

INVESTMENT PHILOSOPHY

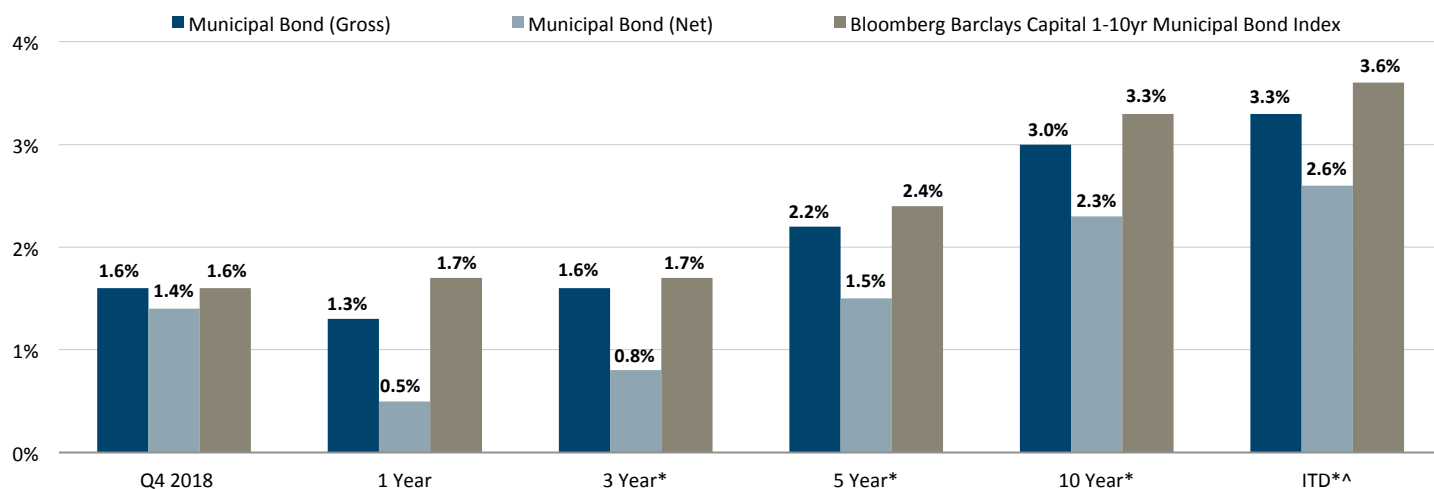
- The LMCG Municipal Bond strategy builds separately managed portfolios of individual, high quality bonds customized to the client's state of residence to provide maximum state and federal tax efficiency.
- After-tax returns and capital preservation are the key principals guiding our investment strategy.
- Investment grade intermediate-term bonds are used to minimize risk and the potential for losses.

INVESTMENT PROCESS

- To provide necessary diversification, portfolios will include bonds from the client's state of residence, as well as from other states. Bonds from outside the client's state of residence will carry a higher yield to compensate for any state taxes incurred.
- We utilize an active investment management approach to take advantage of changes in the overall interest rate environment, shifts in the shape of the curve, and mispriced individual securities.
- Turnover is generally low given the high quality and intermediate-term structure of the portfolio.

COMPOSITE PERFORMANCE

As of 12/31/2018, U.S. Dollar



*Annualized. ^ Inception: June 1, 2006.

Past performance is not indicative of future results. Investment advisory fees are described in Part 2A of LMCG's Form ADV. Gross performance returns presented above are net of transaction costs and include the reinvestment of dividends and other earnings but do not reflect the deduction of investment management fees which would reduce returns. Net returns are calculated by applying the investment management fee schedule noted in the composite disclosure to the gross returns of the accounts included in the composite. For information regarding the impact of investment management fees on performance, please refer to the composite disclosure shown below. Shown as supplemental information only and complements the Municipal Bond composite disclosure attached.

PRODUCT INFORMATION

INVESTMENT SECTORS

- General Obligation Bonds
- Revenue Bonds
- Pre-Refunded Bonds
- Exchange Traded Funds

FIXED INCOME TEAM

Matthew Guleserian, CFA (26)
Portfolio Manager

Matthew Trachy (3)
Analyst

Note: (#) above indicates number of years of investment experience.

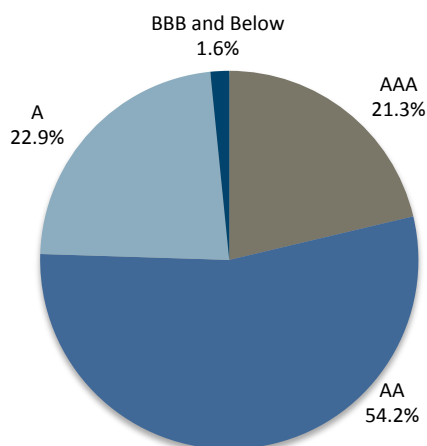
CONTACT

LMCG Investments, LLC
200 Clarendon Street, 28th Floor
Boston, MA 02116
P: (617) 380-5600
E: info@lmcg.com
www.lmcg.com
Fax: 617-380-5601

PORTFOLIO ATTRIBUTES

- **Diversification:** The mix will depend on the tax implications and credit outlook for the client’s state.
- **Sector Selection:** We favor revenue bonds due to their dedicated revenue stream and limited OPEB liability.
- **Quality:** Portfolios carry an average portfolio rating of AA.
- **Duration:** A short-to-intermediate term structure is maintained with portfolio durations at approximately 4 years.
- **Risk Management:** Individual issuer positions are approximately 5% of the total market value of the portfolio.

CREDIT QUALITY



LARGEST MUNICIPAL SECTORS

- Revenue Bonds
- State & Local General Obligations
- Cash
- Pre-Funded/ ETM
- Other/Taxable Muni Bonds

Characteristics of the Municipal Bond Composite as of 12/31/2018. Shown as supplemental information only and complements the Municipal Bond Composite below. Source: BondEdge.

Information above is supplemental only and complements the full composite disclosure below.

MUNICIPAL BOND COMPOSITE

Schedule of Annual Returns

January 1, 2008 through December 31, 2017

	Gross Returns (%)	Net Returns (%)	Benchmark Returns ¹ (%)	Dispersion (bps)	Composite 3yr Ex Post Standard Deviation ² (%)	Benchmark 3yr Ex Post Standard Deviation ² (%)	Number of Accounts	Composite Assets at End of Period (\$ millions)	Total Firm Assets (\$ millions)
2017	3.3	2.5	3.5	43	2.3	2.5	62	118.1	7,551.3
2016	0.1	-0.7	-0.1	37	2.3	2.4	57	115.1	7,367.5
2015	2.3	1.5	2.5	22	2.1	2.1	59	105.1	6,786.9
2014	4.3	3.5	4.7	43	2.1	2.2	57	102.4	6,370.5
2013	-0.3	-1.1	-0.3	72	2.3	2.5	51	91.6	5,831.5
2012	3.1	2.3	3.6	55	2.5	2.5	46	86.0	4,402.6
2011	6.8	6.0	7.6	52	3.3	3.2	42	73.0	4,200.7
2010	3.1	2.7	3.1	60	4.2	4.2	32	46.3	4,412.7
2009	6.2	5.8	7.2	132	3.9	3.9	18	18.5	4,365.1
2008	3.9	3.4	4.2	164	-	-	13	12.7	2,527.4

¹ Benchmark returns have been obtained from an independent source and have not been examined by independent accountants.

² The three-year annualized standard deviation is not presented for December 31, 2008 because the composite did not have 36 monthly returns in that time period.

Municipal Bond Composite Portfolios included in this composite seek to earn consistent, above average returns while taking a low risk approach to fixed income asset management. The fixed income investment philosophy focuses on constructing high quality portfolios with an intermediate-term maturity structure. Value is added through issue and sector selection. All securities purchased are investment grade. The composite includes fully discretionary, municipal bond portfolios. The minimum fixed income value requirement for inclusion in the composite is \$750,000. Prior to January 1, 2012, the composite minimum was \$500,000. For comparison purposes, the composite is measured against the Barclays 1-10yr Municipal Bond Index. The inception date of the composite is June 1, 2006. The composite was created in January 2008.

Royal Bank of Canada (“RBC”) became LMCG’s indirect majority owner in November 2015 when RBC acquired City National Corporation (“CNC”). Effective January 1, 2015, Lee Munder Capital Group, LLC is known as LMCG Investments, LLC (“LMCG”), an investment adviser registered with the Securities and Exchange Commission. In July 2009, the firm was reorganized as an affiliate of CNC and took the name of Lee Munder Capital Group, LLC., prior to which it was known as Lee Munder Investments Ltd. (“LMIL”), which itself was an investment adviser registered with the Securities and Exchange Commission. The firm maintains a complete list and description of composites, which is available upon request.

The investment management fee schedule is as follows: Beginning January 1, 2011, 0.80% on the first \$1 million and 0.77% on assets above \$1 million. The prior fee schedule was 0.40% on all assets. Actual investment advisory fees incurred by clients may vary.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Account performance is calculated on a total return basis including income and realized and unrealized gains and losses. Composite performance is presented gross and net of management fees. Net returns are calculated by applying the investment management fee schedule noted above to the gross returns of the accounts included in the composite. The annual composite dispersion presented is an asset weighted standard deviation calculated for the accounts in the composite the entire year. The U.S. Dollar is the currency used to express performance. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

LMCG claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. LMCG has been independently verified for the periods October 1, 2000 through December 31, 2017. The verification report(s) is/are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm’s policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. Past performance is not indicative of future results.