

IR+M's Crossover philosophy is predicated on our value-oriented, bottom-up investment philosophy from the perspective of a tax-sensitive investor. Taxable bonds and municipal bonds are evaluated on the basis of credit quality, structure, and after-tax relative value to arrive at an optimal portfolio allocation. Our goal is to achieve a superior after-tax total rate of return while maintaining a diversified, liquid, and high-quality portfolio. The experience and consistency of our senior investment team, along with our integrated credit, securitized, and municipal teams, gives us a distinct advantage when constructing portfolios.

Crossover Investing Benefits

- Broadened diversification and portfolio opportunity set, improved liquidity, and enhanced after-tax return potential
- Bottom-up relative value across sectors allows for tax-efficient sector and yield curve allocation
- Market dislocations, such as changes in the municipal/taxable relationship, can lead to inefficiencies which create opportunities

Relative Value Drivers

- After-tax yield and return potential
- Stability of cash flows
- Credit quality
- Liquidity
- Municipal/taxable market supply/demand imbalances
- Structure opportunities

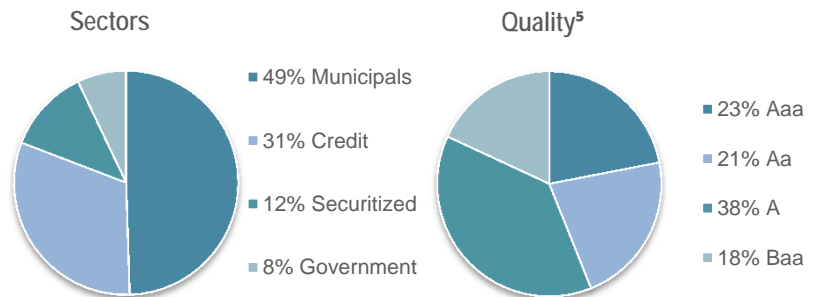
IR+M Private Client Crossover Strategy vs. IR+M Core Municipal Strategy

3/31/18 Characteristics ¹	IR+M Private Client Crossover Portfolio	IR+M Core Municipal Portfolio
Yield (%) ²	2.95	2.31
After-Tax Yield (%) ³	2.25	2.31 ⁴
Duration	3.90	4.09
Avg. Quality ⁵	A1/A+	Aa3/AA-

IR+M Crossover Implementation

- Tax-efficient trading with after-tax performance measurement and reporting
- Sector analysts continuously scour market for best ideas
- Crossover team monitors relative value while looking for opportunities to enhance after-tax return profile
- No "black box" model; rigorous but flexible analytics allow portfolio manager expertise to guide decision making

IR+M Private Client Crossover Strategy Characteristics¹



IR+M CROSSOVER MANAGEMENT

- Exposure to IR+M's best and most tax efficient ideas
- Crossover portfolio management since 2006
- \$3.5 billion in Crossover AUM
- Experienced client portfolio team

For further information, please contact:

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¹As of 3/31/18. 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.

²Yields are represented as of the above date and are subject to change.

³After-tax yield assumes a 40.8% Federal Tax Rate.

⁴After-tax yield assumes a MA State tax of 5.31% and a Federal Tax of 40.8%. (EMTR – 3.45%)

⁵Average quality and quality distribution is calculated using a split to high methodology.

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