

The Conning-Goodwin Capital Core Plus Bond CIF R1

Fourth Quarter 2018

ASSET MANAGEMENT | PRODUCT SHEET

Fund Objective

The Conning-Goodwin Capital Core Plus Bond CIF is a collective investment fund (“CIF”) and has an investment objective of generating a high level of current income and appreciation of capital consistent with prudent investment risk. There is no guarantee that the CIF will achieve its objective.



Investment Philosophy

The Conning-Goodwin Capital Core Plus Bond CIF strategy employs active sector rotation, strong security selection and disciplined risk management. Our relative value investment process combines top-down sector allocation and bottom-up issue selection. Sector allocation begins with the analysis of each of the 13 sectors in our investment universe. Relative valuation among the sectors is established in order to identify opportunities. Based on our assessment of relative value, we establish target portfolio allocations for each sector, emphasizing the most undervalued. Issue selection starts by running excess return and spread data for the investible universe, to identify which securities represent relative value opportunities. Once identified, the analysts and traders provide fundamental and technical perspectives. Portfolio managers then use this information to add those securities they believe hold the best relative value to the portfolio. Risk is managed by overlaying a variety of security and portfolio limitations, and via rigorous monitoring and review. The portfolios are managed to be duration neutral to the benchmark.

Team

Lynn Ryan, CFA
Portfolio Manager
27 years of experience

Cynthia Beaulieu
Portfolio Manager
26 years of experience

Stephen Fitzsimmons
Portfolio Manager
9 years of experience



About the Fund

The Conning-Goodwin Capital Core Plus Bond CIF is a collective investment fund created by the Hand Composite Employee Benefit Trust and sponsored by Hand Benefits & Trust Company, a BPAS company, that invest in the strategies of Goodwin Capital Advisers, Inc. which serves as the advisor to the CIFs. This collective investment fund is available for investment by eligible

qualified retirement plan trusts only.

The expense ratio consists of the annual management fee and operating expenses for this particular unit class of the CIF. Hand Benefit & Trust Company, the CIF’s Trustee, has agreed to cap expenses so that the CIF’s total expense ratio will not exceed 0.35%. The effect of the Total Expense Ratio per \$1,000 investment for the Conning-Goodwin Capital Core Plus is \$3.50 per year. This includes zero basis points for service fees. The expense cap may be reduced or terminated at any time.

Quality Distribution

	Portfolio (%)	Barclays Agg (%)
AAA	56.4	72.8
AA	7.7	3.6
A	11.0	10.0
BAA	21.3	13.6
BA	2.3	0.0
B	0.7	0.0
CAA & Below	0.1	0.0
NR	0.5	0.0
Total	100.0	100.0

Statistics

Net Assets	\$60.2 mm
Effective Duration	5.7 years
Average Maturity	7.9 years
Average Yield to Maturity	3.8%
Average Coupon	3.7%
Turnover (1 yr)	39.4%
Category	Intermediate Term Bond

Sector Weightings

	Portfolio (%)	Barclays Capital U.S. Agg Index (%)
Investment Grade Corporates	28.8	24.3
Agency Mortgage-Backed Securities	29.8	28.2
U.S. Treasuries & Cash	13.3	38.9
Commercial Mortgaged-Backed Securities	8.8	2.0
Taxable Municipals	8.9	0.6
Asset-Backed Securities	3.9	0.5
High Yield Corporates	3.3	0.0
Treasury Inflation Protected Securities	2.1	0.0
Yankees (Non-Corporates)	1.0	4.1
Emerging Markets	0.2	0.0
Tax-Exempt Municipals	0.0	0.0
Agency Securities	0.0	1.4
Non-Agency Residential Mortgage-Backed Securities	0.0	0.0
TOTAL	100.0	100.0

Top Ten Holdings

Holding	% of Portfolio
ISHARES	7.07%
FG G08715	3.33%
FN AS6520	3.07%
FN AW8643	3.00%
US TREASURY N/B	1.59%
US TREASURY N/B	1.52%
FN AS6075	1.50%
US TREASURY N/B	1.35%
US TREASURY N/B	1.26%
FN BJ0639	1.17%

The CIF is not a mutual fund. Its shares are not deposits of Hand Benefits & Trust Company, a BPAS company, or Goodwin Capital Advisers, and are not insured by the Federal Deposit Insurance Corporation or any other agency. The CIF is a security which has not been registered under the Securities Act of 1933 and is exempt from investment company registration under the Investment Act of 1940.

Performance

Strategy	QTD	YTD	1 YR	3 YR	Since Inception
Conning-Goodwin CIF	1.12	-0.55%	-0.55%	2.80%	2.15%
Bloomberg Barclays U.S. Aggregate Index ¹	1.64%	0.01%	0.01%	2.06%	1.79%

The Fund was funded on July 21, 2015. The CIF performance inception date is August 1, 2015, which reflects the first full month of performance. Periods ending 9/30/18. Past performance is not a guarantee of future results.

Composite Performance

Strategy	QTD	YTD	1 YR	3 YR	5 YR	10 YR
Core Plus Fixed Income (Gross)	1.34%	0.05%	0.05%	3.33%	3.40%	5.69%
Core Plus Fixed Income (Net)	1.27%	-0.21%	-0.21%	3.07%	3.16%	5.44%
Bloomberg Barclays U.S. Aggregate Index ¹	1.64%	0.01%	0.01%	2.06%	2.52%	3.48%

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About Goodwin

Goodwin specializes in managing fixed-income investments on behalf of institutional clients, including Taft-Hartley plans, public entities, not-for-profit organizations and corporations. As of December 31, 2018 assets under management totaled \$893.5 million.

Goodwin offers a range of actively managed multi-sector strategies that use a disciplined and repeatable investment process, with the objective of maximizing total return. We believe that active sector rotation, combined with disciplined risk management and careful security selection, may result in optimal performance for our clients in the fixed-income markets. We avoid interest rate forecasting and are duration neutral.

Principal Risks Disclosure

Among the principal risks of investing in the CIF are:

Interest Rate Risk: The value of your investment may also go down when interest rates rise. A rise in rates tends to have a greater impact on the prices of longer term or longer duration securities.

Credit Risk: The risk that an issuer of securities will be unable to pay principal and interest when due, or that the value of the security will suffer because investors believe the issuer is less able to pay.

Prepayment and/or Extension Risk: Many fixed-income securities, including lower rated securities and especially those issued at high interest rates and with longer maturities, provide that the issuer may repay them early. Issuers often exercise this right when prevailing interest rates are lower than the interest rate of the security. Accordingly, holders of callable securities may not benefit fully from the increase in value that other fixed-income securities experience when rates decline. The CIF may also lose any premium it paid on the security and most likely would have to reinvest the proceeds of the payoff at current yields, which would be lower than those paid by the security that was paid off. If interest rates rise, repayments of fixed-income securities may occur more slowly than anticipated by the market. This may drive the prices of these securities down because their interest rates are lower than the current interest rate and they remain outstanding longer.

Because the investment's market value may fluctuate up and down, an investor may lose money, including part of the principal, when he or she buys or sells the investment.

A more complete description of the principal risks of investing in the CIF can be found in the CIF's Investment Policy Statement, which is available upon request by calling Goodwin Capital Advisers at 1-800-814-1897.

FIRM DEFINITION

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OTHER NOTES

Performance results are based on all fully discretionary portfolios under management, including those accounts no longer with the firm. Composite results are presented on both a "gross of fee" and "net of fee" basis. Gross returns are presented before management fees and after trading expenses. Net fees are reduced by actual investment advisory fees and other expenses that may be incurred in the management of the account. All portfolios are valued based on principal market values plus accrued income. The market value of an account is the sum of a portfolio's cash balances and securities valued at market prices plus accrued income. Interest is recorded on an accrual basis and dividends are recorded on the ex-dividend date. Trade date accounting is used for portfolio valuation. Beginning January 1, 2006, portfolio returns are calculated daily and linked to provide monthly returns for composite calculation. Composite returns are calculated monthly as an asset-weighted average using beginning of month portfolio values. Prior to January 1, 2006, portfolio returns were calculated on a monthly basis using a time-weighted rate of return calculation.

Internal Dispersion (or asset-weighted standard deviation) of the accounts that make up the composite's returns are calculated from the accounts annual return variance from the weighted mean annual returns. Only portfolios that have been managed within the composite style for a full year are included in the dispersion calculation. This calculation is not considered meaningful for periods of less than a full year or for annual periods containing five or fewer portfolios. Composite dispersion measures represent the consistency of a firm's composite performance results with respect to the individual portfolio returns within a composite. The three-year annualized ex-post standard deviation measures the variability of the composite (gross returns) and the benchmark for the 36-month period ending as of the dates provided. This calculation is only shown for annual periods with at least 36 months of return history.

The current rates of return may not be indicative of future rates of return; other methods of performance calculation may produce different results and the results for individual accounts and for different periods may vary. There have been minimal changes in personnel responsible for investment management of this composite. A list of composite descriptions, policies for valuing portfolios, calculating performance and preparing compliant presentations is available upon request. For use only with eligible qualified retirement plan sponsors and participants.

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