23.28	24.70
P/E Median	21.14	21.84
Price To Book	5.13	4.78
Price To Book Median	3.04	3.38
Price To Cash Flow	14.99	15.40
Price To Sales	3.22	3.38
Dividend Yield (%)	1.36	1.95
Weighted Avg. Market Cap. (\$B)	223.25	163.13
Median Market Cap. (\$B)	117.16	20.66

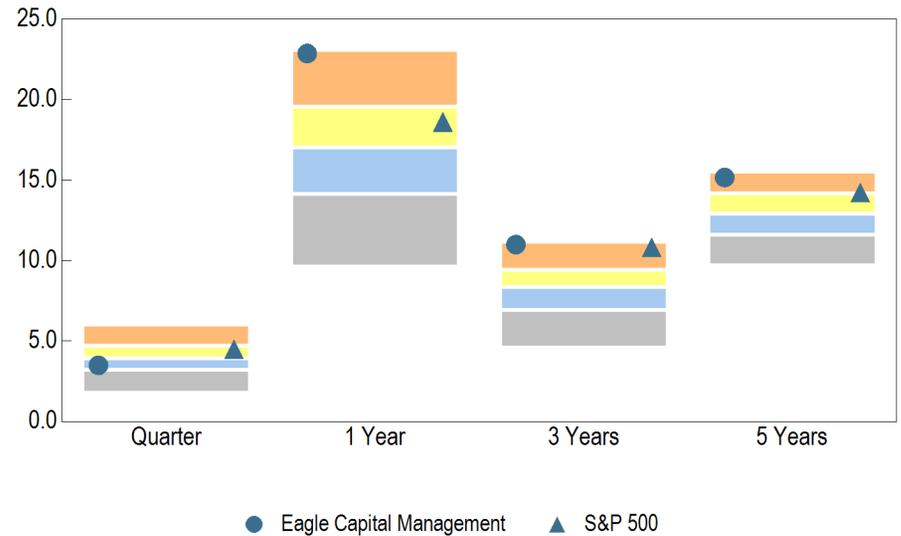
eA US Large Cap Value Equity Net Accounts  
Ending September 30, 2017



Annualized Return vs. Annualized Standard Deviation  
5 Years Ending September 30, 2017



eA US Large Cap Value Equity Net Accounts  
Ending September 30, 2017



**Seizert Capital Partners**

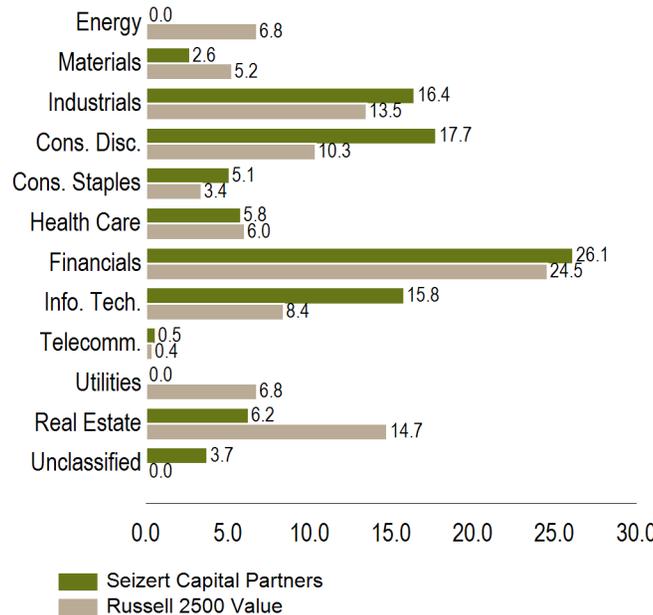
**September 30, 2017**

Seizert Capital Partners believes that the stock market is inefficient and that sentiment or emotion creates undervaluation and overvaluation of stocks relative to their intrinsic value. They believe that this undervaluation can be identified and that portfolios can be constructed to allow for the upward revision process and excess returns. Because expectations of this group are generally conservative, the risks associated with business execution are lower than the more expensive counterparts of the market. They believe that investing in undervalued stocks represents the best and most consistent way to capture an attractive upside/downside relationship that is available in the market. Seizert believes that management behaviors of conservative capital deployment, shareholder friendly activities, and conservative and transparent reporting practices are consistent with solid execution and are key to unlocking the undervaluation of these stocks. They believe that capital growth and protection is best supported by a relatively concentrated investment of capital. Protecting capital in down markets is paramount.

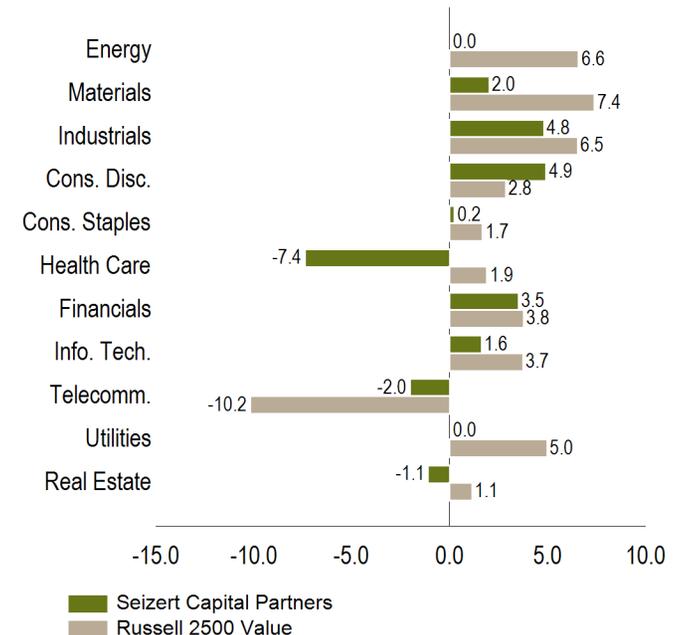
**Top Holdings**

LIBERTY MDA.SR.C LBRTY. SIRIUSXM	3.5%
LIBERTY MEDIA FORMULA ONE SR.C	3.4%
LIBERTY BROADBAND SR.C	3.3%
ZIONS BANCORP.	2.9%
ASSURED GUARANTY	2.8%
REGIONS FINL.NEW	2.6%
FIFTH THIRD BANCORP	2.6%
HOWARD HUGHES	2.4%
CH ROBINSON WWD.	2.4%
CUMMINS	2.4%

**Sector Allocation (%) vs Russell 2500 Value**



**Sector Returns (%) vs Russell 2500 Value**

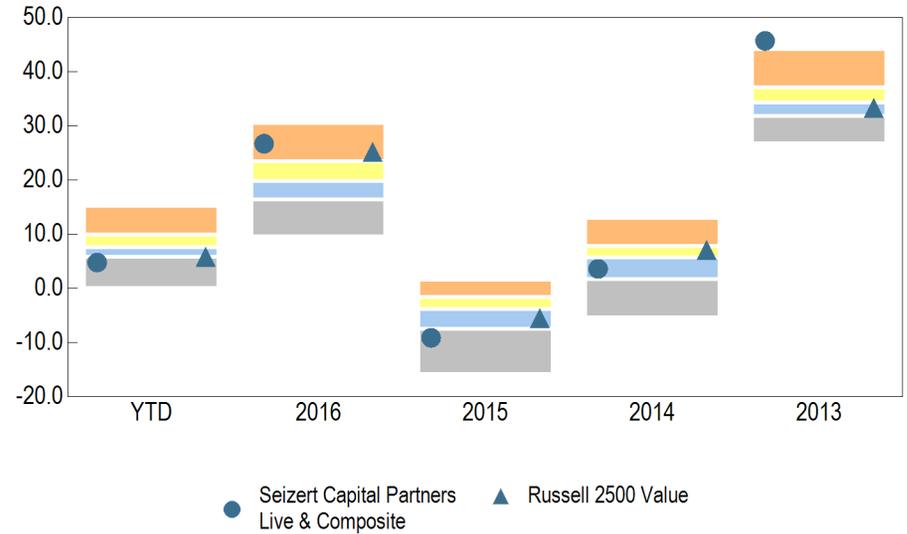


	Third Quarter		Year-To-Date		1 Year Ending 9/30/17		3 Years Ending 9/30/17		5 Years Ending 9/30/17	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
<b>Seizert Capital Partners Live &amp; Composite</b>	<b>1.7 %</b>	<b>87</b>	<b>4.8 %</b>	<b>80</b>	<b>18.9 %</b>	<b>41</b>	<b>7.9 %</b>	<b>71</b>	<b>14.1 %</b>	<b>31</b>
Russell 2500 Value	3.8	42	5.9	76	15.7	63	9.9	37	13.3	54

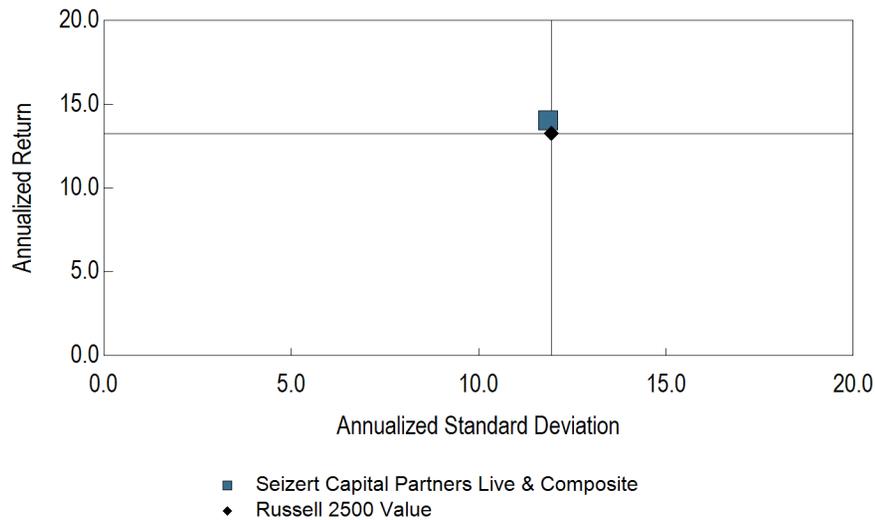
### Characteristics

	Portfolio	Russell 2500 Value
<b>PORTFOLIO CHARACTERISTICS</b>		
Price To Earnings	22.44	21.70
P/E Excluding Negative Earnings	22.44	23.27
P/E Median	18.98	19.25
Price To Book	3.16	2.07
Price To Book Median	2.16	1.79
Price To Cash Flow	12.52	12.09
Price To Sales	2.38	2.91
Dividend Yield (%)	1.35	1.87
Weighted Avg. Market Cap. (\$B)	7.13	4.38
Median Market Cap. (\$B)	2.03	1.02

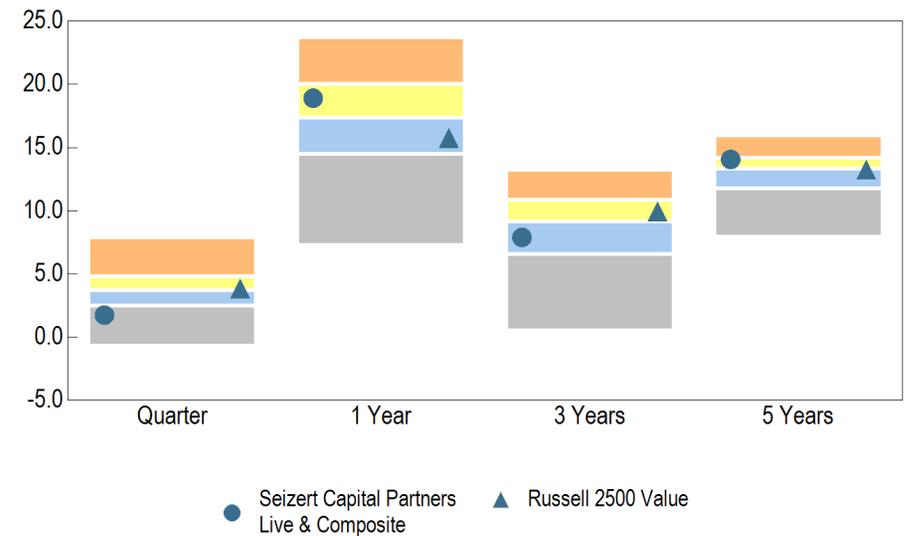
eA US Small-Mid Cap Value Equity Net Accounts  
Ending September 30, 2017



Annualized Return vs. Annualized Standard Deviation  
5 Years Ending September 30, 2017



eA US Small-Mid Cap Value Equity Net Accounts  
Ending September 30, 2017

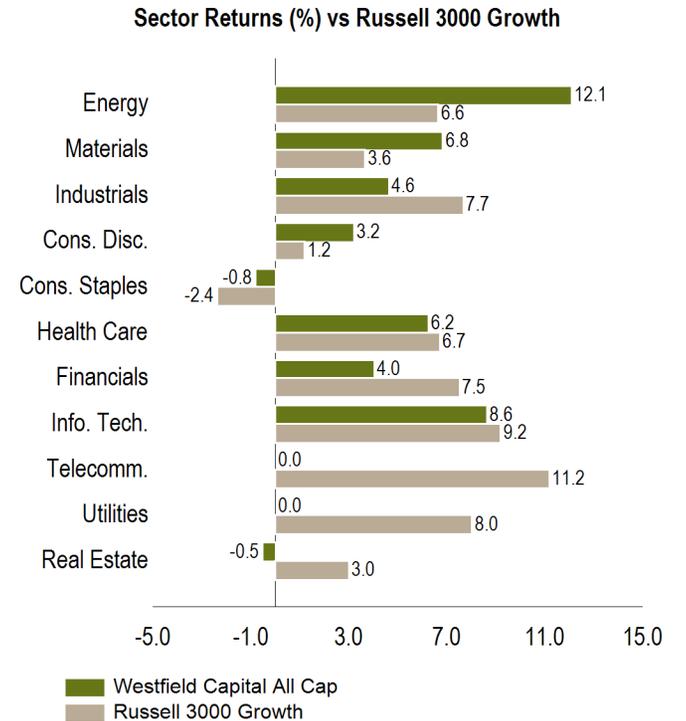
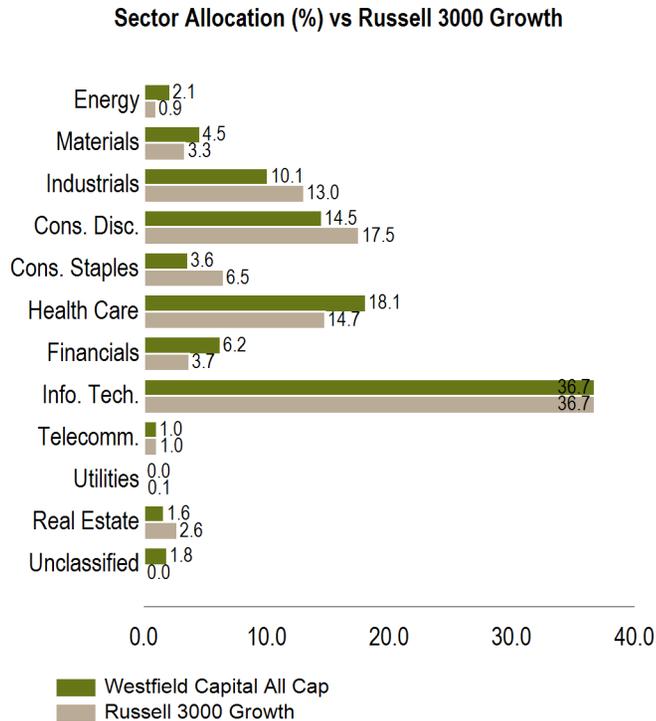


Westfield Capital All Cap

September 30, 2017

Westfield is a fundamental, bottom-up manager investing in earnings growth stocks due to their conviction that stocks follow earnings progress and that they offer the best opportunity for superior real rates of return. Westfield generates themes to drive investment ideas in specific areas throughout the capitalization spectrum. This is particularly the case in cyclical sectors such as energy. The firm does utilize screens; however, most of their themes are driven from their understanding of the sectors that each analyst covers. The analysts' network and industry knowledge are the most critical components of the idea generation stage, and as bottom up investors, Westfield does not use the benchmark as a part of the portfolio construction process.

Top Holdings	
APPLE	4.9%
FACEBOOK CLASS A	3.6%
MICROSOFT	3.4%
AMAZON.COM	3.2%
CELGENE	3.1%
VISA 'A'	3.1%
ALPHABET 'C'	3.0%
ALPHABET 'A'	2.4%
AMETEK	2.3%
HOME DEPOT	2.2%

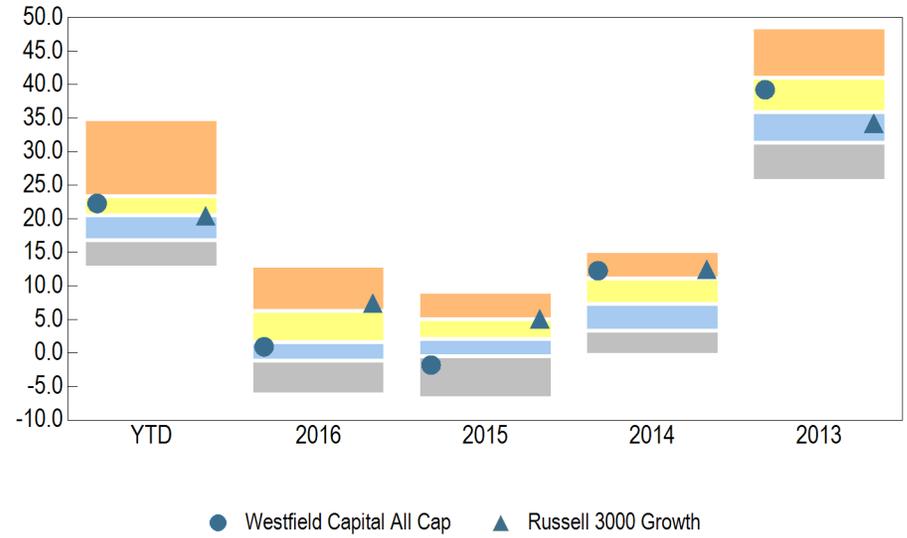


	Third Quarter		Year-To-Date		1 Year Ending 9/30/17		3 Years Ending 9/30/17		5 Years Ending 9/30/17	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
<b>Westfield Capital All Cap</b>	<b>5.4 %</b>	<b>41</b>	<b>22.3 %</b>	<b>35</b>	<b>22.0 %</b>	<b>37</b>	<b>9.0 %</b>	<b>59</b>	<b>14.0 %</b>	<b>33</b>
Russell 3000 Growth	5.9	24	20.4	52	21.9	37	12.6	15	15.2	19

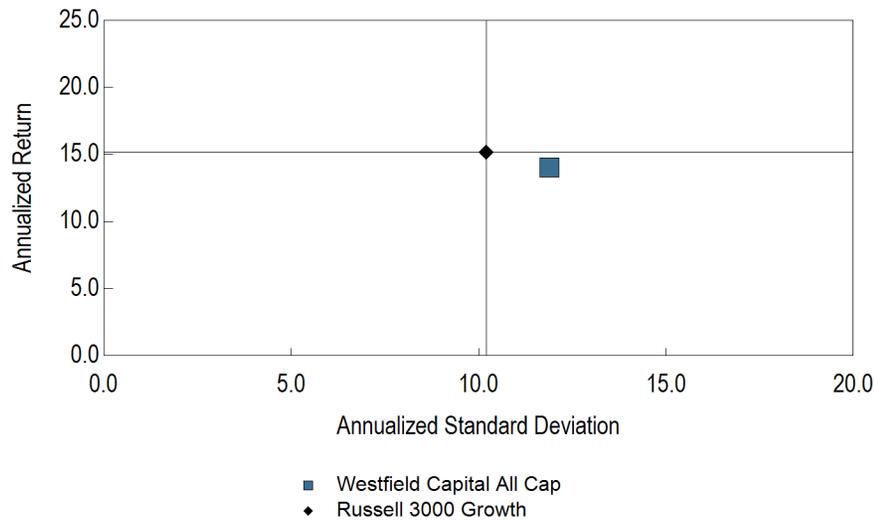
### Characteristics

	Portfolio	Russell 3000 Growth
<b>PORTFOLIO CHARACTERISTICS</b>		
Price To Earnings	31.64	28.63
P/E Excluding Negative Earnings	32.55	28.82
P/E Median	26.43	23.38
Price To Book	6.78	7.10
Price To Book Median	4.69	4.05
Price To Cash Flow	18.32	18.71
Price To Sales	4.75	4.32
Dividend Yield (%)	0.90	1.31
Weighted Avg. Market Cap. (\$B)	151.39	167.57
Median Market Cap. (\$B)	21.77	1.81

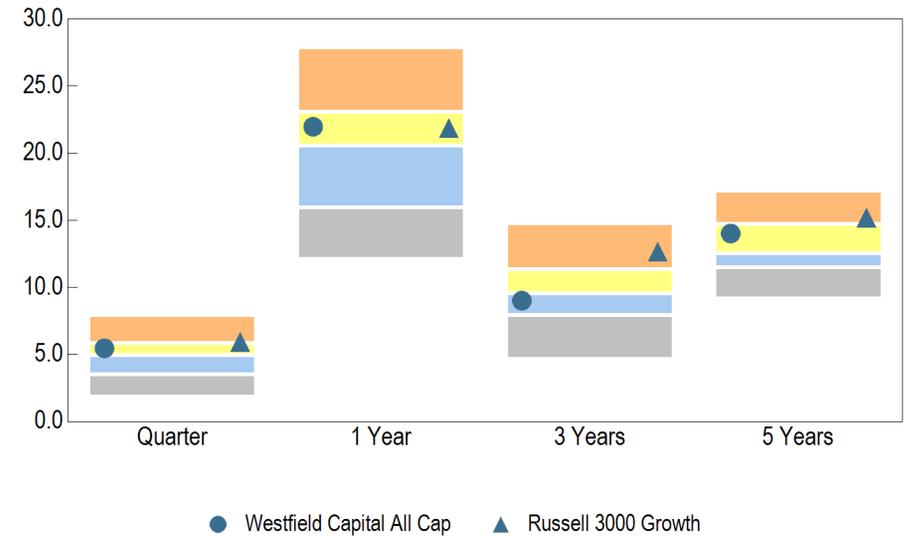
eA US All Cap Growth Equity Net Accounts  
Ending September 30, 2017



Annualized Return vs. Annualized Standard Deviation  
5 Years Ending September 30, 2017



eA US All Cap Growth Equity Net Accounts  
Ending September 30, 2017



## Sage Advisory Core Taxable Fixed Income

September 30, 2017

Sage Advisory employs a value-oriented comprehensive portfolio management approach blending active duration management, market sector rotation and undervalued security selection. Cash will be used for duration adjustment purposes or as part of a defensive mode, which could be as high as 30%. The strategy looks to provide consistent quarterly total returns while minimizing downside risk in any environment.

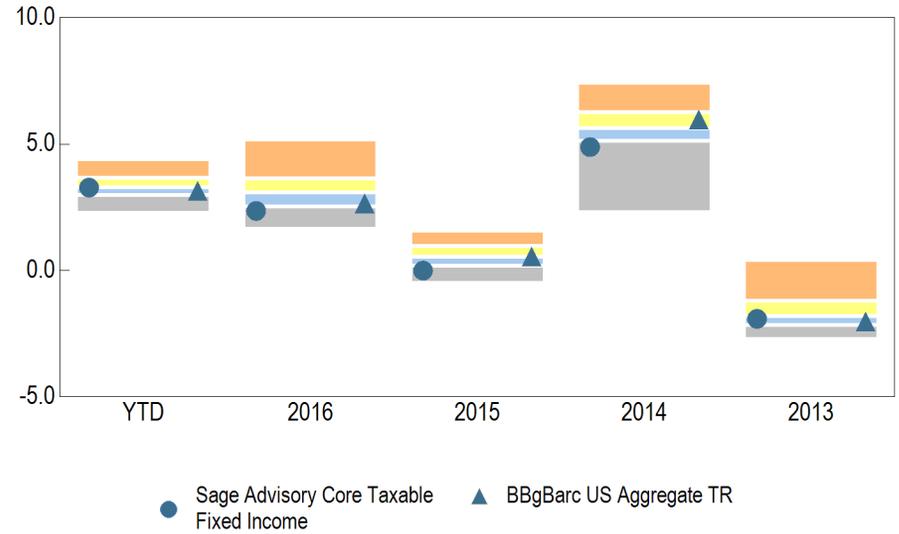
Top Holdings		Sector Distribution History			Quality Distribution History		
			Sage Advisory Core Taxable Fixed Income	BBgBarc US Aggregate TR		Sage Advisory Core Taxable Fixed Income	BBgBarc US Aggregate TR
			Q3-17	Q3-17		Q3-17	Q3-17
FNMA CONV 30 YR SF	18.12%						
FNMA CONV 15 YR SF	5.30%						
FEDERATED GOVERNMENT OBLIGATIONS FUND INSTITUTIONAL SHARES	4.67%						
FHLMC GOLD 30 YR	4.34%	UST/Agency	12.4%	44.0%	AAA	11.3%	70.9%
UNITED STATES TREASURY	3.74%	Corporate	44.0%	25.5%	AA	49.5%	4.5%
UST 2.125 01/31/21	2.99%	MBS	40.1%	30.0%	A	11.2%	10.7%
UST 1.125 09/30/21 When Iss	1.70%	ABS	--	0.5%	BBB	27.5%	13.8%
FANNIE MAE POOL 3.5 06/01/2045	1.18%	Foreign	2.7%	--	BB and Below	--	--
CARMAX AUTO OWNER TRUST	1.16%	Muni	0.9%	--	Not Rated	0.6%	--
SEQUOIA MORTGAGE TRUST SEQMT 2041-02- 25 00:00:00.	1.02%	Other	--	--			

	Third Quarter		Year-To-Date		1 Year Ending 9/30/17		3 Years Ending 9/30/17		5 Years Ending 9/30/17	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
<b>Sage Advisory Core Taxable Fixed Income</b>	<b>0.9 %</b>	<b>32</b>	<b>3.3 %</b>	<b>54</b>	<b>0.3 %</b>	<b>55</b>	<b>2.2 %</b>	<b>91</b>	<b>1.8 %</b>	<b>86</b>
BBgBarc US Aggregate TR	0.8	53	3.1	65	0.1	74	2.7	62	2.1	67

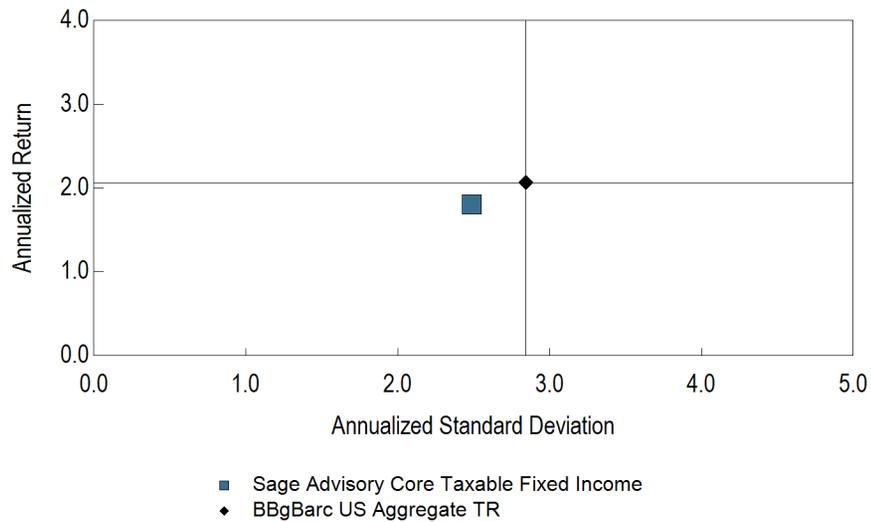
### Characteristic History

	Sage Advisory Core Taxable Fixed Income Q3-17	BBgBarc US Aggregate TR Q3-17
Yield to Maturity	2.9%	2.6%
Avg. Eff. Maturity	8.7 yrs.	8.3 yrs.
Avg. Duration	6.6 yrs.	6.0 yrs.
Avg. Quality	A	--

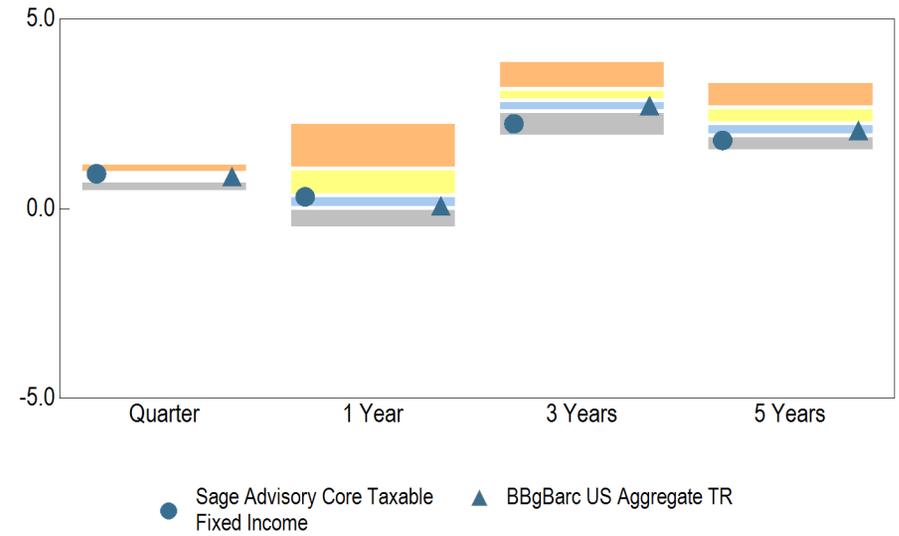
eA US Core Fixed Inc Net Accounts  
Ending September 30, 2017



Annualized Return vs. Annualized Standard Deviation  
5 Years Ending September 30, 2017



eA US Core Fixed Inc Net Accounts  
Ending September 30, 2017



**Orleans Capital Management Investment Grade Fixed Income**

**September 30, 2017**

The Orleans Capital Management Investment Grade Fixed Income strategy adds value through sector and security selection designed to create an enduring yield advantage over the applicable benchmark without a material variation in quality, convexity, or other portfolio characteristics. In doing so, they overweight both the corporate and mortgage-backed sectors and underweight lower yielding government agencies and treasuries.

**Top Holdings**

FH 30yr GOLD	12.94%
FHLMC GOLD 30 YR	6.54%
FHLMC GOLD GIANT 30 YR	4.28%
MO 4.750 05/05/21	2.92%
FDX 4.000 01/14/24	2.89%
AMAZON.COM INC	2.88%
BA 4.700 10/27/19	2.85%
DOW 4.250 11/15/20 '20	2.84%
FORD MOTOR CREDIT COMPANY LLC	2.84%
CSX 3.700 11/01/23 '23	2.83%

**Sector Distribution History**

	Orleans Capital Management Investment Grade Fixed Income	BBgBarc US Govt/Credit TR
	Q3-17	Q3-17
UST/Agency	--	63.3%
Corporate	68.0%	36.7%
MBS	29.7%	--
ABS	--	--
Foreign	--	--
Muni	--	--
Other	2.3%	--

**Quality Distribution History**

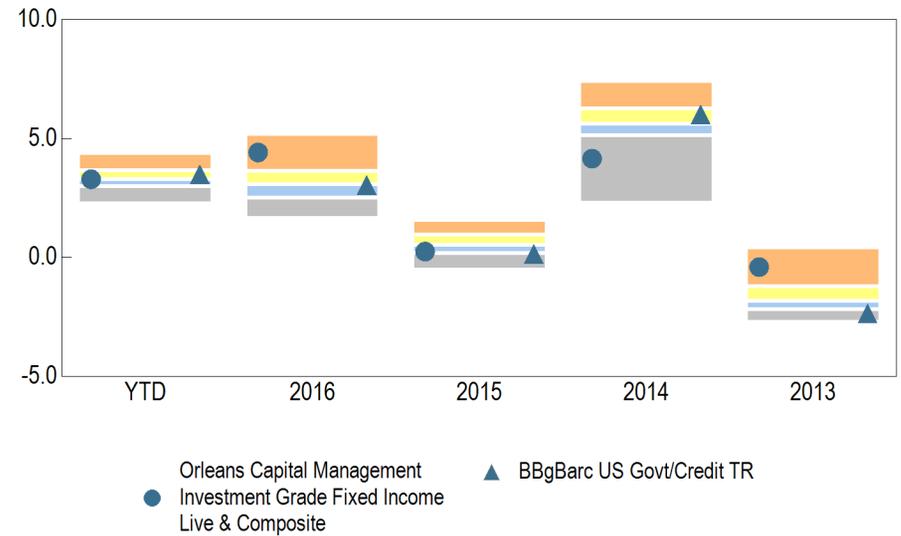
	Orleans Capital Management Investment Grade Fixed Income	BBgBarc US Govt/Credit TR
	Q3-17	Q3-17
AAA	--	58.6%
AA	41.6%	6.3%
A	27.3%	15.3%
BBB	31.1%	19.8%
BB and Below	--	--
Not Rated	--	--

	Third Quarter		Year-To-Date		1 Year Ending 9/30/17		3 Years Ending 9/30/17		5 Years Ending 9/30/17	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
<b>Orleans Capital Management Investment Grade Fixed Income Live &amp; Composite</b>	<b>0.9%</b>	<b>29</b>	<b>3.3%</b>	<b>52</b>	<b>0.8%</b>	<b>33</b>	<b>3.2%</b>	<b>19</b>	<b>2.3%</b>	<b>43</b>
BBgBarc US Govt/Credit TR	0.8	64	3.5	40	0.0	80	2.8	52	2.1	61

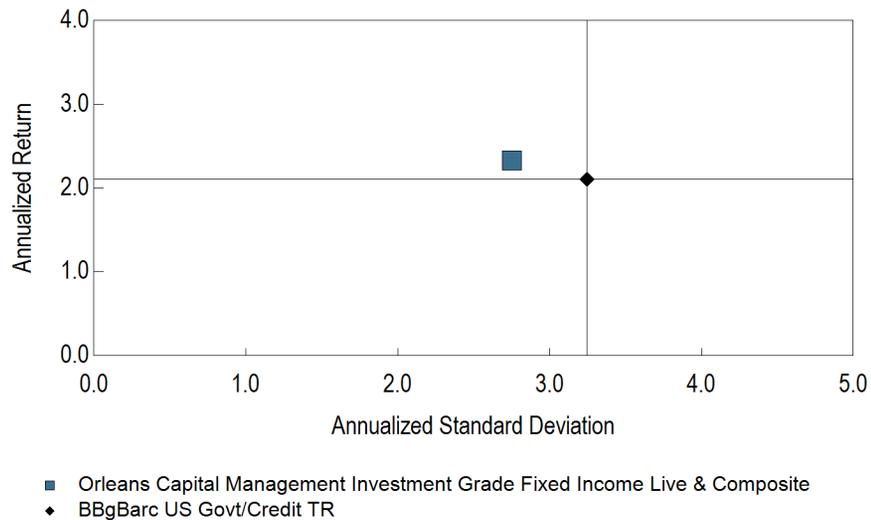
### Characteristic History

	Orleans Capital Management Investment Grade Fixed Income Q3-17	BBgBarc US Govt/Credit TR Q3-17
Yield to Maturity	2.8%	2.4%
Avg. Eff. Maturity	7.7 yrs.	8.9 yrs.
Avg. Duration	6.0 yrs.	6.6 yrs.
Avg. Quality	A	--

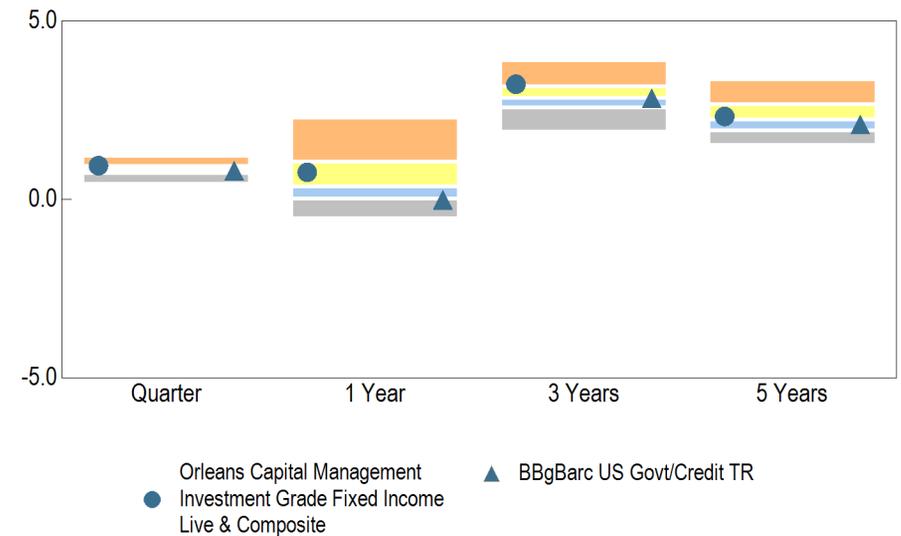
eA US Core Fixed Inc Net Accounts  
Ending September 30, 2017



Annualized Return vs. Annualized Standard Deviation  
5 Years Ending September 30, 2017



eA US Core Fixed Inc Net Accounts  
Ending September 30, 2017



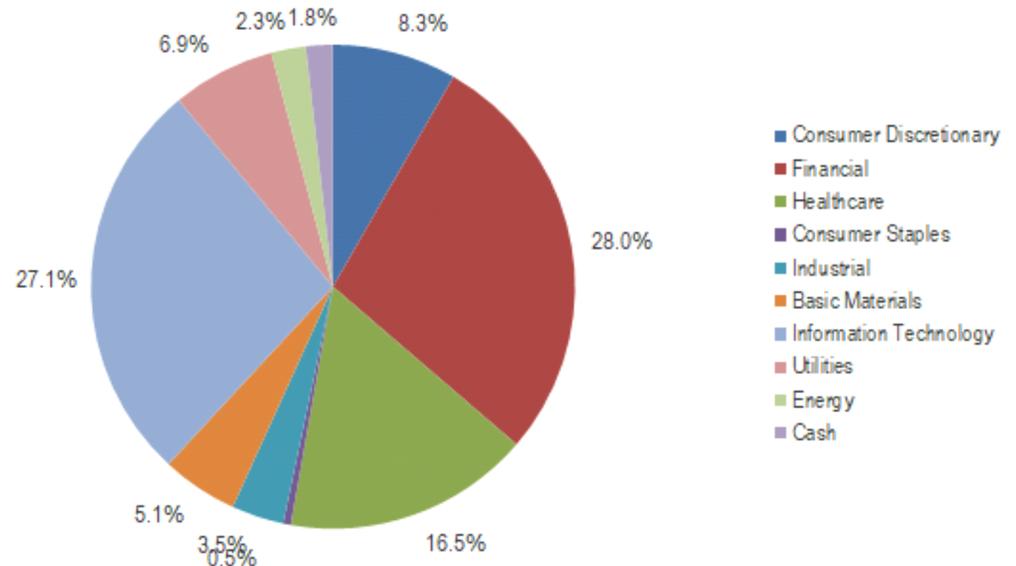
**Victory INCORE Investment Grade Convertible Securities**

**September 30, 2017**

Process focuses on the intrinsic value of the underlying common stock as well as on the convertible security itself. The underlying equity analysis looks for the best combination of intrinsic value, statistical cheapness and earnings revision. The underlying fixed income analysis encompasses financial statement factors in addition to trends of pertinent financial ratios such as pre-tax interest coverage, current ratio, return on equity and profit margins. Convertible characteristics they analyze include quality, intrinsic value, conversion premium, break-even, investment value, yield advantage, call and put features, liquidity, and sensitivity/horizon analysis. They purchase when the underlying equity exhibits superior valuation characteristics, coupled with the most compelling combination of statistical cheapness and earnings revision; underlying bond exhibits solid cash flow or improving fundamentals; and convertible particulars are attractive.

**Top Holdings**

INTC 3.250 08/01/39 CVT	5.73%
LRCX 2.625 05/15/41 CVT	5.37%
WELLS FARGO & CO	5.33%
RED HAT INC	5.07%
NEXTERA ENERGY	3.86%
PRICELINE.COM INC	3.82%
LAM RESEARCH CORP	3.58%
WELLPOINT INC	3.51%
LUK 3.875 11/01/29 '17 CVT	3.33%
NVDA 1.000 12/01/18 CVT	3.27%



**Quality Distribution History**

	Q3-17
AAA	3.6%
AA	--
A	15.1%
BBB	78.9%
BB and Below	2.5%
Not Rated	--

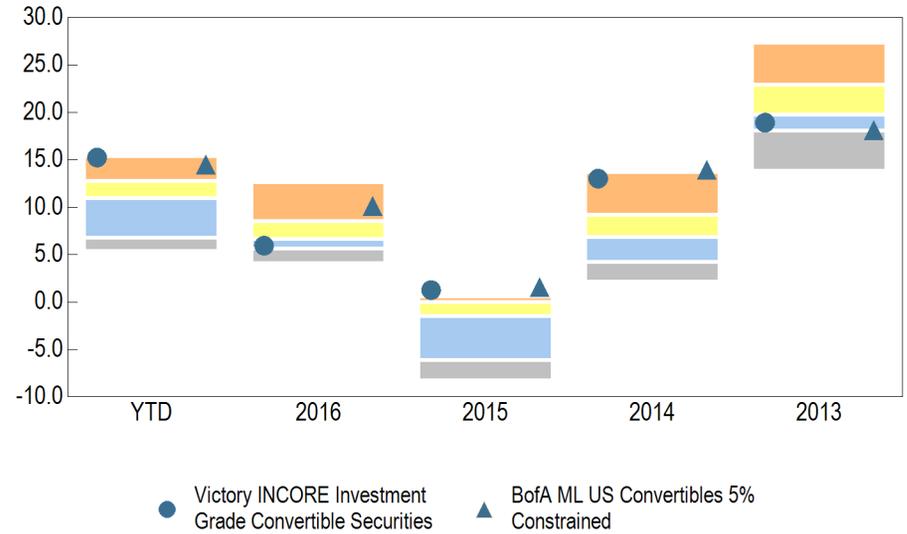
	Third Quarter		Year-To-Date		1 Year Ending 9/30/17		3 Years Ending 9/30/17		5 Years Ending 9/30/17	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
<b>Victory INCORE Investment Grade Convertible Securities</b>	<b>4.9 %</b>	<b>6</b>	<b>15.2 %</b>	<b>7</b>	<b>17.1 %</b>	<b>7</b>	<b>8.4 %</b>	<b>9</b>	<b>10.7 %</b>	<b>8</b>
BofA ML US Convertibles 5% Constrained	4.4	18	14.5	13	17.5	5	10.4	1	12.2	4

### Characteristic History

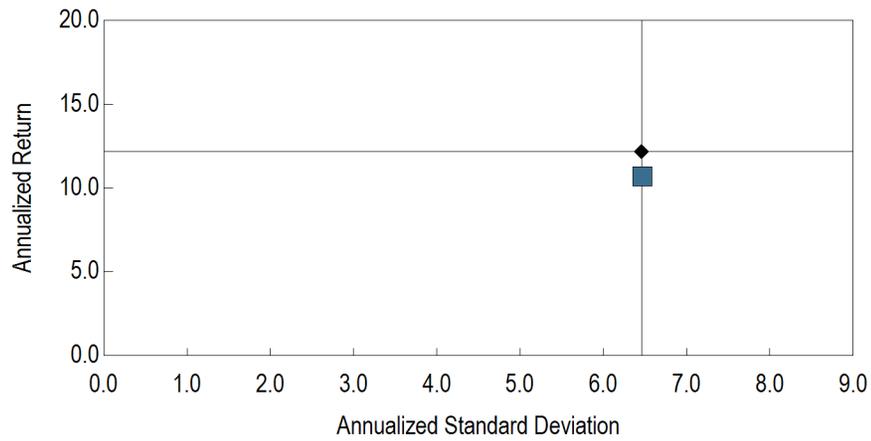
Q3-17

Yield to Maturity	2.6%
Avg. Eff. Maturity	15.2 yrs.
Avg. Duration	7.1 yrs.
Avg. Quality	BBB

### eA US Convertibles Net Accounts Ending September 30, 2017

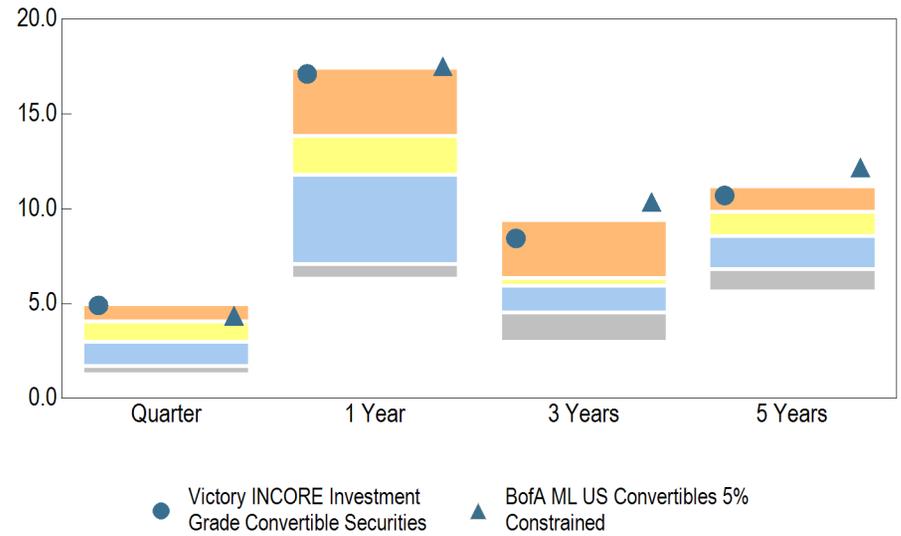


### Annualized Return vs. Annualized Standard Deviation 5 Years Ending September 30, 2017



- Victory INCORE Investment Grade Convertible Securities
- ◆ BofA ML US Convertibles 5% Constrained

### eA US Convertibles Net Accounts Ending September 30, 2017



- Victory INCORE Investment Grade Convertible Securities
- ▲ BofA ML US Convertibles 5% Constrained

(1) Fiscal Year end is June 30.

(2) Performance figures prior to October 1, 2008 were provided by the prior consultant.

(3) The Broad Market Index was comprised of 55% S&P 500 and 45% Barclays Aggregate from 12/30/1990 to 03/31/2009. The Index was changed on 03/31/2009 to include convertibles in the benchmark.

