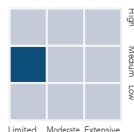


## INCOME OPPORTUNITIES

Income Opportunities 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.



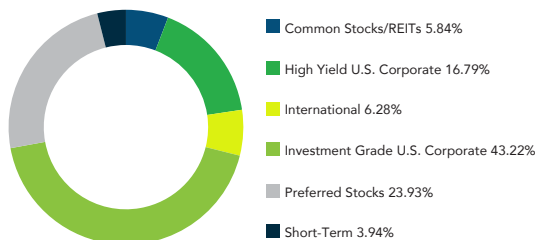
### Composite Trailing Returns <sup>1</sup>

	1-Year	3-Years	5-Years	4Q18	YTD 12/31/18
Gross	-0.76%	3.19%	3.49%	-0.89%	-0.76%
Net	-0.93%	3.01%	3.30%	-0.94%	-0.93%
Barclays Capital Gov/Credit	-0.42%	2.19%	2.53%	1.46%	-0.42%

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

	Income Opportunities	Barclays Capital Gov/Credit
Less than 1 Year	16.73%	1.00%
1 - 5 Years	44.16%	50.62%
5 - 10 Years	35.83%	25.83%
Over 10 Years	3.28%	22.55%

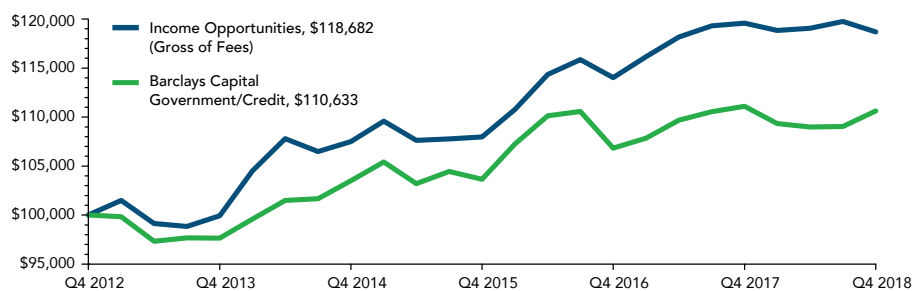
### Model Sector Weightings <sup>2</sup>



### Composite Calendar Year Returns

	2013	2014	2015	2016	2017	2018
Gross	-0.05%	7.56%	0.45%	5.61%	4.85%	-0.76%
Net	-0.30%	7.32%	0.27%	5.43%	4.66%	-0.93%
Barclays Capital Gov/Credit	-2.35%	6.01%	0.15%	3.05%	4.00%	-0.42%

### Composite Growth of \$100,000 – Since Inception 1/1/2013 <sup>3</sup>



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

<sup>2</sup> Model Portfolios are based on a hypothetical account managed during the current quarter. Actual characteristics and income may differ materially from model.

<sup>3</sup> Source: Zephyr StyleADVISOR.

<sup>4</sup> Does not include preferred stocks, common stocks or ETFs

<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 actual management fees.

### Strategy Objective:

The Crossmark Income Opportunities strategy seeks to optimize a diversified fixed income strategy while seeking higher levels of income.

- High Current Income
- Diversified Sector Exposure
- International Exposure
- Investment-Grade and High Yield Securities

### Model Portfolio Characteristics <sup>2</sup>

	Income Opportunities	Barclays Capital Gov/Credit
Yield To Maturity	4.70% <sup>5</sup>	3.24% <sup>6</sup>
Duration <sup>4</sup>	2.56	6.31
Years To Maturity <sup>4</sup>	3.13	8.76
Current Yield	5.14%	3.04%
# of holdings	50	7,104

### Top 10 Model Issuers <sup>2</sup>

JP Morgan Chase & Co.  
Stanley Black & Decker, Inc.  
Pitney Bowes, Inc.  
Torchmark Corp.  
Duke Energy Corp.  
U.S. Treasury Notes  
iShares JP Morgan Emerging Markets  
Charles Schwab Corp.  
El Paso Natural Gas  
eBay, Inc.

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# INCOME OPPORTUNITIES

Income Opportunities is a separately managed account investment strategy

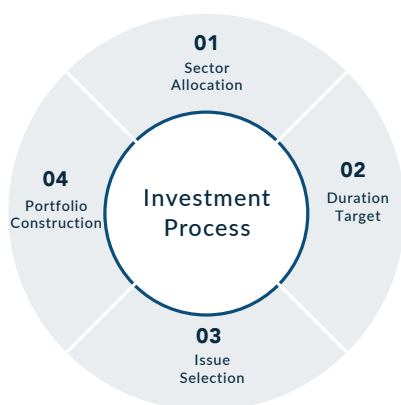
Fact Sheet – 12/31/2018

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

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

	2013	2014	2015	2016	2017	4Q18
Income Opportunities	5.53%	5.59%	5.80%	5.51%	5.13%	5.14%
Barclays Capital Gov/Credit	2.96%	2.87%	2.90%	2.82%	2.78%	3.04%

<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 allows us to optimize our strategy in differing environments by controlling interest rate risk, rotating out of sectors, and taking advantage of opportunistic market movements.

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 Income Opportunities Non-Wrap Composite contains fully discretionary Income Opportunities non-wrap accounts. The Income Opportunities product is designed to generate a high level of income by investing in investment grade bonds, non-investment grade bonds (high-yield), preferred stocks, REITs, international sovereign notes, mortgage-backed securities, and bonds from emerging market countries. 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 Government Credit Bond Index. The Barclays Capital U.S. Government/Credit Bond Index measures the performance of investments grade corporate debt and agency bonds that are dollar denominated and have a remaining maturity of greater than one year.

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 Income Opportunities 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.



**VICTORIA FERNANDEZ**  
Chief Market Strategist

24 years of experience.

Supported by the entire Crossmark Global Investments team.

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