

# Monitoring Report

Prepared on 07/13/2023. Investment Data as of 06/30/2023.

Prepared For:

Prepared By:

**ST HOPE LEADERSHIP ACADEMY CHARTER SCHOOL**

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# Monitoring Report

Inv. Data as of 06/30/23. P Proposed R Remove W Watch

ST HOPE LEADERSHIP ACADEMY CHARTER SCHOOL

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## TABLE OF CONTENTS

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|   |           |
|---|-----------|
| <b>STATE OF AFFAIRS</b>   | <b>1</b>  |
| <b>STANDARDIZED PERFORMANCE DISCLOSURE</b>                          | <b>2</b>  |
| <b>HOLDINGS SUMMARY</b>   | <b>3</b>  |
| <b>FI360 FIDUCIARY SCORE® BREAKDOWN</b>                             | <b>4</b>  |
| <b>STATEMENT OF ADDITIONAL DISCLOSURES</b>                          | <b>6</b>  |
| <b>STATEMENT OF ADDITIONAL DISCLOSURES: EXTENDED PERFORMANCE</b>    | <b>9</b>  |
| <b>STATEMENT OF ADDITIONAL DISCLOSURES: PEER GROUP DESCRIPTIONS</b> | <b>10</b> |
| <b>STATEMENT OF ADDITIONAL DISCLOSURES: RISKS</b>                   | <b>12</b> |

# Monitoring Report

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ST HOPE LEADERSHIP ACADEMY CHARTER SCHOOL

## STATE OF AFFAIRS

2

**INVESTMENTS  
TO WATCH/REMOVE**

0.08 %

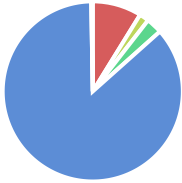
**WEIGHTED AVERAGE  
NET EXP RATIO**

6 / 100

**WEIGHTED AVERAGE  
Fi360 FIDUCIARY SCORE®**

2 investment(s) do not have data as of 06/30/2023.

## ASSET ALLOCATION



| BROAD ASSET CLASS    | # INVESTMENTS | \$ ASSETS        | % OF TOTAL ASSETS |
|----------------------|---------------|------------------|-------------------|
| U.S. Equity          | 5             | 367,653          | 8.81              |
| International Equity | 1             | 71,750           | 1.72              |
| Sector Equity        | 2             | 120,453          | 2.89              |
| Allocation           | 11            | 3,603,050        | 86.31             |
| Taxable Bond         | 2             | 11,835           | 0.28              |
| <b>TOTAL</b>         | <b>21</b>     | <b>4,174,741</b> | <b>100</b>        |

## INVESTMENTS TO WATCH

The Fi360 Fiduciary Score® is a peer percentile ranking of an investment against a set of quantitative due diligence criteria selected to reflect prudent fiduciary management. All Scores are color coded based on the quartile they fall in (1st - Green; 2nd - Light Green; 3rd - Yellow; 4th - Red).

| INVESTMENTS NAME  | PEER GROUP       | Fi360 SCORE® (PEERS) | \$ ASSETS |            |
|---|------------------|----------------------|-----------|------------|
|   |                  |                      | THIS FUND | % OF TOTAL |
| BlackRock LifePath® Index 2025 K <span style="color: yellow;">W</span>      | Target-Date 2025 | 67 (205)             | -         | -          |
| State St Russell Sm Cap® Indx NL CI S <span style="color: yellow;">W</span> | Small Blend      | 69 (607)             | 30,328.79 | 0.73       |

## STANDARDIZED PERFORMANCE DISCLOSURE

**Standardized Returns for the quarter-ended 06/30/2023.** Returns for periods of less than one year are not annualized. Standardized returns assume reinvestment of dividends and capital gains. It depicts performance without adjusting for the effects of taxation, but are adjusted to reflect sales charges and ongoing fund expenses. If adjusted for taxation, the performance quoted would be significantly reduced. Any sales charge used in the calculation was obtained from the fund's most recent prospectus and/or shareholder report. If sales charges are waived (for example, for investors in a qualified retirement plan), the performance numbers may be higher. Please contact your financial advisor for further information on whether loads are waived on the investment options in your account.

**Mutual funds and Exchange Traded Funds (ETFs) are sold by prospectus. Please consider the investment objectives, risks, charges and expenses carefully before investing. The prospectus, and, if available, the summary prospectus, which contains this and other information, can be obtained by calling your financial advisor. Read the prospectus and, if available, the summary prospectus carefully before you invest.** *The performance information shown represents past performance and is not a guarantee of future results. Investment returns and principal value of an investment will fluctuate so that when shares are redeemed, they may be worth more or less than their original cost. Current performance may be higher or lower than the data shown. For the most recent month-end performance and information on expenses, visit [www.fi360.com/directory](http://www.fi360.com/directory).*

For ETFs, the market price used to calculate the Market Value (MKT) return is the midpoint between the highest bid and the lowest offer on the exchange on which the shares of the Fund are listed for trading, as of the time the Fund's NAV is calculated. Whatever day traded, the price of the shares may differ, higher or lower, than the NAV on that day. If you trade your shares at another time, your return may differ.

**Investment and Insurance Products: NOT FDIC Insured / NO Bank Guarantee / MAY Lose Value**

| INVESTMENT NAME                                      | INCEPTION  | INVESTMENT RETURN % (LOAD ADJUSTED) |       |       |               | LOAD  |          | GROSS EXP. RATIO | 12B-1 |
|--|------------|-------------------------------------|-------|-------|---------------|-------|----------|------------------|-------|
|  | PRODUCT    | 1 YR                                | 5 YR  | 10 YR | SINCE INCEPT. | FRONT | DEFERRED |                  |       |
| American Funds American Balanced R6                  | 07/25/1975 | 8.90                                | 7.06  | 8.35  | 10.30         | 0.00  | 0.00     | 0.25             | -     |
| American Funds Income Fund of Amer R6                | 11/30/1973 | 5.89                                | 6.49  | 7.28  | 9.69          | 0.00  | 0.00     | 0.26             | -     |
| American Funds Washington Mutual R6                  | 07/31/1952 | 13.62                               | 10.78 | 11.54 | 13.46         | 0.00  | 0.00     | 0.27             | -     |
| BlackRock EAFE Equity Index Fund CL R                | 11/23/2005 | 19.07                               | 4.79  | -     | 6.28          | 0.00  | 0.00     | 0.05             | -     |
| BlackRock LifePath® Index 2025 K <span>W</span>      | 05/31/2011 | 6.32                                | 4.63  | 5.90  | 5.75          | 0.00  | 0.00     | 0.14             | -     |
| BlackRock LifePath® Index 2030 K                     | 05/31/2011 | 8.46                                | 5.49  | 6.69  | 6.43          | 0.00  | 0.00     | 0.14             | -     |
| BlackRock LifePath® Index 2035 K                     | 05/31/2011 | 10.40                               | 6.32  | 7.43  | 7.06          | 0.00  | 0.00     | 0.14             | -     |
| BlackRock LifePath® Index 2040 K                     | 05/31/2011 | 12.34                               | 7.04  | 8.08  | 7.63          | 0.00  | 0.00     | 0.15             | -     |
| BlackRock LifePath® Index 2045 K                     | 05/31/2011 | 14.09                               | 7.66  | 8.62  | 8.06          | 0.00  | 0.00     | 0.15             | -     |
| BlackRock LifePath® Index 2050 K                     | 05/31/2011 | 15.07                               | 7.97  | 8.91  | 8.31          | 0.00  | 0.00     | 0.15             | -     |
| BlackRock LifePath® Index 2055 K                     | 05/31/2011 | 15.42                               | 8.03  | 9.03  | 8.44          | 0.00  | 0.00     | 0.15             | -     |
| BlackRock LifePath® Index 2060 K                     | 02/29/2016 | 15.36                               | 8.03  | -     | 10.48         | 0.00  | 0.00     | 0.15             | -     |
| BlackRock LifePath® Index Retire K                   | 05/31/2011 | 5.37                                | 3.98  | 4.76  | 4.74          | 0.00  | 0.00     | 0.13             | -     |
| BlackRock Russell 1000® Index Fnd CL 6               | 04/10/2006 | 19.29                               | 11.86 | 12.52 | 9.60          | 0.00  | 0.00     | 0.07             | -     |
| Fidelity® 500 Index                                  | 05/04/2011 | 19.57                               | 12.29 | 12.85 | 12.51         | 0.00  | 0.00     | 0.02             | -     |
| Fidelity® Long-Term Trs Bd Index                     | 10/04/2017 | -6.92                               | -0.91 | 1.71  | -0.90         | 0.00  | 0.00     | 0.03             | -     |
| Fidelity® US Bond Index                              | 05/04/2011 | -0.95                               | 0.77  | 1.49  | 1.82          | 0.00  | 0.00     | 0.03             | -     |
| Guaranteed Interest Fund <sup>ca</sup>               | -          | -                                   | -     | -     | -             | -     | -        | -                | -     |
| LOAN FUND <sup>ca</sup>                              | -          | -                                   | -     | -     | -             | -     | -        | -                | -     |
| State St Russell Sm Cap® Indx NL CI S <span>W</span> | 09/30/1996 | 12.19                               | 4.16  | 8.25  | 10.70         | 0.00  | 0.00     | 0.05             | -     |
| State St S&P Mid Cap® Indx NL CI C                   | 09/24/1996 | 17.53                               | 7.72  | 10.15 | 13.05         | 0.00  | 0.00     | 0.05             | -     |

# Monitoring Report

Inv. Data as of 06/30/23. P Proposed R Remove W Watch

ST HOPE LEADERSHIP ACADEMY CHARTER SCHOOL

## HOLDINGS SUMMARY

\$4,174,740

TOTAL ASSETS

21

INVESTMENTS

2

INVESTMENTS TO WATCH/REMOVE

| INVESTMENT NAME                                      | TYPE | TICKER | PEER GROUP                       | ACTION | \$ ASSETS        | % OF TOTAL ASSETS |
|--|------|--------|----------------------------------|--------|------------------|-------------------|
| American Funds American Balanced R6                  | MF   | RLBGX  | Moderate Allocation              | -      | 773              | 0.02              |
| American Funds Income Fund of Amer R6                | MF   | RIDGX  | Moderately Aggressive Allocation | -      | 377              | 0.01              |
| American Funds Washington Mutual R6                  | MF   | RWMGX  | Large Blend                      | -      | 16               | 0.00              |
| BlackRock EAFE Equity Index Fund CL R                | CIT  | WBREKX | Foreign Large Blend              | -      | 71,750           | 1.72              |
| BlackRock LifePath® Index 2025 K <span>W</span>      | MF   | LIBKX  | Target-Date 2025                 | Watch  | 0                | 0.00              |
| BlackRock LifePath® Index 2030 K                     | MF   | LINKX  | Target-Date 2030                 | -      | 0                | 0.00              |
| BlackRock LifePath® Index 2035 K                     | MF   | LIJKX  | Target-Date 2035                 | -      | 303,695          | 7.27              |
| BlackRock LifePath® Index 2040 K                     | MF   | LIKKX  | Target-Date 2040                 | -      | 256,123          | 6.14              |
| BlackRock LifePath® Index 2045 K                     | MF   | LIHKX  | Target-Date 2045                 | -      | 649,732          | 15.56             |
| BlackRock LifePath® Index 2050 K                     | MF   | LIPKX  | Target-Date 2050                 | -      | 1,513,646        | 36.26             |
| BlackRock LifePath® Index 2055 K                     | MF   | LIVKX  | Target-Date 2055                 | -      | 796,930          | 19.09             |
| BlackRock LifePath® Index 2060 K                     | MF   | LIZKX  | Target-Date 2060                 | -      | 81,773           | 1.96              |
| BlackRock LifePath® Index Retire K                   | MF   | LIRKX  | Target-Date Retirement           | -      | 0                | 0.00              |
| BlackRock Russell 1000® Index Fnd CL 6               | CIT  | O6SEH  | Large Blend                      | -      | 0                | 0.00              |
| Fidelity® 500 Index                                  | MF   | FXAIX  | Large Blend                      | -      | 311,073          | 7.45              |
| Fidelity® Long-Term Trs Bd Index                     | MF   | FNBGX  | Long Government                  | -      | 0                | 0.00              |
| Fidelity® US Bond Index                              | MF   | FXNAX  | Intermediate Core Bond           | -      | 11,835           | 0.28              |
| Guaranteed Interest Fund <sup>ca</sup>               | CI   | N/A    | Miscellaneous Sector             | -      | 11,991           | 0.29              |
| LOAN FUND <sup>ca</sup>                              | CI   | -      | Miscellaneous Sector             | -      | 108,462          | 2.60              |
| State St Russell Sm Cap® Indx NL CI S <span>W</span> | CIT  | OJPS8  | Small Blend                      | Watch  | 30,329           | 0.73              |
| State St S&P Mid Cap® Indx NL CI C                   | CIT  | OJPS4  | Mid-Cap Blend                    | -      | 26,235           | 0.63              |
|  |      |        |                                  |        | <b>4,174,740</b> | <b>100.01</b>     |

# Monitoring Report

## Fi360 FIDUCIARY SCORE® BREAKDOWN

The Fi360 Fiduciary Score® is a peer percentile ranking of an investment against a set of quantitative due diligence criteria selected to reflect prudent fiduciary management. The Fi360 Fiduciary Score® Average is a one-, three-, five-, or ten-year rolling average of an investment's Fi360 Fiduciary Score®. All Scores are color coded based on the quartile they fall in (1st - Green; 2nd - Light Green; 3rd - Yellow; 4th - Red).

### Score Criterion

- IN. Inception Date.** Must have at least a 3 year track history
- MT. Manager Tenure.** Must have at least a 2 year track history. (Most senior manager's tenure)
- NA. Net Assets.** Must have >= 75 million under management. (Total across all share classes)
- CO. Composition.** Must have >= 80% allocation to primary asset (Not applied to all peer groups)
- SS. Style.** Must have current style box match the peer group. (Not applied to all peer groups)
- ER. Prospectus Net Exp Ratio.** \* Must place in the top 75% of its peer group.
- A3. Alpha - Broad Market (3 YR).** Must place in the top 50% of its peer group.
- S3. Sharpe (3 YR).** Must place in the top 50% of its peer group.
- R1. Return (1 YR).** Must place in the top 50% of its peer group.
- R3. Return (3 YR).** Must place in the top 50% of its peer group.
- R5. Return (5 YR).** Must place in the top 50% of its peer group.

### Summary Legend

|    |   |
|----|---|
| ✓  | Investment meets the criterion              |
| ⊘  | Investment does not meet the criterion      |
| -  | Investment data is not available            |
| NA | Investment is not screened on the criterion |

\* For separately managed accounts, r-squared in the top 75% of it's peer group is used as a replacement criterion for Exp Ratio.

| INVESTMENT NAME                                 | TICKER  | SCORE (PEERS) | SCORE CRITERIA |    |    |    |    |    |    |    |    |    |    | ROLLING AVERAGES (PEERS) |               |               |             |            |
|---|---------|---------------|----------------|----|----|----|----|----|----|----|----|----|----|--------------------------|---------------|---------------|-------------|------------|
|   |         |               | IN             | MT | NA | CO | SS | ER | A3 | S3 | R1 | R3 | R5 | 1 YR                     | 3 YR          | 5 YR          | 10 YR       |            |
| American Funds American Balanced R6             | RLBGX   | 0<br>(709)    | ✓              | ✓  | ✓  | NA | NA | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓                        | 0<br>(684)    | 8<br>(639)    | 5<br>(587)  | 3<br>(420) |
| American Funds Income Fund of Amer R6           | RIDGX   | 23<br>(316)   | ✓              | ✓  | ✓  | NA | NA | ✓  | ✓  | ✓  | ⊘  | ✓  | ✓  | 6<br>(300)               | 36<br>(285)   | 32<br>(272)   | 22<br>(184) |            |
| American Funds Washington Mutual R6             | RWVGX   | 38<br>(1,313) | ✓              | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ⊘  | ✓  | ⊘  | 19<br>(1,267)            | 52<br>(1,177) | 36<br>(1,070) | 34<br>(801) |            |
| BlackRock EAFE Equity Index Fund CL R           | WBREK X | 0<br>(695)    | ✓              | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | 0<br>(671)               | 9<br>(618)    | 6<br>(543)    | -           |            |
| BlackRock LifePath® Index 2025 K <span>W</span> | LIBKX   | 67<br>(205)   | ✓              | ✓  | ✓  | NA | NA | ✓  | ⊘  | ⊘  | ⊘  | ⊘  | ⊘  | 51<br>(195)              | 33<br>(173)   | 23<br>(150)   | -           |            |
| BlackRock LifePath® Index 2030 K                | LINKX   | 49<br>(205)   | ✓              | ✓  | ✓  | NA | NA | ✓  | ⊘  | ⊘  | ⊘  | ⊘  | ✓  | 40<br>(190)              | 27<br>(168)   | 17<br>(145)   | -           |            |
| BlackRock LifePath® Index 2035 K                | LJJKX   | 48<br>(198)   | ✓              | ✓  | ✓  | NA | NA | ✓  | ⊘  | ⊘  | ⊘  | ⊘  | ✓  | 35<br>(189)              | 22<br>(167)   | 15<br>(147)   | -           |            |
| BlackRock LifePath® Index 2040 K                | LIKKX   | 23<br>(199)   | ✓              | ✓  | ✓  | NA | NA | ✓  | ✓  | ✓  | ⊘  | ✓  | ✓  | 25<br>(190)              | 16<br>(168)   | 11<br>(145)   | -           |            |
| BlackRock LifePath® Index 2045 K                | LIHKX   | 0<br>(198)    | ✓              | ✓  | ✓  | NA | NA | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | 12<br>(189)              | 10<br>(167)   | 8<br>(147)    | -           |            |
| BlackRock LifePath® Index 2050 K                | LIPKX   | 0<br>(199)    | ✓              | ✓  | ✓  | NA | NA | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | 6<br>(190)               | 7<br>(168)    | 7<br>(145)    | -           |            |
| BlackRock LifePath® Index 2055 K                | LIVKX   | 0<br>(198)    | ✓              | ✓  | ✓  | NA | NA | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | 3<br>(189)               | 6<br>(167)    | 6<br>(145)    | -           |            |

# Monitoring Report

Inv. Data as of 06/30/23. P Proposed R Remove W Watch

ST HOPE LEADERSHIP ACADEMY CHARTER SCHOOL

## Fi360 FIDUCIARY SCORE® BREAKDOWN

| INVESTMENT NAME   | TICKER | SCORE (PEERS) | SCORE CRITERIA |    |    |    |    |    |    |    |    |    |    | ROLLING AVERAGES (PEERS) |              |              |             |   |
|---|--------|---------------|----------------|----|----|----|----|----|----|----|----|----|----|--------------------------|--------------|--------------|-------------|---|
|   |        |               | IN             | MT | NA | CO | SS | ER | A3 | S3 | R1 | R3 | R5 | 1 YR                     | 3 YR         | 5 YR         | 10 YR       |   |
| BlackRock LifePath® Index 2060 K                        | LIZKX  | 0<br>(193)    | ✓              | ✓  | ✓  | NA | NA | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓                        | 3<br>(181)   | 7<br>(155)   | -           | - |
| BlackRock LifePath® Index Retire K                      | LIRKX  | 0<br>(154)    | ✓              | ✓  | ✓  | NA | NA | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓                        | 14<br>(145)  | 6<br>(130)   | 4<br>(111)  | - |
| BlackRock Russell 1000® Index Fnd CL 6                  | O6SEH  | 14<br>(1,313) | ✓              | ✓  | ✓  | ✓  | ✓  | ✓  | ⊘  | ✓  | ✓  | ✓  | ✓  | 18<br>(1,267)            | -            | -            | -           |   |
| Fidelity® 500 Index                                     | FXAIX  | 0<br>(1,313)  | ✓              | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | 2<br>(1,267)             | 1<br>(1,177) | 1<br>(1,070) | 1<br>(801)  |   |
| Fidelity® Long-Term Trs Bd Index                        | FNBGX  | 0<br>(32)     | ✓              | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | 4<br>(31)                | 16<br>(29)   | 13<br>(26)   | -           |   |
| Fidelity® US Bond Index                                 | FXNAX  | 30<br>(435)   | ✓              | ✓  | ✓  | ✓  | ✓  | ✓  | ⊘  | ⊘  | ✓  | ⊘  | ✓  | 26<br>(419)              | 28<br>(387)  | 22<br>(347)  | 31<br>(254) |   |
| Guaranteed Interest Fund <sup>ca</sup>                  | N/A    | -             | -              | -  | -  | NA | NA | -  | -  | -  | -  | -  | -  | -                        | -            | -            | -           |   |
| LOAN FUND <sup>ca</sup>                                 | -      | -             | -              | -  | -  | NA | NA | -  | -  | -  | -  | -  | -  | -                        | -            | -            | -           |   |
| State St Russell Sm Cap® Indx NL Cl S<br><span>W</span> | OJPS8  | 69<br>(607)   | ✓              | ✓  | ✓  | ✓  | ✓  | ✓  | ⊘  | ⊘  | ⊘  | ⊘  | ⊘  | 62<br>(589)              | 31<br>(567)  | -            | -           |   |
| State St S&P Mid Cap® Indx NL Cl C                      | OJPS4  | 18<br>(390)   | ✓              | ✓  | ✓  | ✓  | ⊘  | ✓  | ✓  | ✓  | ✓  | ✓  | ✓  | 18<br>(378)              | 26<br>(356)  | -            | -           |   |

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## STATEMENT OF ADDITIONAL DISCLOSURES

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### INTRODUCTION

This report is for informational purposes only and does not constitute professional investment advice. Some data in this report was obtained from third parties. Although Fi360 obtains data from sources it deems to be reliable, it does not independently verify the data, and does not warrant or represent that the data is timely, complete, or accurate.

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**Mutual funds and Exchange Traded Funds (ETFs) are sold by prospectus. Please consider the investment objectives, risks, charges and expenses carefully before investing. The prospectus and, if available, the summary prospectus, which contains this and other information, can be obtained by calling your financial advisor. Read the prospectus and, if available, the summary prospectus carefully before you invest.**

**All investments involve risk. The principal value and investment return will fluctuate so that your shares, when redeemed, may be worth more or less than the original cost. All investing involves risk, including the possible loss of principal. This does not apply, however, to the guaranteed portions of group annuity contracts that constitute guaranteed benefit policies as defined in ERISA 401(b)(2)(B).**

Collective investment trusts (CITs) are available for investment primarily by eligible retirement plans and entities. Participation in CITs is generally governed by the terms of a Declaration of Trust and a Participation or Adoption Agreement, which is signed by the retirement plan's fiduciary at the time the plan invests in the CITs. In addition, various other documents may contain important information about the CITs including Fund Descriptions, Statement of Characteristics or Investment Guidelines, and/or other fee or investment disclosure documents. All of these documents may contain important information about CIT fees, investment objectives, and risks and expenses of the underlying investments in the CITs and should be read carefully before investing. To obtain a copy, you will need to contact the plan sponsor or trustee of the CIT.

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This Statement of Additional Disclosures includes important information regarding the information provided in the report. If an investor does not understand any term or data presented herein, he/she should consult with his/her financial advisor.

### FI360 FIDUCIARY SCORE®

**Fi360 Fiduciary Score®.** The Score is a peer percentile ranking of an investment against a set of quantitative due diligence criteria selected to reflect prudent fiduciary management. The Rolling Averages are a one-, three-, five- or ten-year equal-weighted average of an investment's Fi360 Fiduciary Scores during that corresponding time period. The Historical Fi360 Fiduciary Scores at Quarter End trend chart (if included) displays the Fi360 Fiduciary Score for each calendar quarter-end during that year.



## STATEMENT OF ADDITIONAL DISCLOSURES

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Short Fall Points - If an investment does not meet an individual due diligence criterion, short fall points are tallied. Investments that satisfy all of the due diligence criteria receive an Fi360 Fiduciary Score of 0. Every other investment is given a Score of 1-100 based on their short fall point total, and representing their percentile ranking within their peer group. The Fi360 Fiduciary Score represents a suggested course of action and is not intended, nor should it be used, as the sole source of information for reaching an investment decision. Visit [www.fi360.com/fi360-Fiduciary-Score](http://www.fi360.com/fi360-Fiduciary-Score) for the complete methodology document.

**Criteria.** The following criteria are included as part of the Score calculation.

- 1. Inception Date.** The investment must have at least a 3 year track history
- 2. Manager Tenure.** The investment manager must have at least a 2 year track history. (Most senior manager's tenure)
- 3. Net Assets.** The investment must have at least 75 million under management (Total across all share classes for funds/ETFs)
- 4. Composition.** The investments allocation to its primary asset class should be greater than or equal to 80%. (Not applied to all peer groups)
- 5. Style Drift.** The investment's current style box must match the peer group. (Not applied to all peer groups. Further details on each style can be found in the Investment Strategy & Style section below.)
- 6. Prospectus Net Exp Ratio.** The investment must place in the top 75% of its peer group
- 7. Alpha (3yr) - Primary Benchmark.** The investment must place in the top 50% of its peer group
- 8. Sharpe (3yr).** The investment must place in the top 50% of its peer group
- 9. Return (1yr).** The investment must place in the top 50% of its peer group
- 10. Return (3yr).** The investment must place in the top 50% of its peer group
- 11. Return (5yr).** The investment must place in the top 50% of its peer group

**Weighted Fi360 Fiduciary Score.** The Weighted Score is calculated by taking the Fi360 Fiduciary Score for each holding and weighting it by its respective allocation or \$ amount (if available). If no allocation is available for any holding, each holding is treated equally. This is then summed to represent the Average Score across the holdings. If a holding does not have a Score, it is excluded from the calculation.

## PERFORMANCE

**Total Return (With Load).** Expressed in percentage terms, an investment's total return is determined each month by taking the change in monthly net asset value, reinvesting all income and capital gains distributions during that month, and dividing by the starting NAV. Reinvestments are made using the actual reinvestment NAV, and daily payoffs are reinvested monthly. Total Return (With Load) is adjusted for front-end loads, deferred loads and redemption fees, but not taxes. For funds with front-end loads, the full amount of the load is deducted. For deferred loads and redemption fees, the percentage charged often declines the longer the shares are held. Total returns for periods longer than one year are expressed in terms of compounded average annual returns (also known as geometric total returns).

## VOLATILITY METRICS

**Sharpe Ratio.** A risk-adjusted measure developed by Nobel Laureate William Sharpe. The higher the Sharpe ratio, the better the investment's historical risk-adjusted performance. The Sharpe ratio is calculated for the past three or five-year period by dividing the investment's annualized excess return by the standard deviation of an investment's annualized excess return. Since this ratio uses standard deviation as its risk measure, it is most appropriately applied when analyzing an investment that is an investor's sole holding. The Sharpe ratio can be used to compare two funds directly on how much risk an investment had to bear to earn excess return over the risk-free rate.

## MPT STATISTICS

**Alpha.** A measure of the difference between an investment's actual returns and its expected performance, given its level of risk as measured by beta. Alpha is often seen as a measure of the value added or subtracted by a manager. A positive alpha figure indicates the investment has performed better than its beta (or expected return) would predict. In contrast, a negative alpha indicates the investment underperformed, given the expectations established by the investment's beta.

## EXPENSES

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## STATEMENT OF ADDITIONAL DISCLOSURES

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**Prospectus Net Expense Ratio.** This value is from the investment's most recent prospectus. The percentage of investment assets used to pay for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's Net Asset Value. Sales charges are not included in the expense ratio. The expense ratio for fund of funds is the aggregate expense ratio defined as the sum of the wrap or sponsor fees plus the estimated weighted average of the underlying fund fees. A higher expense ratio will "drag" on the overall performance of a fund compared to peers with a lower expense ratio.

**Prospectus Gross Expense Ratio.** This value is from the investment's most recent prospectus. The total gross expenses (net expenses with waiver added back in) divided by the fund's average net assets. If it is not equal to the net expense ratio, the gross expense ratio portrays the fund's expenses had the manager not waived a portion, or all, of its fees. Thus, to some degree, it is an indication of fee contracts. Some fee waivers have an expiration date; other waivers are in place indefinitely.

**12b-1 Fee.** This value is usually taken from the fund's prospectus but may have been edited by your financial advisor if the prospectus amount was not accurate for your given situation. This value is part of the Net Expense Ratio. It represents a maximum annual charge deducted from investment assets to pay for distribution and marketing costs. This value can be rebated back to the client to offset other expenses.

**Front Load.** A one-time deduction from a purchase made into the fund. The amount is relative to the amount of the investment, so that larger investments incur smaller rates of charge. The sales charge serves as a commission for the broker who sold the fund. Potential fees and sales charges are an important factor to consider before making an investment. The load compensates the broker or financial planner for the service of providing professional investment advice.

**Deferred Load.** A one-time charge paid at the time of the sale of the fund. The amount is relative to the amount of the investment, so that larger investments incur smaller rates of charge. The sales charge serves as a commission for the broker who sold the fund. Potential fees and sales charges are an important factor to consider before making an investment. The load compensates the broker or financial planner for the service of providing professional investment advice.

**Weighted Average Expense Ratio.** Fi360 calculates this value by taking the Total Investment Option Costs and dividing by the Total Client Assets. It represents the average expenses paid through the investment options.

## INVESTMENT STRATEGY & STYLE

**Peer Group.** Fi360 utilizes the Morningstar Category for peer group assignment. In an effort to distinguish funds by what they own, as well as by their prospectus objectives and styles, Morningstar developed the Morningstar Categories. While the prospectus objective identifies a fund's investment goals based on the wording in the fund prospectus, the Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings (portfolio and other statistics over the past three years). Peer groups are for comparison only, and do not represent any investable products. Please reference the Peer Group Descriptions section for more specific detail on each peer group that is included in this report.

## WEIGHTINGS & HOLDINGS

**IPS Alignment.** If a current holding does not fit within the ranges specified in the Investment Policy Statement, an alignment notice is generated. A notice can occur due to temporary style drift in an investment, a difference in categorization methodology or a gap in allocation.

## STATEMENT OF ADDITIONAL DISCLOSURES: EXTENDED PERFORMANCE

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to an investment share class's actual inception.

Morningstar created extended performance statistics to "fill in the gap" between the inception date of a new share class or distribution channel and the inception date of the original portfolio. Extended performance lengthens the performance data that is available for the younger investment. This helps investors see how the portfolio as a whole has performed over time. For example, if a mutual fund started 15 years ago with an Investor share class and just added an Institutional share class one year ago, Morningstar will lengthen the performance history of the Institutional share class to 15 years. Often, some of the shareholders in the new share class were actually shareholders in the oldest share class.

Morningstar will adjust the performance history of the original portfolio to reflect differences in fees between the original share class and the younger share class. This adjustment will only occur where the new share class has higher fees than the oldest share class, so the extended performance for the younger share class will be lower than, or equal to, the returns of the oldest share class. Where the oldest share class has higher fees than the younger share class no adjustment is made. In this case, if the expenses of the newer share class were used rather than the expenses of the old share class (due to lower expenses of the new share class), it would have resulted in better performance.

| NEWER SHARE CLASS                     |                | OLDEST SHARE CLASS                    |                |
|---------------------------------------|----------------|---------------------------------------|----------------|
| NAME                                  | INCEPTION DATE | NAME                                  | INCEPTION DATE |
| BlackRock EAFE Equity Index Fund CL R | 04/20/2016     | BlackRock EAFE Equity Index Fund CL O | 11/23/2005     |

## STATEMENT OF ADDITIONAL DISCLOSURES: PEER GROUP DESCRIPTIONS

- Foreign Large Blend (FB).** Foreign large-blend portfolios invest in a variety of big international stocks. Most of these portfolios divide their assets among a dozen or more developed markets, including Japan, Britain, France, and Germany. These portfolios primarily invest in stocks that have market caps in the top 70% of each economically integrated market (such as Europe or Asia ex-Japan). The blend style is assigned to portfolios where neither growth nor value characteristics predominate. These portfolios typically will have less than 20% of assets invested in U.S. stocks.
- Intermediate Core Bond (CI).** Intermediate-term core bond portfolios invest primarily in investment-grade U.S. fixed-income issues including government, corporate, and securitized debt, and hold less than 5% in below-investment-grade exposures. Their durations (a measure of interest-rate sensitivity) typically range between 75% and 125% of the three-year average of the effective duration of the Morningstar Core Bond Index.
- Large Blend (LB).** Large-blend portfolios are fairly representative of the overall US stock market in size, growth rates and price. Stocks in the top 70% of the capitalization of the US equity market are defined as large cap. The blend style is assigned to portfolios where neither growth nor value characteristics predominate. These portfolios tend to invest across the spectrum of US industries, and owing to their broad exposure, the portfolios' returns are often similar to those of the S&P 500 Index.
- Long Government (GL).** Long-government portfolios have at least 90% of their bond holdings invested in bonds backed by the U.S. government or by government-linked agencies. This backing minimizes the credit risk of these portfolios, as the U.S. government is unlikely to default on its debt. They are not risk-free, though. Because these portfolios have durations of typically more than 6.0 years, they are more sensitive to interest rates, and thus riskier, than portfolios that have shorter durations. Morningstar calculates monthly breakpoints using the effective duration of the Morningstar Core Bond Index in determining duration assignment. Long term is defined as 125% of the three-year average effective duration of the MCBI.
- Mid-Cap Blend (MB).** The typical mid-cap blend portfolio invests in U.S. stocks of various sizes and styles, giving it a middle-of-the-road profile. Most shy away from high-priced growth stocks but aren't so price-conscious that they land in value territory. Stocks in the middle 20% of the capitalization of the U.S. equity market are defined as mid-cap. The blend style is assigned to portfolios where neither growth nor value characteristics predominate.
- Miscellaneous Sector (MR).** Miscellaneous-sector portfolios invest in specific sectors that do not fit into any of Morningstar's existing sector categories and for which not enough funds exist to merit the creation of a separate category.
- Moderate Allocation (MA).** Funds in allocation categories seek to provide both income and capital appreciation by primarily investing in multiple asset classes, including stocks, bonds, and cash. These moderate strategies seek to balance preservation of capital with appreciation. They typically expect volatility similar to a strategic equity exposure between 50% and 70%.
- Moderately Aggressive Allocation (AL).** Funds in allocation categories seek to provide both income and capital appreciation by primarily investing in multiple asset classes, including stocks, bonds, and cash. These moderately aggressive strategies prioritize capital appreciation over preservation. They typically expect volatility similar to a strategic equity exposure between 70% and 85%.
- Small Blend (SB).** Small-blend portfolios favor U.S. firms at the smaller end of the market-capitalization range. Some aim to own an array of value and growth stocks while others employ a discipline that leads to holdings with valuations and growth rates close to the small-cap averages. Stocks in the bottom 10% of the capitalization of the U.S. equity market are defined as small cap. The blend style is assigned to portfolios where neither growth nor value characteristics predominate.
- Target-Date 2025 (TG).** Target-date portfolios provide diversified exposure to stocks, bonds, and cash for those investors who have a specific date in mind (in this case, the years 2021-2025) for retirement. These portfolios aim to provide investors with an optimal level of return and risk, based solely on the target date. Management adjusts the allocation among asset classes to moreconservative mixes as the target date approaches, following a preset glide path. A target-date portfolio is part of a series of funds offering multiple retirement dates to investors.
- Target-Date 2030 (TH).** Target-date portfolios provide diversified exposure to stocks, bonds, and cash for those investors who have a specific date in mind (in this case, the years 2026-2030) for retirement. These portfolios aim to provide investors with an optimal level of return and risk, based solely on the target date. Management adjusts the allocation among asset classes to moreconservative mixes as the target date approaches, following a preset glide path. A target-date portfolio is part of a series of funds offering multiple retirement dates to investors.

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## STATEMENT OF ADDITIONAL DISCLOSURES: PEER GROUP DESCRIPTIONS

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- **Target-Date 2035 (TI).** Target-date portfolios provide diversified exposure to stocks, bonds, and cash for those investors who have a specific date in mind (in this case, the years 2031-2035) for retirement. These portfolios aim to provide investors with an optimal level of return and risk, based solely on the target date. Management adjusts the allocation among asset classes to moreconservative mixes as the target date approaches, following a preset glide path. A target-date portfolio is part of a series of funds offering multiple retirement dates to investors.
- **Target-Date 2040 (TJ).** Target-date portfolios provide diversified exposure to stocks, bonds, and cash for those investors who have a specific date in mind (in this case, the years 2036-2040) for retirement. These portfolios aim to provide investors with an optimal level of return and risk, based solely on the target date. Management adjusts the allocation among asset classes to moreconservative mixes as the target date approaches, following a preset glide path. A target-date portfolio is part of a series of funds offering multiple retirement dates to investors.
- **Target-Date 2045 (TK).** Target-date portfolios provide diversified exposure to stocks, bonds, and cash for those investors who have a specific date in mind (in this case, the years 2041-2045) for retirement. These portfolios aim to provide investors with an optimal level of return and risk, based solely on the target date. Management adjusts the allocation among asset classes to moreconservative mixes as the target date approaches, following a preset glide path. A target-date portfolio is part of a series of funds offering multiple retirement dates to investors.
- **Target-Date 2050 (TN).** Target-date portfolios provide diversified exposure to stocks, bonds, and cash for those investors who have a specific date in mind (in this case, the years 2046-2050) for retirement. These portfolios aim to provide investors with an optimal level of return and risk, based solely on the target date. Management adjusts the allocation among asset classes to moreconservative mixes as the target date approaches, following a preset glide path. A target-date portfolio is part of a series of funds offering multiple retirement dates to investors.
- **Target-Date 2055 (TL).** Target-date portfolios provide a diversified exposure to stocks, bonds, and cash for those investors who have a specific date in mind (in this case, the years 2051-2055 and beyond) for retirement. These portfolios aim to provide investors with an optimal level of return and risk, based solely on the target date. Management adjusts the allocation among asset classes to more-conservative mixes as the target date approaches, following a preset glide path. A targetdate portfolio is part of a series of funds offering multiple retirement dates to investors.
- **Target-Date 2060 (XQ).** Target-date portfolios provide a diversified exposure to stocks, bonds, and cash for those investors who have a specific date in mind (in this case, the years 2056-2060) for retirement. These portfolios aim to provide investors with an optimal level of return and risk, based solely on the target date. Management adjusts the allocation among asset classes to more-conservative mixes as the target date approaches, following a preset glide path. A target-date portfolio is part of a series of funds offering multiple retirement dates to investors.
- **Target-Date Retirement (RI).** Target-Date Retirement portfolios provide a mix of stocks, bonds, and cash for those investors already in or entering retirement. These portfolios tend to be managed to more of a conservative asset-allocation strategy. These portfolios aim to provide investors with steady income throughout retirement.

**STATEMENT OF ADDITIONAL DISCLOSURES: RISKS**

Investing involves risk. Loss of principal is possible. An investment in a fund is not a bank deposit, and it is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Each fund carries its own specific risks which depend on the types of investments in the fund. Investors should review the fund's prospectus carefully to understand the risks before investing.

In general, some of the risks associated with the Morningstar Categories shown in this report are as follows:

- **Allocation.** Different methods of asset allocation are associated with varying degrees of risks. Conservative portfolios contain low risk investments but may not earn any value over time. Moderate portfolios have a higher level of risk than conservative portfolios. Aggressive portfolios mainly consist of equities, so their value tends to fluctuate widely.
- **Bonds.** Bonds are subject to interest rate risk. As the prevailing level of bond interest rates rise, the value of bonds already held in a portfolio decline. Portfolios that hold bonds are subject to declines and increases in value due to general changes in interest rates. Bonds are also subject to prepayment risk, which is the chance that an issuer may exercise its right to prepay its security, if falling interest rates prompt the issuer to do so. Forced to reinvest the unanticipated proceeds at lower interest rates, the fund would experience a decline in income and lose the opportunity for additional price appreciation.
- **Foreign.** Investments in foreign securities may be more volatile than investing solely in U.S. markets due to interest-rate, currency, exchange rate, economic, and political risks. The value of these securities can change more rapidly and extremely than can the value of U.S. securities. Foreign securities are subject to increased issuer risk because foreign issuers may not experience the same degree of regulation as U.S. issuers do and are held to different reporting, accounting, and auditing standards. In addition, foreign securities are subject to increased costs because there are generally higher commission rates on transactions, transfer taxes, higher custodial costs, and the potential for foreign tax charges on dividend and interest payments. Many foreign markets are relatively small, and securities issued in less-developed countries face the risks of nationalization, expropriation or confiscatory taxation, and adverse changes in investment or exchange control regulations, including suspension of the ability to transfer currency from a country. Economic, political, social, or diplomatic developments can also negatively impact performance.
- **Foreign Currencies.** Foreign currencies are subject to the risks associated with such currencies and the changes in their values relative to the U.S. dollar. Such risks include volatility in the price relationship between the U.S. dollar and foreign currencies. The value of foreign currencies relative to the U.S. dollar can be affected by many factors, including national debt levels, trade deficits, international trade and foreign policies, changes in trade and balance of payments, governmental fiscal and monetary policies, currency exchange rates and changes in supply and demand that affect those rates, investment and trading activity of mutual funds, hedge funds and currency funds, exchange rate controls and government intervention in currency markets, inflation rates, interest and deposit rates, market expectations about future inflation rates and interest rates, and global and national economic, financial, political, regulatory, judicial, military and geographical events or developments. Prices of currencies of less developed or emerging market nations tend to be more volatile than those of developed countries, given the greater political, regulatory, economic, financial, military and social instability and uncertainty in less developed or emerging market nations.
- **Large Cap Equities.** Concentrating assets in large-capitalization stocks may subject the portfolio to the risk that those stocks underperform other capitalizations or the market as a whole. Large-cap companies may be unable to respond as quickly as small- and mid-cap companies can to new competitive pressures and may lack the growth potential of those securities. Historically, large-cap companies do not recover as quickly as smaller companies do from market declines.
- **Sector.** Concentrating assets in a particular industry, sector of the economy, or markets may increase volatility because the investment will be more susceptible to the impact of factors such as the market, the economy, regulations, and other dynamics affecting that industry or sector compared with a more broadly diversified asset allocation.
- **Small/Mid Cap Equities.** Portfolios that invest in stocks of small- to mid-cap companies involve additional risks. Smaller companies typically have a higher risk of failure and are not as well established as larger blue-chip companies. Historically, smaller company stocks have experienced a greater degree of market volatility than the overall market average.
- **Target-Date Funds.** Target-date funds typically invest in other mutual funds and are designed for investors who are planning to retire during the target date year. The fund's target date is the approximate date of when investors expect to begin withdrawing their money. A target-date fund's investment objective/strategy typically becomes more conservative over time primarily by reducing its allocation to equity mutual funds and increasing its allocations in fixed-income mutual funds. An investor's principal value in a target-date fund is not guaranteed at any time, including at the fund's target date.

## STATEMENT OF ADDITIONAL DISCLOSURES: RISKS

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- **Taxable Bond.** Investments in taxable bonds such as government bonds, long-term and short-term bonds, bank loans, corporate bonds, preferred stock, high-yield bonds, etc. are subject to numerous risks including those relating to reinvestment, inflation, market, selection, timing, and duration.