



## What's the investment objective?

The objective is to earn at least 4% after all fees and expenses over rolling time windows of at least 7½ years.

## Who manages the portfolio?

This portfolio is managed by BNY Mellon's Investor Solutions team. This team manages over \$28 billion, has an investment track record exceeding 45 years, and consists of more than 60 investment professionals. Investor Solutions serves endowments, foundations, retirement plans, family offices, governments, and financial intermediaries such as Integrated, located around the globe. The larger BNY Mellon organization is the 7th largest asset manager worldwide directing over \$1.8 trillion. The organization also provides custody and/or administration for in excess of \$44.3 trillion.

BNY Mellon also utilizes portfolios managed by other organizations. Investment due diligence on these external managers, is completed by 20 Manager Research professionals with an average of 17 years of industry experience, who conduct over 1,500 manager meetings annually. Oversight is provided by Integrated's Investment Management Department and its Chief Investment Officer, Dr. Rob Brown, in addition to 35 seasoned investment professionals arranged into the three independent and fully autonomous committees: Investment Advisory Council, Investment Committee, and the Oversight Board.

## What's inside the portfolio?

Between ten and sixteen ETFs (Exchange Traded Funds) and actively managed mutual funds, in addition to a small cash sleeve. The portfolio will typically invest (a) between 15% and 35% in stocks and (b) between 5% and 25% outside of the U.S. Generally, at least 50% of the portfolio positions will be managed by organizations other than BNY Mellon.

## This portfolio is sought by those who:

- Prefer a fully active approach with a slightly higher level of tracking to popular passive performance benchmarks,
- Require the portfolio to be managed by an institutional-quality, world class investment management organization, one who is fully independent from Integrated,
- Seek an approach that combs the universe of all possible investment managers and then selects the best, as opposed to restricting the portfolio to the products offered by a single organization, and
- Appreciate that mutual funds and ETFs each have something beneficial to offer, and therefore they seek to combine both in a synergistic fashion.

## How tax efficient is this portfolio?

BNY Mellon ignores taxes in their management of this portfolio. As a consequence, this portfolio is expected to be of below-average tax efficiency.

## Over time, the portfolio is expected to:

- Experience small changes approximately twice a year,
- Replace existing ETFs only rarely,
- Aggressively replace active mutual funds when Mellon believes that future prospects have been diminished,
- Maintain the allocation to equities relatively unchanged during severe bear market declines, and
- Limit the size and type of portfolio changes with the objective of avoiding tracking error increases (relative to popular passive index benchmarks).

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### Integrated's investment platform offers choice

Integrated's menu of investment solutions offers advisors a breadth of choice across numerous dimensions. Twelve highly differentiated series provide access to 62 well diversified portfolios. The Custom series offers additional choice through its unique ability to custom tailor, build, and manage specialized portfolios for larger client relationships.

| Investment series               | Number of portfolios available | Investment manager                 | Types of securities utilized |
|---------------------------------|--------------------------------|------------------------------------|------------------------------|
| Alternatives                    | 2                              | Integrated                         | BTF, REIT                    |
| Classic                         | 7                              | BNY Mellon                         | AMF, ETF                     |
| Concentrated                    | 5                              | Julex Capital <i>or</i> Integrated | IS, ETF                      |
| Custom                          | <i>infinite</i>                | Integrated                         | <i>anything</i>              |
| Dynamic                         | 4                              | Julex Capital                      | ETF                          |
| Enhanced                        | 7                              | JP Morgan                          | AMF, ETF                     |
| Factor                          | 7                              | BlackRock <i>and</i> Integrated    | AMF, ETF                     |
| Focused                         | 6                              | Integrated                         | IS, ETF                      |
| Fundamental                     | 5                              | BNY Mellon                         | ETF                          |
| Opportunistic (bond)            | 6                              | Julex Capital <i>or</i> Integrated | BTF, ETF                     |
| Opportunistic (sector rotation) | 6                              | Integrated                         | ETF                          |
| Passive                         | 7                              | Dimensional                        | ETF                          |

"ETF" = Exchange Traded Fund, "BTF" = Bond Term Fund, "REIT" = Real Estate Investment Trust, "AMF" = Actively Managed Mutual Fund, "IS" = Individual Stock

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