

# Intermediate Bond Wrap

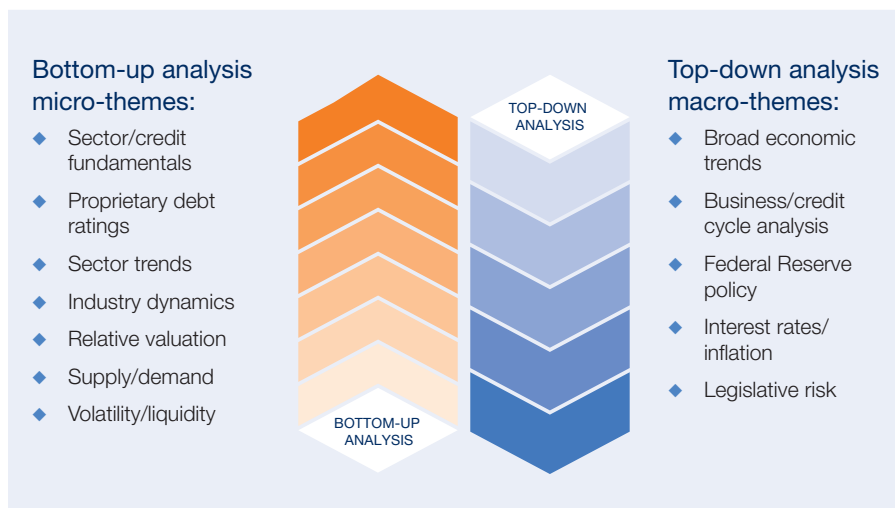
## TAXABLE FIXED INCOME STRATEGY

**SEIX** ◆  
INVESTMENT  
ADVISORS LLC®

### INVESTMENT PROCESS

Our process utilizes a blend of fundamental top-down and bottom-up analyses as the basis for structuring client portfolios executed by a team of seasoned fixed income investment professionals supported by a well-resourced team of career analysts.

Team members are incentivized to identify and bring forth ideas that will add value to our clients' portfolios. This dynamic process is highly attractive and motivational to experienced investment management professionals, and it has served the firm and our clients well since our inception in 1992.



### FIRM FACTS

- ◆ Founded in 1992, Seix maintains its focus on providing fixed income strategies for institutional investors around the globe
- ◆ 42 investment professionals\*

\* As of 6/30/2020

### INVESTMENT PHILOSOPHY

We believe that the highest risk-adjusted returns are achieved with an investment approach that employs: in-depth company research, optimal security structures, and astute risk adjusted expected return analysis, all supported by rigorous and time-tested sell disciplines.

### INVESTMENT OBJECTIVE

Seeks to deliver current income and capital appreciation by investing in U.S. government, high-grade corporate, and agency mortgage-backed securities opportunistically.

### INVESTMENT STYLE

- ◆ Active management
- ◆ Intermediate-term duration
- ◆ U.S. Treasuries, U.S. agencies, U.S. corporate debt (investment grade), and U.S. mortgage-backed securities
- ◆ Benchmark: Bloomberg Barclays Intermediate Government/Credit Bond Index

### PORTFOLIO MANAGERS



**Jim Keegan**  
CIO & Chairman  
Industry experience since 1982  
Joined Seix in 2008



**Perry Troisi**  
Senior Portfolio Manager  
Industry experience since 1986  
Joined Seix in 1999



**Michael Rieger**  
Senior Portfolio Manager  
Industry experience since 1986  
Joined Seix in 2007



**Carlos Catoya**  
Portfolio Manager,  
Head of IG Credit Research  
Industry experience since 1987  
Joined Seix in 2001



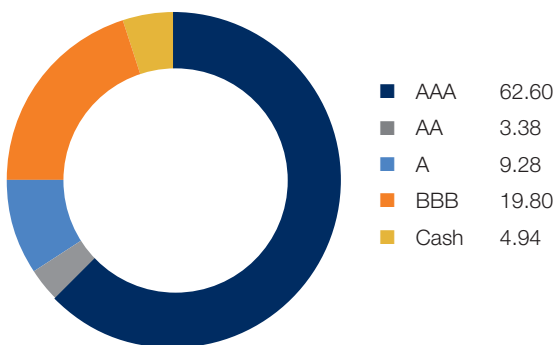
**Jon Yozzo**  
Portfolio Manager,  
Head of IG Corporate Bond Trading  
Industry experience since 1991  
Joined Seix in 2000

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## TAXABLE FIXED INCOME STRATEGY



### CREDIT QUALITY (%) AS OF 6/30/2020



### PORTFOLIO CHARACTERISTICS AS OF 6/30/2020

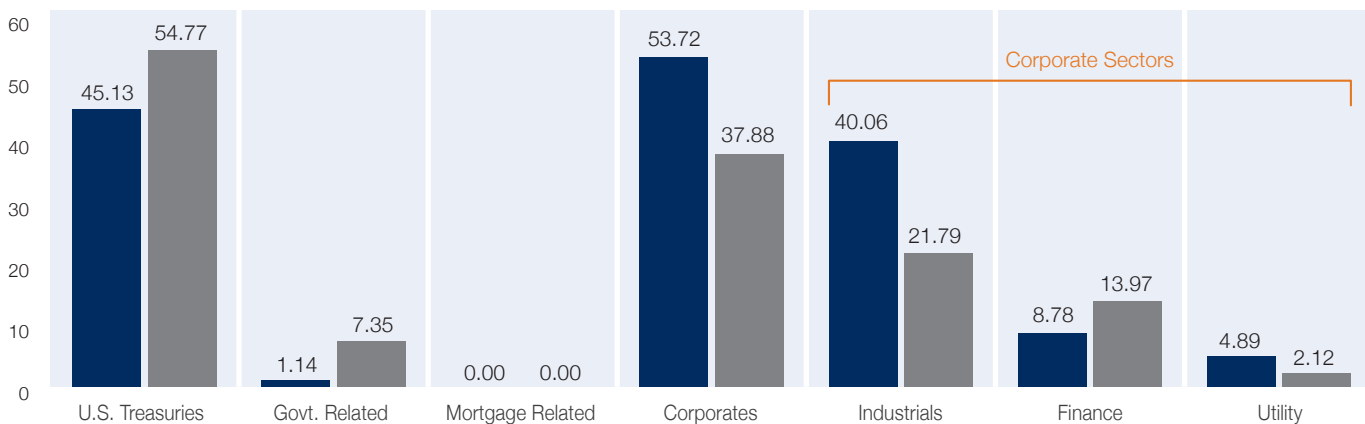
	Portfolio	Bloomberg Barclays Intermediate Gov/Credit Bond Index
Effective Duration (years)	4.08	4.09
Effective Yield (%)	0.86	0.77
Current Yield (%)	1.79	2.36
Average Maturity (years)	4.75	4.46
Number of Holdings	51	5,203
Average Credit Quality	AA-	AA2/AA3

### DURATION GUIDELINES

+/-5% of the Bloomberg Barclays Intermediate Government/Credit Bond Index

### SECTOR DIVERSIFICATION—DURATION CONTRIBUTION (%) AS OF 6/30/2020

■ Portfolio ■ Bloomberg Barclays Intermediate Government/Credit Bond Index



Sector weightings are subject to change.

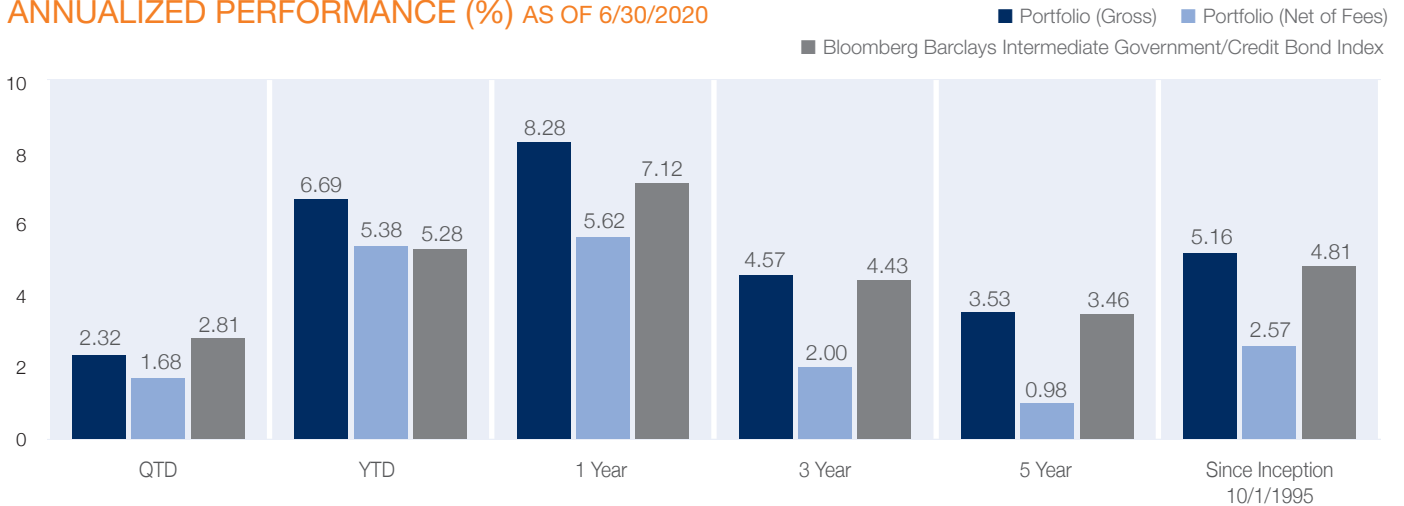
Credit Ratings noted herein are calculated based on S&P, Moody's, and Fitch ratings. Generally, ratings range from AAA, the highest quality rating, to D, the lowest, with BBB and above being called investment grade securities. BB and below are considered below investment grade securities. If the ratings from all three agencies are available, securities will be assigned the median rating based on the numerical equivalents. If the ratings are available from only two of the agencies, the more conservative of the ratings will be assigned to the security. If the rating is available from only one agency, then that rating will be used. Ratings do not apply to a fund or to a fund's shares. Ratings are subject to change.

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## TAXABLE FIXED INCOME STRATEGY



### ANNUALIZED PERFORMANCE (%) AS OF 6/30/2020

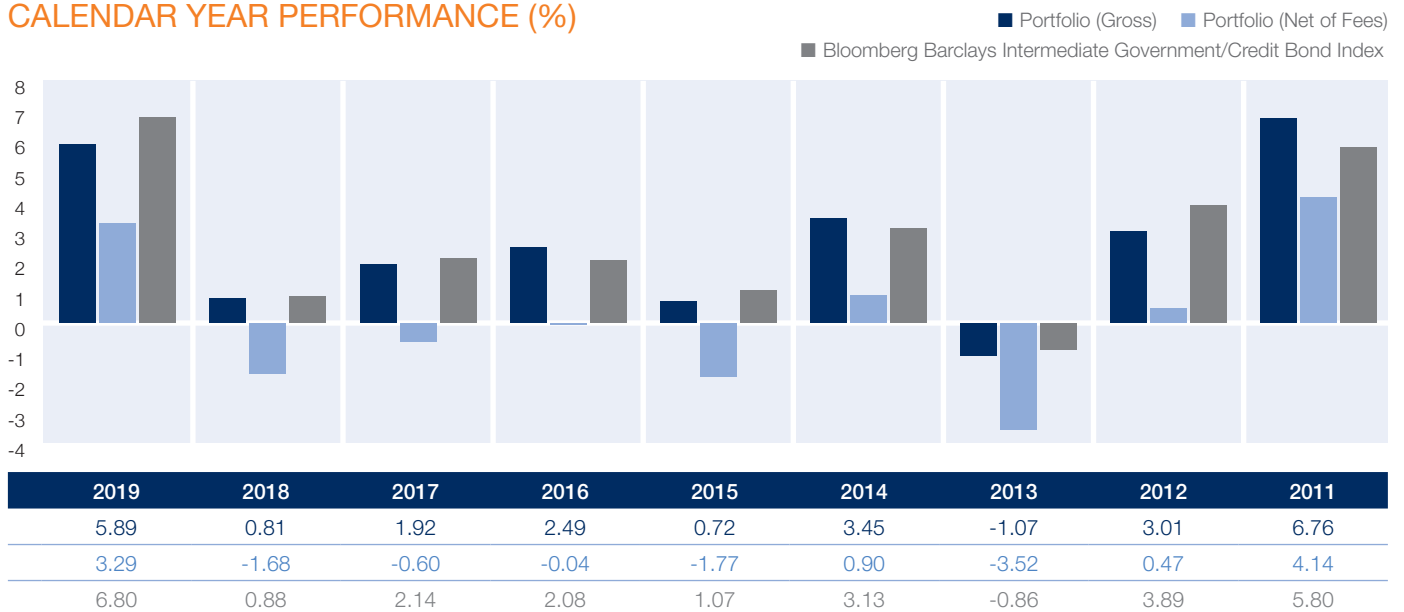


Net returns are calculated by subtracting the highest applicable wrap fee (2.50% on an annual basis, or 0.21% monthly) on a monthly basis from the gross composite monthly return.

Past performance is not indicative of future results. The above information is shown as supplemental information only and complements the fully compliant presentations. Periods greater than one year are annualized.

Bloomberg Barclays Intermediate Government/Credit Bond Index is an unmanaged index composed of all bonds that are investment grade rated Baa or higher by Moody's or BBB or higher by S&P. The Index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

### CALENDAR YEAR PERFORMANCE (%)



For information, contact:

Seix Investment Advisors LLC | 201.391.0300 | [www.seixadvisors.com](http://www.seixadvisors.com)

## Intermediate Bond Wrap Composite Data

Year End	Total Firm	Composite Assets		Annual Performance and Standard Deviation					
	Assets (\$ mil)	US\$ (\$ mil)	# of Wrap Sponsors	Net Composite Return	Pure Gross Composite Return	Composite 3-Year Std. Dev.	Bloomberg Barclays Interm. Govt/Credit Bond Index	Index 3-Year Std. Dev.	Composite Dispersion
2019	18,071	20	5 or fewer	3.29%	5.89%	2.07%	6.80%	2.04%	N/A
2018	21,160	32	5 or fewer	-1.68%	0.81%	2.12%	0.88%	2.09%	N/A
2017	24,843	29*	5 or fewer	-0.58%	1.93%	2.07%	2.14%	2.11%	N/A
2016	27,631	25**	5 or fewer	0.01%	2.54%	2.20%	2.08%	2.22%	N/A
2015	25,698	32	5 or fewer	-1.74%	0.75%	2.05%	1.07%	2.10%	N/A
2014	30,989	38	5 or fewer	0.90%	3.45%	1.91%	3.13%	1.94%	N/A
2013	26,600	51	5 or fewer	-3.52%	-1.07%	2.20%	-0.86%	2.11%	N/A
2012	26,141	47	5 or fewer	0.47%	3.01%	2.30%	3.89%	2.16%	N/A
2011	26,147	59	5 or fewer	4.14%	6.76%	2.59%	5.79%	2.55%	N/A
2010	25,855	89	5 or fewer	3.60%	6.22%	-	5.89%	-	N/A

N/A - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

\* On 7/25/2019, composite assets were updated to \$29 million from \$23 million \*\* On 7/25/2019, composite assets were updated to \$25 million from \$19 million

Seix Investment Advisors LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Seix Investment Advisors LLC has been independently verified for the periods January 1, 1993 through December 31, 2018. The verification reports 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.

Seix Investment Advisors LLC is an SEC-registered investment adviser and wholly owned subsidiary of Virtus Investment Partners. The firm maintains a complete list and description of composites, which is available upon request.

The Seix Intermediate Bond Wrap Composite consists of all Intermediate Bond Wrap Fee accounts managed by Seix in all participating Wrap Fee Sponsors' Programs. The minimum account size for inclusion in the composite is \$500,000. For comparison purposes, the composite is measured against the Bloomberg Barclays US Intermediate Government/Credit Bond Index. The Bloomberg Barclays US Intermediate Government/Credit Bond Index is an unmanaged index consisting of Treasuries (i.e., public obligations of the U.S. Treasury), agencies (i.e., publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government), and publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements. Securities must be rated investment-grade (Baa3/BBB- or higher) and must have a maturity from 1 up to (but not including) 10 years. Index returns do not reflect the deduction of any fees.

The Seix Intermediate Bond Wrap Composite returns for 2007 through 2012, and composite assets for 2008, have been restated to correct errors made in those time periods. In all cases the restatements resulted in an increase in returns or assets from previously reported results. All corrections have been made in accordance with Seix's Error Correction Policy which is available upon request.

The Seix Intermediate Bond Wrap Composite was created July 1, 2001, and has a performance inception date of October 1, 1995. Prior to September 30, 2017, the Seix Intermediate Bond Wrap Composite was named the Seix Intermediate Bond SMA Composite.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. The U.S. dollar is the currency used to express performance. Returns include the reinvestment of all income. The annual composite dispersion presented is an asset-weighted standard deviation for the wrap sponsors in the composite the entire year.

Pure Gross returns are presented as supplemental information, do not reflect the deduction of any trading costs, fees or expenses and are presented for comparison purposes only. Net returns are calculated by subtracting on a monthly basis the highest assumed wrap fee (2.50% annually or 0.21% per month) from the gross composite monthly return. The assumed wrap fee includes all charges for portfolio management, trading costs, custody and other administrative fees.

Actual wrap fees vary by Program Sponsor. Please refer to the Program Sponsor's ADV 2A for a full disclosure of the fee schedule for wrap fees. Returns realized by clients will be reduced by the actual wrap fee rates and rates incurred by clients will vary.

Performance presented for the period prior to March 31, 2008 occurred while the Portfolio Management Team was a part of Seix Advisors, the Fixed Income division of Trusco Capital Management, Inc. ("Trusco") and the predecessor of Seix Investment Advisors LLC. Effective as of March 31, 2008, Seix Advisors began operating as a separate legal entity, named Seix Investment Advisors LLC ("Seix"), and Trusco was renamed as RidgeWorth Capital Management, Inc. Effective as of May 23, 2014, RidgeWorth Capital Management, Inc. became RidgeWorth Capital Management LLC, and Seix merged with StableRiver Capital Management LLC, a wholly owned subsidiary of RidgeWorth Capital Management LLC. Effective June 1, 2017, RidgeWorth Capital Management LLC was acquired by Virtus Investment Partners, Inc. ("Virtus"). Seix is an SEC-registered investment adviser and is a wholly owned subsidiary of Virtus Partners, Inc., a wholly owned subsidiary of Virtus.

Seix has retained the identical investment style since the inception of the composite. Seix also maintains the records necessary to support the performance of all composites and will provide these records upon request. Policies for valuing portfolios, calculating performance, and preparing compliant presentation are available upon request. **Past performance is not indicative of future results.**

#### IMPORTANT RISK CONSIDERATIONS

**Credit & Interest:** Debt securities are subject to various risks, the most prominent of which are credit and interest rate risk. The issuer of a debt security may fail to make interest and/or principal payments. Values of debt securities may rise or fall in response to changes in interest rates, and this risk may be enhanced with longer-term maturities. **ABS/MBS:** Changes in interest rates can cause both extension and prepayment risks for asset- and mortgage-backed securities. These securities are also subject to risks associated with the repayment of underlying collateral. **Market Volatility:** Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions, or other events could have a significant impact on the fund and its investments, including hampering the ability of the fund's portfolio manager(s) to invest the fund's assets as intended.

#### DEFINITIONS & DISCLOSURES

Bonds offer a relatively stable level of income, although bond prices will fluctuate providing the potential for principal gain or loss. Intermediate-term, higher quality bonds generally offer less risk than longer-term bonds and a lower rate of return. Generally, a Portfolio's fixed income securities will decrease in value if interest rates rise and vice versa. Although a Portfolio's yield may be higher than that of fixed income strategies that purchase higher rated securities, the potentially higher yield is a function of the greater risk of that strategy's underlying securities.

Effective Duration is the percentage change in the price of a bond given a parallel shift in the semi-annual par coupon government yield curve while keeping option-adjusted spread constant. An option pricing model is used to account for the impact of embedded options such as call or put features.

Weighted Average Maturity is the average time until a portfolio's securities mature, weighted in proportion to the amount invested in the portfolio.

Average Credit Quality is the weighted average of the credit ratings for the bonds held in the portfolio according to the Bloomberg Barclays methodology. The Bloomberg Barclays methodology states that when all three rating agencies (S&P, Moody's, and Fitch) provide a rating on a particular security, the rating will be the middle of the three. If only two of the three agencies provide a rating, the rating will be the lowest of the two ratings. If only one rating agency assigns a rating, it will be that rating.

Effective Yield is the yield of a hypothetical bullet bond created by stripping out the options value of a bond with embedded optionality such as call or put features.

Current Yield is an investment's annual income (interest or dividends) divided by the current price of the security. This measure looks at the current price of a bond instead of its face value. Current yield represents the return an investor would expect if the owner purchased the bond and held it for a year, but current yield is not the actual return an investor receives if he holds a bond until maturity.

This information and general market-related projections are based on information available at the time, are subject to change without notice, are for informational purposes only, are not intended as individual or specific advice, may not represent the opinions of the entire firm, and may not be relied upon for individual investing purposes. Information provided is general and educational in nature, provided as general guidance on the subject covered, and is not intended to be authoritative. All information contained herein is believed to be correct, but accuracy cannot be guaranteed. This information may coincide or conflict with activities of the portfolio managers. It is not intended to be, and should not be construed as investment, legal, estate planning, or tax advice. Seix Investment Advisors does not provide legal, estate planning or tax advice. Investors are advised to consult with their investment professional about their specific financial needs and goals before making any investment decisions.

**HOLDINGS DISCLOSURE** The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account's portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed do not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any of the securities transactions or holdings discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein.