

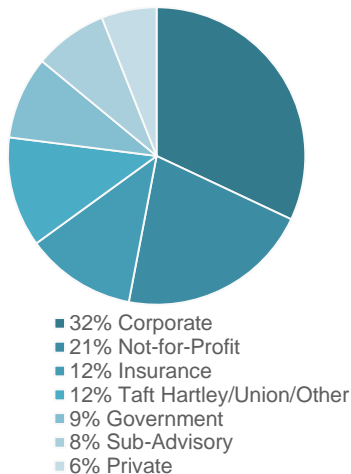
### FIRM OVERVIEW

- 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	

### ASSETS BY CLIENT TYPE

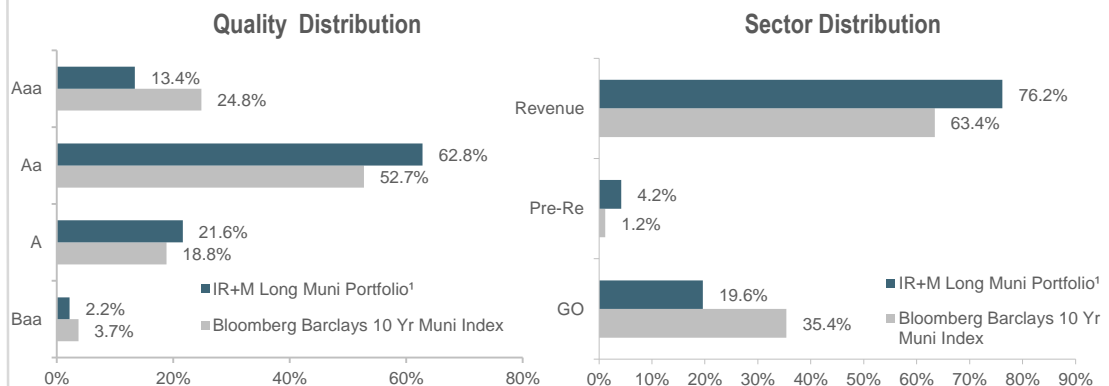


### INVESTMENT STRATEGY

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

Characteristics	IR+M Long Municipal Portfolio <sup>1</sup>	Bloomberg Barclays 10 Yr Municipal Index
Yield (%) <sup>2</sup>	2.17	2.26
Effective Duration (yrs)	5.95	5.95
Average Quality <sup>3</sup>	Aa3	Aa2
Average Maturity (yrs)	7.21	9.96
Convexity	0.42	0.21



### INVESTMENT PROCESS

#### + 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.

All data as of 12/31/17. <sup>1</sup>Representative 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.  
<sup>2</sup>Yields are represented as of the above date and are subject to change.  
<sup>3</sup>Average quality and quality distribution are calculated using a split to high methodology.  
 Source: Bloomberg Barclays  
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