Virginia Board for the Blind and Vision Impaired
Quarterly Board Meeting
December 12, 2023
11:00 am – 2:00 pm

Location: DBVI – Main Conference Room D16
397 Azalea Avenue
Richmond, VA 23227

Join ZoomGov Meeting -
https://dsa-virginia.zoomgov.com/j/1615692606?pwd=VzJLNUhuQkxXMG9Ra3ByWm5USkNtdz09

Meeting ID: 161 569 2606
Passcode: 813808

Or via Telephone -
1 646 828 7666 US
Meeting ID: 161 569 2606
Passcode: 813808

AGENDA

11:00 am **Call to Order and Welcome**
Chairman D'Addario

11:05 am **Business Items**
Chairman D'Addario
1. Introductions – New Board Member
2. Consent of Agenda
3. Consent of Meeting Minutes – Sept. 26, 2023

11:10 am **Investment Report**
Optimal Services Group

11:40 am **Public Comment**

11:50 am	**Agency Reports** Commissioner Rick Mitchell & Staff
12:15 pm	**Working Lunch – Board Orientation Endowment** The Optimal Service Group
1:15 pm	**Unfinished Business** 1. 2nd Reading - By-Laws Amendment – Wallica Gaines (15 min) 2. Legislative Event – Budget Proposal - Ken Jessup & Bonnie Atwood (20 min) 3. Location of March 2024 Meeting (5 min)
1:55 pm	**New Business** 1. Orientation Practice – Bonnie Atwood (5 min)
2:00 pm	**Adjournment**

DRAFT MINUTES
Virginia Board for the Blind and Vision Impaired

September 26, 2023
11:00 am – 2:00 pm

Location: Department for the Blind and Vision Impaired (DBVI)
397 Azalea Avenue
Richmond, VA 23227

Board Members in Attendance
Joseph Ashley, Robert Bartolotta, Paul D'Addario-Chair, Ken Jessup-Vice Chair

Board Members Absent
Bonnie Atwood, Mazen Basrawi

Guests in Attendance
Bryce Lee, The Optimal Service Group
Jeff Rakes, The Optimal Service Group

DBVI Staff to the Board
Pam Cato, Deputy Commissioner for Services; Wallica Gaines, Deputy Commissioner for Administration; Matt Koch, Deputy Commissioner of Enterprises; Maggie Mills, Executive Assistant to the Commissioner; Dr. Rick Mitchell, Commissioner

Call to Order & Welcome
Chair D'Addario called the meeting to order and welcomed the members in attendance. A quorum was met.

Business Items
Introductions
A roundtable of introductions was conducted.

Consent of Agenda
Mr. D'Addario moved to approve the agenda as presented, and the motion passed unanimously.

Consent of June 27, 2023, Minutes
The Minutes were approved without objection. Minutes were accepted for filing.

Investment Report
The Optimal Service Group (OSG) reviewed DBVI's investment portfolio to date which has been in a long-term asset allocation since December 2021. It was recommended by Optimal Services Group that before DBVI offers grants next year it considers developing a spending plan. *Optimal Services Group will provide data at the December 12, 2023, Board Meeting that can be used to create a spending plan regarding offering grants.*

Public Comment
None

Agency Reports
Commissioner Mitchell and the Deputy Commissioners gave a report on highlights in their divisions.

Commissioner Mitchell shared that on this day in 1973, the Rehabilitation Act of 1973 was passed. Commissioner Mitchell addressed the potential federal government shutdown. He advised that the agency has reviewed its funds and will be fine should this take place; the agency can continue its services.

Commissioner Mitchell and Deputy Commissioner Pam Cato will be conducting virtual Listening Sessions with the six regional offices over the next six months. The first two sessions are being held October 3, 2023, for the Norfolk area. Clients have been invited to discuss what DBVI is doing well and what issues the agency can improve.

On September 25, 2023, the Commissioner and Deputy Commissioners participated in a call with the Rehabilitation Services Administration (RSA) regarding last year's performance data as an agency. The data indicates that the agency continues to grow in some areas, and in some areas, it held steady even with the significant staff changes and bringing on new staff particularly in the Services area.

Deputy Commissioner Koch reported that Virginia Industries for the Blind (VIB) sales are high/best in a decade with Base Supply Centers (BSC) up 49% year-over-year (YOY) for the last three months. All federal sales up 40% YOY. Net operating cash today is growing past $11MM. All VIB revenue up 20% YOY. Expenses also up 22% YOY. Income up 3% YOY. On target with budget. Overall employment steady near 160 employees. Two internal employees were promoted this month; both are individuals who are blind. VIB has a new Contract Management Support (CMS) contract at Ft. Belvoir. CMS Richmond staff will be transitioning to Ft. Belvoir.

Matt had a meeting with the Office of Refugee Resettlement, a national program to help refugees integrate into the United States. He discussed how DBVI can assist those individuals who are blind.

As a result of the VIB Trainee Referral Policy that was recently revived, VIB has its first trainee visiting Ft. Gregg-Adams BSC next week thanks to the referral from the Roanoke regional office. Due to a Fairfax regional office referral, an individual will be visiting Ft. Belvoir BSC for an interview opportunity.

The Strategic Planning process has been completed for VIB.

Virginia Enterprises for the Blind (VEB) is waiting on funding news for Ft. Eustis. New opportunity in Yorktown with Coast Guard to manage 23 food service attendants. Revenues coming back as federal employees return to the office. Matt had a visit to Pentagon this month. Four vendors at that location had best months ever. Total annual sales roughly $20MM. Median income last federal fiscal year was $67K (up from $44K in 2021). New Micro Market with VCCS as a pilot. Strategic Plan under development.

Matt will be hosting a visit to the Vice Chair of the National Council on Disability. The Council makes recommendations to the President and Congress on policies affecting Americans with disabilities.

Deputy Commissioner Cato reported on recruiting efforts for a Vocational Rehabilitation (VR) Specialist and VR Pre-Employment Transition Services (Pre-ETS) Specialist which are both new positions, as well as recruiting for positions in the Norfolk regional office.

The Careers in Action event is scheduled for October 13-15, 2023, in Williamsburg, VA, where students attend with parents and learn about careers in the hospitality industry. The Virginia Rehabilitation Center for the Blind and Vision Impaired (VRCBVI) will hold its annual Family and Friends Day October 14, 2023.

Pam Cato and Commissioner Mitchell will be attending the National Federation of the Blind of Virginia (NFB) State Convention scheduled for November 2 – 5, 2023, in Williamsburg, VA. DBVI will be holding a Public Meeting in conjunction with this convention on November 3 at 5 pm.

DBVI staff will be attending the Council of State Administrators of Vocational Rehabilitation (CSAVR) Fall Conference which is held October 28 - November 1, 2023, and the National Council of State Agencies for the Blind (NCSAB) Fall Conference, held November 1- 3, 2023, both in in Savannah, GA.

The Social Security Vocational Rehabilitation Cost Reimbursement Program allows VR state agencies to recoup some of the funds they spend providing services to individuals in the Commonwealth. Due to staff efforts, DBVI hit a milestone this year. For the federal fiscal year so far, the agency recouped $2.3MM.

The Rehabilitation Teaching & Independent Living (RT/IL) and Older Individuals Who Are Blind (OIB) Program applied and was selected to receive intensive assistance from Mississippi State University. The kick-off meeting is this Thursday, followed by an assessment period and then 12-18 months of intensive assistance.

Deputy Commissioner Gaines reported on the new structure of DBVI's Facilities Department. In the past DBVI has had contracted Security for the campus. The agency recently received funding to hire Security as staff; unfortunately, recruiting has been a challenge.

Under the Capital Program, several large projects are currently underway including the renovation of the Library Resource Center (LRC) and VIB Charlottesville plant.

Deputy Commissioner Gaines reported on the recently created Communications Department including its robust video project recording information from various DBVI locations that demonstrate the work of the agency. DBVI is heavily involved in marketing its services through newsletters, social media, and outreach events. Photos of the Board members will be taken today following the meeting to upload to the Board page on DBVI's website.

Melissa Jackson is DBVI's new Financial and Risk Management Director. DBVI is recruiting for a Fiscal Analyst and Procurement Officer.

DBVI has a Memorandum of Understanding (MOU) with the Virginia Department for Aging and Rehabilitative Services (DARS) which allows DBVI to utilize staff and services of DARS for Human Resources, Fiscal and General Services responsibilities. The MOU is currently undergoing its annual review.

New Business
Reports from Grantees
Currently those applying for grants from the Board are required to submit a report on what was done with the funds received the previous year. The deadline to submit this report has been June 30. Dr. Ashley motioned to change the June 30 deadline to June 1 to coincide with the grant applications deadline, and, in addition, require a status report of how funds are being used to be submitted before the December Board meeting each year. This change to the grant application process will begin with awards that are given in 2024. All were in favor.

Review of DBVI's College Sponsorship for In State and Out of State
Deputy Commissioner Cato reviewed DBVI's policy change to sponsor some of its students' college expenses.

Unfinished Business
Electronic Participation Policy
Previously, the Board amended its bylaws on March 22, 2022, to include Section 4: Member Participation by Electronic Means in Article VI: Conduct of Business. This change to the bylaws was made to allow electronic participation as permitted in § 2.2-3708.2 of the Code of Virginia. At that time this section required the body to adopt a written policy allowing for and governing participation of its members by electronic means. The Board amended the bylaws to establish the policy.

Since that time the Code of Virginia has changed regarding electronic participation in meetings. The Board wishes to adopt a policy outside of its bylaws. Mr. Bartolotta motioned to adopt the policy as distributed via email prior to the Board meeting. All were in favor.

Bylaws Amendment
The change to bylaws regarding electronic participation had its first approval, the Board will consider again at the December Board meeting in accordance with its bylaws. ***Dr. Ashley motioned to change the bylaws with a vote at the December Board Meeting. All were in favor.*

Status of Grant Disbursements
Deputy Commissioner Gaines reported that all grants have been disbursed except Super Summer Camp.

Legislative Event – Budget Proposal
Mr. Jessup reported there is no update to provide. ****He will meet with Dr. Ashley and Bonnie Atwood and will make presentation at the December Board Meeting.***

Location of December 2023 Board Meeting
The December 12, 2023, Board Meeting will be held at DBVI headquarters in Richmond. Tentatively, the March 26, 2024, Board Meeting will be held at VIB Charlottesville location.

Adjournment
Dr. Ashley motioned to adjourn the meeting. All were in favor.

By-Laws
Virginia Board for the Blind and Vision Impaired

ARTICLE I. NAME

The name of this body is the Virginia Board for the Blind and Vision Impaired, hereinafter to be referred to as the Board.

ARTICLE II. LEGAL BASE/PURPOSE

Section 1: Legal Base
Code of Virginia, Title 51.5, Chapter 12 (External Site), Section 51.5-61 (External Site), 51.5-62 (External Site), and 51.5-63 (External Site) provides the legal base for the composition and duties of the Board.

Section 2: Purpose
The Board shall perform the following duties:

1. Advise the Governor, the Secretary of Health and Human Resources, the Commissioner, and the General Assembly on the delivery of public services to and the protection of the rights of blind, visually impaired, deafblind and other persons with disabilities.
2. Review and comment on policies, budgets and requests for appropriations for the Department and applications for federal funds.
3. Create and hold an institutional fund into which it deposits any gift, grant, bequest, allotment, or devise of any nature received from private sources. Authorize use of the proceeds of the fund in accordance with the wishes of the donors and to strengthen the services rendered to the visually handicapped of the Commonwealth.

ARTICLE III. MEMBERSHIP/TERMS OF OFFICE

Section 1: Membership/Terms of Office
The Board shall consist of seven members appointed by the Governor for terms of four years each. No person may serve more than two successive terms, unless filling an unexpired term. Members on the Board shall at all times include four persons who are blind. Also, a majority of Board members shall constitute a quorum for transaction of any legal business.

ARTICLE IV. ORGANIZATION

Section 1: Officers
The officers of the Board shall consist of the Chairman, Vice-Chairman, and Secretary. The Chairman shall preside at Board meetings; in the Chairman's absence, the Vice-Chairman shall preside.

Section 2: Terms of Office
The Board shall elect its officers each year with term of office beginning July 1. The Chairman shall be selected from among its blind members. Officers may be eligible for re-nomination and reelection to successive terms not to exceed four total terms.

Section 3: Meetings
The Board shall meet on a quarterly basis, except as otherwise deemed necessary by the Chairman or a majority of the Board members. All meetings shall be open to the public.

Section 4: Staffing
The Board shall be staffed by a Board Administrator appointed by the Commissioner.

ARTICLE V. SPECIAL COMMITTEES

Special committees may be constituted at any time by action of the full Board or the Chairman. Members shall be appointed by the Chairman. The Chairman may appoint non-Board members to serve on special committees if deemed necessary or appropriate. At the time a special committee is created, its mission shall be specifically established by action of the full Board or by the Chairman. In creating such special committees, the Chairman shall specify the time within which the committee is to make its report to the Board.

ARTICLE VI. CONDUCT OF BUSINESS

Section 1: Procedures
Proceedings of Board meetings shall be as prescribed by Robert's Rules of Order.

The Board may hold a work session preceding regular or special Board meetings when deemed appropriate. A work session agenda, stating the time and place of the session shall be included with the agenda for the regular and/or special meetings of the Board.

Section 2: Executive Sessions
Prior to meeting in an executive session, the Board must adopt a motion to go into executive session. The motion must include specific reference to the substance of the matters to be discussed. The minutes shall reflect the specific Code of Virginia cite for allowable exemption from an open meeting. Matters which may be discussed in an executive session are specified by the Virginia Freedom of Information Act and include:

1. Consideration of employment, assignment, appointment, promotion, demotion, and salaries, disciplining, or resignation of appointees or employees of the Department for the Blind and Vision Impaired.
2. Protection of the privacy of individuals in personnel matters not related to public business.
3. Consultation with legal counsel and briefings by staff members, consultants, or attorneys pertaining to actual or probable litigation or other specific legal matters within the jurisdiction of the Board.

At the conclusion of the executive session, the Board shall reconvene in open session and certify by recorded vote that only matters lawfully exempted from open session, as indicated in the motion for executive session, were discussed. Action taken in executive session must be confirmed in public session.

Section 3: Reimbursement of Expenses
The members of the Board may receive reimbursement for reasonable expenses, as governed by the Virginia State Travel Regulations, incurred while attending meetings of the Board or assigned committee meetings or in performing duties as a member of the Board as authorized by the Chairman.

Section 4: Member Participation by Electronic Means

Individual Board members may participate in meetings of the Board for the Blind and Vision Impaired by electronic means as permitted by the Code of Virginia and Board policy. "

~~It is the policy of the Board for the Blind and Vision Impaired that individual Board members may participate in meetings of the Board by electronic means as permitted by § 2.2-3708.2 of the Code of Virginia.~~

~~This policy shall apply to the entire membership and without regard to the identity of the member requesting remote participation or the matters that will be considered or voted on at the meeting.~~

~~Electronic Member Participation Permission #1: Disability, Medical Condition or Caregiving Obligations – If notified on or before the day of the meeting, it shall be the policy of the Board to allow a member to participate electronically. At the beginning of the meeting, the Chair shall state the member's electronic participation and the general reason (specifics are not required). A quorum of Board members must be physically assembled at the primary or central meeting location, and there must be arrangements for the voice of the remote participant (or other forms of communication for members who rely on communication other than speech) to be heard by all persons at the primary or central meeting location. The Board shall record in its minutes the remote location from which the member participated and the fact that the member participated through electronic means due to a disability, medical condition or caregiving obligation.~~

~~Electronic Member Participation Permission #2: Personal Matters – If notified on or before the day of the meeting, it shall be the policy of the Board to allow a member to participate electronically. At the beginning of the meeting, the Chair shall state the member's electronic participation and the general reason (specifics are not required). Each Board member may only use this permission one time per year, or 25 percent of the meetings held per calendar year rounded up to the next whole number, whichever is greater. A quorum of the Board members must be physically assembled at the primary or central meeting location, and there must be arrangements for the voice of the remote participant (or other forms of communication for members who rely on communication other than speech) to be heard by all persons at the primary or central meeting location. The Board shall record in its minutes the remote location from which the member participated and the nature of the personal matter cited by the member.~~

~~Individual participation from a remote location shall be approved unless such participation would violate this policy or the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq. of the Code of Virginia).~~

~~If a member's participation from a remote location is challenged, then the Board shall vote on whether to allow such participation. If the Board votes to disapprove of the member's participation because such participation would violate this policy, such disapproval shall be recorded in the minutes with specificity.~~

~~The Board may meet without a quorum physically assembled at one location if the meeting is being held solely to receive presentations, updates, public comment, or conduct other forms of information gathering. If a quorum is not physically assembled, the Board shall not take any~~

~~votes or make any formal recommendations at the meeting. The meeting notice shall include the electronic communication means by which members of the public may witness the meeting.~~

ARTICLE VII. REPORTS

The Board shall provide reports to the Governor, Secretary of Health and Human Resources and the General Assembly upon request.

ARTICLE VIII. OFFICIAL PAPERS

Official records of the Board, except records of executive sessions, shall be kept on file in the Department for the Blind and Vision Impaired and shall be open to inspection. Records of executive sessions will be maintained separately and are not open to the public. All records will be maintained for five years.

ARTICLE IX. PUBLIC PARTICIPATION

Major presentations before the Board shall be limited to ten minutes each, with additional or supportive speakers being allowed two minutes. Members of the public who attend Board meetings should notify the Department in advance if special accommodations are needed. Speakers before the Board are encouraged to provide written copies of their presentations. Written comments supporting a position are strongly encouraged.

ARTICLE X. PRESENTATION AND ACTION ON RESOLUTIONS

Resolutions to be acted upon by the Board shall be included in the agenda materials distributed prior to a regular meeting or mailed directly to Board members prior to such distribution of agenda materials.

Unless otherwise specified by the Board Chairman, resolutions that are not included in the agenda materials distributed prior to a regular meeting shall be presented in writing and given to each member of the Board on the day of the meeting. Such resolutions shall be considered only with the consent of a majority of the Board members present and shall be discussed at a time designated on the agenda. Actions may be taken by a minimum of four affirmative votes.

ARTICLE XI. AMENDMENTS

The by-laws of the Board may be amended at any meeting of the Board by an affirmative vote of the majority of the Board membership, provided that the proposed amendment has been approved by the Board at a previous regular meeting.

Approved: March 22, 2022

WELLS FARGO The Private Bank

Investment Performance Statement for Virginia Dept for the Blind & Vision Impaired October 31, 2023

Investment and Insurance Products are:

- **Not Insured by the FDIC or Any Federal Government Agency**
- **Not a Deposit or Other Obligation of, or Guaranteed by, the Bank or Any Bank Affiliate**
- **Subject to Investment Risks, Including Possible Loss of the Principal Amount Invested**

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Market Commentary

As of October 31, 2023

U.S. economic overview

Economy waiting for direction, inflation stalling

There still was little hard evidence of a broad-based slowdown in economic growth through October. Business surveys showing little or no growth in combined manufacturing and services through October understated strength in measures of actual activity. Consumer spending has been propelled by solid job gains — 150,000 in October — remaining on the leading edge of third-quarter economic growth accelerating to 4.9%, more than double its long-term average. And a rebound in orders for business equipment in August and September pointed toward a revival of business investment from its third-quarter decline. Housing has been the economy's most visible weak spot, wilting under a fixed-rate mortgage approaching 8% that has both squeezed affordability and demand, while freezing resale supply from homeowners unwilling to take on much higher financing costs in the trade-up market. Tight resale supply has resulted in an increased share of new homes and a sizable advance in home prices.

Still, signs of financially stretched consumers were apparent from slippage in disposable (after-tax) income and the lowest savings rate of the year in September. Lower-income households are relying more on credit to finance budgets absorbed increasingly by food, fuel, and other staples. Disinflation has become "stickier," largely due to steadier shelter costs accounting for almost 30% of the Consumer Price Index (CPI). Through September, the CPI rose 3.7% on a 12-month basis, little changed from the prior 3.7% annual figure. This still-elevated reading supports the Federal Reserve's (Fed) bias toward "higher for longer" interest rates — which threaten to intensify the impact of tightening financial conditions in a slowing economy.

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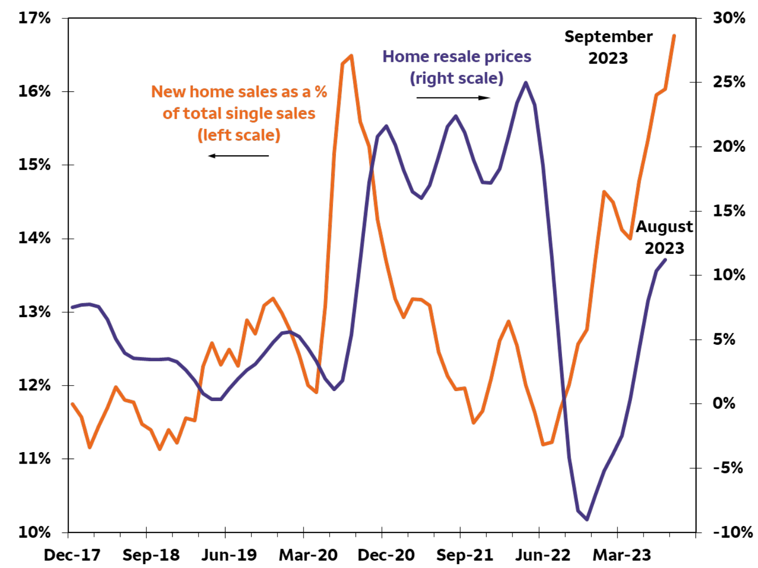
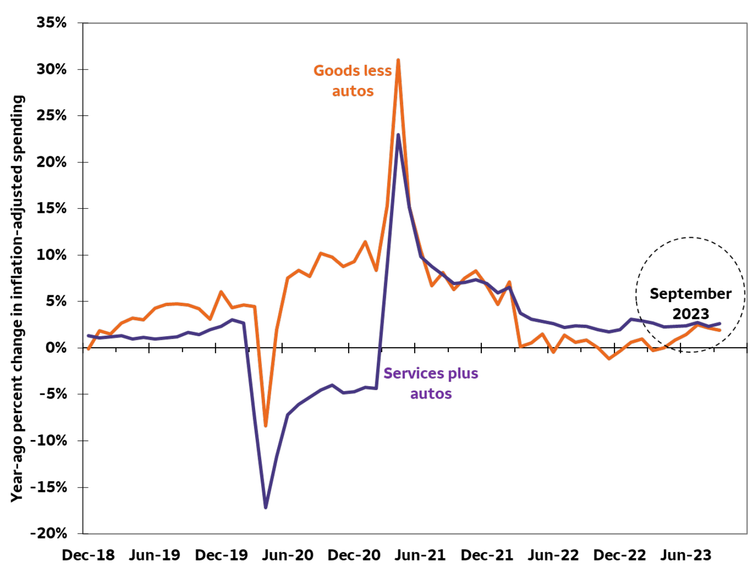
Housing's fallout from the "spike" in mortgage rates



Sources: Wells Fargo Investment Institute, National Association of Realtors; U.S. Census Bureau; Case-Shiller S&P; Data as of November 1, 2023. Three month moving average.

Pent-up demand still a force in consumer spending



Sources: Wells Fargo Investment Institute, U.S. Department of Commerce; U.S. Census Bureau; Data as of October 27, 2023.

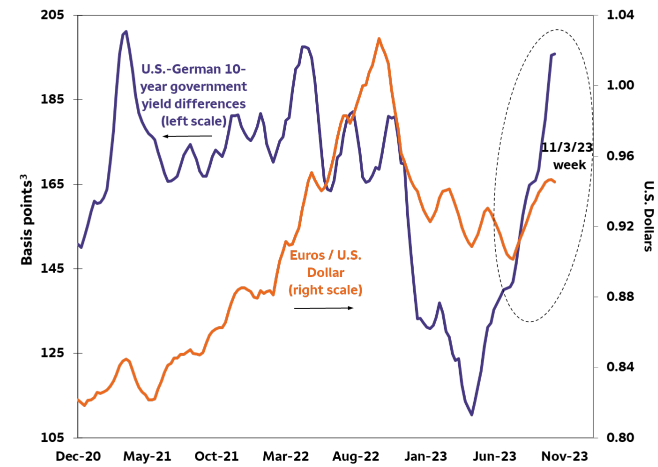
International economic overview

Weaker Europe and China weighing on global economy

Europe Europe's economic slowdown worsened this fall, with a preliminary reading of third-quarter gross domestic product (GDP) indicating the eurozone economy contracted on a quarterly basis for the first time since the pandemic in 2020. A composite index of the region's business activity fell at the fastest pace in three years in October. The eurozone's service sector shrank for a third straight month, while its manufacturing downturn deepened amid softening global trade. Steady interest rate hikes by the European Central Bank (ECB) are translating to tightening financial conditions, denting consumer confidence, and restricting business growth. On a positive note, eurozone CPI inflation1 fell sharply in October to 2.9% on a 12-month basis – a trough not seen since July 2021 – from 4.3% the prior month. Overall, these readings support our view that the eurozone is likely already in a recession, preceding our forecasted downturn in the U.S. by early 2024.

(A) Measured by Eurostat Eurozone Euro Area Monetary Union Index of Consumer Prices All Items year over year, not seasonally adjusted.

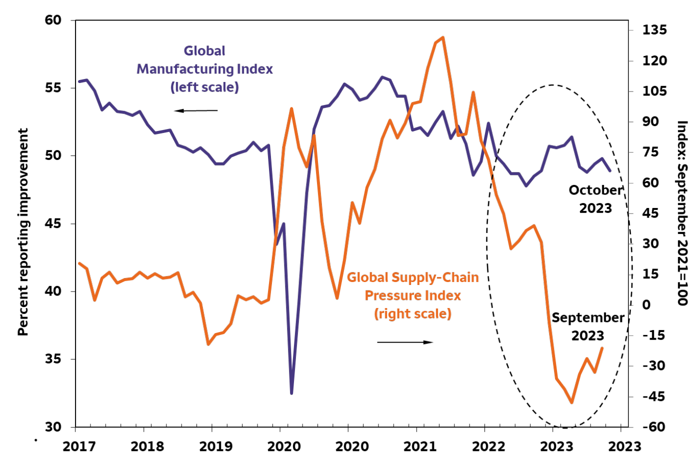
Widening U.S. yield premium lifted the dollar against the euro



2. Based on four-week moving average data. 3. 100 basis points = 1.00%. Sources: Wells Fargo Investment Institute, Bloomberg Financial News, Inc., Data as of November 3, 2023.

Asia China's still fragile economy, slowing world trade, and the deflationary effects of a strong U.S. dollar are setting the tone for Asia's struggling trade-sensitive economies. China business surveys signaled growth virtually flatlined in October due to a relapse in manufacturing and weakening gains in services. Among the main headwinds to a stronger Chinese recovery are a slumping property sector and a debt overhang limiting fiscal and monetary stimulus. Manufacturing-led weakness also has been apparent in the rest of Asia, including Japan, as the region deals with an increasingly challenging global macro environment. The silver lining to broad manufacturing weakness is in reducing global supply-chain pressures. Dollar strength is having a twofold effect on the region, by restraining commodity prices and forcing central banks to tilt away from monetary accommodation.

Sluggish manufacturing alleviating supply-chain pressures



Sources: Wells Fargo Investment Institute, S&P Global, Inc., Federal Reserve Bank of New York; Data as of November 1, 2023..

Stock market review and strategy

Higher interest rates led equities lower

U.S. equities: The stock market's decline that began in August accelerated in September and continued in October. Interest rates, which broke out to the upside, created a considerable headwind, while company earnings and guidance did little to reassure investors. Stock weakness was broad-based as nearly all S&P 500 Index, Russell Midcap Index, and Russell 2000 Index sectors posted negative monthly returns in October. After the last 3 months of declines, the S&P 500 Index year-to-date (YTD) return has taken a hit but remains at an impressive 10.7%.

Equity returns during October ranked as follows: U.S. large caps (-2.1%) outperformed mid caps (-5.0%), and mid caps outperformed small caps (-6.8%). Utilities (+1.3%) bested the other S&P 500 Index sectors as investors flocked toward the perceived safety of the traditional defensive area. All other sectors posted negative monthly returns in October, with the highly cyclical Consumer Discretionary (-4.5%) and oil-sensitive Energy (-6.0%) sectors underperforming to the greatest extent.

Unsurprisingly, Utilities outperformed across the mid-cap space as well in October, while another traditionally defensive sector, Consumer Staples, outperformed within small caps. The Russell Midcap Index Utilities sector posted a +1.1% monthly return while the Russell 2000 Index Consumer Staples sector returned -1.9%. The Health Care sectors were the worst performers for both the Russell Midcap (-8.9%) and Russell 2000 indexes (-9.9%).

International equities: Both U.S. dollar-denominated developed market (DM) equities (-4.0%) and emerging market (EM) equities (-3.9%) underperformed their U.S. large-cap counterparts in October. The currency conversion into U.S. dollar returns was a headwind to both asset classes.

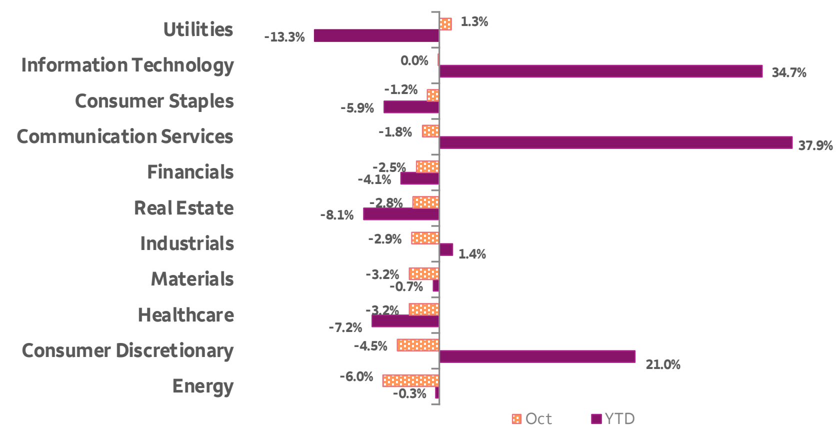
Regarding DM performance, the Pacific region (-4.5%) slightly underperformed the Europe region (-3.7%) in October. In the Pacific, Hong Kong (-2.1%) outperformed, while New Zealand (-5.8%) underperformed. In Europe, Denmark (+0.3%) and the Netherlands (-1.2%) outperformed, while Ireland (-6.4%) underperformed.

Within EM, Latin America (-4.8%) underperformed Asia (-3.9%) as well as Europe, Middle East, and Africa (-2.8%) last month. Taiwan (-1.7%), South Africa (-1.7%), and Saudi Arabia (-2.9%) outperformed, while Turkey (-13.0%), the UAE (-9.6%), and Chile (-9.1%) underperformed. China dropped 4.3% for the month despite announcing additional stimulus measures.

Stock market total returns   Period ending October 31, 2023**

Equity indexes	October	QTD	YTD	1 Year	3 Year*	5 Year*
Global Market	-3.0%	-3.0%	7.2%	11.1%	7.2%	8.0%
Large Cap	-2.1%	-2.1%	10.7%	10.1%	10.4%	11.0%
Large Cap Growth	-1.4%	-1.4%	23.2%	19.0%	8.7%	14.2%
Large Cap Value	-3.5%	-3.5%	-1.8%	0.1%	10.2%	6.6%
Mid Cap	-5.0%	-5.0%	-1.3%	-1.0%	6.0%	7.1%
Small Cap	-6.8%	-6.8%	-4.5%	-8.6%	3.9%	3.3%
Developed ex. U.S. (USD)	-4.0%	-4.0%	3.2%	15.0%	6.3%	4.6%
Developed Small Cap (USD)	-5.9%	-5.9%	-3.7%	7.0%	0.7%	2.0%
Emerging Markets (USD)	-3.9%	-3.9%	-1.8%	11.3%	-3.3%	2.0%
Frontier Markets (USD)	-5.8%	-5.8%	1.6%	5.3%	-0.2%	1.5%

S&P 500 Index sector returns



Sources: Bloomberg and Wells Fargo Investment Institute. Data as of October 31, 2023.

*Annualized returns. **Index returns do not reflect the deduction of fees, expenses or taxes. An index is unmanaged and not available for direct investment. Past performance is no guarantee of future results. Please see disclosures at the end of the report for index definitions.

Note: Regional and country returns are measured using the total U.S. dollar returns of their respective MSCI Index

Bond market review and strategy

Rates rose and yield curve remained inverted

U.S. fixed income:

Although inflation and strong labor markets continued to influence U.S. Treasury yield movements during October, most of the volatility and upward push came from concerns around the U.S. budget deficit and the expected heavy issuance in the months ahead. U.S. Treasury yields moved higher, most notably on the longer-end of the yield curve. Still, the U.S. Treasury yield curve remains inverted, although less so than a month ago.

Investor appetite for credit exposure diminished in October. Still, high yield (HY) taxable fixed income (-1.2%) outperformed U.S. investment-grade (IG) corporate fixed income (-1.9%). Credit spreads for IG and HY were volatile and finished wider near month-end as yields rose. Still, both spreads continued to trade below long-term averages.

Municipal bond yields increased substantially across the curve, being a key contributor to the negative performance (-0.9%) for municipals during October. The municipal yield curve remains inverted (10-year minus 1-year) following the inversion of the U.S. Treasury yield curve with no signs of un-inverting in the short term. We remain favorable on municipals, especially as they have historically been resilient during an economic slowdown..

International fixed income:

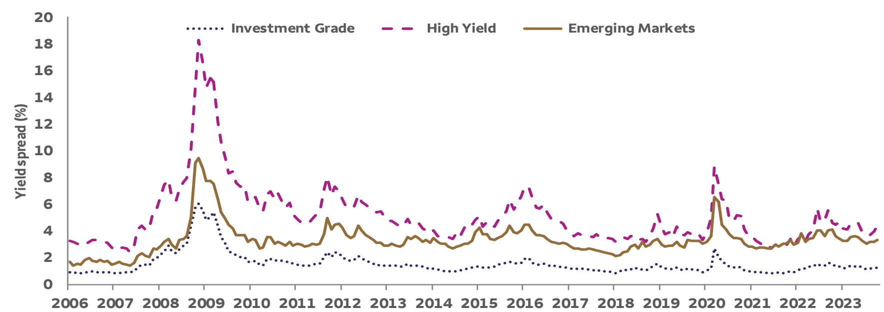
Unhedged DM returns (-1.3%) declined and were one of the worst performers in fixed income as the yen and the pound weakened further in October, while the euro was little changed. Hedged DM bonds5 also declined slightly as yields increased (-0.3%). Australian and Japanese bonds were the worst performers over the month, mostly a function of the decline of both currencies against the U.S. dollar while bonds from Portugal, Spain, and Germany displayed positive performance.

Emerging markets: The weaker EM foreign exchange rate against the dollar continued to harm local-currency-denominated EM bonds6, which were -0.4% in October. An increase in dollar-denominated sovereign debt spreads, along with higher U.S. Treasury yields, caused negative returns (-1.5%) for the month in the dollar-denominated EM bonds. The negative performance was broad across multiple EM countries, including Mexico, Indonesia, Saudi Arabia, and Argentina.

Fixed Income market total returns Period ending October 31, 2023**

Fixed Income indexes	October	QTD	YTD	1 Year	3 Year*	5 Year*
Global Multiverse	-1.2%	-1.2%	-3.1%	2.1%	-7.0%	-1.5%
U.S. Inv Grade Taxable	-1.6%	-1.6%	-2.8%	0.4%	-5.6%	-0.1%
U.S. Treasury Bills	0.5%	0.5%	4.2%	4.9%	1.9%	1.8%
U.S. Short-Term Taxable	0.3%	0.3%	2.2%	3.3%	-0.6%	1.2%
U.S. Interm-Term Taxable	-1.1%	-1.1%	-1.8%	1.0%	-4.7%	0.3%
U.S Long-Term Taxable	-4.0%	-4.0%	-8.8%	-2.9%	-12.5%	-1.3%
U.S. Treasury	-1.2%	-1.2%	-2.7%	-0.6%	-5.9%	-0.2%
U.S. Corporate	-1.9%	-1.9%	-1.9%	2.8%	-5.5%	0.8%
U.S. Municipal	-0.9%	-0.9%	-2.2%	2.6%	-2.5%	1.0%
U.S. TIPS	-0.7%	-0.7%	-1.5%	-0.7%	-2.0%	2.3%
U.S. High Yield	-1.2%	-1.2%	4.6%	6.2%	1.2%	3.1%
Developed ex. U.S. (unhedged)	-1.3%	-1.3%	-6.7%	-0.3%	-11.7%	-4.6%
Emerging Market (USD)	-1.5%	-1.5%	-0.4%	6.9%	-4.7%	0.1%

Credit spreads to Treasury Securities



Sources: Bloomberg and Wells Fargo Investment Institute. Data as of October 31, 2023.

*Annualized returns. **Index returns do not reflect the deduction of fees, expenses or taxes. An index is unmanaged and not available for direct investment. Past performance is no guarantee of future results. Please see disclosures at the end of the report for index definitions.

Real Assets review and strategy

Tightening supply and worries of a slowing economy

Master limited partnerships (MLPs): MLPs outperformed the broader market in October, with a 0.4% total return (as measured by the Alerian MLP Index) versus a -2.1% return for the S&P 500 Index.

Commodities: Energy: The Bloomberg Commodity Energy Subindex was down 2.7% in October, underperforming the broader Bloomberg Commodity Index. West Texas Intermediate (WTI) and Brent crude prices softened, and were down 10.8% and 8.3%, respectively. Natural gas was the top performer, as geopolitical risks and seasonal demand drove prices 22.1% higher. Excluding natural gas, though, energy prices softened, and we expect performance will continue weakening as supply concerns are weighed against the probability of an economic slowdown. While we have become cautious in the near-term, oil's long-term potential remains bright in our view, and we believe supply challenges will lead to strong performance as we exit the economic slowdown.

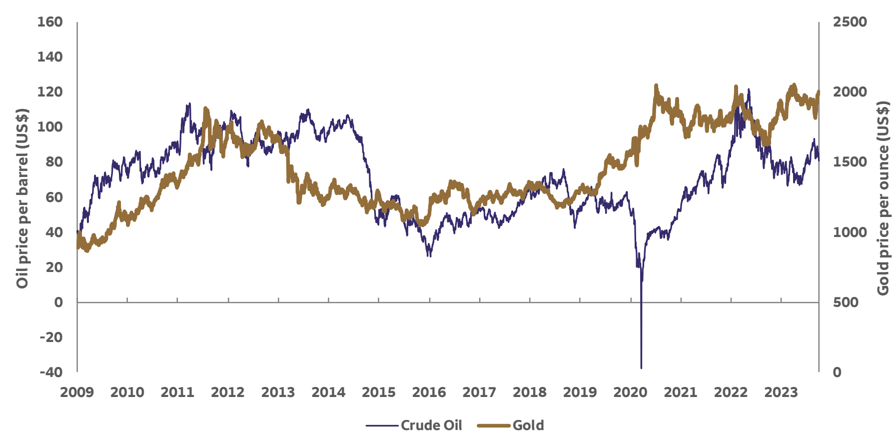
Metals: Precious metals outperformed the Bloomberg Commodity Index with a 6.3% return in October. Gold prices were up 7.9%, largely driven by geopolitical risks, expectations of a near-term economic slowdown, a less hawkish Fed, and a potentially lower U.S. dollar by late 2024. Industrial metals underperformed the Bloomberg Commodity Index, with a -4.1% return in October. Copper was the top performer on a relative basis (-2.4% return), while zinc was the worst performer (-8.4% return). We anticipate the sector will continue to face headwinds as China's property sector keeps struggling, and until the depth of the global economic slowdown is revealed. If the slowdown is shallower than expected, we believe industrial metals could revert and become strong performers.

Agriculture: Agricultural commodity prices were up 2.3% in October, outperforming the Bloomberg Commodity Index, but there was still a wide dispersion in individual performance. Coffee was a strong performer (+14.5%), while soybean oil (-10.5%) was among the worst. Though agriculture outperformed this month, we caution that adequate supply growth and an easing of supply chain disruptions appear to be strong headwinds for agricultural prices.

Real Assets total returns*   Period ending October 31, 2023

REIT/Commodity indexes	October	QTD	YTD	1 Year	3 Year*	5 Year*
Public Real Estate	-4.8%	-4.8%	-8.7%	-5.0%	1.0%	-0.5%
U.S. REITs	-3.1%	-3.1%	-8.6%	-7.9%	2.8%	2.7%
International REITs	-5.2%	-5.2%	-11.8%	-2.9%	-4.5%	-3.5%
S&P Goldman Sachs Commodity (GSCI)	-4.2%	-4.2%	2.8%	-0.4%	29.2%	5.9%
Bloomberg Commodity	0.3%	0.3%	-3.2%	-3.0%	15.8%	6.7%
Commodities (RICI)	-1.9%	-1.9%	-0.6%	0.9%	25.1%	9.3%
Global Infrastructure	-3.0%	-3.0%	-6.6%	-1.3%	6.6%	4.3%
MLPs	0.4%	0.4%	21.1%	16.6%	41.3%	8.7%

Crude oil versus gold



Sources: Bloomberg and Wells Fargo Investment Institute. Data as of October 31, 2023.REITs = real estate investment trusts.

*Annualized returns. **Index returns do not reflect the deduction of fees, expenses or taxes. An index is unmanaged and not available for direct investment. Past performance is no guarantee of future results. Please see disclosures at the end of the report for index definitions. Note: Super-cycle = If you look at commodity prices over the very long term (hundreds of years), it becomes evident that they tend to move in overall bull and bear cycles, some lasting decades.

Alternatives review and strategy

Rates, equities, dollar, and weak growth

Relative Value: Relative Value strategies registered a slight loss of -0.1% for the month, driven by arbitrage, long/short credit, and structured credit. Widening credit and structured spreads proved challenging for many relative value managers. Compared to other strategies, Relative Value strategies recorded more modest returns owing to its defensive characteristics.

Macro: Macro strategies ended the month lower by 0.7% in October. Systematic strategies generated a -0.8% return for the month, with commodity positions being the major detractors. Concerns about the growth prospects in China and Europe coupled with geopolitical conflicts negatively impacted oil prices yet pushed gold and silver higher. As a result, long energy and short precious metal positions were unprofitable. However, the long U.S. dollar position against major currencies, as well as short holdings in bonds and stocks, partially offset the losses. During the month, the strategies increased long positions in the U.S. dollar and largely maintained short holdings in equities and fixed income. Systematic strategies also significantly scaled back positions in energy, metals, and agricultural commodities. For the month, Discretionary strategies had a positive return of 0.9%.

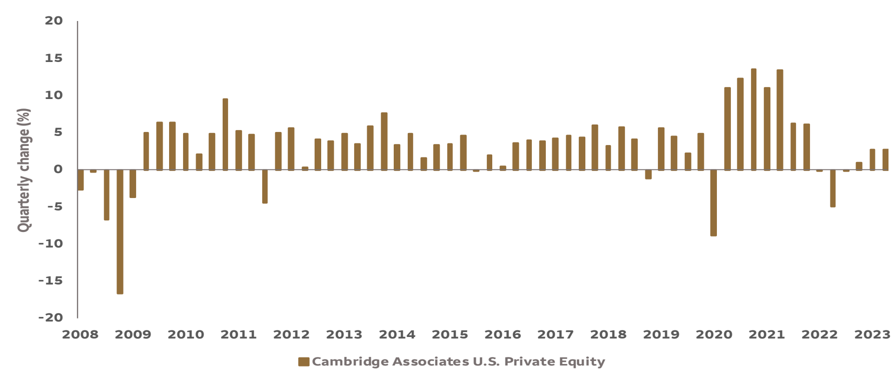
Event Driven: Event Driven declined by 2.4% for the month. Activist strategies recorded a significant loss of 5.4%, driven by broader equity market declines. Merger arbitrage strategies retreated by 1.0% and reverted the positive trend of the past four months. Worries over deal delays and cancellations due to regulatory challenges and profitability pressure were major detractors. Distressed credit strategies also witnessed a negative return of -2.0% for the month. The number of distressed credits has increased, yet the opportunity set remains modest versus historical distressed cycles.

Equity Hedge: Equity Hedge strategies ended with a -2.0% return in October but outperformed the MSCI All Country World Index. The negative return was largely driven by equity market impact and was partially offset by gains from security selection. Throughout the month, the strategies reduced positions across global markets and most sectors, especially in the U.S., Europe, Technology-related and cyclical sectors. Conversely, the managers increased holdings in Japan. Equity market neutral strategies also resulted in a negative return of 1.3%.

Alternatives total returns Period ending October 31, 2023**

Alternative indexes	October	QTD	YTD	1 Year	3 Year*	5 Year*
Global Hedge Fund	-1.4%	-1.4%	2.4%	3.3%	6.2%	5.3%
Relative Value	-0.1%	-0.1%	4.2%	5.5%	5.3%	3.9%
Arbitrage	-0.2%	-0.2%	3.3%	3.7%	4.5%	4.0%
Long/Short Credit	-0.2%	-0.2%	4.9%	7.0%	4.2%	4.2%
Structure Credit/Asset Backed	-0.1%	-0.1%	4.9%	5.7%	5.3%	3.2%
Macro	-0.7%	-0.7%	-0.2%	-2.2%	7.3%	5.5%
Systematic	-0.8%	-0.8%	-0.4%	-4.2%	7.6%	5.3%
Discretionary	0.9%	0.9%	2.1%	4.6%	4.9%	4.9%
Event Driven	-2.4%	-2.4%	2.2%	2.9%	6.9%	4.5%
Activist	-5.4%	-5.4%	1.4%	1.1%	4.8%	3.4%
Distressed Securities	-2.0%	-2.0%	3.0%	4.1%	7.7%	4.7%
Merger Arbitrage	-1.0%	-1.0%	0.4%	0.8%	7.3%	5.3%
Equity Hedge	-2.0%	-2.0%	2.6%	4.9%	5.7%	5.8%
Directional Equity	-2.0%	-2.0%	2.6%	5.0%	5.7%	6.1%
Equity Market Neutral	-1.3%	-1.3%	2.7%	3.5%	4.5%	2.4%

Private Capital Index Returns



Sources: 2023 – Morningstar Direct, All Rights Reserved1, Cambridge Associates, and Wells Fargo Investment Institute. Data as of October 31, 2023. Cambridge Associates data through June 30, 2023..

*Annualized returns. **Index returns do not reflect the deduction of fees, expenses or taxes. Performances for the most recent month are preliminary from HFR. An index is unmanaged and not available for direct investment. Past performance is no guarantee of future results. Please see disclosures at the end of the report for index definitions.

Asset Allocation

Actual Versus Target Asset Allocation as of October 31, 2023

Asset Class	Actual Market Value	Target Market Value	$ Difference	Actual Percent	Target Percent	% Difference
Global Equities	2,826,504	2,914,056	-87,552	53%	55%	-2%
Global Fixed Income	2,127,650	2,172,296	-44,646	40%	41%	-1%
Real Assets	118,346	105,966	12,380	2%	2%	0%
Cash and Equivalents	225,783	105,966	119,817	4%	2%	2%
Total Portfolio	**5,298,284**	**5,298,284**	**0**	**100%**	**100%**	**0%**

Cash Flow Summary

Portfolio Statement of Changes Periods Ended October 31, 2023

Portfolio Categories	Year To Date	Since Inception (12/08/2021)
Beginning Portfolio Value	**5,437,986**	**0**
Income	116,222	259,706
Net Contribution	-250,007	5,999,993
Fees And Expenses	-25,343	-53,303
Change In Market Value	19,426	-908,112
Ending Portfolio Value	**5,298,284**	**5,298,284**
Investment Gain	**110,305**	**-701,709**

Investment Gain equals the sum of Income, Management Fees, Other Expenses, and Change In Market Value. Income is reported net of foreign withholding taxes.

Investment Performance

Consolidated Performance Summary

Asset Classes	Current Month	Last 3 Months	Year to Date	1 Year	Since Inception
Global Equities	**-3.10%**	**-10.23%**	**4.73%**	**7.06%**	**-7.60%**
MSCI ACWI NR	*-3.01*	*-9.62*	*6.75*	*10.5*	*-7.23*
Global Fixed Income	**-0.89**	**-2.78**	**-0.85**	**1.67**	**-7.05**
BB US Agg Bond TR	*-1.58*	*-4.69*	*-2.77*	*0.36*	*-8.73*
Real Assets	**0.38**	**-1.44**	**-3.94**	**-3.1**	**5.18**
67%REIT NR/33% Comm	*-3.12*	*-9.62*	*-7.23*	*-4.83*	*-10.99*
Cash and Equivalents	**0.41**	**1.23**	**3.66**	**4.18**	**2.58**
USTREAS T-Bill Cnst	*0.46*	*1.38*	*4.13*	*4.84*	*2.86*
Total Portfolio	**-2.01%**	**-6.75%**	**1.96%**	**4.26%**	**-6.70%**
Client Custom Benchmark	*-2.35%*	*-7.40%*	*2.50%*	*5.94%*	*-7.52%*

*Market Values and performance for illiquid assets may lag up to 90 days.

Policy Benchmark Over Time

Total Portfolio Client Custom Benchmark

12/31/2021 - Present

55%	MSCI AC World NR USD
41%	Bloomberg US Agg Bond TR USD
2%	67% FTSE E/N Dev NR/33% BB Commodity TR
2%	USTREAS T-Bill Cnst Mat Rate 3 Mon

Disclosures

The Private Bank ("The Bank") offers products and services through Wells Fargo Bank, N.A., Member FDIC, and its various affiliates and subsidiaries. Wells Fargo Bank, N.A. is a bank affiliate of Wells Fargo & Company.

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Asset allocation does not assure or guarantee better performance and cannot eliminate the risk of investment losses. Past performance does not indicate future results. The value or income associated with a security or an investment may fluctuate. There is always the potential for loss as well as gain. Investments discussed in this presentation are not insured by the Federal Deposit Insurance Corporation (FDIC) and may be unsuitable for some investors depending on their specific investment objectives and financial position.

Fixed income securities are subject to availability and market fluctuation. These securities may be worth less than the original cost upon redemption. Certain high-yield/high-risk bonds carry particular market risks and may experience greater volatility in market value than investment-grade corporate bonds. Government bonds and Treasury bills are guaranteed by the U.S. government and, if held to maturity, offer a fixed rate of return and fixed principal value. Interest from certain municipal bonds may be subject to state and/or local taxes and in some instances, the alternative minimum tax.

Real estate investments carry a certain degree of risk and may not be suitable for all investors.

Hedge fund valuations are based on estimates provided by the manager. Valuations are verified annually based on your K-1 and any adjustments that may be necessary will be reflected on your statement.

Investing in foreign securities presents certain risks that may not be present in domestic securities, including currency fluctuation, the potential for diplomatic and political instability, regulatory and liquidity risks, foreign taxation, and differences in auditing and other financial standards. These risks are generally intensified in emerging markets.

The "Performance" sections show performance for the portfolio and for your individual accounts. Performance for the portfolio is shown as net of fees. The Bank fees charged to accounts are stated in your Terms and Condition and Fee

Schedule. Performance "net of fees" is lower than performance gross of fees. It is lower because it reflects the deduction of the fees actually charged to each account. Results are unaudited. Performance returns greater than one year are annualized.

The indices and benchmarks shown for comparison purposes are unmanaged. Their performance returns do not reflect the deduction of any advisory fees or commissions. You cannot purchase an index.

Forecasts are not guaranteed and based on certain assumptions and on views of market and economic conditions which are subject to change.

Asset class risks

Alternative Investments, such as hedge funds and private capital funds, are not appropriate for all investors. They are speculative and involve a high degree of risk that is only for those investors who have the financial sophistication and expertise to evaluate the merits and risks of an investment in a fund and for which the fund does not represent a complete investment program.

Hedge funds trade in diverse complex strategies that are affected in different ways and at different times by changing market conditions. Strategies may, at times, be out of market favor for considerable periods with adverse consequences for the investor. **Arbitrage strategies** expose a fund to the risk that the anticipated arbitrage opportunities will not develop as anticipated, resulting in potentially reduced returns or losses to the fund. . **Relative Value** strategies seek to make profits by arbitrage opportunities between two related securities. These arbitrage opportunities might come in the way of pricing discrepancies between two securities or between securities and derivative instruments. **Event Driven** strategies involve investing in opportunities created by significant transactional events, such as spinoffs, mergers and acquisitions, bankruptcy reorganization, recapitalization and share buybacks. Managers who use such strategies may invest in, and might sell short, the securities of companies where the security's price has been, or is expected to be, affected by a distressed situation. **Equity Hedge** strategies maintain positions both long and short in primarily equity and equity derivative securities. Investing in **Distressed companies** is speculative and subject to greater levels of credit, issuer and liquidity risks and the repayment of default obligations contains significant uncertainties such companies may be engaged in restructurings or bankruptcy proceedings. **Macro** strategies base their investment decisions on the anticipated price movement of stock markets, interest rates, foreign exchange, and physical commodities. These price movements result from many factors including forecasted shifts in world economies. Exchange-traded and over-the-counter derivatives are often used to magnify these price movements. The fixed income securities used in the structured credit relative value strategy may include CMBS, RMBS, ABS CLOs and other debt securities. They are subject to security-specific risks in addition to the risks associated with fluctuations in interest rates, credit/default, liquidity and forced deleveraging.

Long/short credit strategies invest in the global credit markets which may be volatile. The risks associated with this strategy include investments in debt securities and the use of short selling and derivatives.

Private capital investments are complex, speculative investment vehicles that are not appropriate for all investors. The funds use complex trading strategies, including hedging and leveraging through derivatives and short selling and other aggressive investment practices. It is possible to lose your entire investment investing in these funds. Leverage can significantly increase return potential but create greater risk of loss. Derivatives generally have implied leverage which can magnify volatility and may entail other risks such as market, interest rate, credit, counterparty and management risks. Short selling involves leverage and theoretically unlimited loss potential since the market price of securities sold short may continuously increase.

Equity securities are subject to market risk which means their value may fluctuate in response to general economic and market conditions, the prospects of individual companies, and industry sectors. Investments in equity securities are generally more volatile than other types of securities. Small and Mid-cap stocks are generally more volatile, subject to greater risks and are less liquid than large company stocks. Small- and mid-cap stocks are generally more volatile, subject to greater risks and are less liquid than large company stocks. Growth stocks may be more volatile than other stocks and there is no guarantee growth will be realized. There are no guarantees that value stocks will increase in value or that their intrinsic values will eventually be recognized by the overall market. Both growth and value types of investing tend to shift in and out of favor.

Investments in fixed-income securities are subject to interest rate, credit/default, liquidity, inflation and other risks. Bond prices fluctuate inversely to changes in interest rates. Therefore, a general rise in interest rates can result in the decline in the bond's price. Credit risk is the risk that an issuer will default on payments of interest and/or principal. This risk is heightened in lower rated bonds. If sold prior to maturity, fixed income securities are subject to market risk. All fixed income investments may be worth less than their original cost upon redemption or maturity.

U.S. government securities are backed by the full faith and credit of the federal government as to payment of principal and interest. Unlike U.S. government securities, agency securities carry the implicit guarantee of the U.S. government but are not direct obligations. Payment of principal and interest is solely the obligation of the issuer. If sold prior to maturity, both types of debt securities are subject to market risk.

Although Treasuries are considered free from credit risk they are subject to other types of risks. These risks include interest rate risk, which may cause the underlying value of the bond to fluctuate.

Municipal bonds offer interest payments exempt from federal taxes, and potentially state and local income taxes. These bonds are subject to interest rate and credit/default risk. Quality varies widely depending on the specific issuer. Municipal securities may also be subject to the alternative minimum tax and legislative and regulatory risk which is the risk that a change in the tax code could affect the value of taxable or tax-exempt interest income.

Mortgage- and asset-backed securities are subject to the risks associated with debt securities and to prepayment, extension and call risks. Changes in prepayments may significantly affect yield, average life and expected maturity. Extension risk is the risk that rising interest rates will slow the rate at which mortgages are prepaid. Call risk is the risk that If called prior to maturity, similar yielding investments may not be available for the Fund to purchase. These risks may be heightened for longer maturity and duration securities.

Treasury Inflation-Protected Securities (TIPS) are subject to interest rate risk, especially when real interest rates rise. This may cause the underlying value of the bond to fluctuate more than other fixed income securities.

Investing in foreign securities presents certain risks not associated with domestic investments, such as currency fluctuation, political and economic instability, and different accounting standards. This may result in greater share price volatility. These risks are heightened in emerging and frontier markets.

Exposure to the commodities markets may subject an investment to greater share price volatility than an investment in traditional equity or debt securities. Investments in commodities may be affected by changes in overall market movements, commodity index volatility, changes in interest rates or factors affecting a particular industry or commodity. Investing in precious metals involves special risk considerations such as severe price fluctuations and adverse economic and regulatory developments which could materially and adversely affect an investment.

Investing in physical commodities, such as gold, silver, palladium and other precious metals, exposes a portfolio to material risk considerations such as potentially severe price fluctuations over short periods of time and storage costs that exceed the custodial and/or brokerage costs associated with a portfolio's other holdings.

Investment in securities of Master Limited Partnerships (MLPs) involves certain risks which differ from an investment in the securities of a corporation. MLPs may be sensitive to price changes in oil, natural gas, etc., regulatory risk, and rising interest rates. A change in the current tax law regarding MLPs could result in the MLP being treated as a corporation for federal income tax purposes which would reduce the amount of cash flows distributed by the MLP. Other risks include the volatility associated with the use of leverage; volatility of the commodities markets; market risks; supply and demand; natural and man-made catastrophes; competition; liquidity; market price discount from Net Asset Value and other material risks.

Currency risk is the risk that foreign currencies will decline in value relative to that of the U.S. dollar. Exchange rate movement between the U.S. dollar and foreign currencies may cause the value of a portfolio's investments to decline.

Sector risks

Sector investing can be more volatile than investments that are broadly diversified over numerous sectors of the economy and will increase a portfolio's vulnerability to any single economic, political, or regulatory development affecting the sector. This can result in greater price volatility. Risks associated with the **Consumer Discretionary** sector include, among others, apparel price deflation due to low-cost entries, high inventory levels and pressure from e-commerce players; reduction in traditional advertising dollars, increasing household debt levels that could limit consumer appetite for discretionary purchases, declining consumer acceptance of new product introductions, and geopolitical uncertainty that could affect consumer sentiment. **Consumer Staples** industries can be significantly affected by competitive pricing particularly with respect to the growth of low-cost emerging market production, regulation, the performance of the overall economy, interest rates, and consumer confidence. **Communication Services** companies are vulnerable to their products and services becoming outdated because of technological advancement and the innovation of competitors. Companies in the communication services sector may also be affected by rapid technology changes; pricing competition, large equipment upgrades, substantial capital requirements and government regulation and approval of products and services. In addition, companies within the industry may invest heavily in research and development which is not guaranteed to lead to successful implementation of the proposed product. **Energy** sector may be adversely affected by changes in worldwide energy prices, exploration, production spending, government regulation, and changes in exchange rates, depletion of natural resources, and risks that arise from extreme weather conditions. Investing in the **Financial** services companies will subject an investment to adverse economic or regulatory occurrences affecting the sector. Some of the risks associated with investment in the **Health Care** sector include competition on branded products, sales erosion due to cheaper alternatives, research and development risk, government regulations and government approval of products anticipated to enter the market.

There is increased risk investing in the **Industrials** sector. The industries within the sector can be significantly affected by general market and economic conditions, competition, technological innovation, legislation and government regulations, among other things, all of which can significantly affect a portfolio's performance. **Materials** industries can be significantly affected by the volatility of commodity prices, the exchange rate between foreign currency and the dollar, export/import concerns, worldwide competition, procurement and manufacturing and cost containment issues. **Real estate** investments have special risks, including possible illiquidity of the underlying properties, credit risk, interest rate fluctuations, and the impact of varied economic conditions. Risks associated with the **Technology** sector include increased competition from domestic and international companies, unexpected changes in demand, regulatory actions, technical problems with key products, and the departure of key members of management. Technology and Internet-related stocks, especially smaller, less-seasoned companies, tend to be more volatile than the overall market. **Utilities** are sensitive to changes in interest rates, and the securities within the sector can be volatile and may underperform in a slow economy.

Index definitions

Broad-based indexes are unmanaged and not available for direct investment.

Moderate Income Liquid is composed of: 2% Bloomberg U.S. Treasury Bills (1–3 Month) Index, 58% Bloomberg U.S. Aggregate Bond Index, 4% Bloomberg U.S. Corporate High Yield Bond Index, 5% JPM EMBI Global Index, 16% S&P 500 Index, 5% Russell Midcap Index, 4% Russell 2000 Index, 4% MSCI EAFE Index, 2% Bloomberg Commodity Index. U.S. Investment Grade Fixed Income encompasses the allocations to Short Term, Intermediate Term, and Long Term.

Moderate Growth & Income Liquid is composed of: 2% Bloomberg U.S. Treasury Bills (1–3 Month) Index, 30% Bloomberg U.S. Aggregate Bond Index, 6% Bloomberg U.S. Corporate High Yield Bond Index, 5% JPM EMBI Global Index, 24% S&P 500 Index, 10% Russell Midcap Index, 6% Russell 2000 Index, 8% MSCI EAFE Index, 5% MSCI Emerging Markets Index, 4% Bloomberg Commodity Index. U.S. Investment Grade Fixed Income encompasses the allocations to Short Term, Intermediate Term, and Long Term.

Moderate Growth Liquid is composed of: 2% Bloomberg U.S. Treasury Bills (1–3 Month) Index, 8% Bloomberg U.S. Aggregate Bond Index, 3% Bloomberg U.S. Corporate High Yield Bond Index, 3% JPM EMBI Global Index, 31% S&P 500 Index, 14% Russell Midcap Index, 10% Russell 2000 Index, 12% MSCI EAFE Index, 12% MSCI Emerging Markets Index, 5% Bloomberg Commodity Index. U.S. Investment Grade Fixed Income encompasses the allocations to Short Term, Intermediate Term, and Long Term.

Equities

Dow Jones Industrial Average is an unweighted index of 30 "blue-chip" industrial U.S. stocks.

NASDAQ Composite Index measures the market value of all domestic and foreign common stocks, representing a wide array of more than 5,000 companies.

S&P 500 Index is a market capitalization-weighted index composed of 500 widely held common stocks that is generally considered representative of the US stock market.

Russell 1000 Index measures the performance of the 1,000 largest companies in the Russell 3000 Index, which represents approximately 90% of the total market capitalization of the Russell 3000 Index.

Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell MidCap Index measures the performance of the 800 smallest companies in the Russell 1000 Index.

Russell MidCap Growth Index measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values.

Russell MidCap Value Index measures the performance of those Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values.

Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000® Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index.

Russell 2000 Growth Index measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 2000 Value Index measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 3000 Index measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market.

MSCI EAFE Index (U.S Dollar) is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada.

MSCI Emerging Market Index (U.S. Dollar) is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets.

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Fixed income

Bloomberg U.S. Aggregate Bond Index is a broad-based measure of the investment grade, US dollar-denominated, fixed-rate taxable bond market.

Bloomberg U.S. Treasury Bills (1–3 Month) Index includes public obligations of the U.S. Treasury with a remaining maturity of one year or more.

Bloomberg U.S. Aggregate 5–7 Year Bond Index is composed of the Bloomberg U.S. Government/Credit Index and the Bloomberg U.S. Mortgage-Backed Securities Index, and includes Treasury issues, agency issues, corporate bond issues, and mortgage-backed securities with maturities of 5-7 years.

Bloomberg U.S. Intermediate Government/Credit Bond Index is the intermediate component of the Bloomberg U.S. Government/Credit Index which is generally representative of government and investment grade corporate debt securities.

Bloomberg U.S. Government/Credit Bond Index is a market-weighted index generally representative of intermediate and long-term government and investment grade corporate debt securities having maturities of greater than one year.

Bloomberg U.S. Municipal Bond Index is an unmanaged index composed of long-term tax-exempt bonds with a minimum credit rating of Baa.

Bloomberg U.S. Corporate High Yield Bond Index covers the universe of fixed-rate, noninvestment-grade debt.

J.P. Morgan GBI (Global Bond Index) Global ex -U.S. (Unhedged) in USD is a representative of the total return performance in U.S. dollars on an unhedged basis of major non-U.S. bond markets.

J.P. Morgan EMBI (Emerging Market Bond Index) Global (U.S. Dollar) currently covers 27 emerging market countries. Included in the EMBI Global are U.S.-dollar-denominated Brady bonds, Eurobonds, traded loans, and local market debt instruments issued by sovereign and quasi-sovereign entities.

Real assets and hedge funds

HFRI Fund Weighted Composite Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies; including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry.

FTSE/EPRA NAREIT Developed Index is designed to track the performance of listed real-estate companies and REITs in developed countries worldwide.

Bloomberg Commodity Index is comprised of 23 exchange-traded futures on physical commodities weighted to account for economic significance and market liquidity.

Economic indexes

Consumer Price Index (CPI) produces monthly data on changes in the prices paid by urban consumers for a representative basket of goods and services.

The Institute of Supply Management (ISM) Manufacturing Index® is a composite index based on the diffusion indexes of five of the indexes with equal weights: New Orders (seasonally adjusted), Production (seasonally adjusted), Employment (seasonally adjusted), Supplier Deliveries (seasonally adjusted), and Inventories. An Index values over 50 indicate expansion; below 50 indicates contraction. The values for the index can be between 0 and 100.

The Institute of Supply Management (ISM) Non-Manufacturing Index® is a composite index based on the diffusion indexes for four of the indicators with equal weights: Business Activity (seasonally adjusted), New Orders (seasonally adjusted), Employment (seasonally adjusted) and Supplier Deliveries. An Index values over 50 indicate expansion; below 50 indicates contraction. The values for the index can be between 0 and 100.

PMI Surveys, such as the **Eurozone, China, and Japan Manufacturing PMIs** track sentiment among purchasing managers at manufacturing, construction and/or services firms. An overall sentiment index is generally calculated from the results of queries on production, orders, inventories, employment, prices, etc.

Caixin China General Manufacturing Purchasing Managers' Index (PMI), sponsored by Caixin and compiled by international information and data analytics provider IHS Markit, is closely watched by investors as one of the first available indicators every month of the strength of the Chinese economy.

Equities

Global Market Equity: **MSCI AC World Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of 23 developed and 23 emerging markets.

Large Cap Equity: **S&P 500 Index** is a market capitalization-weighted index composed of 500 widely held common stocks that is generally considered representative of the US stock market. Returns assume reinvestment of dividends and capital gain distributions.

Large Cap Growth Equity: **Russell 1000® Growth Index** measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. **Russell 1000® Index** measures the performance of the 1,000 largest companies in the Russell 3000 Index, which represents approximately 90% of the total market capitalization of the Russell 3000 Index. The **Russell 3000® Index** measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market.

Large Cap Value Equity: **Russell 1000® Value Index** measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. ***Mid Cap Equity*****: Russell Midcap® Index** measures the performance of the 800 smallest companies in the Russell 1000 Index, which represent approximately 25% of the total market capitalization of the Russell 1000® Index.

Small Cap Equity: **Russell 2000® Index** measures the performance of the 2,000 smallest companies in the Russell 3000® Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index.

Developed Market ex. U.S. Equity: **MSCI EAFE Index** is a free float-adjusted market capitalization index that is designed to measure the equity market performance of 21 developed markets, excluding the US & Canada.

Equities

Developed Small Cap Equities: The **MSCI EAFE Small Cap Index** is an equity index which captures small cap representation across Developed Markets countries around the world, excluding the US and Canada. With 2,282 constituents, the index covers approximately 14% of the free float-adjusted market capitalization in each country.

Emerging Markets: **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance of 23 emerging market countries.

Frontier Market Equity: **MSCI Frontier Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance of frontier markets. The MSCI Frontier Markets Index consists of 24 frontier market country indexes.

MSCI Belgium Index *is designed to measure the performance of the large and mid cap segments of the Belgium equity market.*

MSCI China Index *captures large and mid-cap representation across China H shares, B shares, Red Chips and P Chips.*

MSCI Emerging Markets EMEA Index *captures large and mid cap representation across 11 Emerging Markets (EM) countries* in Europe, the Middle East and Africa (EMEA)*

MSCI Emerging Markets (EM) Latin America Index *captures large and mid cap representation across 5 Emerging Markets (EM) countries* in Latin America.*

MSCI Europe Index *captures large and mid cap representation across 15 Developed Markets (DM) countries in Europe.*

MSCI Hong Kong Index *is designed to measure the performance of the large and mid-cap segments of the Hong Kong market.*

MSCI Japan Index *is a free-float weighted equity index composed of companies domiciled in Japan.*

MSCI Korea Index *is designed to measure the performance of the large and mid cap segments of the South Korean market.* ***MSCI Netherlands Index*** *is designed to measure the performance of the large and mid cap segments of the Netherlands market.*

MSCI Pacific Index *captures large and mid cap representation across 5 Developed Markets (DM) countries in the Pacific region.*

MSCI South Africa Index *is designed to measure the performance of the large and mid cap segments of the South African market.*

MSCI Taiwan Index *is designed to measure the performance of the large and mid cap segments of the Taiwan market*

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S&P 500 Communication Services Index comprises those companies included in the S&P 500 that are classified as members of the GICS® communication services sector. **S&P 500 Consumer Discretionary Index** comprises those companies included in the S&P 500 that are classified as members of the GICS® consumer discretionary sector. **S&P 500 Consumer Staples Index** comprises those companies included in the S&P 500 that are classified as members of the GICS® consumer staples sector.

S&P 500 Energy Index comprises those companies included in the S&P 500 that are classified as members of the GICS® energy sector.

S&P 500 Financials Index comprises those companies included in the S&P 500 that are classified as members of the GICS® financials sector. **S&P 500 Health Care Index** comprises those companies included in the S&P 500 that are classified as members of the GICS® health care sector. **S&P 500**

Industrials Index comprises those companies included in the S&P 500 that are classified as members of the GICS® industrials sector.

S&P 500 Information Technology Index comprises those companies included in the S&P 500 that are classified as members of the GICS® information technology sector.

S&P 500 Materials Index comprises those companies included in the S&P 500 that are classified as members of the GICS® materials sector. **S&P 500 Real Estate Index** comprises those companies included in the S&P 500 that are classified as members of the GICS® real estate sector. **S&P 500 Utilities Index** comprises those companies included in the S&P 500 that are classified as members of the GICS utilities sector.

Fixed Income

***Global Multiverse Fixed Income*:** **Bloomberg Multiverse Index** provides a broad-based measure of the global fixed-income bond market. The index represents the union of the Global Aggregate Index and the Global High-Yield Index and captures investment grade and high yield securities in all eligible currencies.

***U.S. Inv Grade Taxable Fixed Income*:** **Bloomberg U.S. Aggregate Bond Index** is composed of the Bloomberg Capital U.S. Government/Credit Index and the Bloomberg Capital U.S. Mortgage-Backed Securities Index, and includes Treasury issues, agency issues, corporate bond issues, and mortgage-backed securities.

***U.S. Treasury Bills Fixed Income*:** **Bloomberg U.S. Treasury Bills Index** includes all publicly issued zero-coupon U.S. Treasury Bills that have a remaining maturity of less than 3 months and more than 1 month, are rated investment grade, and have $250 million or more of outstanding face value. In addition, the securities must be denominated in U.S. dollars and must be fixed rate and non convertible.

Short, Intermediate and Long Term Fixed Income: **Bloomberg U.S. Aggregate Bond Index** is made up of the Bloomberg U.S. Government/Corporate Bond Index, Mortgage-Backed Securities Index, and Asset-Backed Securities Index, including securities that are of investment grade quality or better, have at least one year to maturity, and have an outstanding par value of at least $100 million.

***U.S. Treasury Fixed Income*:** **Bloomberg U.S. Treasury Index** includes public obligations of the U.S. Treasury with a remaining maturity of one year or more.

U.S. Corporate Fixed Income: **Bloomberg U.S. Corporate Bond Index** includes publicly issued U.S. corporate and Yankee debentures and secured notes that meet specified maturity, liquidity, and quality requirements.

U.S. Municipal Fixed Income: **Bloomberg U.S. Municipal Bond Index** represents municipal bonds with a minimum credit rating of at least Baa, an outstanding par value of at least $3 million, and a remaining maturity of at least one year. The Index excludes taxable municipal bonds, bonds with floating rates, derivatives, and certificates of participation.

U.S. TIPS Fixed Income: **Bloomberg Treasury Inflation Protected Securities (TIPS) Index** includes all publicly issued, investment-grade U.S. TIPS with an outstanding face value of more than $250 million and that have at least one year to maturity.

U.S. High Yield Fixed Income: **Bloomberg U.S. High Yield Bond Index** is an unmanaged index that tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market.

Developed ex. U.S. Fixed Income: **JPMorgan GBI Global ex-U.S. (Unhedged)** in USD is an unmanaged index market representative of the total return performance in U.S. dollars on an unhedged basis of major non-U.S. bond markets.

***Emerging Market Fixed Income*:** **JP Morgan Emerging Markets Bond Index Global (EMBI Global),** which currently covers 27 emerging market countries. Included in the EMBI Global are U.S.-dollar-denominated Brady bonds, Eurobonds, traded loans, and local market debt instruments issued by sovereign and quasi-sovereign entities.

Emerging Market Spread: **Bloomberg EM USD Aggregate Index** is a flagship hard currency Emerging Markets debt benchmark that includes USD denominated debt from sovereign, quasi- sovereign, and corporate EM issuers. The index is broad-based in its coverage by sector and by country, and reflects the evolution of EM benchmarking from traditional sovereign bond indices to Aggregate-style benchmarks that are more representative of the EM investment choice set. Country eligibility and classification as an Emerging Market is rules-based and reviewed on an annual basis using World Bank income group and International Monetary Fund (IMF) country classifications. This index was previously called the Bloomberg US EM Index and history is available back to 1993.

Hedged DM Fixed Income: **JPMorgan Non-U.S. Global Government Bond Index (Hedged)** is a representative of the total return performance, on a hedged basis, of major non-U.S. bond markets. It is calculated in U.S. dollars.

Real Assets

Public Real Estate: **FTSE/EPRA NAREIT Developed Index** is designed to track the performance of listed real estate companies and REITs worldwide.

U.S. REITs**: FTSE NAREIT U.S. All Equity REITs Index** is designed to track the performance of REITs representing equity interests in (as opposed to mortgages) on properties. It represents all tax-qualified REITs with more than 50 percent of total assets in qualifying real estate assets, other than mortgages secured by real property that also meet minimum size and liquidity criteria.

International REITs: **FTSE EPRA/NAREIT Developed ex U.S. Index** is designed to track the performance of listed real estate companies in developed countries worldwide other than the U.S.

S&P Goldman Sachs Commodity Index (GSCI) is a composite index of commodity sector returns representing unleveraged, long-only investment in commodity futures that is broadly diversified across the spectrum of commodities. The index is includes futures contracts on 24 physical commodities of which Energy represents nearly 70%.

Bloomberg Commodity Index is comprised of 23 exchange-traded futures on physical commodities weighted to account for economic significance and market liquidity.

Bloomberg Commodity Energy Subindex is a commodity group subindex of the Bloomberg CITR. The index is composed of futures contracts on crude oil, heating oil, unleaded gasoline and natural gas. It reflects the return on fully collateralized futures positions and is quoted in USD.

Bloomberg Precious Metals Subindex is a commodity group subindex of the Bloomberg CITR. It is composed of futures contracts on gold and silver. It reflects the return on underlying commodity future price movements only and is quoted in USD.

Commodities (RICI): **The Rogers International Commodity Index** is a U.S. dollar based index representing the value of a basket of commodities consumed in the global economy. Representing futures contracts on 37 physical commodities, it is designed to track prices of raw materials not just in the U.S. but around the world.

Global Infrastructure**: S&P Global Infrastructure Index** provides liquid and tradable exposure to 75 companies from around the world that represent the listed infrastructure universe. To create diversified exposure, the index includes three distinct infrastructure clusters: utilities, transportation and energy.

MLPs: **Alerian MLP Index** is the leading gauge of energy infrastructure Master Limited Partnerships (MLPs). The capped, float-adjusted, capitalization-weighted index, whose constituents earn the majority of their cash flow from midstream activities involving energy commodities, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis (AMZX). **Bloomberg Precious Metals Subindex Index** reflects the returns that are potentially available through an unleveraged investment in the futures contracts on precious metals commodities. **Bloomberg Agriculture Subindex** is a commodity group subindex of the Bloomberg Commodity Index. It is composed of futures contracts on coffee, corn, cotton, soybeans, soybean oil, soybean meal, sugar and wheat. It reflects the return of the underlying commodity futures and is quoted in USD.

Alternative Assets

Unlike most asset class indices, HFR Index returns reflect deduction for fees. Because the HFR indices are calculated based on information that is voluntarily provided actual returns may be lower than those reported. Results for funds that go out of business are included in the index until the date that they cease operations. Therefore, these indices may not be complete or accurate representations of the hedge fund universe, and may be biased in several ways.

Global Hedge Funds: **The HFRI Fund Weighted Composite Index** is a global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net-of-all-fees performance in U.S. dollars and have a minimum of $50 million under management or a 12-month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.

Relative Value: **The HFRI Relative Value Index:** maintains positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities. Managers employ a variety of fundamental and quantitative techniques to establish investment theses, and security types range broadly across equity, fixed income, derivative or other security types. Fixed income strategies are typically quantitatively driven to measure the existing relationship between instruments and, in some cases, identify attractive positions in which the risk adjusted spread between these instruments represents an attractive opportunity for the investment manager. RV position may be involved in corporate transactions also, but as opposed to ED exposures, the investment thesis is predicated on realization of a pricing discrepancy between related securities, as opposed to the outcome of the corporate transaction.

Arbitrage: **HFRI RV: Multi-Strategy Index:** multi-strategies employ an investment thesis predicated on realization of a spread between related yield instruments in which one or multiple components of the spread contains a fixed income, derivative, equity, real estate, MLP or combination of these or other instruments. Strategies are typically quantitatively driven to measure the existing relationship between instruments and, in some cases, identify attractive positions in which the risk adjusted spread between these instruments represents an attractive opportunity for the investment manager.

Long/Short Credit: **HFRI Relative Value Fixed Income—Corporate Index.** Includes strategies predicated on realization of a spread between related instruments in which one or multiple components of the spread is a corporate fixed-income instrument. Strategies are designed to isolate attractive opportunities between a variety of fixed income instruments, typically realizing an attractive spread between multiple corporate bonds or between a corporate and risk free government bond. They typically involve arbitrage positions with little or no net credit market exposure, but are predicated on specific, anticipated idiosyncratic developments.

Structured Credit/Asset Backed: HFRI Relative Value Fixed Income-Asset Backed Index includes strategies predicated on realization of a spread between related instruments in which one or multiple components of the spread is a fixed-income instrument backed by physical collateral or other financial obligations (loans, credit cards) other than those of a specific corporation. Strategies are designed to isolate attractive opportunities between a variety of fixed income instruments specifically securitized by collateral commitments, which frequently include loans, pools and portfolios of loans, receivables, real estate, machinery or other tangible financial commitments. Investment thesis may be predicated on an attractive spread given the nature and quality of the collateral, the liquidity characteristics of the underlying instruments and on issuance and trends in collateralized fixed-income instruments, broadly speaking. In many cases, investment managers hedge, limit, or offset interest-rate exposure in the interest of isolating the risk of the position to strictly the disparity between the yield of the instrument and that of the lower-risk instruments.

***Macro:* HFRI Macro Index:** Investment Managers which trade a broad range of strategies in which the investment process is predicated on movements in underlying economic variables and the impact these have on equity, fixed income, hard currency and commodity markets. Managers employ a variety of techniques, both discretionary and systematic analysis, combinations of top down and bottom up theses, quantitative and fundamental approaches and long and short term holding periods. Although some strategies employ RV techniques, Macro strategies are distinct from RV strategies in that the primary investment thesis is predicated on predicted or future movements in the underlying instruments, rather than realization of a valuation discrepancy between securities. In a similar way, while both Macro and equity hedge managers may hold equity securities, the overriding investment thesis is predicated on the impact movements in underlying macroeconomic variables may have on security prices, as opposes to EH, in which the fundamental characteristics on the company are the most significant are integral to investment thesis.

***Systematic Macro:* HFRI Macro Systematic Diversified Index**: Diversified strategies employing mathematical, algorithmic and technical models, with little or no influence of individuals over the portfolio positioning. Strategies are designed to identify opportunities in markets exhibiting trending or momentum characteristics across individual instruments or asset classes.

Strategies typically employ quantitative processes which focus on statistically robust or technical patterns in the return series of the asset, and they typically focus on highly liquid instruments and maintain shorter holding periods than either discretionary or mean-reverting strategies. Although some strategies seek to employ counter-trend models, strategies benefit most from an environment characterized by persistent, discernible trending behavior. Typically have no greater than 35 percent of portfolio in either dedicated currency or commodity exposures over a given market cycle.

***Discretionary Macro:* HFRI Macro Discretionary Thematic Index**: Strategies primarily rely on the evaluation of market data, relationships and influences, as interpreted by individuals who make decisions on portfolio positions; strategies employ an investment process most heavily influenced by top-down analysis of macroeconomic variables. Investment Managers may trade actively in developed and emerging markets, focusing on both absolute and relative levels on equity markets, interest rates/fixed income markets, currency and commodity markets; they frequently employ spread trades to isolate a differential between instrument identified by the Investment Manager as being inconsistent with expected value. Portfolio positions typically are predicated on the evolution of investment themes the Manager expects to develop over a relevant time frame, which in many cases contain contrarian or volatility-focused components.

Alternative Assets

***Event Driven:* HFRI Event Driven Index:** Investment Managers who maintain positions in companies currently or prospectively involved in corporate transactions of a wide variety including but not limited to mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments. Security types can range from most senior in the capital structure to most junior or subordinated, and frequently involve additional derivative securities. Event Driven exposure includes a combination of sensitivities to equity markets, credit markets and idiosyncratic, company specific developments. Investment theses are typically predicated on fundamental characteristics (as opposed to quantitative), with the realization of the thesis predicated on a specific development exogenous to the existing capital structure.

***Activist:* HFRI Event Driven Activist Index**: Strategies may obtain or attempt to obtain representation on the company's board of directors in an effort to impact the firm's policies or strategic direction and in some cases may advocate activities such as division or asset sales, partial or complete corporate divestiture, dividends or share buybacks, and changes in management. Strategies employ an investment process primarily focused on opportunities in equity and equity-related instruments of companies that are currently or prospectively engaged in a corporate transaction, security issuance/repurchase, asset sales, division spin-off or other catalyst-oriented situation. These involve both announced transactions and situations in which no formal announcement is expected to occur. Activist strategies would expect to have greater than 50 percent of the portfolio in activist positions, as described.

Distressed Credit: **HFRI Event Driven Distressed/Restructuring Index**: Strategies focus on corporate fixed-income instruments, primarily corporate credit instruments of companies trading at significant discounts to their value at issuance or obliged (par value) at maturity as a result of either formal bankruptcy proceedings or financial-market perception of near-term proceedings. Managers are typically actively involved with the management of these companies; they are frequently involved on creditors' committees in negotiating the exchange of securities for alternative obligations, either swaps of debt, equity or hybrid securities. Managers employ fundamental credit processes focused on valuation and asset coverage of securities of distressed firms; in most cases portfolio exposures are concentrated in instruments that are publicly traded, in some cases actively and in others under reduced liquidity but in general for which a reasonable public market exists. Strategies employ primarily debt (greater than 60 percent) but also may maintain related equity exposure.

Merger Arbitrage: **HFRI Event Driven Merger Arbitrage Index:** Strategies primarily focus on opportunities in equity and equity-related instruments of companies that are currently engaged in a corporate transaction. Merger Arbitrage involves primarily announced transactions, typically with limited or no exposure to situations in which no formal announcement is expected to occur. Opportunities are frequently presented in cross-border, collared, and international transactions that incorporate multiple geographic regulatory institutions, typically with minimal exposure to corporate credits. Strategies typically have over 75 percent of positions in announced transactions over a given market cycle.

Equity Hedge: **HFRI Equity Hedge (Total) Index**: Investment Managers who maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. EH managers would typically maintain at least 50 percent exposure to, and may in some cases be entirely invested in, equities, both long and short.

Directional Equity: **HFRX Equity Hedge Multi-Strategy Index**: Managers maintain positions both long and short in primarily equity and equity-derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage, holding period, concentrations of market capitalizations, and valuation ranges of typical portfolios. Managers typically do not maintain more than 50 percent exposure to any one Equity Hedge sub-strategy.

Equity Market Neutral: **HFRI Equity Hedge Equity Market Neutral Index:** Strategies employ sophisticated quantitative techniques to analyze price data to ascertain information about future price movement and relationships between securities. These can include both Factor-based and Statistical Arbitrage/Trading strategies. Factor-based investment strategies include strategies predicated on the systematic analysis of common relationships between securities. In many cases, portfolios are constructed to be neutral to one or multiple variables, such as broader equity markets in dollar or beta terms, and leverage is frequently employed to enhance the return profile of the positions identified. Statistical Arbitrage/Trading strategies consist of strategies predicated on exploiting pricing anomalies which may occur as a function of expected mean reversion inherent in security prices; high-frequency techniques may be employed; trading strategies may also be based on technical analysis or designed opportunistically to exploit new information that the investment manager believes has not been fully, completely, or accurately discounted into current security prices. Strategies typically maintain characteristic net equity market exposure no greater than 10 percent long or short.

The **Cambridge Associates LLC U.S. Private Equity Index®** uses a horizon calculation based on data compiled from more than 1,400 institutional-quality buyout, growth equity, private equity energy, and subordinated capital funds formed between 1986 and 2021. The funds included in the index report their performance voluntarily and therefore the index may reflect a bias towards funds with records of success. Funds report unaudited quarterly data to Cambridge Associates when calculating the index. The index is not transparent and cannot be independently verified because Cambridge Associates does not identify the funds included in the index. Because Cambridge Associates recalculates the index each time a new fund is added, the historical performance of the index is not fixed, can't be replicated and will differ over time from the day presented. The returns shown are net of fees, expenses and carried interest.

Index returns do not represent fund performance.

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WELLS FARGO The Private Bank

Developing Your Investment Strategy

Prepared For:

Virginia Department for the Blind & Vision Impaired

November 2023

Wells Fargo Institutional OCIO

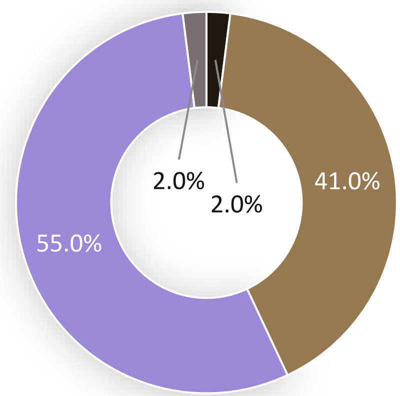
Investment and Insurance Products:
Not FDIC Insured
No Bank Guarantee
May Lose Value

CAR-0323-04825

Agenda

Portfolio Guidance

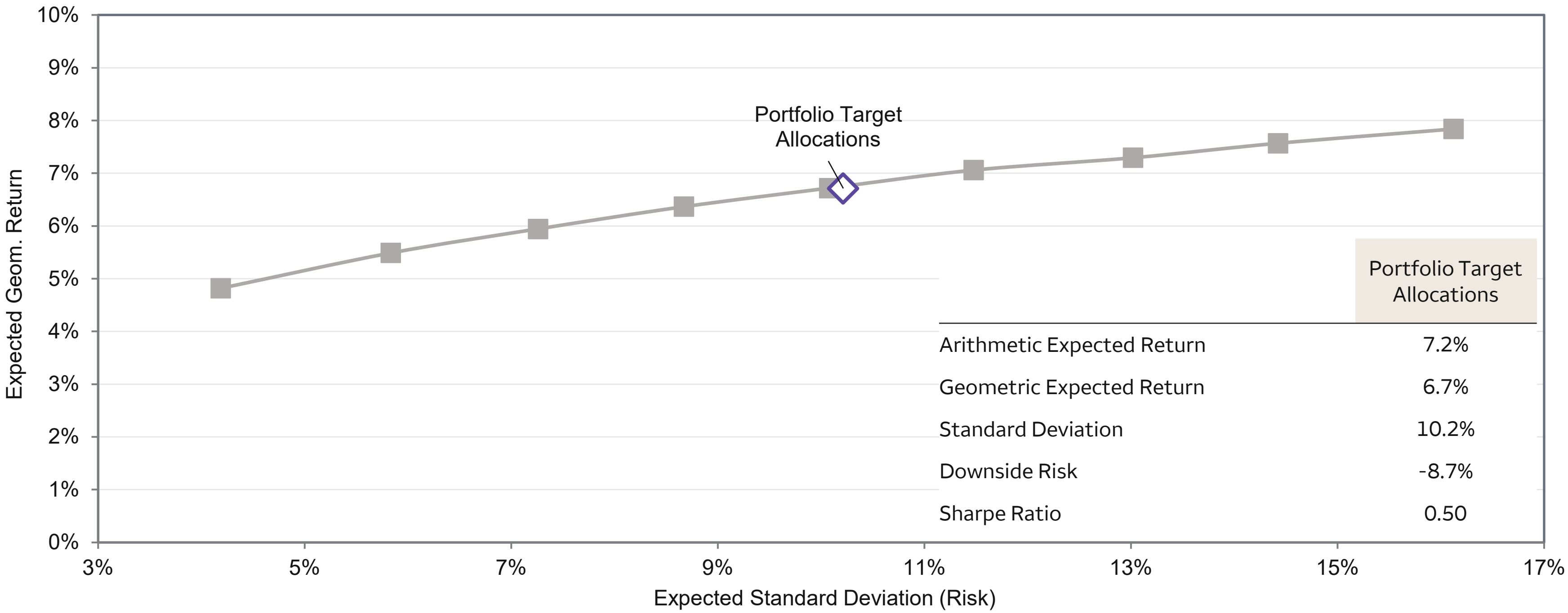
Asset Allocation – Side-by-Side Comparisons



Asset Class	Portfolio Target Allocations %	Market Value
Cash & Cash Alternatives	**2.0%**	**105,717**
Fixed Income	**41.0%**	**2,167,189**
U.S. Investment Grade Taxable Fixed Income	30.0%	1,585,748
High Yield Taxable Fixed Income	6.0%	317,150
Emerging Market Fixed Income	5.0%	264,291
Equities	**55.0%**	**2,907,205**
U.S. Large Cap Equities	26.0%	1,374,315
U.S. Mid Cap Equities	10.0%	528,583
U.S. Small Cap Equities	6.0%	317,150
Developed Market Ex-U.S. Equities	8.0%	422,866
Emerging Market Equities	5.0%	264,291
Real Assets	**2.0%**	**105,717**
Commodities	2.0%	105,717
Total	**100.0%**	**5,285,827**

Asset Allocation Risk/Reward

Provides a comparison of expected risk and return based on investment objective



Summary Statistics	Income			Growth & Income			Growth		
	Conservative	Moderate	Aggressive	Conservative	Moderate	Aggressive	Conservative	Moderate	Aggressive
Arithmetic Expected Return	4.9%	5.6%	6.2%	6.7%	7.2%	7.7%	8.1%	8.5%	9.0%
Geometric Expected Return	4.8%	5.5%	5.9%	6.4%	6.7%	7.1%	7.3%	7.6%	7.8%
Standard Deviation	4.2%	5.8%	7.3%	8.7%	10.1%	11.5%	13.0%	14.4%	16.1%
Downside Risk	-1.8%	-3.7%	-5.3%	-6.9%	-8.5%	-10.1%	-11.9%	-13.5%	-15.3%
Sharpe Ratio	0.57	0.54	0.51	0.49	0.47	0.45	0.43	0.42	0.40

Asset Allocation Risk/Reward

Provides a comparison of expected risk and return based on investment objective

IMPORTANT: The projections or other information generated by the Capital Market Assumptions regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results may vary with each use and over time. **Past performance is no guarantee of future results.**

Statistics are based on 2023 Wells Fargo Investment Institute forward-looking capital market assumptions for each asset class. Arithmetic Return is the annual growth rate of an investment over a specified period of time longer than one year. Standard Deviation is a measure of volatility and reflects the degree of variability surrounding the outcome of an investment decision. The higher the Standard Deviation, the greater the risk. The Sharpe Ratio is a measure of risk-adjusted returns: (expected return – expected risk-free rate) / expected standard deviation. Downside risk is based on assumptions about average returns and the variability of returns. See appendix for a full description of the firm's capital market assumptions.

Monte Carlo Simulation

Monte Carlo Simulation

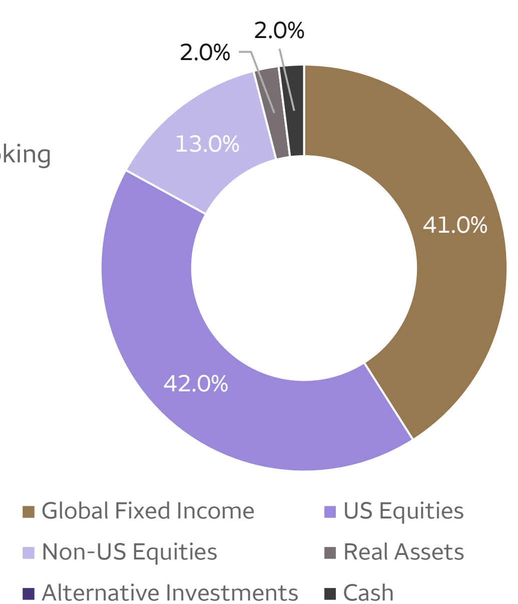
Monte Carlo analysis expands the traditional investment planning model by adding uncertainty into the plan. This analysis takes into consideration the difficulty of accurately predicting annual return rate expectations. While return rate expectations over the long-term can be reasonably predicted, the actual pattern over the short term is difficult to predict and may often appear random. Monte Carlo analysis evaluates your investment plan by randomizing the return rates within the normal expected range each year and performing this analysis multiple times to simulate several possible financial outcomes. Monte Carlo analysis is also known as Monte Carlo Simulation (MCS), or probability analysis.

- For example, an account with a projected average return of 8% is subject to variations due to future uncertainties of various investment markets. Monte Carlo analysis allows us to randomly project an account's returns forward assuming that in some years the account will return rates lower than the average, say 4%, and in other years the account will return a rate higher than the average, say 12%, for an overall average of 8%. Allowing for this variability in returns does have an impact on the overall plan and the probability of success.

IMPORTANT: The projections or other information generated by this Monte Carlo Simulation regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results may vary with each use and over time.

Key Inputs & Assumptions

- **IPS Allocation (Moderate Growth & Income)**
- Portfolio expected returns and expected volatilities are calculated using strategic asset allocation targets as shown in the accompanying pie chart and Wells Fargo Investment Institute forward-looking capital market assumptions ("CMAs")
- **IPS Allocation Portfolio Expectations**
  - Expected Return: **7.2%**
  - Expected Standard Deviation: **10.2%**
- **Key Assumptions**
  - Portfolio Starting Value **$5,285,827**
  - **No** Contributions
  - **3%** Annual withdraw rate
  - Annual rate of inflation estimated at **2.5%**

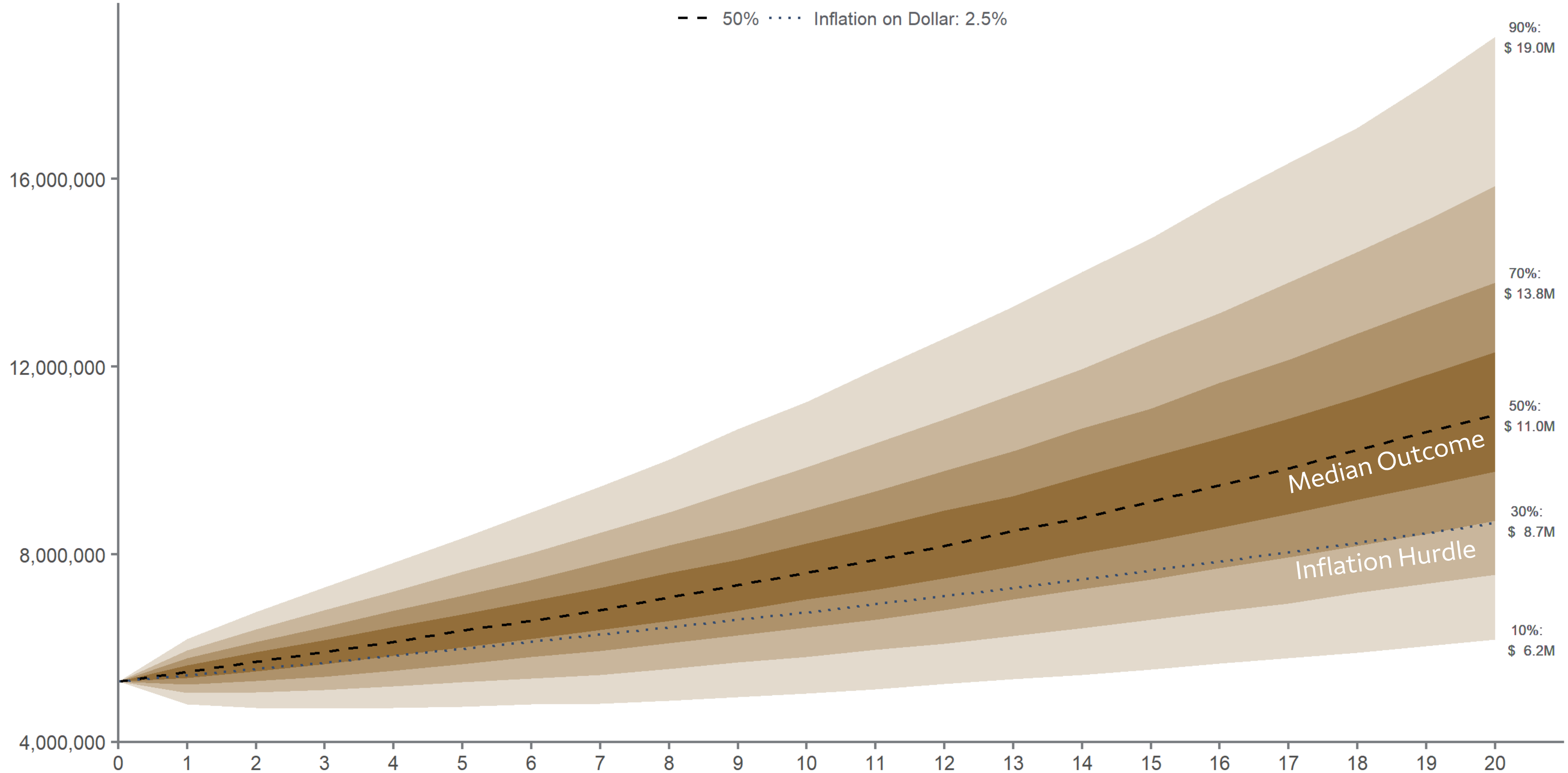


Monte Carlo Analysis – Wealth Projection

Monte Carlo Parameters

- Start Value of Portfolio: **$5.3 million**
- Exp. Return: **7.2%**
- Expected Volatility: **10.2%**
- Annual Distribution Rate: **3%**
- Time Horizon: **20 Years**
- Expected Ending Value: **$11.0 million**
- Prob. of beating inflation: **70.5%**

Simulation Outcome

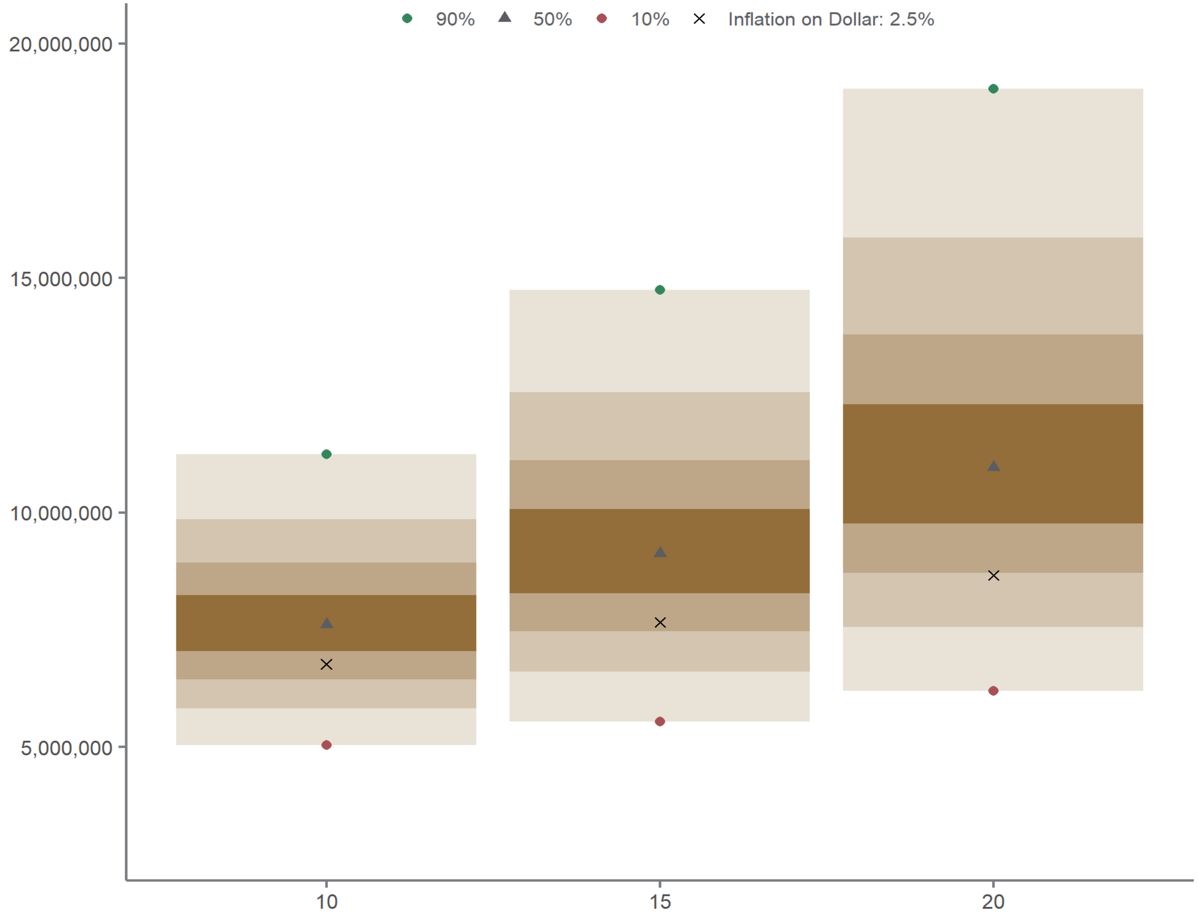


This Monte Carlo Simulation generates random returns based on the average (mean) return and standard deviation for the proposed portfolio asset allocation, which are calculated using asset-class level CMAs (expected return, expected standard deviation, and pairwise correlations among all asset classes). These random returns are selected for each year in this scenario, and this process is repeated 15,000 times. 'Expected' or 'median' outcomes represent the 50th percentile of the 15,000 simulations generated as described above. Simulations use a normal distribution, which approximates the distribution of historical market returns. **Past performance is no guarantee of future results.**

Monte Carlo Analysis – Wealth Projection

Goal of the Analysis is to show the impact that a **3% annual distribution** will have on the estimated future portfolio value over the Long Term **(20 years)**. The 10th Percentile outcome represents the Worst-Case Scenario while the 90th percentile outcome represents the best case; The median, 50th Percentile represents the most likely outcome.

Simulation Outcome



Analysis Parameters

Parameters	Value
Starting Dollar	$5.3 M
Expected Return	7.20%
Expected Volatility	10.20%
#Simulations	15,000
Withdrawal/Year	3.00%

Percentile Results

	10Y	15Y	20Y
10%	$5.0M	$5.5M	$6.2M
30%	$6.4M	$7.5M	$8.7M
50%	$ 7.6M	$ 9.1M	$11.0M
70%	$ 8.9M	$11.1M	$13.8M
90%	$11.2M	$14.7M	$19.0M

This Monte Carlo Simulation generates random returns based on the average (mean) return and standard deviation for the proposed portfolio asset allocation, which are calculated using asset-class level CMAs (expected return, expected standard deviation, and pairwise correlations among all asset classes). These random returns are selected for each year in this scenario, and this process is repeated 15,000 times. 'Expected' or 'median' outcomes represent the 50th percentile of the 15,000 simulations generated as described above. Simulations use a normal distribution, which approximates the distribution of historical market returns. **Past performance is no guarantee of future results.**

Monte Carlo Simulation

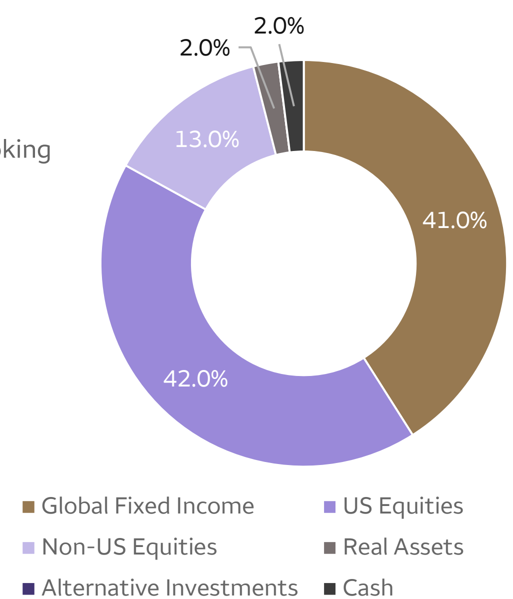
Monte Carlo analysis expands the traditional investment planning model by adding uncertainty into the plan. This analysis takes into consideration the difficulty of accurately predicting annual return rate expectations. While return rate expectations over the long-term can be reasonably predicted, the actual pattern over the short term is difficult to predict and may often appear random. Monte Carlo analysis evaluates your investment plan by randomizing the return rates within the normal expected range each year and performing this analysis multiple times to simulate several possible financial outcomes. Monte Carlo analysis is also known as Monte Carlo Simulation (MCS), or probability analysis.

- For example, an account with a projected average return of 8% is subject to variations due to future uncertainties of various investment markets. Monte Carlo analysis allows us to randomly project an account's returns forward assuming that in some years the account will return rates lower than the average, say 4%, and in other years the account will return a rate higher than the average, say 12%, for an overall average of 8%. Allowing for this variability in returns does have an impact on the overall plan and the probability of success.

IMPORTANT: The projections or other information generated by this Monte Carlo Simulation regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results may vary with each use and over time.

Key Inputs & Assumptions

- **IPS Allocation (Moderate Growth & Income)**
- Portfolio expected returns and expected volatilities are calculated using strategic asset allocation targets as shown in the accompanying pie chart and Wells Fargo Investment Institute forward-looking capital market assumptions ("CMAs")
- **IPS Allocation Portfolio Expectations**
  - Expected Return: **7.2%**
  - Expected Standard Deviation: **10.2%**
- **Key Assumptions**
  - Portfolio Starting Value **$5,285,827**
  - **No** Contributions
  - **4%** Annual withdraw rate
  - Annual rate of inflation estimated at **2.5%**

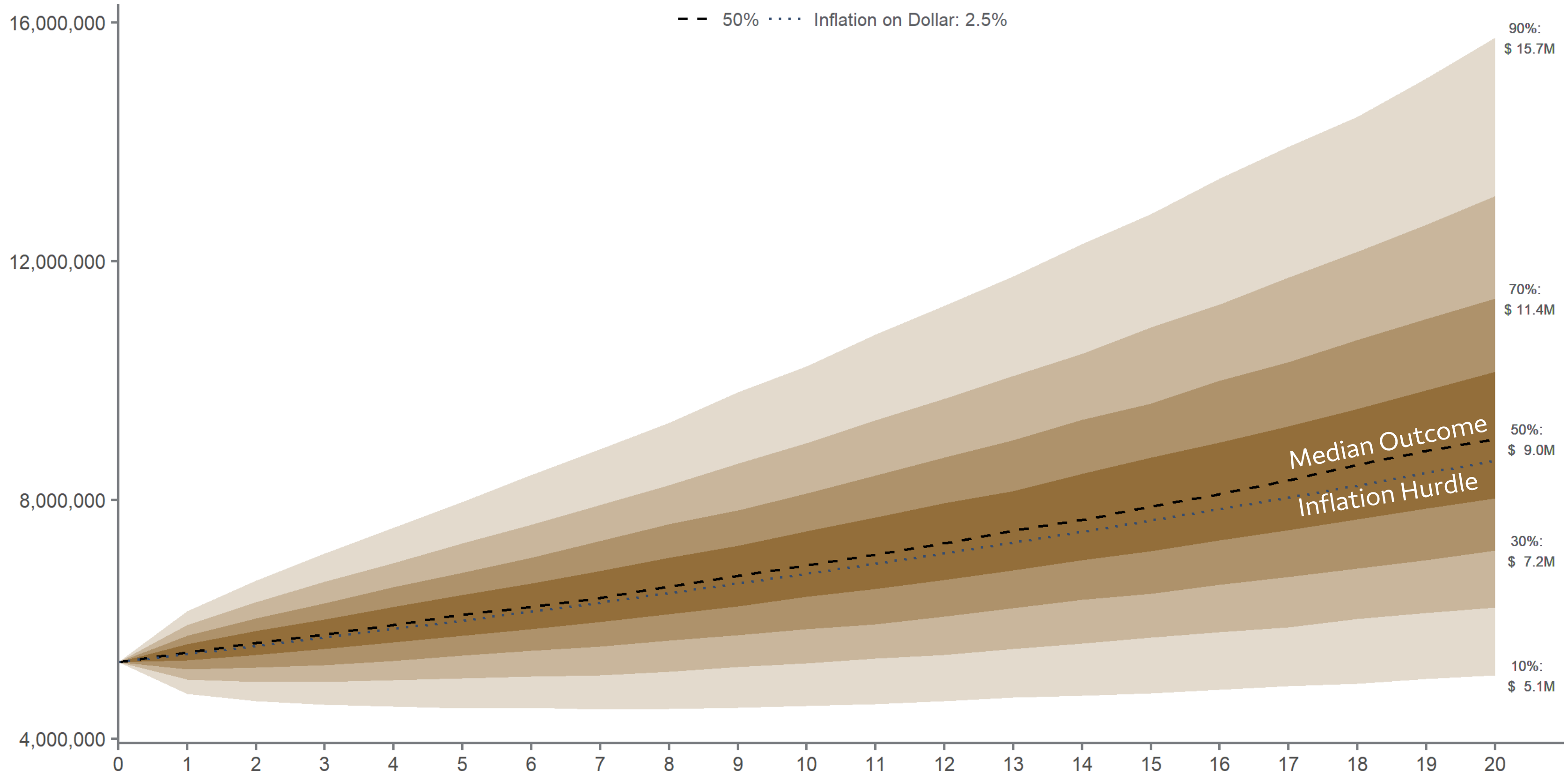


Monte Carlo Analysis – Wealth Projection

Monte Carlo Parameters

- Start Value of Portfolio: **$5.3 million**
- Exp. Return: **7.2%**
- Expected Volatility: **10.2%**
- Annual Distribution Rate: **4%**
- Time Horizon: **20 Years**
- Expected Ending Value: **$9.0 million**
- Prob. of beating inflation: **53.6%**

Simulation Outcome

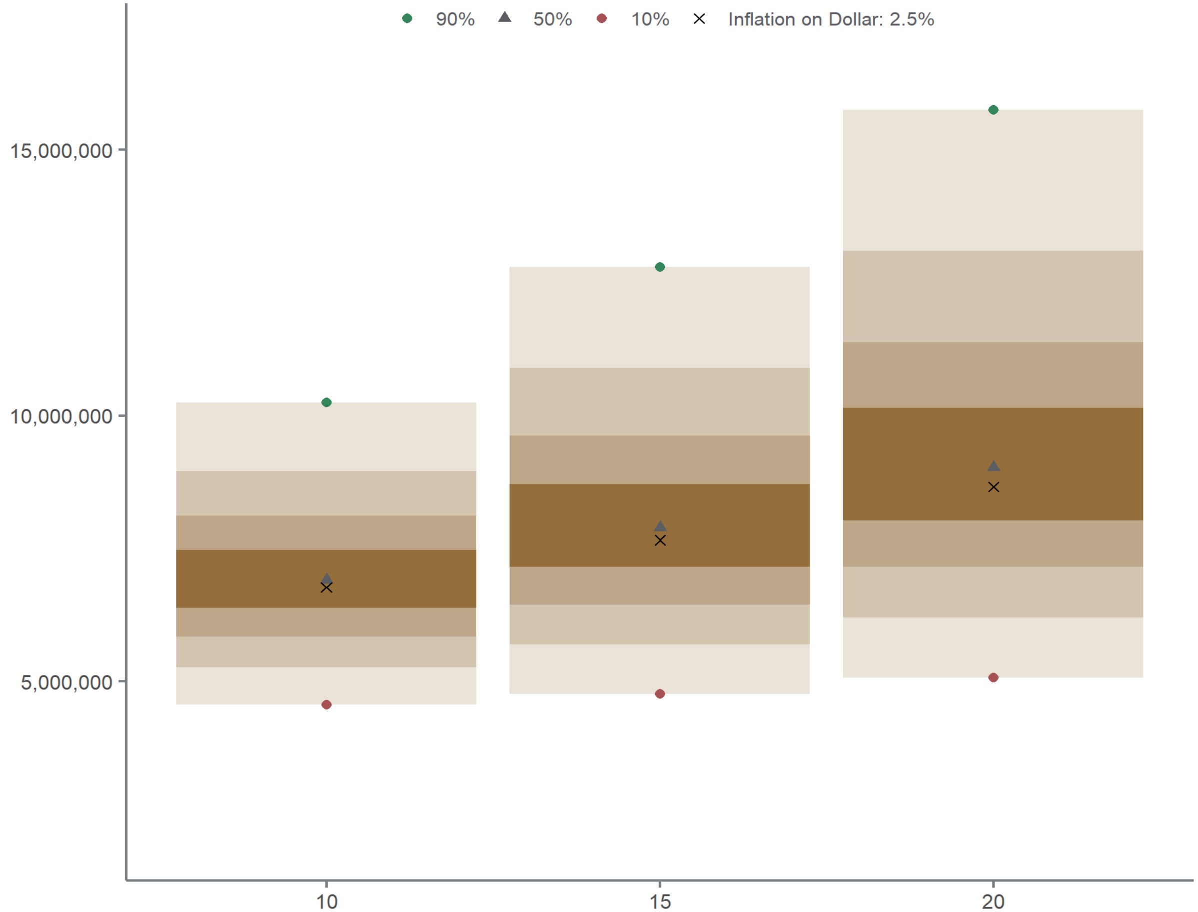


This Monte Carlo Simulation generates random returns based on the average (mean) return and standard deviation for the proposed portfolio asset allocation, which are calculated using asset-class level CMAs (expected return, expected standard deviation, and pairwise correlations among all asset classes). These random returns are selected for each year in this scenario, and this process is repeated 15,000 times. 'Expected' or 'median' outcomes represent the 50th percentile of the 15,000 simulations generated as described above. Simulations use a normal distribution, which approximates the distribution of historical market returns. **Past performance is no guarantee of future results.**

Monte Carlo Analysis – Wealth Projection

Goal of the Analysis is to show the impact that a **4% annual distribution** will have on the estimated future portfolio value over the Long Term **(20 years)**. The 10th Percentile outcome represents the Worst-Case Scenario while the 90th percentile outcome represents the best case; The median, 50th Percentile represents the most likely outcome.

Simulation Outcome



Analysis Parameters

Parameters	Value
Starting Dollar	$5.3 M
Expected Return	7.20%
Expected Volatility	10.20%
#Simulations	15,000
Withdrawal/Year	4.00%

Percentile Results

	10Y	15Y	20Y
10%	$4.6M	$4.8M	$5.1M
30%	$5.8M	$6.4M	$7.2M
50%	$6.9M	$7.9M	$9.0M
70%	$ 8.1M	$ 9.6M	$11.4M
90%	$10.2M	$12.8M	$15.7M

This Monte Carlo Simulation generates random returns based on the average (mean) return and standard deviation for the proposed portfolio asset allocation, which are calculated using asset-class level CMAs (expected return, expected standard deviation, and pairwise correlations among all asset classes). These random returns are selected for each year in this scenario, and this process is repeated 15,000 times. 'Expected' or 'median' outcomes represent the 50th percentile of the 15,000 simulations generated as described above. Simulations use a normal distribution, which approximates the distribution of historical market returns. **Past performance is no guarantee of future results.**

Monte Carlo Simulation

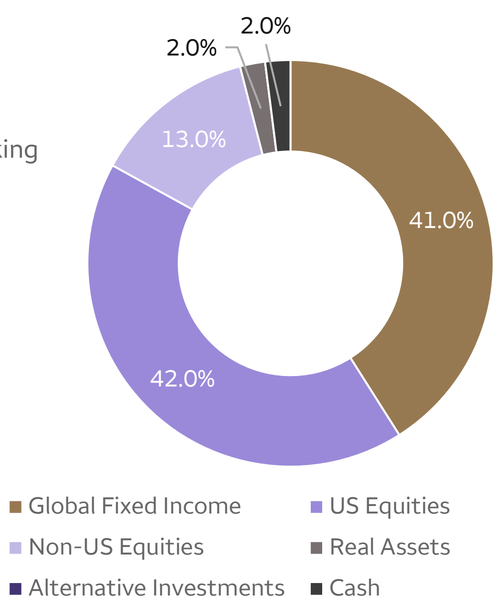
Monte Carlo analysis expands the traditional investment planning model by adding uncertainty into the plan. This analysis takes into consideration the difficulty of accurately predicting annual return rate expectations. While return rate expectations over the long-term can be reasonably predicted, the actual pattern over the short term is difficult to predict and may often appear random. Monte Carlo analysis evaluates your investment plan by randomizing the return rates within the normal expected range each year and performing this analysis multiple times to simulate several possible financial outcomes. Monte Carlo analysis is also known as Monte Carlo Simulation (MCS), or probability analysis.

- For example, an account with a projected average return of 8% is subject to variations due to future uncertainties of various investment markets. Monte Carlo analysis allows us to randomly project an account's returns forward assuming that in some years the account will return rates lower than the average, say 4%, and in other years the account will return a rate higher than the average, say 12%, for an overall average of 8%. Allowing for this variability in returns does have an impact on the overall plan and the probability of success.

IMPORTANT: The projections or other information generated by this Monte Carlo Simulation regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results may vary with each use and over time.

Key Inputs & Assumptions

- **IPS Allocation (Moderate Growth & Income)**
- Portfolio expected returns and expected volatilities are calculated using strategic asset allocation targets as shown in the accompanying pie chart and Wells Fargo Investment Institute forward-looking capital market assumptions ("CMAs")
- **IPS Allocation Portfolio Expectations**
  - Expected Return: **7.2%**
  - Expected Standard Deviation: **10.2%**
- **Key Assumptions**
  - Portfolio Starting Value **$5,285,827**
  - **No** Contributions
  - **5%** Annual withdraw rate
  - Annual rate of inflation estimated at **2.5%**

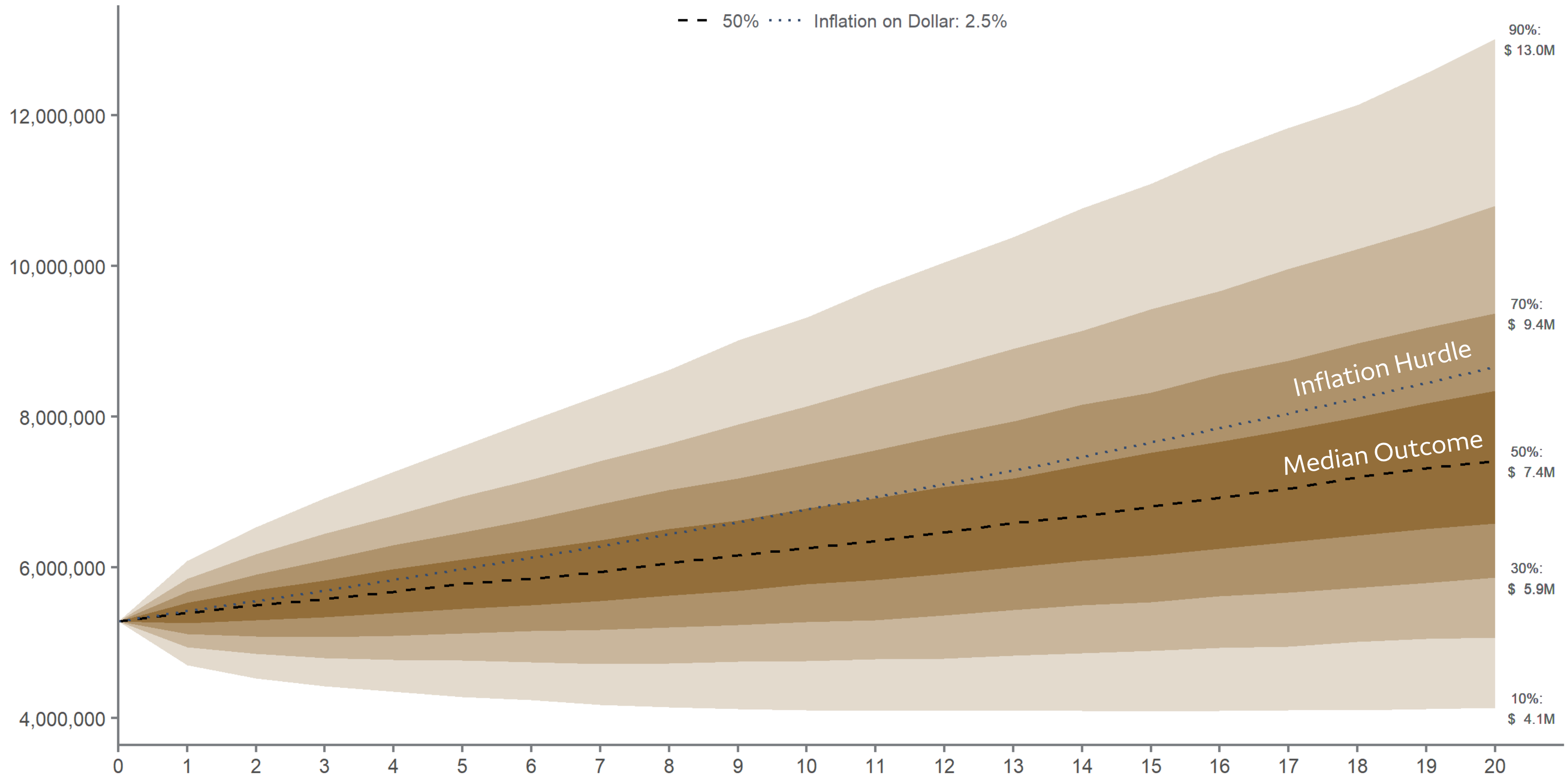


Monte Carlo Analysis – Wealth Projection

Monte Carlo Parameters

- Start Value of Portfolio: **$5.3 million**
- Exp. Return: **7.2%**
- Expected Volatility: **10.2%**
- Annual Distribution Rate: **5%**
- Time Horizon: **20 Years**
- Expected Ending Value: **$7.4 million**
- Prob. of beating inflation: **36.7%**

Simulation Outcome

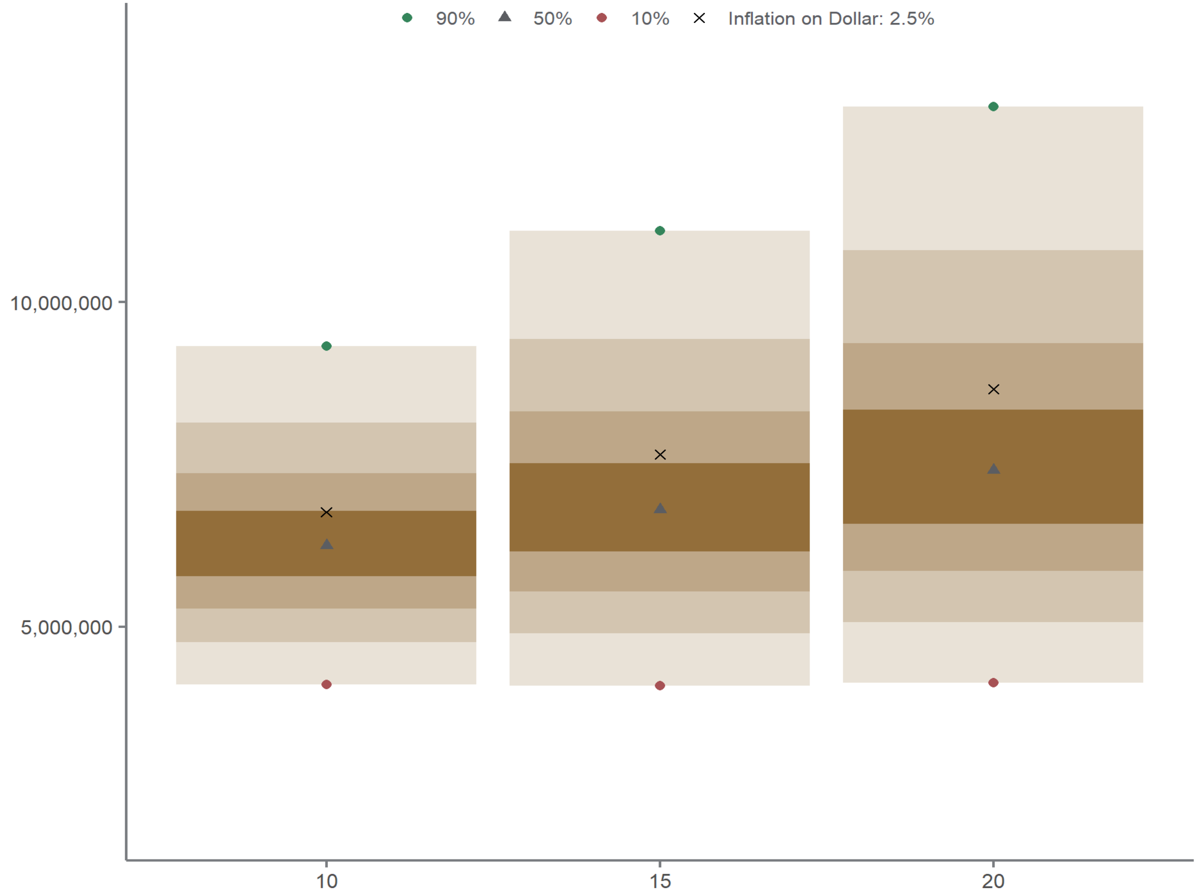


This Monte Carlo Simulation generates random returns based on the average (mean) return and standard deviation for the proposed portfolio asset allocation, which are calculated using asset-class level CMAs (expected return, expected standard deviation, and pairwise correlations among all asset classes). These random returns are selected for each year in this scenario, and this process is repeated 15,000 times. 'Expected' or 'median' outcomes represent the 50th percentile of the 15,000 simulations generated as described above. Simulations use a normal distribution, which approximates the distribution of historical market returns. **Past performance is no guarantee of future results.**

Monte Carlo Analysis – Wealth Projection

Goal of the Analysis is to show the impact that a **5% annual distribution** will have on the estimated future portfolio value over the Long Term **(20 years)**. The 10th Percentile outcome represents the Worst-Case Scenario while the 90th percentile outcome represents the best case; The median, 50th Percentile represents the most likely outcome.

Simulation Outcome



Analysis Parameters

Parameters	Value
Starting Dollar	$5.3 M
Expected Return	7.20%
Expected Volatility	10.20%
#Simulations	15,000
Withdrawal/Year	5.00%

Percentile Results

	10Y	15Y	20Y
10%	$4.1M	$4.1M	$4.1M
30%	$5.3M	$5.5M	$5.9M
50%	$6.3M	$6.8M	$7.4M
70%	$7.4M	$8.3M	$9.4M
90%	$ 9.3M	$11.1M	$13.0M

This Monte Carlo Simulation generates random returns based on the average (mean) return and standard deviation for the proposed portfolio asset allocation, which are calculated using asset-class level CMAs (expected return, expected standard deviation, and pairwise correlations among all asset classes). These random returns are selected for each year in this scenario, and this process is repeated 15,000 times. 'Expected' or 'median' outcomes represent the 50th percentile of the 15,000 simulations generated as described above. Simulations use a normal distribution, which approximates the distribution of historical market returns. **Past performance is no guarantee of future results.**

Monte Carlo Disclosures

Performance Disclosures

The information in this report compares returns and other characteristics of your current portfolio to a proposed asset allocation selected based upon your current investment profile as represented. This report contains hypothetical results, calculated based upon the information and assumptions that you provided or that are disclosed in the report. This report does not attempt to address all financial issues that may impact you and is limited to the areas addressed to in the report. Hypothetical results do not reflect actual manager allocation decisions, as well as material market and economic factors that would affect decision making. The asset allocation references in this report may fluctuate based on asset values, portfolio decisions, and client needs. As circumstances change, your investment allocation should be reviewed and adjusted as needed as portfolio results will fluctuate with market and economic conditions. Asset allocation and/or diversification do not assure or guarantee better performance and cannot eliminate the risk of investment losses; past performance does not indicate future results. The value or income associated with a security, or an investment may fluctuate. There is always the potential for loss as well as gain. Investments discussed in this presentation are not insured by the Federal Deposit Insurance Corporation (FDIC) and may be unsuitable for some investors depending on their specific investment objectives and financial position. Additional information on any securities mentioned is available upon request.

This report is meant to be updated from time to time as changes occur in your life, your investments, and your goals. It is imperative to review and revise your investment plan regularly to keep pace with changes in the tax laws, investment climate, economic conditions, actual future investment results, rate of inflation, and other impacting circumstances. If you fail to review your investment plan on a regular basis and adjust it as necessary, your actual financial outcome could differ dramatically from the results in this report.

Hypothetical projections included in this report are for illustrative purposes only and are not intended to represent past or future performance of any specific investment. Returns for individual accounts may be higher or lower than the performance data shown and may receive more or less than the original investment upon termination of the account. Your portfolio and associated results will fluctuate with market and economic conditions and will reflect the volatility of your selected investments. There is no guarantee that a specific rate of return will be achieved; the price or value of the investments in this report may fluctuate, and there is always the potential for loss as well as gain. Past performance is no guarantee of future results.

Effects of fees on performance. Returns illustrated in this report do not reflect fees that you may incur; the actual performance of your portfolio will vary and will be reduced by any fees. You may wish to view plans with lower return assumptions to better understand the impact changing assumptions may have. The compounded effect of the deduction of fees over time will be affected by the amount of the fee, the time period, and the account’s investment performance. For example, an amount with a 1% annualized fee, deducted quarterly, with five-year annualized performance of 10% before fees, will have a net annualized performance of 8.93%. Compounding will similarly affect the account’s performance on a cumulative basis. The difference between gross-of-fee and net-of-fee returns depends on a variety of factors and this example represents a simplified illustration only.

Results are shown in future dollars. The 10th percentile illustrates the projection where 10% of the results are below this value. The 50th percentile is the median projection where half the projections fall above and half fall below this value. The 90th percentile illustrates the projection where 90% of the results are below this value. Terminal net worth values are reflected before estate taxes and death expenses. Standard Deviation is a statistical measure of the volatility of the investment portfolio's returns. The higher the fund’s standard deviation, the greater its volatility has been.

Definitions & Disclosures

Capital Market Assumptions

	Asset Class	Arithmetic return	Geometric return	Standard deviation	Downside risk	Sharpe ratio
	Inflation	2.5%				
	Taxable Cash Alternatives	2.5%	2.5%	0.5%	1.7%	
	Tax Exempt Cash Alternatives	2.1%	2.1%	0.5%	1.3%	-0.75
FIXED INCOME	U.S. Taxable Investment Grade Fixed Income	3.9%	3.9%	3.8%	-2.1%	0.39
FIXED INCOME	U.S. Short Term Taxable Fixed Income	3.1%	3.1%	1.5%	0.7%	0.42
FIXED INCOME	U.S. Intermediate Term Taxable Fixed Income	3.9%	3.9%	3.5%	-1.7%	0.41
FIXED INCOME	U.S. Long Term Taxable Fixed Income	5.4%	5.0%	9.0%	-8.7%	0.32
FIXED INCOME	High Yield Taxable Fixed Income	7.2%	6.7%	9.5%	-7.7%	0.49
FIXED INCOME	U.S. Tax Exempt Investment Grade Fixed Income	3.4%	3.3%	4.3%	-3.5%	0.20
FIXED INCOME	U.S. Short Term Tax Exempt Fixed Income	2.7%	2.6%	1.8%	-0.2%	0.09
FIXED INCOME	U.S. Intermediate Term Tax Exempt Fixed Income	3.4%	3.3%	4.0%	-3.1%	0.21
FIXED INCOME	U.S. Long Term Tax Exempt Fixed Income	4.6%	4.5%	5.3%	-3.8%	0.40
FIXED INCOME	High Yield Tax Exempt Fixed Income	6.1%	5.8%	7.5%	-5.8%	0.48
FIXED INCOME	Developed Market ex-U.S. Fixed Income	3.0%	2.7%	8.0%	-9.6%	0.06
FIXED INCOME	Emerging Market Fixed Income	7.0%	6.5%	10.0%	-8.7%	0.45
FIXED INCOME	Inflation-Linked Fixed Income	3.8%	3.5%	7.5%	-8.1%	0.17
FIXED INCOME	Preferred Stock	5.1%	4.4%	11.5%	-12.7%	0.22
EQUITIES	U.S. Large Cap Equities	8.9%	7.8%	16.0%	-15.2%	0.40
EQUITIES	U.S. Mid Cap Equities	9.6%	8.3%	17.0%	-16.0%	0.42
EQUITIES	U.S. Small Cap Equities	9.8%	8.0%	20.0%	-19.8%	0.36
EQUITIES	Developed Market ex-U.S. Equities	8.2%	6.9%	17.0%	-17.3%	0.33
EQUITIES	Emerging Market Equities	9.9%	8.0%	21.0%	-20.9%	0.35

Source: Wells Fargo Investment Institute, as of July 2023.

Capital Market Assumptions (cont'd)

	Asset Class	Arithmetic return	Geometric return	Standard deviation	Downside risk	Sharpe ratio
REAL ASSETS	Private Real Estate	8.9%	8.1%	13.0%	-11.1%	0.49
	Private Infrastructure	8.8%	8.2%	12.0%	-9.7%	0.53
	Master Limited Partnerships (MLPs)	10.0%	8.5%	18.0%	-16.9%	0.42
	Commodities	8.7%	7.5%	16.0%	-15.5%	0.39
ALTERNATIVE INVESTMENTS	Global Hedge Funds	6.1%	5.9%	6.5%	-4.2%	0.56
	Hedge Funds – Relative Value	5.9%	5.7%	7.0%	-5.2%	0.49
	Hedge Funds – Macro	5.9%	5.6%	8.0%	-6.8%	0.42
	Hedge Funds – Event Driven	6.4%	6.2%	7.5%	-5.5%	0.52
	Hedge Funds – Equity Hedge	6.5%	6.1%	8.5%	-6.9%	0.47
	Global Liquid Alternatives	3.5%	3.4%	4.0%	-3.0%	0.25
	Private Equity	14.0%	12.1%	21.0%	-17.0%	0.55
	Private Debt	9.9%	9.1%	13.5%	-10.8%	0.55

Source: Wells Fargo Investment Institute, as of July 2023.

Capital Market Assumptions

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Capital market and asset class assumptions are estimates of how asset classes and combinations of classes may respond during various market environments and assume a broadly diversified portfolio generally representative of the risks and opportunities of the asset class. For example, downside risk (standard deviation) is based on our assumptions about average returns, and the variability of returns represents the minimum return that would be statistically likely in 95% of annual returns. In other words, in 19 out of 20 years, performance likely would be better than this figure, and in the 20th year, it likely would be worse. There is no guarantee that any particular 20 year period would follow this pattern. To the extent that the investor's portfolio is not as diversified as the assumptions made for the asset class, the return and risk potential for the portfolio may vary significantly from the assumed Capital Market Assumptions. The Capital Market Assumptions used within this illustration are based on a building block approach of risk premiums and Sharpe Ratio Equivalency. The returns for each asset class reflect the premium above the short-term risk-free rate of return that investors are likely to demand in order to compensate for the risk of holding those assets. Sharpe ratio equivalency provides a consistent comparison of long-term risk premium across various asset classes for a 10-15 year time horizon or a period, covering more than one economic cycle. These long-term assumptions may differ greatly from the short-term performance and volatility experienced by your actual investment holdings. Hypothetical returns represent our estimate of likely average returns over the next several market cycles. They do not represent the returns that an investor should expect in any particular year. The return and risk assumptions are statistical averages that do not represent the experience of any individual investor or any specific time period. Standard deviation is a measure of volatility. It reflects the degree of variability surrounding the outcome of an investment decision, the higher the standard deviation, the greater the risk. Dividend yield on an equity or real asset investment represents the projected dividend as a percentage of the purchase price. The assumptions are not designed to predict actual performance, and there are no assurances that any estimates used will be achieved. The information given has been provided as a guide to help with investment planning and does not represent the maximum loss a portfolio could experience. Sharpe ratio measures the additional return that an investor could expect to receive for accepting additional risk.

Source: Wells Fargo Investment Institute, annual update; as of July 2023.

General Disclosures

Wells Fargo Private Bank (The Private Bank) experience connects clients with products and services provided by Wells Fargo Bank, N.A. and/or Wells Fargo Advisors. Wells Fargo Bank, N.A. provides investment management services as part of its trust and fiduciary services, deposit products, lending products and other bank products. Wells Fargo Advisors provides investment advisory and brokerage services. Wells Fargo Advisors is a trade name used by Wells Fargo Clearing Services, LLC, Member SIPC, a registered broker-dealer and non-bank affiliate of Wells Fargo & Company. Wells Fargo affiliates, including Financial Advisors of Wells Fargo Advisors, may be paid an ongoing or one-time referral fee in relation to clients referred to the Bank. For Bank products and services, The Bank is responsible for the day-to-day management of the account and for providing investment advice, investment management services, and wealth management services to clients. The role of the Financial Advisor with respect to Bank products and services is limited to referral and relationship management services. Eligibility for The Wells Fargo Private Bank experience is subject to change without prior notice. Products and services may have qualification or pre-acceptance requirements that are different than the eligibility requirements for The Wells Fargo Private Bank experience.

Global Investment Strategy (GIS), Global Manager Research (GMR), Global Alternative Investments (GAI) and Global Portfolio Management (GPM) are divisions of Wells Fargo Investment Institute, Inc. (WFII). WFII is a registered investment adviser and wholly-owned subsidiary of Wells Fargo Bank, N.A., and a bank affiliate of Wells Fargo & Company.

Wells Fargo and Company and its Affiliates do not provide tax or legal advice. This communication cannot be relied upon to avoid tax penalties. Please consult your tax and legal advisors to determine how this information may apply to your own situation. Whether any planned tax result is realized by you depends on the specific facts of your own situation at the time your tax return is filed.

Risk Disclosures

All investing involves some degree of risk, whether it is associated with market volatility, purchasing power or a specific security. There is no assurance any investment strategy will be successful. Asset allocation does not guarantee a profit nor does diversification protect against loss.

Alternative Investments: Alternative investments, such as hedge funds, funds of hedge funds, managed futures, private capital, real assets and real estate funds, are not suitable for all investors. They are speculative, highly illiquid, and are designed for long-term investment, and not as trading vehicle. These funds carry specific investor qualifications which can include high income and net-worth requirements as well as relatively high investment minimums. The high expenses associated with alternative investments must be offset by trading profits and other income which may not be realized. Unlike mutual funds, alternative investments are not subject to some of the regulations designed to protect investors and are not required to provide the same level of disclosure as would be received from a mutual fund. They trade in diverse complex strategies that are affected in different ways and at different times by changing market conditions. Strategies may, at times, be out of market favor for considerable periods with adverse consequences for the fund and the investor. An investment in these funds involve the risks inherent in an investment in securities and can include losses associated with speculative investment practices, including hedging and leveraging through derivatives, such as futures, options, swaps, short selling, investments in non-U.S. securities, “junk” bonds and illiquid investments. The use of leverage in a portfolio varies by strategy. Leverage can significantly increase return potential but create greater risk of loss. At times, a fund may be unable to sell certain of its illiquid investments without a substantial drop in price, if at all. Other risks can include those associated with potential lack of diversification, restrictions on transferring interests, no available secondary market, complex tax structures, delays in tax reporting, valuation of securities and pricing. An investment in a fund of funds carries additional risks including asset-based fees and expenses at the fund level and indirect fees, expenses and asset-based compensation of investment funds in which these funds invest. An investor should review the private placement memorandum, subscription agreement and other related offering materials for complete information regarding terms, including all applicable fees, as well as the specific risks associated with a fund before investing.

Commodities: Investing in commodities, futures, and managed futures is not suitable for all investors. Exposure to the commodities markets may subject an investment to greater share price volatility than an investment in traditional equity or debt securities. The prices of various commodities may fluctuate based on numerous factors including changes in supply and demand relationships, weather and acts of nature, agricultural conditions, international trade conditions, fiscal monetary and exchange control programs, domestic and foreign political and economic events and policies, and changes in interest rates or sectors affecting a particular industry or commodity. Products that invest in commodities may employ more complex strategies which may expose investors to additional risks, including futures roll yield risk

Equities: Equity securities are subject to market risk which means their value may fluctuate in response to general economic and market conditions, the prospects of individual companies, and industry sectors. Investments in equity securities are generally more volatile than other types of securities. There is no guarantee that dividend-paying stocks will return more than the overall stock market. Dividends are not guaranteed and are subject to change or elimination.

Fixed Income: Investments in fixed-income securities are subject to market, interest rate, credit and other risks. Bond prices fluctuate inversely to changes in interest rates. Therefore, a general rise in interest rates can result in the decline in the bond’s price. Credit risk is the risk that an issuer will default on payments of interest and/or principal. This risk is heightened in lower rated bonds. If sold prior to maturity, fixed income securities are subject to market risk. All fixed income investments may be worth less than their original cost upon redemption or maturity.

Income from municipal securities is generally free from federal taxes and state taxes for residents of the issuing state. While the interest income is tax-free, capital gains, if any, will be subject to taxes. Income for some investors may be subject to the federal Alternative Minimum Tax (AMT).

Private Equity: Private equity investments are complex, speculative investment vehicles that are not required to provide investors with periodic pricing or valuation and are not subject to the same regulatory requirements as mutual funds. An investment in a private equity fund involves the risks inherent in an investment in securities, as well as specific risks associated with limited liquidity, the use of leverage and illiquid investments.

Real Estate: Investment in real estate securities include risks, such as the possible illiquidity of the underlying properties, credit risk, interest rate fluctuations, and the impact of varied economic conditions.

Index Disclosures and Definitions

The benchmark performance shown is for illustrative purposes only and is not reflective of any investment. Index returns do not represent investment returns or the results of actual trading nor are they forecasts of expected gains or losses a portfolio might experience. Index returns reflect general market results, assume the reinvestment of dividends and other distributions, and do not reflect deduction for fees, expenses or taxes applicable to an actual investment. Comparisons to benchmarks have limitations because benchmarks have volatility and other material characteristics that may differ from those of the portfolio. Because of these differences, benchmarks should not be relied upon as an accurate measure of comparison. There is no guarantee that any of the securities invested in the portfolio are included in the Index. **Past performance does not guarantee future results.**

An index is unmanaged and unavailable for direct investment.

Fixed income representative indices:

U.S. Taxable Investment Grade Fixed Income. **Bloomberg Barclays US Aggregate Bond Index** is a broad-based measure of the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market.

Short Term Taxable Fixed Income. **Bloomberg Barclays US Aggregate 1-3 Year Bond Index** is the one to three year component of the Barclays US Aggregate Index, which represents fixed-income securities that are SEC-registered, taxable, dollar-denominated, and investment-grade.

Intermediate Term Taxable Fixed Income. **Bloomberg Barclays US Aggregate 5-7 Year Bond Index** is composed of the Bloomberg Barclays US Government/ Credit Index and the Bloomberg Barclays US Mortgage-Backed Securities Index, and includes Treasury issues, agency issues, corporate bond issues, and mortgage-backed securities with maturities of 5-7 years.

Long Term Taxable Fixed Income. **Bloomberg Barclays US Aggregate 10+ Year Bond Index** is composed of the Bloomberg Barclays US Government/Credit Index and the Bloomberg Barclays US Mortgage-Backed Securities Index, and includes Treasury issues, agency issues, corporate bond issues, and mortgage-backed securities with maturities of 10 years or more.

High Yield Taxable Fixed Income. **Bloomberg Barclays US Corporate High-Yield Index** covers the universe of fixed-rate, non-investment-grade debt.

Developed Market Ex-U.S. Fixed Income (Unhedged). **J.P. Morgan GBI Global ex-US Index (Unhedged)** in USD is an unmanaged index market representative of the total return performance in U.S. dollars on an unhedged basis of major non-U.S. bond markets.

Developed Market Ex-U.S. Fixed Income (Hedged). **J.P. Morgan Non-U.S. Global Government Bond Index (Hedged)** is an unmanaged market index representative of the total return performance, on a hedged basis, of major non-U.S. bond markets. It is calculated in U.S. dollars.

Emerging Market Fixed Income (U.S. dollar). **J.P. Morgan Emerging Markets Bond Index (EMBI Global)** currently covers more than 60 emerging market countries. Included in the EMBI Global are U.S.-dollar-denominated Brady bonds, Eurobonds, traded loans, and local market debt instruments issued by sovereign and quasi-sovereign entities.

Emerging Market Fixed Income (Local Currency). **J.P. Morgan Government Bond Index-Emerging Markets Global (USD Unhedged**) is a comprehensive global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds.

US Tax Exempt Investment Grade Fixed Income. **Bloomberg Barclays Municipal Bond Index** attempts to measure the U.S. tax-exempt bond market by including four main sectors: state and local general obligation, revenue, insured and pre-refunded bonds. The bonds are tax-exempt, fixed-rate securities with a minimum credit rating of at least Baa and maturities greater than one year.

Short Term Tax Exempt Fixed Income. **Bloomberg Barclays 3 Year Municipal Bond Index** includes state and local general obligation, revenue, insured and pre-refunded bonds. The bonds are tax-exempt, fixed-rate securities with a minimum credit rating of at least Baa and maturities between two and four years.

Index Disclosures and Definitions

Intermediate Term Tax Exempt Fixed Income. **Bloomberg Barclays Intermediate 5-10 Year Municipal Bond Index** includes state and local general obligation, revenue, insured and pre-refunded bonds. The bonds are tax-exempt, fixed-rate securities with a minimum credit rating of at least Baa and maturities between five and ten years.

Long Term Tax Exempt Fixed Income. **Bloomberg Barclays 15 Year Municipal Bond Index** includes state and local general obligation, revenue, insured and pre-refunded bonds. The bonds are tax-exempt, fixed-rate securities with a minimum credit rating of at least Baa and maturities between 12 and 17 years.

Preferred Stock. **S&P U.S. Preferred Stock Index** is designed to measure the performance of the U.S. preferred stock market. Preferred stocks pay dividends at a specified rate and receive preference over common stocks in terms of dividend payments and liquidation of assets.

Equity representative indices:

U.S. Large Cap Equities. **S&P 500 Index** is a capitalization-weighted index calculated on a total return basis with dividends reinvested. The index includes 500 widely held U.S. market industrial, utility, transportation and financial companies.

U.S. Large Cap Equities (Growth). **Russell 1000 Growth Index** measures performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

U.S. Large Cap Equities (Value). **Russell 1000 Value Index** measures performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

U.S. Mid Cap Equities. **Russell Midcap Index** measures the performance of the mid-cap segment of the U.S. equity universe.

U.S. Mid Cap Equities (Growth). **Russell Midcap Growth Index** measures performance of the mid-cap growth segment of the U.S. equity universe. It includes those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values.

U.S. Mid Cap Equities (Value). **Russell Midcap Value Index** measures performance of the mid-cap value segment of the U.S. equity universe. It includes those Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values.

U.S. Small Cap Equities. **Russell 2000 Index** measures the performance of the 2,000 smallest companies in the Russell 3000® Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index.

U.S. Small Cap Equities (Growth). **Russell 2000 Growth Index** measures performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

U.S. Small Cap Equities (Value). **Russell 2000 Value Index** measures performance of the small-cap value segment of the U.S. equity universe. It includes those Russell 2000 companies with lower price-to-book ratios and higher forecasted growth values.

Developed Market Ex-U.S. Equities (U.S. dollar)/(Local). **MSCI EAFE Index** is a free float-adjusted market capitalization index that is designed to measure the equity market performance of 21 developed markets, excluding the U.S. and Canada.

Developed Market Ex-U.S. Small Cap Equities (U.S. dollar). **MSCI EAFE Small Cap Ind**ex measures the performance of small cap stocks in European, Australasian, and Far Eastern markets.

Emerging Market Equities (U.S. dollar)/(Local). **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance of 23 emerging markets.

Frontier Market Equities (U.S. dollar)/(Local). **MSCI Frontier Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance of 24 frontier (least developed) markets.

Global Equities (U.S. dollar). **MSCI All Country World Index (MSCI ACWI)** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of 23 developed and 23 emerging markets.

Index Disclosures and Definitions

Real assets representative indices:

Public Real Estate. **FTSE EPRA/NAREIT Developed Index** is designed to track the performance of listed real-estate companies and REITs in developed countries worldwide.

Private Real Estate. The **NCREIF Property Index** is a quarterly time series composite total rate of return measure of investment performance of a very large pool of individual commercial real estate properties acquired in the private market for investment purposes only.

Infrastructure. The **S&P Global Infrastructure Index** is designed to track 75 companies from around the world chosen to represent the listed infrastructure industry while maintaining liquidity and tradability. To create diversified exposure, the index includes three distinct infrastructure clusters: energy, transportation, and utilities.

MLPs. **Alerian MLP In**dex is a composite of the 50 most prominent energy Master Limited Partnerships (MLPs) that provides investors with an unbiased, comprehensive benchmark for this emerging asset class. The index, which is calculated using a float-adjusted, capitalization-weighted methodology, is disseminated real-time on a price-return basis and on a total-return basis.

Commodities (BCOM). **Bloomberg Commodity Index** is comprised of 23 exchange-traded futures on physical commodities weighted to account for economic significance and market liquidity.

Alternative investments representative indices:

Private Debt. **ILPA Private Credit Index.** Historical returns of the ILPA Private Credit Index are used as a proxy for the Private Debt asset class performance in this report up until the quarter before the most recent. From then to the end of the latest quarter, the performance data of 60% Barclay US Corporate High Yield and 40% S&P LSTA Leveraged Loan TR replaces that of the ILPA Private Credit Index. The reason for this change is due to the ILPA Private Credit Index lacking updated performance data for the latest quarter. The performance illustrated in this analysis will not be indicative of actual performance attributable to the Private Debt offerings that may be utilized in your account. Please note, you cannot invest directly in an index. The Private Credit Index provides a private markets benchmark that accurately and consistently represents the investable universe and asset class performance for global, institutional investors. The index is a horizon calculation based on data compiled from 260 private credit funds (credit opportunities and subordinated capital funds), including fully liquidated partnerships. The S&P LSTA Leveraged Loan Index is a cap weighted syndicated loan index based upon market weightings, spreads and interest payments. The S&P/LSTA Leveraged Loan Index (LLI) covers the U.S. market back to 1997 and currently calculates on a daily basis.

Private Equity. **Cambridge Associates LLC U.S. Private Equity Index** uses a horizon calculation based on data compiled from more than 1,400 institutional-quality buyout, growth equity, private equity energy, and subordinated capital funds formed between 1986 and 2017. The funds included in the index report their performance voluntarily and therefore the index may reflect a bias towards funds with records of success. Funds report unaudited quarterly data to Cambridge and Associates when calculating the index. The index is not transparent and cannot be independently verified because Cambridge does not identify the funds used in the index. Because Cambridge recalculates the index each time a new fund is added, the historical performance of the index is not fixed, can't be replicated and will differ over time from the day presented. The returns shown are net of fees, expenses and carried interest. Index returns do not represent fund performance.

Global Hedge Funds. **HFRI Fund Weighted Composite Index.** A global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net-of-all-fees performance in U.S. dollars and have a minimum of $50 million under management or a 12-month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.

Index Disclosures and Definitions

Hedge Funds - Relative Value. **HFRI Relative Value (Total) Index.** Strategy is predicated on realization of a valuation discrepancy in the relationship between multiple securities. Managers employ a variety of fundamental and quantitative techniques to establish investment theses, and security types range broadly across equity, fixed income, derivative or other security types. Fixed income strategies are typically quantitatively driven to measure the existing relationship between instruments and, in some cases, identify attractive positions in which the risk adjusted spread between these instruments represents an attractive opportunity for the investment manager. RV position may be involved in corporate transactions also, but as opposed to ED exposures, the investment thesis is predicated on realization of a pricing discrepancy between related securities, as opposed to the outcome of the corporate transaction.

Hedge Funds - Macro. **HFRI Macro (Total) Index.** Encompass a broad range of strategies predicated on movements in underlying economic variables and the impact these have on equity, fixed income, hard-currency, and commodity markets. Managers employ a variety of techniques, both discretionary and systematic analysis, combinations of top-down and bottom-up theses, quantitative and fundamental approaches and long- and short-term holding periods. Although some strategies employ RV techniques, Macro strategies are distinct from RV strategies in that the primary investment thesis is predicated on predicted or future movements in the underlying instruments rather than on realization of a valuation discrepancy between securities. In a similar way, while both Macro and equity hedge managers may hold equity securities, the overriding investment thesis is predicated on the impact movements in underlying macroeconomic variables may have on security prices, as opposed to EH, in which the fundamental characteristics on the company are the most significant are integral to investment thesis.

Hedge Funds – Event Driven. **HFRI Event Driven (Total) Index**. Maintains positions in companies currently or prospectively involved in corporate transactions of a wide variety including mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments. Security types can range from most senior in the capital structure to most junior or subordinated and frequently involve additional derivative securities. Exposure includes a combination of sensitivities to equity markets, credit markets and idiosyncratic, company-specific developments. Investment theses are typically predicated on fundamental (as opposed to quantitative) characteristics, with the realization of the thesis predicated on a specific development exogenous to the existing capital structure.

Hedge Funds - Equity Hedge. **HFRI Equity Hedge (Total) Index.** Investment Managers who maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. EH managers would typically maintain at least 50 percent exposure to, and may in some cases be entirely invested in, equities, both long and short.

Hedge funds information

Hedge funds are complex speculative investment vehicles and are not appropriate for all investors. They are generally open to qualified investors only and carry high costs substantial risks and may be highly volatile. There is often limited (or even nonexistent) liquidity and a lack of transparency regarding the underlying assets. They do not represent a complete investment program. The investment returns may fluctuate and are subject to market volatility so that an investor’s shares when redeemed or sold may be worth more or less than their original cost. Hedge funds are not required to provide investors with periodic pricing or valuation and are not subject to the same regulatory requirements as mutual funds. Investing in hedge funds may also involve tax consequences. Speak to your tax advisor before investing. Investors in funds of hedge funds will incur asset-based fees and expenses at the fund level and indirect fees expenses and asset-based compensation of investment funds in which these funds invest. An investment in a hedge fund involves the risks inherent in an investment in securities as well as specific risks associated with limited liquidity the use of leverage short sales options futures derivative instruments investments in non-U.S. securities “junk” bonds and illiquid investments. There can be no assurances that a manager’s strategy (hedging or otherwise) will be successful or that a manager will use these strategies with respect to all or any portion of a portfolio. Please carefully review the Private Placement Memorandum or other offering documents for complete information regarding terms including all applicable fees as well as other factors you should consider before investing.

Investment Objectives Definitions

Income
Income portfolios emphasize current income with minimal consideration for capital appreciation and usually have less exposure to more volatile growth assets.

Conservative Income Conservative Income investors generally assume lower risk, but may still experience losses or have lower expected income returns

Moderate Income Moderate Income investors are willing to accept a modest level of risk that may result in increased losses in exchange for the potential to receive modest income returns.

Aggressive Income Aggressive Income investors seek a higher level of returns and are willing to accept a higher level of risk that may result in greater losses.

Growth & Income
Growth and Income portfolios emphasize a blend of current income and capital appreciation and usually have some exposure to more volatile growth assets.

Conservative Growth & Income Conservative Growth and Income investors generally assume a lower amount of risk but may still experience losses or have lower expected returns.

Moderate Growth & Income Moderate Growth and Income investors are willing to accept a modest level of risk that may result in increased losses in exchange for the potential to receive modest returns.

Aggressive Growth & Income Aggressive Growth and Income investors seek a higher level of returns and are willing to accept a higher level of risk that may result in greater losses.

Growth
Growth portfolios emphasize capital appreciation with minimal consideration for current income and usually have significant exposure to more volatile growth assets.

Conservative Growth Conservative Growth investors generally assume a lower amount of risk but may still experience increased losses or have lower expected growth returns.

Moderate Growth Moderate Growth investors are willing to accept a modest level of risk that may result in significant losses in exchange for the potential to receive higher returns.

Aggressive Growth Aggressive Growth investors seek a higher level of returns and are willing to accept a high level of risk that may result in more significant losses.

General Definitions

Alpha: Alpha measures the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by Beta. Alpha combines the volatility the portfolio's price has experienced relative to the market and the returns the fund has generated relative to the market, to define the "excessive risk" of the portfolio. A negative Alpha means a portfolio has underperformed its index relative to how much volatility has been shown.

Beta: Beta is a measure of the volatility of the portfolio's total returns to the general market as represented by a corresponding benchmark index of the portfolio. A beta of more than 1.00 indicates volatility greater than the market, and a beta of less indicates volatility less than the market.

Standard Deviation: Standard Deviation is a statistical measure of the volatility of the investment's return. The higher the standard deviation, the greater its volatility has been.

Geometric Return: The compounded annual growth rate of an investment (asset class or portfolio) for a specified time over the course of longer than one year.

Sharpe Ratio: Sharpe Ratio is a measure of risk-adjusted return on an investment or portfolio. It is defined as the difference between the returns of the investment and the risk-free return, divided by the standard deviation of the investment returns.

DBVI Board Orientation

Introduction to Wells Fargo OCIO

Investment and Insurance Products are:
- **Not Insured by the FDIC or Any Federal Government Agency**
- **Not a Deposit or Other Obligation of, or Guaranteed by, the Bank or Any Bank Affiliate**
- **Subject to Investment Risks, Including Possible Loss of the Principal Amount Invested**

Wells Fargo leading the way

Just like your organization, our mission and values are drivers in how we work and deliver services to clients. We have been recognized in the industry for our efforts.

Best Global Private Bank for Philanthropic Services*

2021
Global Private Banking Awards

Leading Disability Employer

2022
NOD

Best Place to Work for Disability Inclusion

2022
Disability Equality Index

Most Generous Companies in America

2021
Civic 50

No. 25 of the Top 50 Companies for Diversity

2021
DiversityInc.

* See disclosures section at the end of this presentation for information about the award.
Source: Wells Fargo Today, October 31, 2021

Our commitment to your mission

Institutional tax-exempt clients turn to Wells Fargo Bank, N.A. for comprehensive services in support of their mission.

Named 2021 Best Private Bank for Philanthropic Services*

Over 100

specialists throughout the U.S. dedicated to the needs of tax-exempt entities

50+ years

as a defined business unit offering investment and philanthropic services

Source: *Professional Wealth Management* and *The Banker* Global Private Banking Awards, owned and operated by the Financial Times Group, November 2021. Now in its 13th year, the Global Private Banking Awards gather qualitative and quantitative information from private banking groups to award excellence. The award criteria focuses on and highlights key achievements, changes, or improvements made during 2020 and in the first quarter of 2021, in relation to the business and investment models, growth strategies, customer service, staff retention, and other client-focused areas. The publications added several questions to gain an understanding of how institutions reviewed their business and service models to face the COVID-19 pandemic, and how they supported clients and employees during these challenging times. See the *Professional Wealth Management* site for more information and other winners across the globe.
https://newsroom.wf.com/English/news-releases/news-release-details/2021/Wells-Fargo-Private-Bank-Awarded-Best-Global-Private-Bank-for-Philanthropy-Services/default.aspx.

Fiduciary approach

In our fiduciary role, we commit to the following:

Loyalty

Act responsibly at all times in the best interests of the client

Care

Prudently manage investments, mitigate risk, and meet obligations to help clients and beneficiaries, both present and future

Transparency

Provide full, accurate, and timely disclosure of, and access to, performance and cost information

Separation of assets

Keep client investments separate from Wells Fargo's corporate balance sheet

Investment management

Our investment approach

We act as a fiduciary, managing your investments with discretion according to your Investment Policy Statement. Using extensive market research, we customize your overall portfolio and implement timely investment opportunities allowing you the time to focus on your organizational mission.

Historical track record

We deliver a process focused on results for foundations, endowments, and other tax-exempt entities.

Fiduciary platform

We offer full portfolio transparency and a process that is free from conflicts of interest.

Dedicated institutional team

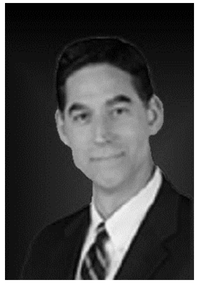
Our experienced and highly credentialed team has a passion for philanthropy and offers institutional investment management, philanthropic consulting, and other services designed to meet the unique needs of Wells Fargo Bank's largest institutional tax-exempt clients.

Meet the Team

Joseph W. Montgomery, CFP®, AIF®
Managing Director – Investments
40 Years of Experience/Founded OSG
B.B.A., College of William & Mary
Joe is the founder of the group and manages the business. He oversees both the individual relationships as well as the institutional client base.

Cathleen G. Dillon, FPQP®
Assistant Vice President
20 Years of Experience/11 Years with OSG
B.S., Northern Illinois University
Cathleen is responsible for client management, implementation of option trading strategies and supports the Institutional Consulting group by handling the administrative and operational matters for the team.

R. Bryce Lee, CFA, CIMA®, CAIA, FRM, AIF® , MBA
Managing Director- Investments
21 Years of Experience/21 with OSG
M.B.A., William & Mary (magna cum laude)
B.B.A., William & Mary (magna cum laude)
Bryce heads the institutional consulting services and is a Senior Consultant. He regularly meets with clients and conducts the asset allocation and IPS reviews.



Jeffrey E. Rakes, CIMA®, CIS®
Managing Director Investments
40 Years of Experience/20 supporting OSG
B.B.S., Roanoke College
Jeff provides advice for institutional clients including IPS development, manager searches, plan option design, and target date fund selection.

Robin S. Wilcox AIF®, MBA
Vice President, Investment Officer
28 Years Experience/15 Years OSG
MBA, University of Richmond
B.A., Virginia Commonwealth University
Robin supports the institutional consulting effort as well as advising high-net-worth clients through comprehensive investment and account management.

Karen H. Logan, CIMA®, AIF®, MBA
Senior Institutional Consultant
20 Years of Experience/12 with OSG
M.B.A., Virginia Commonwealth University
B.A., Virginia Tech
Karen is a Senior Consultant and advises institutional clients. She also focuses on manager research and due diligence.

Seven additional associates within The Optimal Service Group with an average of 25 Years Experience.

Recognition

Below is a summary of some of the awards and recognition The Optimal Service Group has received in recent years for the investment consulting services they provide to clients.

BARRON'S

Barron's Top 100 Institutional Consulting Teams
Every year since the ranking inception in 2015

Barron's Top 100 Financial Advisors in America
2004-2022

Barron's Advisor Hall of Fame
2019

Forbes

Forbes Best in State Wealth Advisors
2019-2022

Forbes Top 100 Wealth Advisors
2016-2018

Forbes Top 250 Wealth Advisors
2019-2022

FT FINANCIAL TIMES

Financial Times Top 400 Advisers
2013, 2014, 2017-2019

virginia BUSINESS

Virginia Business—Virginia 500—The Power List
2020, 2021

OCIO team

Robert Farrington, CFA®, CAIA
Head of Institutional Outsourced Chief Investment Officer

Olu Rosanwo, CFA®, CAIA
Senior Portfolio Manager - OCIO

Janet Walker, CFA®
Senior Lead Private Wealth Portfolio Manager

Shaun Kruse, CFP®, CAIA
National Director of Development

Kevin Finch, CFA®
Senior Investment Analyst

Leon Hsi, CAIA
Private Wealth Portfolio Specialist

Aaron Sandefur
Private Wealth Portfolio Specialist

Kari Heimer
Business Growth Strategy Consultant

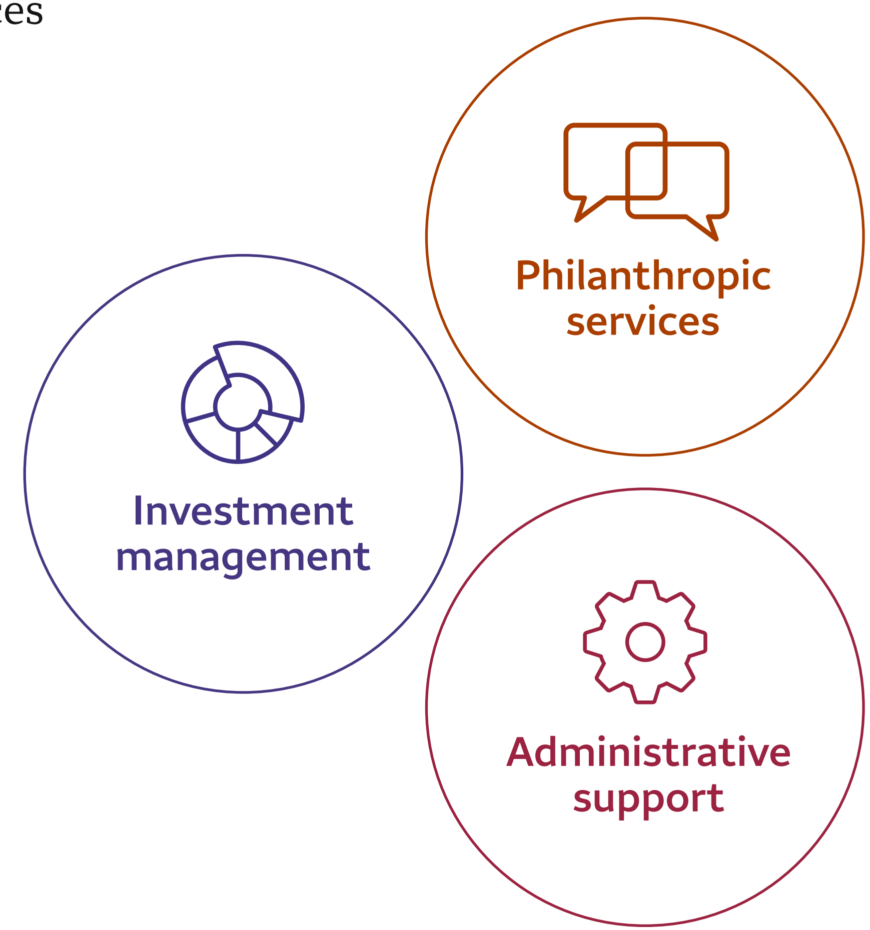
Jennifer Planting
Private Wealth Portfolio Specialist

Allie LaVigne
Business Growth Strategy Consultant

Integrated investment and philanthropic services

Investment management services

- Investment Policy Statement development
- Spending policy and liquidity management
- Investment strategy development and implementation
- Asset allocation strategy
- Alternative investment platform
- Custody of assets
- Fiduciary approach
- Publications and resources on markets and economy
- Customized reporting



Philanthropic services

- Strategic fundraising planning and guidance
- Best practices and updates on current trends
- Consulting on gifts of specialty assets
- Planned giving support
- Gift acceptance and other policy reviews
- Board and staff education

Administration and reporting services

- Detailed client statements
- Distribution and deposit processing
- Performance reporting and portfolio analysis
- Auditor reports
- 24/7 secure online access to accounts and banking services through WellsFargo.com and Commercial Electronic Office®

Why hire an Outsourced CIO

What is an Outsourced Chief Investment Officer (OCIO)?

The OCIO is a discretionary, fiduciary and holistic investment management approach that differs from the traditional consulting model

Traditional Consulting	Wells Fargo OCIO
Consultant gives advice and monitors portfolio	OCIO is a fiduciary that manages the portfolio within the guidelines of the Investment Policy Statement (IPS)
Investment Committee maintains total control over all decisions, including IPS and manager selection	Investment Committee maintains control over long-term strategic asset allocation and IPS with input from the OCIO. OCIO makes buying, selling, rebalancing, and manager hiring and firing decisions.
Client fills out paperwork for implementation and executes it	OCIO fills out paperwork for implementation and executes it
Investment Committee responsible for all decisions	Investment Committee responsible for IPS and monitoring the OCIO. OCIO responsible for portfolio execution and reporting performance and risk as needed for oversight by the client.

11

A holistic investment management model, bringing efficiency and scale to your organization

For most institutional investors, the increasing complexity of asset management, fiduciary responsibilities, and operational needs presents many challenges.

Wells Fargo's Outsourced Chief Investment Officer (OCIO) solution provides discretionary investment management following strict fiduciary principles. Your organization can focus on what it does best – working toward long-term goals for growth and achieving your mission.

An OCIO solution tailored to your needs

- Institutional investment platform
- Fiduciary risk management
- Fee and performance transparency
- Administrative support
- Philanthropic consulting
- Staff and board education
- Banking and lending solutions

OCIO investment management advantages

Institutional clients turn to Wells Fargo as a fiduciary for customized investment management in support of their mission.

Helping you maintain focus on your mission

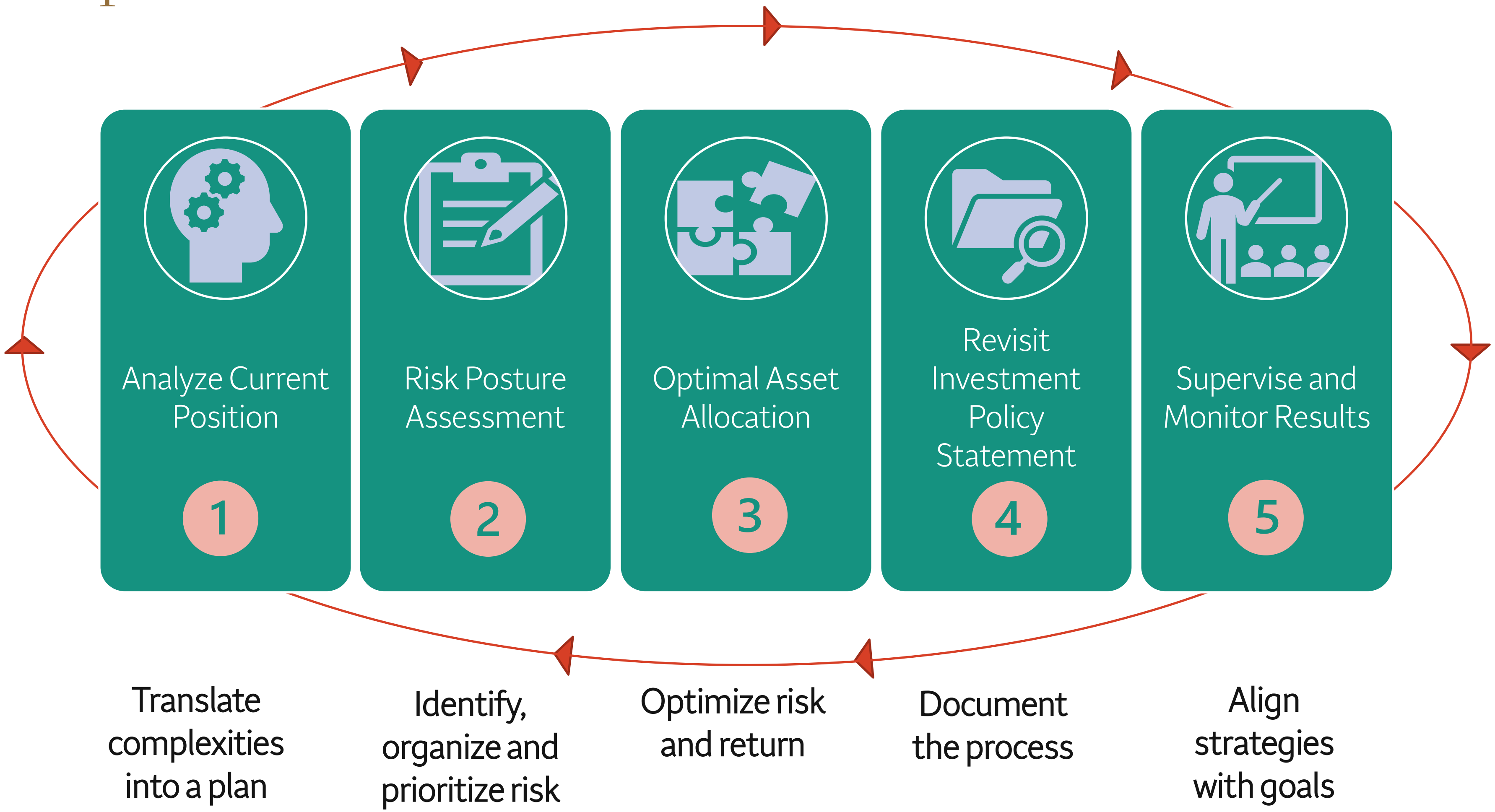
- Portfolio management occurs seamlessly within the guidelines of your **investment policy statement** (IPS).
- The OCIO reviews the portfolio and uses **discretion to implement changes**.
- Changes can be more **responsive to market conditions** and opportunities instead of waiting for committee meetings and approvals.
- **Access to unique investments** including alternative investments* where the OCIO completes paperwork and implementation.

Using an OCIO approach offers advantages for investment management **without loss of control.** You retain ownership of investment guidelines, fiduciary responsibility, and the level of discretion given to the OCIO.

* Alternative investments carry specific investor qualifications which can include high income and net-worth requirements as well as relatively high investment minimums. Available to pre-qualified investors only.

Institutional investment program

Institutional process



Investment Policy Statement

The Investment Policy Statement serves as one of the primary governing documents. It acts as the foundation for all investment decisions related to your organization.

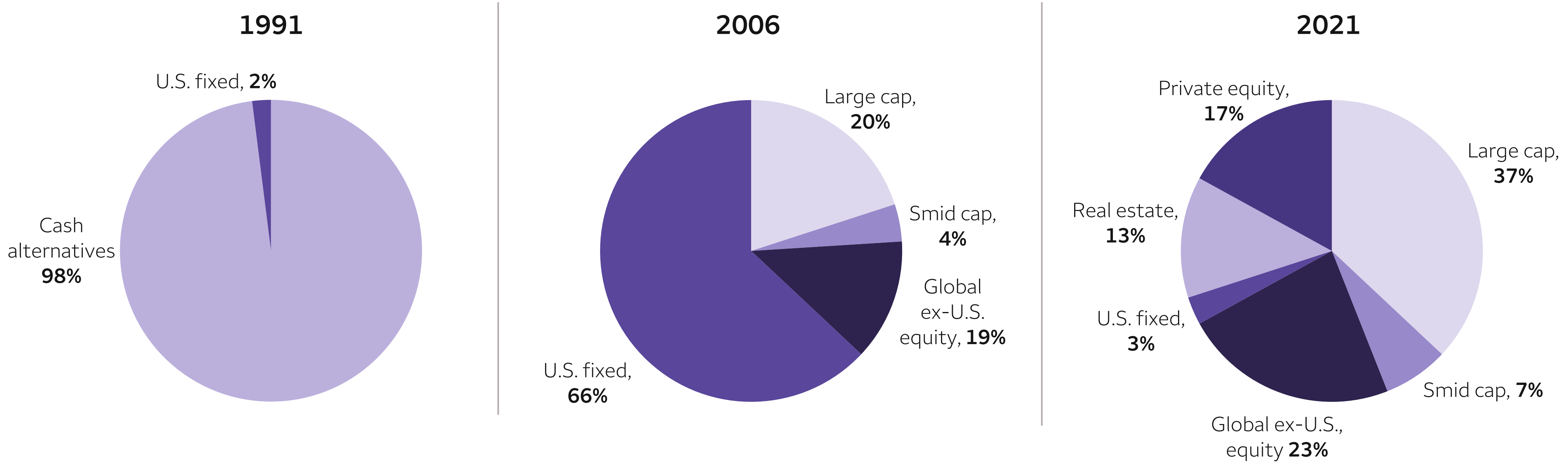
Your customized Investment Policy Statement details your organization's priorities including:

- Risk and return objectives
- Spending policy
- Asset allocation
- Investment time horizon
- Tax considerations
- Investment exclusions
- Liquidity constraints

Complexity of markets and asset allocation

Many portfolios today need to take on a higher degree of complexity to help achieve required returns.

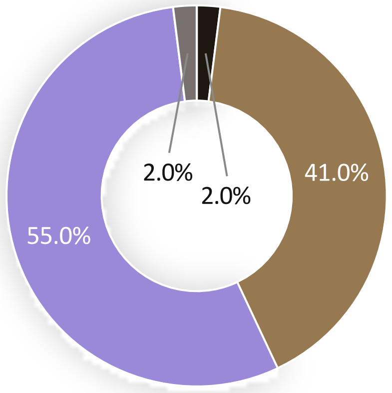
Historical strategic asset allocation to meet a 7% return objective



Asset Allocation cannot eliminate the risk of fluctuating prices and uncertain returns. Asset Allocation does not guarantee a profit or protect against loss in declining markets. Return figures are used for hypothetical purposes only and there is no assurance that any target return figures will be obtained.

Source: Callan "Risky Business." January 27, 2021

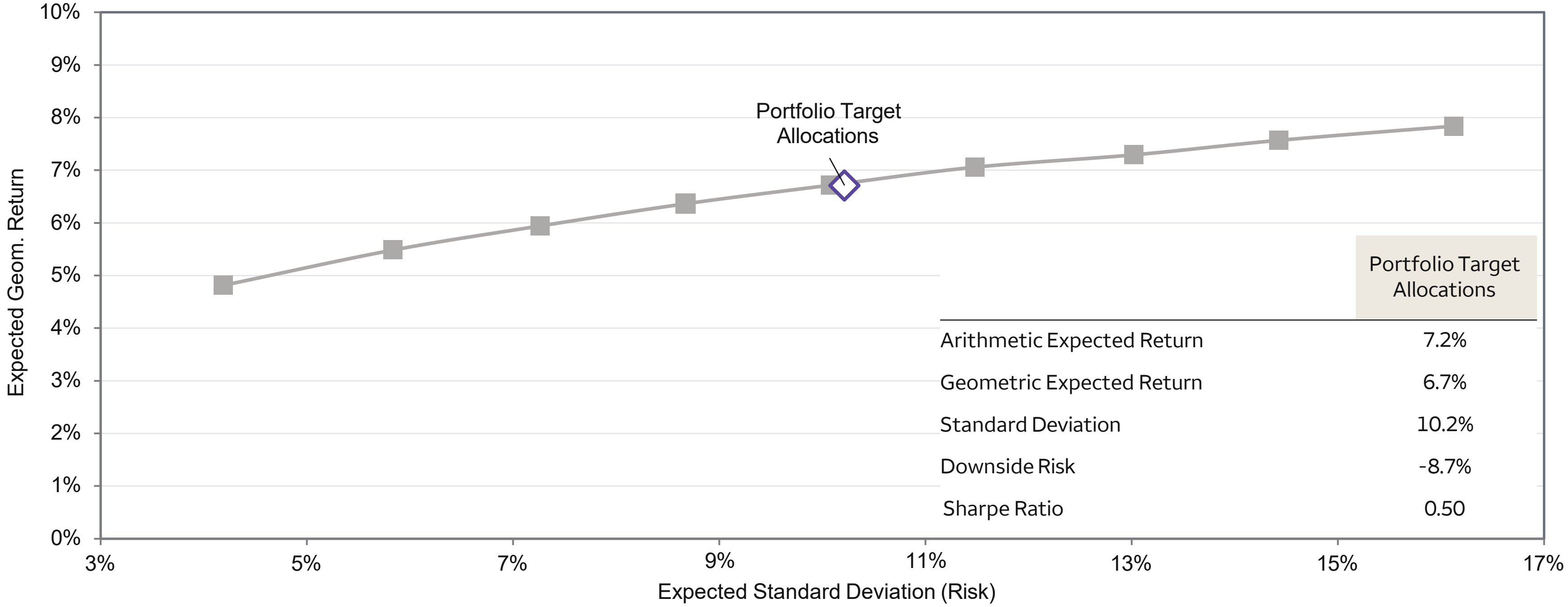
Asset Allocation – Side-by-Side Comparisons



Asset Class	%	Market Value
Cash & Cash Alternatives	**2.0%**	
Fixed Income	**41.0%**	**2,167,189**
U.S. Investment Grade Taxable Fixed Income	30.0%	1,585,748
High Yield Taxable Fixed Income	6.0%	317,150
Emerging Market Fixed Income	5.0%	264,291
Equities	**55.0%**	**2,907,205**
U.S. Large Cap Equities	26.0%	1,374,315
U.S. Mid Cap Equities	10.0%	528,583
U.S. Small Cap Equities	6.0%	317,150
Developed Market Ex-U.S. Equities	8.0%	422,866
Emerging Market Equities	5.0%	264,291
Real Assets	**2.0%**	**105,717**
Commodities	2.0%	105,717
Total	**100.0%**	**5,285,827**

Asset Allocation Risk/Reward

Provides a comparison of expected risk and return based on investment objective



	Portfolio Target Allocations
Arithmetic Expected Return	7.2%
Geometric Expected Return	6.7%
Standard Deviation	10.2%
Downside Risk	-8.7%
Sharpe Ratio	0.50

Summary Statistics	**Income**			**Growth & Income**			**Growth**		
	Conservative	Moderate	Aggressive	Conservative	Moderate	Aggressive	Conservative	Moderate	Aggressive
Arithmetic Expected Return	4.9%	5.6%	6.2%	6.7%	7.2%	7.7%	8.1%	8.5%	9.0%
Geometric Expected Return	4.8%	5.5%	5.9%	6.4%	6.7%	7.1%	7.3%	7.6%	7.8%
Standard Deviation	4.2%	5.8%	7.3%	8.7%	10.1%	11.5%	13.0%	14.4%	16.1%
Downside Risk	-1.8%	-3.7%	-5.3%	-6.9%	-8.5%	-10.1%	-11.9%	-13.5%	-15.3%
Sharpe Ratio	0.57	0.54	0.51	0.49	0.47	0.45	0.43	0.42	0.40

Wells Fargo Investment Institute (WFII)

The OCIO Team leverages WFII resources to help construct portfolios and reduce risk.

Capital Market Assumptions

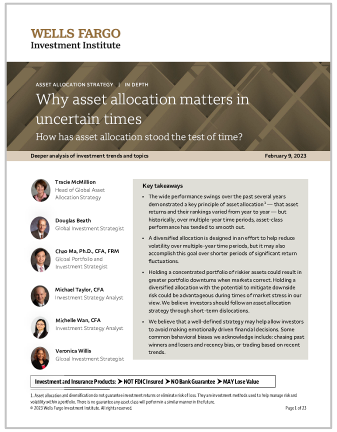
- Return expectations based on longer-term trends we expect to prevail over the long term, covering multiple market cycles
- Two perspectives are used to create the inputs: historical data series and forward-looking capital market risk adjustments

Manager Research

- A dedicated team of experienced investment professionals
- WFII's research framework focuses on an investment manager from the standpoint of the firm, investment personnel, philosophy and process, and product performance and viability
- WFII's analysts measure each manager against a clear and consistent set of criteria

Asset Allocation Strategy

- Produced monthly
- Global economic summary
- Incorporates any changes made to our capital market assumptions



Strategy & Tactical Updates

- Produced on a regular basis
- Reflects observations that impact WFII's Current Asset Allocation
- Recommends shifts designed to inform our portfolio managers and help optimize the risk and return characteristics of our portfolios

Wells Fargo Investment Institute, Inc. is a registered investment adviser and wholly-owned subsidiary of Wells Fargo Bank, N.A., a bank affiliate of Wells Fargo & Company.

Roles and Responsibilities

How we work with the DBVI Team to implement, govern, and report on OCIO activities

Roles	Responsibilities	Activities
The Board	Oversight & Authority of Investment Policy	Board meetings
The Finance Committee	Investment oversight and strategic asset allocation	Board and committee meetings
OCIO Team	Tactical asset allocation, rebalancing, Reporting, audit support	Daily monitoring, DBVI meeting support and client service
The Optimal Service Group	Portfolio consulting, relationship oversight and DBVI meeting preparation	Relationship management, client service and DBVI board meeting lead
DBVI Personnel	Cash management and administration	Daily interaction

Additional client support

In addition to institutional investment guidance and personalized philanthropic consulting, you have access to:

- Cash Management
- Custom Lending
- Commercial Electronic Office® (CEO®) portal
- Real Estate Asset Management
- Oil, Gas and Mineral Management

Real estate investments carry unique risks including lack of liquidity and potential complex tax consequences and may not be appropriate for all investors.

Disclosures

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The Private Bank is an experience level for qualifying clients of Wells Fargo Wealth and Investment Management (WIM). WIM offers financial products and services through affiliates of Wells Fargo & Company. Bank products and services are available through Wells Fargo Bank, N.A., Member FDIC.

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All investing involves some degree of risk, whether it is associated with market volatility, purchasing power or a specific security. There is no assurance any investment strategy will be successful. Asset allocation does not guarantee a profit nor does diversification protect against loss.