

IR+M's Crossover philosophy is embedded in our value-oriented, bottom-up investment approach from the perspective of a tax-sensitive investor. Both taxable and municipal bonds are evaluated on the basis of credit quality, structure, and after-tax relative value to construct 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
- Municipal/taxable market supply/demand imbalances
- Stability of cash flows
- Credit quality
- Liquidity
- Structure opportunities

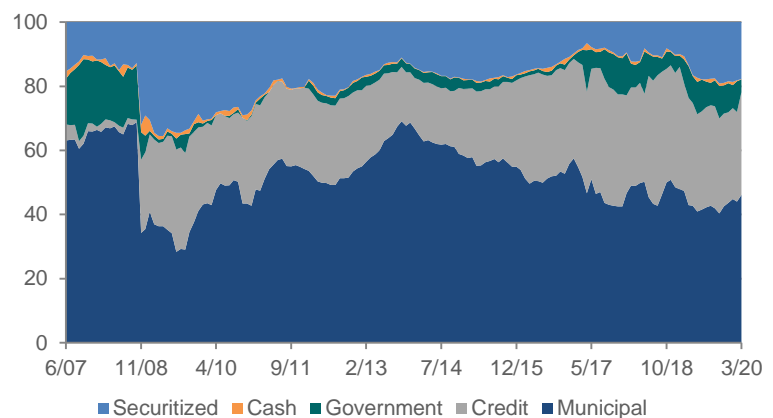
IR+M Crossover Implementation

- 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
- Transparent process and portfolio; rigorous but flexible analytics allow portfolio manager expertise to guide decision making

IR+M Private Client Crossover Strategy Characteristics

3/31/20 Characteristics	IR+M Private Client Crossover Portfolio	Index
Yield (%)	2.84	1.45
After-Tax Yield (%)	2.04	1.19
Duration	3.92	3.88
Avg. Quality	Aa3/AA-	Aa2/AA
Sector Distribution (%)		
Government	3.9	32.1
Credit	32.1	17.8
Securitized	17.9	0.0
Municipals	46.1	50.1
Cash	0.1	0.0

IR+M Private Client Crossover Allocation Shift



IR+M CROSSOVER MANAGEMENT

- Exposure to IR+M's best and most tax efficient ideas
- Consistent and experienced Portfolio Management team since inception in 2005
- \$4.2 billion in Crossover AUM

For further information, please contact:

Eric Mueller, CFA, Client Portfolio Manager (617) 330-9333 eric@incomeresearch.com

Representative portfolio characteristics. Sources: IR+M and Bloomberg Barclays as of 3/31/20. Index is 50% Bloomberg Barclays Intermediate Government Credit Index/50% Bloomberg Barclays 1-10 Year Municipal Blend Index. Some statistics require assumptions for calculations which can be disclosed upon request. A similar analysis can be provided for any portfolio we manage. Yields are represented as of the above date and are subject to change. After-tax yield for IR+M Private Client Crossover Portfolio assumes a 40.8% Federal Tax Rate. Average quality and quality distribution is calculated using a split to high methodology. IR+M Crossover Broad Intermediate Composite sector allocations are shown from 6/30/2007 to 12/31/2017. After 12/31/2017 the IR+M Crossover Fund LLC Portfolio sector allocations are shown due to the corporate tax rate change. No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission from Income Research & Management.



The views contained in this report are those of Income Research & Management (“IR+M”) and are based on information obtained by IR+M from sources that are believed to be reliable. This report is for informational purposes only and is not intended to provide specific advice, recommendations, or projected returns for any particular IR+M product. Investing in securities involves risk of loss that clients should be prepared to bear. More specifically, investing in the bond market is subject to certain risks including but not limited to market, interest rate, credit, call or prepayment, extension, issuer, and inflation risk.

It should not be assumed that the yields or any other data presented exist today or will in the future. Past performance is not a guarantee of future results and current and future portfolio holdings are subject to risk. Securities listed in this presentation are for illustrative purposes only and are not a recommendation to purchase or sell any of the securities listed. Forward looking analyses are based on assumptions and may change. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities listed. Some statistics require assumptions for calculations which can be disclosed upon request.

Copyright © 2020, S&P Global Market Intelligence. Reproduction of any information, data or material, including ratings (“Content”) in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers (“Content Providers”) do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content. A reference to a particular investment or security, a rating or any observation concerning an investment that is part of the Content is not a recommendation to buy, sell or hold such investment or security, does not address the suitability of an investment or security and should not be relied on as investment advice. Credit ratings are statements of opinions and are not statements of fact.

Source ICE Data Indices, LLC (“ICE Data”), is used with permission. ICE Data, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. Neither ICE Data, its affiliates nor their respective third party providers shall be subject to any damages or liability with respect to the adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an “as is” basis and your use is at your own risk. ICE Data, its affiliates and their respective third party suppliers do not sponsor, endorse, or recommend IR+M, or any of its products or services.

Source: Bloomberg Index Services Limited. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively “Bloomberg”). BARCLAYS® is a trademark and service mark of Barclays Bank Plc (collectively with its affiliates, “Barclays”), used under license. Bloomberg or Bloomberg’s licensors, including Barclays, own all proprietary rights in the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays approves or endorses this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith.

IR+M claims compliance with the CFA Institute Asset Manager Code of Professional Conduct. This claim has not been verified by the CFA Institute.

This material may not be reproduced in any form or referred to in any other publication without express written permission from IR+M.