

LARGE CAP CORE UNSCREENED / MUNICIPAL FIXED INCOME SMA Strategy Profile

Strategy Objective:

Seeks to provide a balance of long-term capital appreciation and tax-free income

Strategy Snapshot:

Product Inception 1/1/2013

Category Allocation--50% to 70% Equity

The Crossmark Large Cap Core Unscreened/Municipal Fixed Income Strategy seeks to provide a balance of long-term capital appreciation and after-tax income by investing in a combination of equity and municipal fixed income securities. To achieve this goal on the equity side, we employ a combination of fundamental and quantitative factors, prudent portfolio constraints, and risk management tools for the potential of capital appreciation. On the fixed-income side, the focus is primarily on investment-grade, short- to intermediate-term, fixed-rate, callable municipal debt issues from selected sectors to maximize the generation of tax-free income.

Key Highlights

DIVERSIFIED PORTFOLIO



- Comprised of a combination of two flagship Crossmark Strategies – Large Cap Core Unscreened and Municipal Fixed Income
- Active diversification across equity and tax-free fixed income investments can allow for participation (from the equity component) in up markets and some protection (from the tax-free fixed income component) in down markets
- The generation of dividends and tax-free income may mitigate the impact of market volatility and reduce downside risk in a portfolio

CAPITAL APPRECIATION



- Equity investments are determined with an emphasis on those large- and mega-cap companies demonstrating the positive and improving fundamental characteristics that would facilitate long-term share price appreciation
- The Strategy's unique rebalancing process allows for appreciation in either equity or fixed income allocations before the rebalance is triggered, allowing the portfolio to capture gains while reducing drags on performance such as transaction costs and the creation of taxable events

HIGH TAX-FREE INCOME



- Active issue management allows for potentially higher taxable equivalent yields than possible with a similar portfolio of short-term corporate bonds
- By favoring certain bond characteristics and structures, Crossmark attempts to maximize the portfolio's current income and yield
- Only those municipal bonds rated single-A or better at the time of purchase are eligible for investment, thus reducing default risk and increasing the likelihood of uninterrupted coupon payments from portfolio holdings

Investment Process

Each component is managed by the investment team of the underlying Strategies shown below, and each team brings their unique expertise and experience along with a time-tested investment process specific to their aspect of the Strategy.

Large Cap Core Unscreened Investment Process

Quantitative Elements	<p>Multi-factor model used to help define the universe of investable stocks beginning with the constituents of a widely recognized large- and mega-cap equity index and emphasizing those with positive and improving fundamental characteristics:</p> <ul style="list-style-type: none"> • Earnings quality • Profitability • Growth dynamics • Valuation • Capital deployment <p>The proprietary model utilizes multiple third-party data feeds to populate the data fields and can be updated daily to continually ensure accurate and up-to-date information in our process</p>
Qualitative and Fundamental Elements	<p>Macro and market cycle considerations brought into the process for a top-down component in conjunction with the more bottom-up focused quantitative factors to further narrow the universe of investable stocks</p>
Established Parameters	<ul style="list-style-type: none"> • Constraints are maintained around issuers, sectors, and industries as part of the investment management process • These constraints are basis point parameters versus the benchmark • Risk factors are monitored with specific guidelines for our model portfolio around standard deviation targets • Capitalization and style constraints are established to maintain the integrity of the strategy

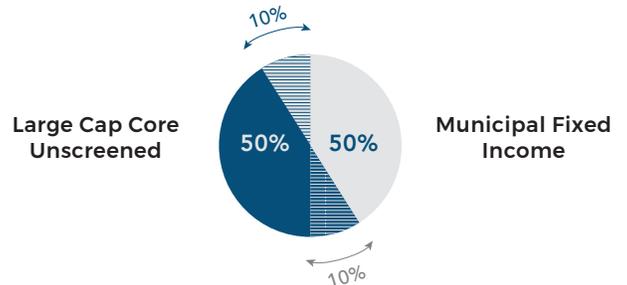
Municipal Fixed Income Investment Process

State Preference	<p>The Crossmark Municipal Fixed Income Strategy can be structured in a variety of ways per the state preference of the client. Portfolios can include issues from a single specified state, state preference on a best-efforts basis to include national issues, or national where portfolio managers select what they consider the most appropriate issues regardless of state.</p>
Quality	<p>Quality review is conducted through both internal and third-party research and analysis. Over time, Crossmark has identified a series of economic factors which we believe may help predict which states are the safest from a municipal bond investment perspective. These factors include:</p> <ul style="list-style-type: none"> • State unemployment rate • Change in Philly Fed Coincident Index • Percentage change in home prices • Percentage change in sales tax revenues • Future deficit as percentage of general fund <p>National portfolios are generally invested in the issues of five to eight states with exposure to any given state limited to 25% of the portfolio's value. Crossmark seeks to structure portfolios with issues rated single-A or higher (at time of purchase) by Moody's, S&P, and/or Fitch.</p>
Duration/Maturity	<p>In order to balance the need for safety with the desire to maximize income, the portfolio managers will generally focus on issues with short to intermediate maturities and durations.</p>
Issue/Sector Selection	<p>Even though investment-grade municipal bonds have very low rates of default, Crossmark is selective with regard to issue and sector. Crossmark focuses on issues backed by essential services or general obligations. The allocation in any one sector is based on the state ranking, the yield spread between sectors and the overall economic outlook for the U.S. and state economies. Crossmark prefers to limit single sector investments, when possible, to 25% of the portfolio, except for general obligations.</p>

Rebalancing Process

The Large Cap Core Unscreened/Municipal Fixed Income Strategy targets a mix of 50% equities and 50% fixed income securities. It employs a built-in rebalancing feature to ensure the allocation stays on track throughout a full market cycle. This unique rebalancing process is triggered by market movements, not by a preset schedule or calendar. This allows for up to 10% appreciation in either component before the rebalance is triggered, providing an opportunity for the portfolio to capture gains. Once the equity or fixed income component reaches 60% of total asset value, the portfolio is rebalanced to 50%/50%.

Rebalance Triggered By Market Movements



Crossmark Global Investments, Inc. (Crossmark) is an investment adviser registered with the Securities and Exchange Commission that provides discretionary investment management services to mutual funds, institutions, and individual clients. Investment advice can be provided only after the delivery of Crossmark's firm Brochure and Brochure Supplement Form ADV (Parts 2A and 2B) and Form CRS, and once a properly executed investment advisory agreement has been entered into by the client.

All Investments are subject to risks, including the possible loss of principal. Past performance does not guarantee future results. The Large Cap Core Unscreened Strategy may not achieve its objective if the managers' expectations regarding particular securities or markets are not met. Equity investments generally involve two principal risks—market risk and selection risk. The value of equity securities will rise and fall in response to general market and/or economic conditions (equity market risk). The value of any individual equity security will rise and fall in response to the market's perception of the issuer's revenues, earnings, balance sheet, credit worthiness, business plan, and overall perception of the viability of the issuer's business (selection risk).

The Municipal Fixed Income Strategy may not achieve its objective if the managers' expectations regarding particular securities or markets are not met. Fixed income investments generally involve three principal risks—interest rate risk, credit risk, and liquidity risk. Prices of fixed-income securities rise and fall in response to interest rate changes (interest rate risk). Generally, when interest rates rise, prices of fixed-income securities fall. The longer the duration of the security, the more sensitive the security is to this risk. There is also a risk that the issuer of a note or bond will be unable to pay agreed interest payments and may be unable to repay the principal upon maturity (credit risk). Lower-rated bonds, and bonds with longer final maturities, generally have higher credit risks. As interest rates rise and/or the credit risk associated with a particular issuer changes, bonds held within a portfolio may become difficult to liquidate without realizing a loss (liquidity risk). Many municipal bonds also include call features that allow the issuer to call the bonds—repaying the principal before maturity—usually done in the context of a refinancing transaction if/when interest rates fall. When a bond is called, the holder does not incur a loss, but cash received from the call must be re-deployed, generally in a less favorable interest rate environment (call risk).