

# SAGE

INVEST WITH WISDOM

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## FUND OBJECTIVE

The Sage Growth Fund strategy is a global asset allocation portfolio that is managed consistent with the risk orientation of a growth investor. The strategy will invest in the global fixed income, global equity and alternative market segments. Tactical allocation decisions will be applied on two levels; at the broad asset class level and within the various fixed income, equity and alternative market segments.

## INVESTMENT PHILOSOPHY

Focus on getting the big market segment decisions right. This is based on our belief that the exposure to market segments within an asset allocation has the most meaningful impact on portfolio performance and risk management.

Work diligently to maintain a unique perspective on asset allocation decisions. Meet regularly to evaluate the market segment decisions through a top-down investment process that includes an evaluation of macroeconomic, fundamental, relative valuation and technical analysis.

Apply tactical approach. The opportunities and risks associated with various market segments change constantly and it is vital to tactically adjust market segment exposure as market and economic conditions change.

## ABOUT THE FUND

The Sage Funds are collective investment funds ("CIFs") created by the Hand Composite Employee Benefit Trust and sponsored by Hand Benefits & Trust Company, a BPAS company, that invests in the strategies of Sage Advisory Services, Ltd. Co. which serves as the sub-advisor to the CIFs.

This CIF is available for investment by eligible qualified retirement plan trusts only and has been created specifically for 401(k) and other employer-sponsored retirement plan investors.

## 3 YEAR RISK/REWARD STATISTICAL ANALYSIS

	Growth Strategy	80/20 Global Benchmark**
Standard Deviation	8.52%	8.38%
Sharpe Ratio	0.54%	0.69%
Beta	1.23	-
Annual Turnover Rate	218.19%	-

Share Class	R1
CUSIP	41023V231
Inception Date	Jan. 29, 2014
Total Expense Ratio	0.58%

Total Expense Ratio: The effect of the Total Expense Ratio per \$1,000 investment for the Sage Growth Fund is \$5.80 per year. The expense ratio does not include service fees payable to the plan's service providers. The expense ratio includes the underlying ETF expenses.

## SAGE GROWTH FUND R1

AGGRESSIVE ALLOCATION · MARCH 31, 2017

## PERFORMANCE SUMMARY\*

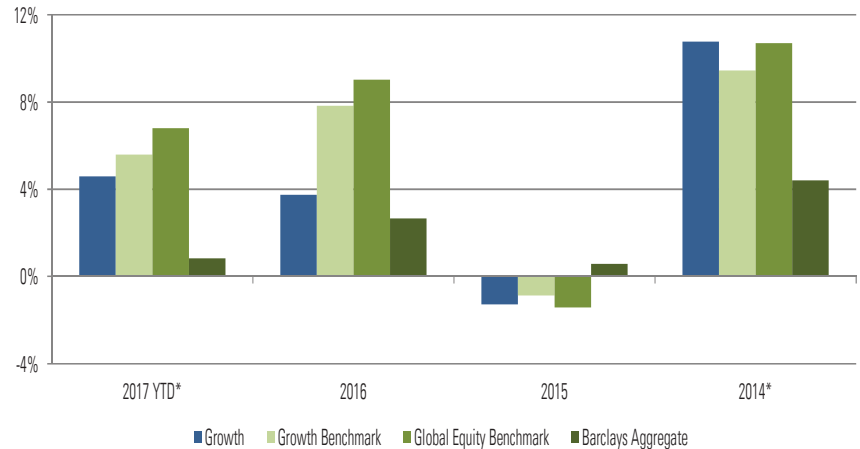
Period Return	Quarter to Date Returns	Year to Date Returns	One Year Returns	Three Years Annualized Returns	Five Years Annualized Returns	Since Inception Returns
Growth Strategy	4.58%	4.58%	7.91%	4.51%	n/a	5.56%
80/20 Global Benchmark**	5.58%	5.58%	12.47%	5.76%	n/a	6.89%
Global Equity Benchmark***	6.80%	6.80%	15.64%	6.42%	n/a	7.85%
Barclays Aggregate Index	0.82%	0.82%	0.44%	2.68%	n/a	2.66%

\* See Disclosures on the back page.

\*\* 80/20 Global Benchmark (48% S&P 500/32% MSCI ACWI Ex-US/20% BCAGG)

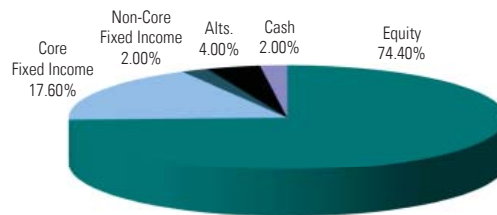
\*\*\* Global Equity Benchmark (60% S&P 500/40% MSCI ACWI Ex-US)

## ANNUAL RETURNS



\* Returns not annualized.

## ASSET ALLOCATION



## TOP 10 HOLDINGS

SPY	SPDR S&P 500	18.16%
IEFA	ISH CORE EAFE	16.33%
EFA	ISH MSCI EAFE	12.24%
IVE	ISH S&P 500 VALUE	7.84%
IJJ	ISH S&P MID CAP 400 VALUE	7.81%
MBB	ISH MBS BOND FD	5.94%
EZU	ISH MSCI EUR	4.20%
VWO	VAN FTSE EMRG MKTS	4.09%
MDY	SPDR S&P 400 MID	3.91%
PDBC	PWRS COMMODITY	3.82%

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This page must be accompanied by Disclosures on back page.  
Past performance is not indicative of future results.

## FIRM OVERVIEW

Sage Advisory Services, Ltd. Co ("Sage"), headquartered in Austin, Texas, serves the institutional and private client marketplace with liability-driven fixed income asset management and tactical ETF strategies. With over a decade of experience utilizing Exchange Traded Funds, Sage was one of the first investment managers to launch an all-ETF strategy back in 2003. In addition to the Core Plus Fixed Income and All Cap Equity Plus strategies, we offer a series of total portfolio solutions that have a target-risk orientation. Our investment and research process is built around the forward-looking tactical management of the big market segment decisions, as we believe the market segment allocation has the biggest impact on portfolio performance and risk management. The depth of our investment team and experience delivering solutions to the institutional marketplace gives Sage a very unique perspective in the way that the tactical ETF strategies are managed.

## ETF IMPLEMENTATION

Exchange Traded Funds offer efficient market segment access and the structural advantages necessary to tactically manage a multi-asset class strategy. Each strategy is implemented using 10-20 ETF's which have been researched and vetted by the Sage research department.

## PRINCIPAL RISKS

Any of the principal risks summarized below may adversely affect the Fund's net asset value, performance and ability to meet its investment objective.

**Suitability:** Investors are expected to select investments whose investment strategies are consistent with their financial goals and risk tolerance.

**Active Management:** The investment is actively managed and subject to the risk that the advisor's usage of investment techniques and risk analyses to make investment decisions fails to perform as expected, which may cause the portfolio to lose value or underperform investments with similar objectives and strategies or the market in general.

**ETF:** Investments in exchange-traded funds generally reflect the risks of owning the underlying securities they are designed to track, although they may be subject to greater liquidity risk and higher costs than owning the underlying securities directly because of their management fees. Shares of ETFs are subject to market trading risk, potentially trading at a premium or discount to net asset value.

**ETN:** Investments in exchange traded notes may be subject to the risk that their value is reduced because of poor performance of the underlying index or a downgrade in the issuer's credit rating, potentially resulting in default. The value of these securities may also be impacted by time to maturity, level of supply and demand, and volatility and lack of liquidity in underlying markets, among other factors. The portfolio bears its proportionate share of fees and expenses associated with investment in ETNs, and its decision to sell these holdings may be limited by the availability of a secondary market.

**Underlying Fund/Fund of Funds:** A portfolio's risks are closely associated with the risks of the securities and other investments held by the underlying or subsidiary funds, and the ability of the portfolio to meet its investment objective likewise depends on the ability of the underlying funds to meet their objectives. Investment in other funds may subject the portfolio to higher costs than owning the underlying securities directly because of their management fees.

**New Fund:** Investments with a limited history of operations may be subject to the risk that they do not grow to an economically viable size in order to continue operations.

## SAGE GROWTH FUND STRATEGY MANAGEMENT DISCLOSURES:

**CIF Disclosure:** The CIF is not a mutual fund. Its shares are not deposits of Hand Benefits & Trust Company, a BPAS company, or Sage Advisory Services, Ltd. Co., 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. **The performance quoted here does not guarantee future results.** As market conditions fluctuate, the investment return and principal value of any investment will change. Diversification may not protect against market risk. There are risks involved with investing, including possible loss of principal. Before investing in any investment portfolio, the client and the financial professional should carefully consider client investment objectives, time horizon, risk tolerance, and fees.

**CIF Performance:** The CIF Investment strategy (the "Strategy") is designed to invest primarily in fixed income ETFs and ETNs, equity ETFs and ETNs, REIT ETFs and ETNs, and commodity ETFs and ETNs. Any reference to ETF herein includes all Exchange Traded Product, such as ETFs and ETNs. Returns are net of all estimated expenses, including underlying ETF expenses, and assumed dividends are reinvested monthly. The CIF performance inception date is January 31, 2014 which reflects the first full month of performance.

**CIF Benchmark:** Sage has reviewed the relevant universe of indices and has determined that 48% S&P 500 Index/32% MSCI All Country World Index Ex-US/20% Barclays Capital Aggregate Bond Market Index most closely resembles the Strategy managed by Sage. The S&P 500 is a capitalization weighted index of 500 stocks, representing all major industries, designed to measure performance of the broad domestic economy. The MSCI All Country World Index Ex-US (MSCI ACWI Ex-US) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets, excluding the United States. The Barclays Capital Aggregate Bond Market Index is an unmanaged index that represents securities that are U.S. Treasuries, U.S. Agencies, U.S. Corporates, mortgage pass-through securities, asset-backed securities, and secured notes having at least one year to final maturity.

**Statistical Definitions:** Standard Deviation: a gauge of risk that measures the degree of dispersion of a portfolio's returns relative to its mean; Sharpe Ratio: a gauge of excess return of a portfolio above the risk free rate (90-day T Bills) divided by the portfolio's standard deviation; Beta: measures the volatility of the portfolio in comparison with the benchmark as a whole; a beta of 1 indicates the portfolio moves with the benchmark. Turnover Ratio: a measure of the fund's trading activity, which is computed by taking the lesser of purchases or sales (excluding all securities with maturities of less than one year) and dividing by average monthly net assets.