Our investment philosophy for private investors is to protect principal through prudent risk management and opportunistically capitalize on anomalies in the inefficient municipal bond market. Our bottom-up security selection process is designed to take advantage of these market inefficiencies.

STRATEGY CHARACTERISTICS

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>IR+M Long Municipal Portfolio¹</th>
<th>Bloomberg Barclays 10 Yr Municipal Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yield (%)²</td>
<td>2.17</td>
<td>2.26</td>
</tr>
<tr>
<td>Effective Duration (yrs)</td>
<td>5.95</td>
<td>5.95</td>
</tr>
<tr>
<td>Average Quality³</td>
<td>Aa3</td>
<td>Aa2</td>
</tr>
<tr>
<td>Average Maturity (yrs)</td>
<td>7.21</td>
<td>9.96</td>
</tr>
<tr>
<td>Convexity</td>
<td>0.42</td>
<td>0.21</td>
</tr>
</tbody>
</table>

FIRM OVERVIEW

- Founded in 1987, privately owned
- Value-oriented, bottom-up investment philosophy
- Exclusively US fixed income
- $69.3 billion in AUM
- Consistent management team since inception
- Tailored solutions to meet client investment objectives

ASSETS BY MANDATE

**Broad Market Strategies ($31.9bn)**
- Short
- Intermediate
- Core
- Crossover
- Long

**Focused Market Strategies ($37.4bn)**
- Corporate/ LIABILITY Driven Investing
- Municipal
- Inflation Protection
- Government
- Convertible

INVESTMENT STRATEGY

+ CREDIT
Our credit focus is on larger, A to AAA-rated monopolistic and essential purpose issuers. We purchase high quality, but not plain vanilla bonds. We seek out issuers that provide reliable, consistent, and timely financial information.

+ STRUCTURE
We focus on non-callable bonds with a convexity advantage. We look to take advantage of inefficiently priced bond structures that may present income advantages; such as, sinking funds, escrowed zeroes, and mandatory puts.

+ PRICE
Our main focus is after tax-returns. We seek to minimize transaction costs and maintain liquid portfolios.

INVESTMENT PROCESS

All data as of 12/31/17. ¹Representative portfolio characteristics. Some statistics require assumptions for calculations which can be disclosed upon request. A similar analysis can be provided for any portfolio we manage. ²Yields are represented as of the above date and are subject to change. ³Average quality and quality distribution are calculated using a split to high methodology.

Source: Bloomberg Barclays

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