ABOUT APPLETON

Seeks to capture value across the intermediate to longer maturity areas of the yield curve by capitalizing on market

inefficiencies and

given rate cycle.

matching the interest

rate sensitivity to the

- · Founded in 1986 and located in Boston, MA
- 100% employee owned and operated
- Collaborative, team-oriented culture marked by personnel continuity
- Consistent investment philosophy and process emphasizes quality, liquidity and tax efficiency
- · Commitment to separate account management
- Assets Under Management of \$10.8 billion as of 09.30.2019

STRATEGY OVERVIEW AND OBJECTIVE

- Investment grade tax-exempt municipal bonds
- Maturity range of 5 17 years
- Seeks to tax efficiently preserve and grow capital while focusing on the intermediate to longer end of the muni yield curve with disciplined management of liquidity, interest rate and credit risks
- Research intensive, customized process reflecting clients' state preference, tax needs, and risk profile
- Accounts typically hold 20 25 positions with average annual turnover of 15 20%
- State preference or state specific portfolios are available for certain states of residence*

INVESTMENT PHILOSOPHY & PROCESS

 Investment Committee sets market strategy based on interest rates, yield curve structure, economic trends, sector, and technical analysis

 Portfolio structure and guidelines are developed accordingly

In-depth issuer

Macro/ Thematic Inputs



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Rigorous Fundamental Analysis

specific research
In-house credit risk
metrics drive proprietary ratings

 Internal research identifies potential upgrades and flags credit risk Focus on larger, liquid high investment grade credits

 Flexibility to find value across a wide range of issuers and structures





- Customize based on strategy and client specific objectives
- Broad diversification mitigates issuer specific and structural risk
- Duration targeting minimizes interest rate risk in context of rate cycle
- Vast broker-dealer network facilitates new issue and secondary market trading

INVESTMENT GUIDELINES

Maturity Range	5 – 17 Years
Duration Range	5.5 – 7.5 Years
Credit Quality	High Investment Grade
Geographic Diversification	20 – 60% in-state exposure for clients in taxable states*
Issuer Diversification	5% single position target; 15% exposure to any one obligor
Benchmark	Bloomberg Barclays Managed Money Intermediate

*% of state exposure dependent on availability of bonds in state of residence

DYNAMIC MANAGEMENT & OVERSIGHT

ACCOUNT REVIEW:

- Integrated portfolio systems help ensure adherence to client and strategy guidelines
- Proprietary technology links trading, settlement, reconciliation and compliance processes
- · Sustained engagement with financial advisors and investors

PORTFOLIO OPTIMIZATION:

- Discipline and flexibility in changing markets
- Rebalance based on evolving client objectives, security specific outlooks, investment markets and global economies
- Sell discipline triggered by credit and relative value changes, yield curve shifts and sector rotation opportunities







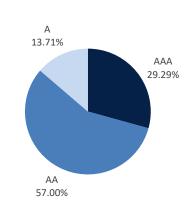
COMPOSITE CHARACTERISTICS*

API BENCHMARK Maturity 12.31 Years 8.93 Years 6.15 Years 5.20 Years Duration 4.85% 4.71% Coupon \$122.20 \$117.04 Price 1.60% 1.54%

2.63%

3.96%

CREDIT PROFILE**



Source: Appleton Partners, Inc.

N/A

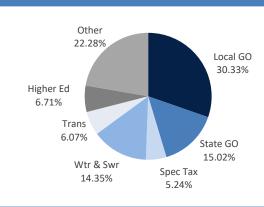
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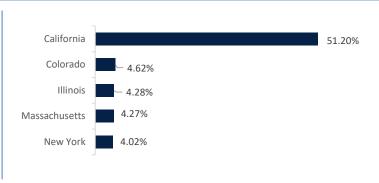
TOP SECTOR PROFILE

Yield to Worst

Current Yield

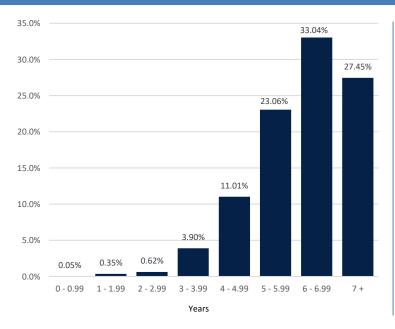
Yield to Maturity



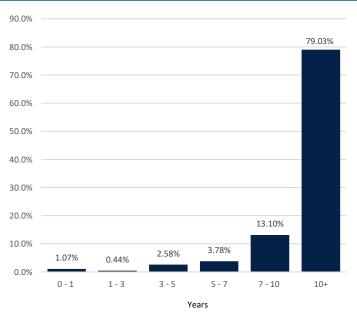


ton Partners, Inc.

DURATION PROFILE



MATURITY PROFILE



*Composite data and characteristics as of 09.30.2019

**Credit Profile: AAA includes cash and pre-refunded bonds

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Source: Appleton Partners, Inc.



www.appletonpartners.com

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