

## CURRENT INCOME PORTFOLIO "CIP"

CIP is a separately managed account investment strategy

Fact Sheet – 12/31/2018

All data below is current as of 12/31/18 unless otherwise specified.



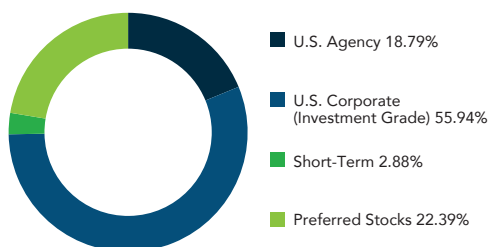
### Composite Trailing Returns – 10 Years <sup>1</sup>

	1-Year	3-Years	5-Years	7-Years	10-Years	4Q18	YTD 12/31/18
Gross	0.61%	1.89%	2.99%	2.72%	4.64%	0.20%	0.61%
Net	-2.37%	-1.12%	-0.04%	-0.30%	1.57%	-0.55%	-2.37%
Barclays Capital Intermediate Gov/Credit	0.88%	1.70%	1.86%	1.75%	2.90%	1.65%	0.88%

### Model Maturity Distribution <sup>2,3</sup>

	CIP	Barclays Capital Intermediate Gov/Credit
Less than 1 Year	17.09%	1.29%
1 - 5 Years	61.71%	65.44%
5 - 10 Years	21.20%	33.27%

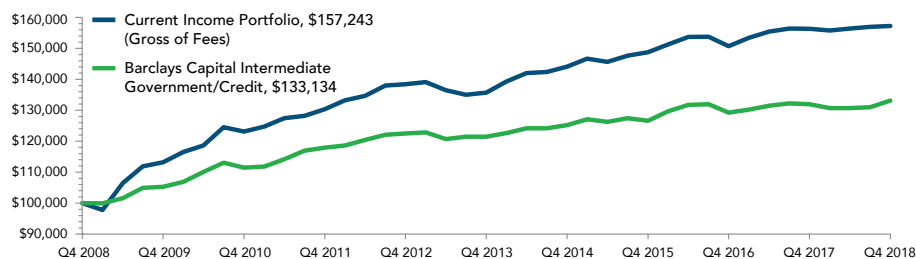
### Model Sector Weightings <sup>3</sup>



### Composite Calendar Year Returns – 10 Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Gross	13.26%	8.76%	5.83%	6.17%	-1.92%	6.19%	3.19%	1.31%	3.76%	0.61%
Net	10.00%	5.60%	2.73%	3.07%	-4.84%	3.09%	0.15%	-1.68%	0.71%	-2.37%
Barclays Capital Intermediate Gov/Credit	5.24%	5.89%	5.80%	3.89%	-0.86%	3.13%	1.07%	2.08%	2.14%	0.88%

### Composite Growth of \$100,000 – 10 Years <sup>4</sup>



<sup>1</sup> Returns greater than one year are annualized.

<sup>2</sup> Does not include preferred stocks

<sup>3</sup> Model Portfolios are based on a hypothetical account managed during the current quarter. Actual characteristics and income may differ materially from model.

<sup>4</sup> Source: Zephyr StyleADVISOR.

<sup>5</sup> Yield to Effective Maturity

<sup>6</sup> Yield to Worst

The current quarter's data is preliminary. Net performance was calculated using the hypothetical highest annual all-inclusive wrap fee of 3% applied quarterly.

### Strategy Objective:

The Crossmark Current Income Portfolio (CIP) strategy utilizes a diversified fixed income strategy to seek income.

- High Current Income
- Diversified Fixed Income Exposure
- Investment-Grade Securities

### Model Portfolio Characteristics <sup>3</sup>

	CIP	Barclays Capital Intermediate Gov/Credit
Yield To Maturity	3.79% <sup>5</sup>	2.99% <sup>6</sup>
Duration <sup>2</sup>	2.62	3.83
Years To Maturity <sup>2</sup>	2.27	4.28
Current Yield	4.30%	2.68%
# of holdings	35	4,871

### Top 10 Model Issuers <sup>3</sup>

Federal Home Loan Mortgage Corp.  
 Federal National Mortgage Association  
 Torchmark Corp.  
 ING Groep NV  
 eBay, Inc.  
 Stanley Black & Decker, Inc.  
 Pitney Bowes, Inc.  
 Charles Schwab Corp.  
 Duke Energy Corp.  
 Public Storage

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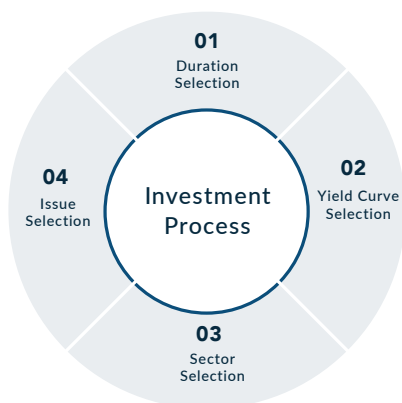
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## Model Current Yield <sup>1</sup>

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	4Q18
CIP	5.96%	5.72%	5.24%	5.05%	4.65%	4.91%	4.67%	4.71%	4.60%	4.37%	4.30%
Barclays Capital Intermediate Gov/Credit	4.53%	3.76%	3.26%	2.97%	2.59%	2.53%	2.50%	2.47%	2.42%	2.44%	2.68%

<sup>1</sup> Model Portfolios are based on a hypothetical account managed during the current quarter. Actual characteristics and income may differ materially from model.



## Investment Process

The Strategy employs a four-step process that seeks to produce above market returns, while providing clients with reliable levels of current income.

Crossmark Global Investments, Inc. is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Crossmark claims compliance with the Global Investment Performance Standards (GIPS®). Prospective clients can obtain a compliant presentation and/or list of composite descriptions by sending a request to: [advisorsolutions@crossmarkglobal.com](mailto:advisorsolutions@crossmarkglobal.com)

Crossmark Current Income Portfolio Wrap Composite contains fully discretionary wrap current income portfolio accounts. Fixed current income portfolios are invested in high yield bonds of primarily intermediate maturity and selected preferred stocks. The composite excludes portfolios for which the clients have imposed restrictions or requirements that impede the manager from fully executing their strategy such that the results will not be representative of the strategy. For comparison purposes the composite is measured against the Barclays Capital Intermediate Government/Credit Bond Index. Barclays Intermediate Govt/Credit Bond is an unmanaged index that tracks the performance of intermediate term U.S. government and corporate bonds.

The U.S. Dollar is the currency used to express performance. The performance reflects the reinvestment of dividends and other earnings to the extent that client accounts included in the composite elected to reinvest dividends and earnings. Performance figures shown gross of fees do not reflect the payment of investment advisory fees.

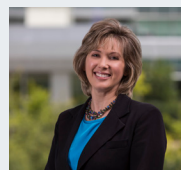
Past performance is not an indicator of future results. Investments made using this strategy involve risk of loss, including the potential loss of principal. The principal risks associated with the CIP investment strategy are credit risk (the risk that an issuer will be unable to pay the principal and interest due), interest rate risk (the risk that the value of a particular bond will fluctuate as market interest rates fluctuate), liquidity risk (the risk that the trading market for a particular bond is reduced), and duration risk (interest rate risk over time).

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**Global Investment Performance Standards**

## Our Firm:

Crossmark Global Investments is an innovative investment management firm. We provide a full suite of investment management solutions to institutional investors, financial advisors and the clients we serve. We have a multi-decade legacy of specializing in values-based investment strategies for clients. Founded in 1987, the firm is headquartered in Houston, Texas and manages approximately \$4.5 billion in AUM.



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