

# Core Fixed Income



## INVESTMENT STRATEGY

Our objective is to add value over the medium to long term on a risk-adjusted basis. Our macro-economic outlook serves as a starting point to drive our yield curve and sector positioning. Considerations of credit, structure, liquidity, and interest rate risks determine individual issue selection. The strategy maintains a core position, allowing the flexibility to capture attractive risk premiums in other sectors as they arise.

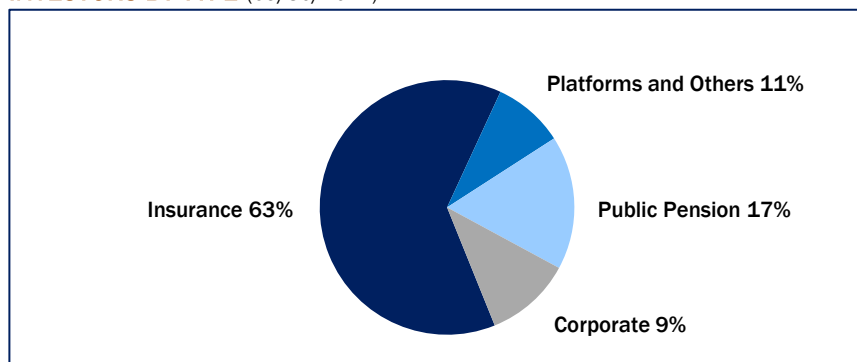
\* Other Fixed Income and Equity strategies are available depending on clients' needs. We offer separately managed accounts for all strategies.

## COMPOSITE PERFORMANCE – Gross and Net of Fees\* (09/30/2024)

|   | 1 Yr<br>Gross | 1 Yr<br>Net | 5 Yr<br>Gross | 5 Yr<br>Net | 10 Yr<br>Gross | 10 Yr<br>Net |
|---|---------------|-------------|---------------|-------------|----------------|--------------|
| Optimum Quantvest<br>Core Fixed Income        | 11.53%        | 11.37%      | 1.09%         | 0.87%       | 2.44%          | 2.21%        |
| Bloomberg Barclays<br>US Aggregate Bond Index | 11.57%        | 11.57%      | 0.33%         | 0.33%       | 1.84%          | 1.84%        |

\*All periods longer than 12 months are annualized. Please see full disclosure on page 2.

## INVESTORS BY TYPE (09/30/2024)



Optimum Quantvest Corporation is a macro-driven manager of US Fixed Income and Equity portfolios. We are SEC registered\* as an Investment Adviser and our ultimate parent company is a global financial institution with over 600 employees and 20 business places in North America and Europe.

Our client base is institutionally focused, which includes insurance companies, corporate pension plans, endowments/foundations, and municipalities. We also collaborate with various RIA investment platforms.

\*Registration does not imply a certain level of skill or training

## MAIN INVESTMENT TEAM

For more information:

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**Jan Erik Warneryd, CFA** Chief Investment Officer (Investment Experience: 35 years)

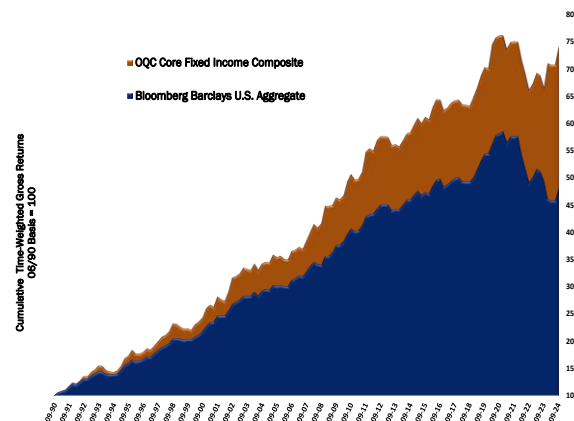
**Mark McDonnell** Senior Portfolio Manager (Investment Experience: 30 years)

**Marvin Kouame** Investment Analyst (Investment Experience: 3 years)

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## GROWTH OF \$100\* (06/30/90 – 09/30/2024)



## PORTFOLIO CHARACTERISTICS\* (09/30/2024)

|                           |       |
|---------------------------|-------|
| # of Holdings             | 52    |
| Yield to Worst            | 4.37% |
| Average Maturity          | 13.60 |
| Average Coupon            | 3.35% |
| Average Modified Duration | 6.40  |
| Average Rating            | AA+   |
| Convexity                 | 0.86  |
| Current Yield             | 3.47% |

\*Representative Account

## PORTFOLIO INFORMATION (09/30/2024)

|  |                 |
|--|-----------------|
| Inception Date                                 | 06/30/1990      |
| Strategy AUM/AUA                               | 279M            |
| Annualized Added Value Since Inception (Gross) | 91 bps          |
| Minimum Investment                             | Mngr Discretion |

# Core Fixed Income Composite



| Total Assets |                         | Composite Assets |                    |                                | Annual Performance Results |                  |   |   |                      | 3-yr Annualized Standard Deviation |   |   |
|--------------|-------------------------|------------------|--------------------|--------------------------------|----------------------------|------------------|---|---|----------------------|------------------------------------|---|---|
| Year End     | Total Assets (Millions) | USD (Millions)   | Number of Accounts | Percent of Wrap Portfolios (%) | Composite Gross***         | Composite Net*** | Bloomberg Barclays U.S. Aggregate Index | Bloomberg Barclays Capital Gov't/Credit Index | Composite Dispersion | Composite                          | Bloomberg Barclays U.S. Aggregate Index | Bloomberg Barclays Capital Gov't/Credit Index |
| 2023         | 575                     | 309              | 10                 | 30                             | 5.52%                      | 5.35%            | 5.53%                                   | 5.24%   | 0.34%                | 6.43%                              | 7.09%                                   | 6.82%   |
| 2022         | 528                     | 281              | 12                 | 10                             | -10.19%                    | -10.52%          | -13.01%                                 | -13.58%                                       | 0.17%                | 5.11%                              | 5.77%                                   | 6.10%   |
| 2021         | 617                     | 369              | 19                 | 16                             | -1.56%                     | -1.75%           | -1.54%                                  | -1.75%  | 0.13%                | 3.53%                              | 3.35%                                   | 4.19%   |
| 2020         | 741                     | 439              | 23                 | 16                             | 8.66%                      | 8.38%            | 7.51%                                   | 8.92%   | 0.71%                | 3.71%                              | 3.36%                                   | 4.04%   |
| 2019         | 808                     | 495              | 22                 | 11                             | 8.12%                      | 7.90%            | 8.72%                                   | 9.71%   | 0.38%                | 3.30%                              | 2.87%                                   | 3.26%   |
| 2018         | 988                     | 595              | 26                 | 14                             | 0.78%                      | 0.55%            | 0.01%                                   | -0.42%  | 0.16%                | 3.22%                              | 2.84%                                   | 3.16%   |
| 2017         | 1,059                   | 560              | 26                 | N.A.                           | 3.03%                      | 2.81%            | 3.54%                                   | 4.00%   | 0.17%                | 3.17%                              | 2.78%                                   | 3.28%   |
| 2016         | 1,073                   | 695              | 29                 | N.A.                           | 2.78%                      | 2.55%            | 2.65%                                   | 3.05%   | 0.22%                | 3.40%                              | 2.98%                                   | 3.46%   |
| 2015         | 1,222                   | 754              | 29                 | N.A.                           | 1.62%                      | 1.40%            | 0.55%                                   | 0.15%   | 0.16%                | 3.36%                              | 2.88%                                   | 3.25%   |
| 2014         | 1,372                   | 729              | 26                 | N.A.                           | 7.22%                      | 6.98%            | 5.97%                                   | 6.01%   | 0.27%                | 3.16%                              | 2.63%                                   | 2.95%   |
| 2013         | 1,223                   | 683              | 26                 | N.A.                           | -3.28%                     | -3.50%           | -2.02%                                  | -2.35%  | 0.23%                | 3.76%                              | 2.71%                                   | 3.17%   |
| 2012         | 1,395                   | 745              | 30                 | N.A.                           | 4.00%                      | 3.77%            | 4.22%                                   | 4.82%   | 0.46%                | 3.72%                              | 2.38%                                   | 2.96%   |
| 2011         | 1,340                   | 643              | 27                 | N.A.                           | 11.58%                     | 11.28%           | 7.84%                                   | 8.74%   | 0.88%                | 4.20%                              | 2.78%                                   | 3.42%   |
| 2010         | 1,211                   | 566              | 24                 | N.A.                           | 7.88%                      | 7.63%            | 6.54%                                   | 6.59%   | 0.61%                | 5.53%                              | 4.16%                                   | 5.26%   |
| 2009         | 1,299                   | 470              | 26                 | N.A.                           | 2.71%                      | 2.47%            | 5.93%                                   | 4.52%   | 1.35%                | 5.52%                              | 4.11%                                   | 5.14%   |
| 2008         | 1,000                   | 324              | 18                 | N.A.                           | 11.90%                     | 11.62%           | 5.24%                                   | 5.70%   | 1.43%                | 5.30%                              | 3.97%                                   | 4.91%   |
| 2007         | 963                     | 370              | 19                 | N.A.                           | 8.84%                      | 8.54%            | 6.97%                                   | 7.23%   | 0.30%                | 4.01%                              | 2.76%                                   | 3.11%   |
| 2006         | 951                     | 345              | 19                 | N.A.                           | 3.08%                      | 2.69%            | 4.33%                                   | 3.78%   | 0.20%                | 4.35%                              | 3.21%                                   | 3.68%   |
| 2005         | 948                     | 488              | 22                 | N.A.                           | 3.25%                      | 2.84%            | 2.43%                                   | 2.37%   | 0.40%                | 5.93%                              | 4.06%                                   | 4.98%   |
| 2004         | 794                     | 420              | 20                 | N.A.                           | 4.49%                      | 4.07%            | 4.34%                                   | 4.19%   | 0.30%                | 6.87%                              | 5.35%                                   | 5.30%   |
| 2003+        | 1,975                   | 413              | 18                 | N.A.                           | 3.48%                      | 3.07%            | 4.10%                                   | 4.67%   | 0.20%                | 7.32%                              | 5.28%                                   | 5.20%   |
| 2002+        | 1,789                   | 368              | 19                 | N.A.                           | 15.50%                     | 15.04%           | 10.25%                                  | 11.04%  | 1.10%                | 6.20%                              | 4.64%                                   | 3.94%   |
| 2001+        | 1,805                   | 353              | 22                 | N.A.                           | 6.20%                      | 5.78%            | 8.44%                                   | 8.50%   | 0.30%                | 5.57%                              | 3.34%                                   | 3.77%   |
| 2000+        | 1,777                   | 265              | 12                 | N.A.                           | 17.76%                     | 17.29%           | 11.63%                                  | 11.85%  | 0.90%                | 4.78%                              | 3.01%                                   | 3.45%   |
| 1999+        | 1,621                   | 73               | 9                  | N.A.                           | -4.50%                     | -4.88%           | -0.82%                                  | -2.15%  | N.A.                 | 4.89%                              | 3.20%                                   | 3.74%   |
| 1998+        | 1,213                   | 54               | 6                  | N.A.                           | 11.37%                     | 10.93%           | 8.69%                                   | 9.47%   | N.A.                 | 5.36%                              | 3.53%                                   | 4.03%   |
| 1997+        | 981                     | 50               | Five or fewer      | N.A.                           | 11.16%                     | 10.72%           | 9.65%                                   | 9.76%   | N.A.                 | 6.34%                              | 4.00%                                   | 4.41%   |
| 1996+        | 773                     | 21               | Five or fewer      | N.A.                           | 1.59%                      | 1.19%            | 3.63%                                   | 2.90%   | N.A.                 | 7.30%                              | 4.59%                                   | 4.93%   |
| 1995+        | 686                     | 25               | Five or fewer      | N.A.                           | 25.97%                     | 25.47%           | 18.47%                                  | 19.24%  | N.A.                 | 6.92%                              | 4.24%                                   | 4.66%   |
| 1994+        | 534                     | 11               | Five or fewer      | N.A.                           | -5.52%                     | -5.90%           | -2.92%                                  | -3.51%  | N.A.                 | 6.24%                              | 3.99%                                   | 4.50%   |
| 1993+        | 516                     | 16               | Five or fewer      | N.A.                           | 13.80%                     | 13.35%           | 9.75%                                   | 11.03%  | N.A.                 | **N.A.                             | **N.A.                                  | **N.A.  |
| 1992+        | 575                     | 14               | Five or fewer      | N.A.                           | 9.02%                      | 8.59%            | 7.40%                                   | 7.58%   | N.A.                 | **N.A.                             | **N.A.                                  | **N.A.  |
| 1991+/*      | 509                     | 25               | Five or fewer      | N.A.                           | 6.31%                      | 6.21%            | 5.07%                                   | 5.34%   | N.A.                 | **N.A.                             | **N.A.                                  | **N.A.  |

\* Results shown for the year 1991 represent partial period performance from October 1, 1991, through December 31, 1991.

+Represents the assets of SEB Asset Management America Inc. prior to the manager buy-out September 15, 2004.

+SEB claimed compliance with the Global Investment Performance Standards (GIPS®) and received a firm-wide verification for the period October 1991 through June 2004. The verification report is available upon request.

N.A. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

\*\* The 3-year annualized standard deviation is not presented as 36 monthly returns are not available.

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The Core Fixed Income Composite ("Composite") consists of fully discretionary core bond accounts. The Composite contains separately managed accounts and individual wrap-fee accounts invested in a diversified range of investment grade corporate, mortgage-backed (MBS), and government debt securities with the aim of providing investors with capital preservation and moderate total return. The portfolios are invested primarily in domestic fixed income securities of varying maturities. The strategy does not allow investments in derivative contracts or the use of leverage. The base currency of the Composite is U.S. Dollar.

For comparison purposes the composite is measured against the Bloomberg Barclays Capital Aggregate Index and/or Bloomberg Barclays Government/Credit Bond Index. The Bloomberg Barclays Capital U.S. Aggregate Index represents securities that are SEC-registered, taxable, and dollar denominated. The 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. The Bloomberg Barclays Capital Government/Credit Index includes securities in the Government and Credit Indices: 1) the Government Index includes treasuries (i.e., public obligations of the U.S. Treasury that have remaining maturities of more than one year) and agencies (i.e., publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government) and 2) the Credit Index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.

Optimum Quantvest Corporation claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Optimum Quantvest Corporation has been independently verified for the periods September 15, 2004, through December 31, 2022. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

For purposes of claiming compliance with the GIPS standards, the firm is defined as Optimum Quantvest Corporation (OQC), an SEC registered investment adviser. Prior to May 15, 2019, the firm was defined and held out to the public as Hillswick Asset Management, LLC (HAM), an SEC registered investment adviser. The re-definition was the result of the corresponding acquisition of HAM by OQC, a subsidiary of Optimum Group Inc. The firm maintains a complete list and description of composites, which is available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Investment advisory fees are described in Part 2 of the firm's Form ADV. Performance prior to 10/1/1991 is not in line with GIPS standards. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Composite dispersion and the 3-year ex post standard deviation is calculated using gross returns. Policies for valuing investments, calculating performance, and creating GIPS Reports are available upon request.

Beginning July 1, 2009, GIPS composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow of 50% of portfolio assets. The temporary removal of such an account occurs at the beginning of the month in which the significant cash flow occurs, and the account re-enters the composite the month after the cash flow. Additional information regarding the treatment of significant cash flows is available upon request. Firm's records including third party records since inception to 2002 were destroyed by the record storage provider in error without authorization by from the firm. The firm maintains certain records for this period but was not able to rebuild records from inception to 2002 in full.

The management fee schedule is as follows: \$0-\$10 million 0.40%; \$10-\$25 million 0.30%; \$25-\$50 million 0.20%; \$50-100 million 0.15%; \$100-200 million 0.10%; for amounts in excess of \$200 million 0.07%, with an annual minimum fee amount of \$25,000. Actual investment advisory fees incurred by clients may vary.

\*\*\*Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using the highest applicable annual management fee of .40% applied monthly from inception through 2006. Net of fee performance was calculated using actual management fees from 2007 through current. From inception through 2009, incentive fees were not included as this was not a GIPS requirement during those time periods. From 2010 forward net of fee numbers include incentive fees. The incentive fee is 20% of the incremental return generated by the portfolio over and above the benchmark index return, on a quarterly basis, and is payable on an annual basis. If the return on the portfolio in any one year lags the return on the benchmark index, no incentive fee shall be payable for any subsequent year until such time as the accumulated incremental return (measured in dollars) is positive.

\*\*\* For wrap-fee accounts gross returns reflected are "pure" gross-of-fee returns and do not reflect the deduction of any expenses, including trading costs. "Pure" gross returns are presented as supplemental information. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the wrap platform provider. The platform fees for clients range from a flat .25% on all assets invested to .25% up to \$100 million and .20% for on total assets over \$100 million. For wrap programs, additional platform specific fees may be charged depending on the wrap platform provider.

Balanced portfolio segments are not included in this composite. Prior to January 1, 2000, balanced portfolio segments were included in this composite, and performance reflects required total segment plus cash returns by allocating the cash positions of the balanced accounts to the fixed income portion of the accounts. The Core Fixed Income Composite was created July 1, 1990, which is also the inception date for the Composite. Performance presented prior to September 15, 2004 occurred while the Portfolio Management Team was affiliated with SEB Asset Management America Inc. Performance presented from September 15, 2004 to May 14, 2019 occurred while the Portfolio Management Team was affiliated with Hillswick Asset Management, LLC. The investment decision makers and the support staff are now part of Optimum Quantvest Corporation, the firm established as a result of assets acquisition from Hillswick Asset Management, LLC. All requirements of portability were met and have been documented internally.