CINCINNATI ASSET MANAGEMENT

Growth of Capital
Through Disciplined Investing

in Separately Managed Accounts (SMA)

BROAD MARKET

Q1/2020

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CINCINNATI ASSET MANAGEMENT

1.2. MANAGING DIRECTORS' PROFILES

William S. Sloneker

Bill started his career with Ohio Casualty Insurance in 1976. Prior to CAM, he was a Director and Executive Vice President of Ohio Casualty Corp., responsible for actuarial analysis and the investment of over $2 billion in common stocks and government, corporate and municipal bonds. B.A. English & Art History, Yale University; MBA Finance & Marketing, University of Pennsylvania, The Wharton School.

Joshua M. Adams, CFA

Josh began his career in 2004 with Cincinnati Financial Corporation where he was responsible for managing a portion of a multibillion-dollar bond portfolio. He has focused on fixed income for the majority of his career and has extensive experience in both investment grade and high yield corporate credit. Josh has earned the Chartered Financial Analyst designation. B.S.B.A. Finance, The Ohio State University; MBA, Xavier University.

Richard M. Balestra, CFA

Rich started his career with Cincinnati Financial Corporation in 2000. He has significant experience in corporate credit research and has focused on the high yield sector. Rich has held various analyst and portfolio management roles over his tenure and was most recently responsible for $3.5 billion in firm assets. B.A. Finance, University of Cincinnati; MBA, Xavier University, Williams College of Business Administration.

1.3. INVESTMENT PHILOSOPHY

As conservative investors, our choice to manage corporate bonds, exclusively, is the result of capitalizing on the structural inefficiencies of the corporate bond market as well as maximizing favorable risk/reward scenarios that exist within domestic fixed income markets. The structural inefficiencies of the corporate bond market are predicated upon two distinct factors: (1) the fragmentation of the market (there is not a central pricing source) and (2) investors' tendency to overreact to events thus providing a mispricing of securities. Specifically, over the long term, intermediate term corporate and high yield bonds have outperformed intermediate term U.S. government and other intermediate term fixed income sectors[1].

CAM follows a conservative "bottom-up value" investment discipline that stresses downside protection in seeking out companies that are currently out of favor with investors, but poised to improve.

The primary focus is preservation of capital with a secondary, but extremely important, emphasis on total return.

Our portfolios are not managed to a benchmark in setting overall portfolio characteristics via tracking error. We believe there are some inherent problems with this process. We do look to outperform respective benchmarks over va full market cycle, but the prime objective is an absolute return.

We do not utilize interest rate anticipation or top-down sector rotation tactics. We look to minimize the impact of macro-economic factors, such as interest rate risk, from the investment process by employing defensive maturity structure within the portfolio.

[1]*Period of 1994–2019; Source: Bloomberg. See Appendix A.*

1.5. CREDIT RESEARCH AND PORTFORLIO MANAGEMENT PROCESS

CAM
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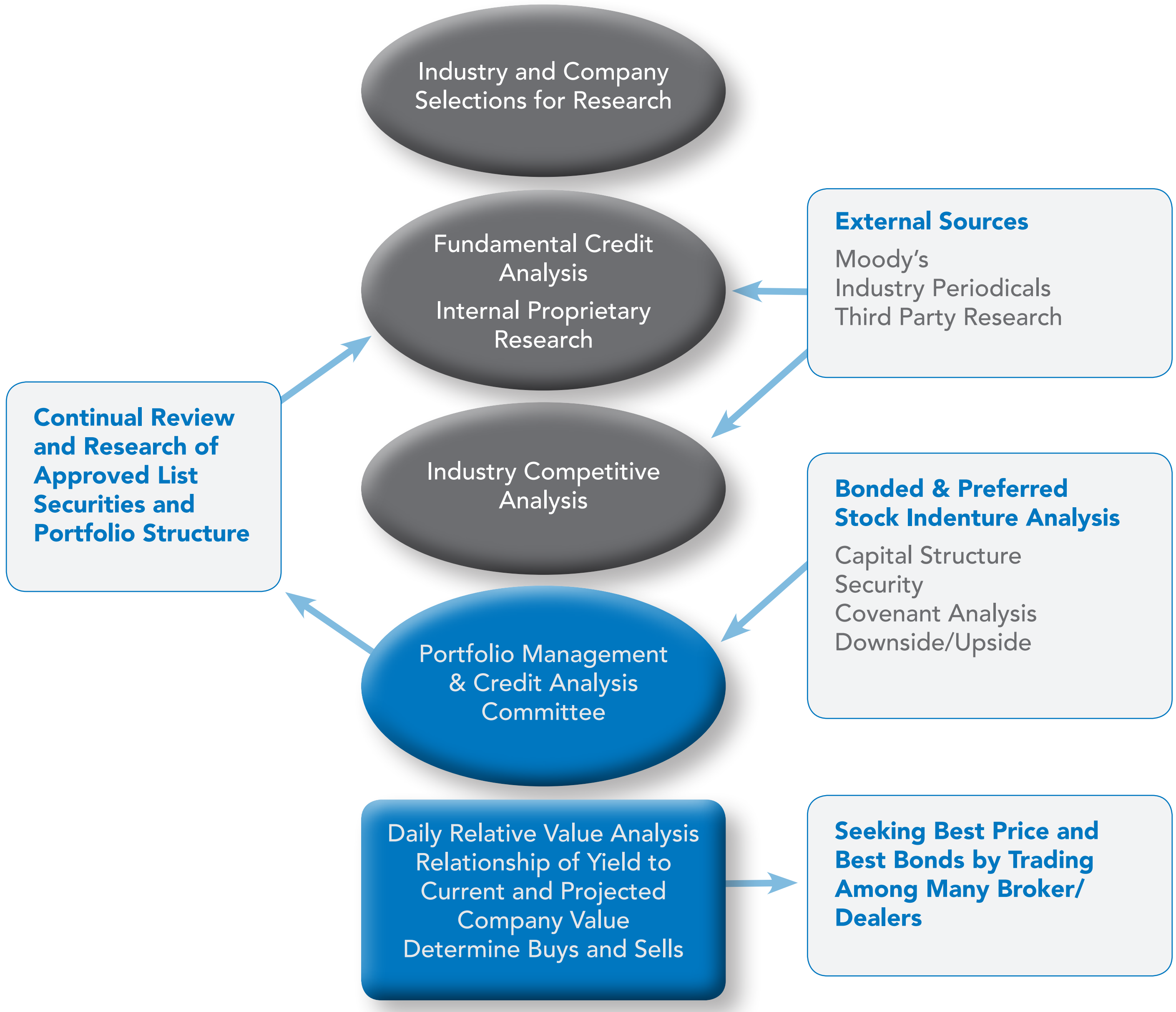

1.6. RISK MANAGEMENT

The Broad Market strategy utilizes a bottom-up value discipline. Risk management is an integral part of the investment process. This is important given our primary objective of preservation of capital. In addition to security selection, risk management is employed through portfolio diversification, liquidity and constant monitoring of individual credits.

Liquidity and safety are enhanced by investing only in bonds with an initial issue size generally in excess of $100,000,000.

In efforts to mitigate risk, our targeted maximum industry group exposure is approximately 15%. Targeted sector exposure is capped at approximately 20%, with an exception of up to 30% in Financial Institutions due to sector size within the Investment Grade Corporate Universe.[2]

Individual credits are monitored continuously; a deterioration of 10%, relative to the index, from initial purchase triggers a mandatory credit review in which appropriate action is promptly determined.

Within the High Yield portion of Broad Market:

Portfolios are constructed with a maximum exposure of approximately 12% per industry. Additionally, any sector may represent approximately 5% of the HY portion of the portfolio value or approximately 125% of the Bloomberg Barclays High Yield Index industry group weighting (whichever is greater), except the consumer cyclicals and non-cyclicals which can be weighted up to approximately 150% of the Bloomberg Barclays industry sector weighting.

Individual credits are monitored continuously; a security price decline of approximately 15% relative to broader benchmarks triggers a mandatory Credit Committee review. This action will result in a hold or sell decision. Should a price decline by approximately 25% or more, relative to broader benchmarks, that position will be sold.

[2] Sector is defined as Bloomberg Barclays Level 3 classification and industry group is defined as Bloomberg Barclays Level 4 classification.

2.4. RELATIVE PERFORMANCE ATTRIBUTION

For the 3-months ended 3/31/2020, the Broad Market Strategy led the Weighted Barclays Corporate Index by 145 basis points (-5.26% vs. -6.71%). The principal factors impacting performance were:

1. **Investment Grade Credit Quality.** CAM's Broad Market strategy achieves its BAA average credit quality via a barbell approach of higher and lower rated securities. During the first quarter on average, 50.3% of the portfolio was positioned in A-rated or better credit subsectors, while the blended Index's exposure was 33.1%. While our underweight allocation to the BAA cohort created a -58 basis point detriment to excess return, this was more than offset by our position in the A-rated or better subsectors, which added 143 basis points of contribution to excess return versus the Index.

2. **High Yield Credit Quality.** Further, CAM does not purchase securities rated CAA or lower. The impact of CAM not owning lower quality credit was 70 basis points of positive contribution to excess return during the quarter.

3. **Security Selection.** CAM's weighting and positioning within the Independent Energy, Oil Field Services, and Midstream industry groups produced 66, 39, and 28 basis point contributions to excess return, respectively.

4. **Maturity.** CAM always positions a majority of the portfolio within intermediate maturities. On average over the quarter, 62.4% of CAM's portfolio was positioned in the 5 - 10 year maturity range, versus 22.7% of the Index. Longer dated securities (10+ years) outperformed the index during the period, and CAM's zero weighting in this duration bucket produced -75 basis points of contribution to excess return.

For the rolling 12-month period ended 3/31/2020, the Broad Market Strategy led the Weighted Barclays Corporate Index by 125 basis points (2.15% vs. 0.90%). The principal factors impacting performance were:

1. **Investment Grade Credit Quality.** CAM's Broad Market strategy achieves its BAA average credit quality via a barbell approach of higher and lower rated securities. On average, 49.9% of the portfolio was positioned in A-rated or better credit subsectors, while the blended Index's exposure was 32.9%. While our underweight allocation in the BAA cohort created a 99 basis point detriment to excess return, this was offset by our position in the A-rated or better subsectors, which added a 149 basis point contribution to excess return versus the Index.

2. **High Yield Credit Quality.** Further, CAM does not purchase securities rated CAA or lower. The impact of CAM not allocating to lower quality credit was a 105 basis point contribution to excess return during the period.

3. **Security Selection.** CAM's weighting and positioning within the Independent Energy, Oil Field Services, and Midstream industry groups produced 97, 59, and 40 basis point contributions to excess return, respectively. The Pharmaceutical and Consumer Cyclical Services industry groups offset these positive contributions by -34 and -35 basis points, respectively.

4. **Maturity.** CAM always positions a majority of the portfolio within intermediate maturities. Longer dated securities (10+ years) outperformed the index during the period, and CAM's near zero weighting in this duration bucket produced a -214 basis point contribution to excess return.

3. APPENDIX

A. HISTORICAL RETURNS OF SELECTED ASSETS

January 1995 - December 2019	Annualized Total Return*	Annualized Standard Deviation[1]	Sharpe Ratio[2]
Bloomberg Barclays U.S. Treasury Bills: 1-3 Months	2.40%	1.09%	0.00
Bloomberg Barclays U.S. Intermediate Government	4.58%	3.35%	0.67
Bloomberg Barclays U.S. Long Government	7.67%	10.92%	0.47
Bloomberg Barclays U.S. Corporate	6.48%	5.19%	0.76
S&P 500	9.97%	15.82%	0.47
Russell 2000	9.17%	19.90%	0.33
Bloomberg Barclays U.S. High Yield Index	7.57%	9.18%	0.54

January 2010 - December 2019	Annualized Total Return*	Annualized Standard Deviation[1]	Sharpe Ratio[2]
Bloomberg Barclays U.S. Treasury Bills: 1-3 Months	0.55%	0.39%	0.00
Bloomberg Barclays U.S. Intermediate Government	2.38%	2.40%	0.75
Bloomberg Barclays U.S. Long Government	6.97%	12.47%	0.51
Bloomberg Barclays U.S. Corporate	5.55%	4.15%	1.20
S&P 500	12.97%	12.63%	0.98
Russell 2000	11.43%	16.86%	0.64
Bloomberg Barclays U.S. High Yield Index	7.57%	6.01%	1.16

Source: *Bloomberg*

[1] *Standard Deviation - measure of dispersion from the mean.*

[2] *Sharpe Ratio - measure of excess return per unit of risk assumed. The unit of risk is measured by standard deviation. Higher Sharpe Ratio indicates has provided a better risk/reward.*

January 1995 - December 2019	Bloomberg Barclays U.S. Treasury Bills: 1-3 Months	Bloomberg Barclays U.S. Intermediate Government	Bloomberg Barclays U.S. Long Government	Bloomberg Barclays U.S. Corporate	S&P 500	Russell 2000
Bloomberg Barclays U.S. Intermediate Government	0.37					
Bloomberg Barclays U.S. Long Government	0.10	0.81				
Bloomberg Barclays U.S. Corporate	0.09	0.56	0.56			
S&P 500	0.02	-0.45	-0.41	0.14		
Russell 2000	-0.04	-0.48	-0.45	0.06	0.90	
Bloomberg Barclays U.S. High Yield Index	-0.11	-0.32	-0.32	0.45	0.67	0.65

January 2010 - December 2019	Bloomberg Barclays U.S. Treasury Bills: 1-3 Months	Bloomberg Barclays U.S. Intermediate Government	Bloomberg Barclays U.S. Long Government	Bloomberg Barclays U.S. Corporate	S&P 500	Russell 2000
Bloomberg Barclays U.S. Intermediate Government	0.13					
Bloomberg Barclays U.S. Long Government	0.02	0.86				
Bloomberg Barclays U.S. Corporate	0.11	0.75	0.67			
S&P 500	-0.02	-0.49	-0.54	0.05		
Russell 2000	-0.08	-0.51	-0.59	-0.03	0.92	
Bloomberg Barclays U.S. High Yield Index	-0.02	-0.10	-0.27	0.42	0.74	0.78

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
EM Sov 11.8%	EM Sov 12.0%	S&P 500 15.8%	US Gov't 9.1%	US Gov't 14.0%	High Yield 57.5%	High Yield 15.2%	Munis 11.2%	EM Sov 18.3%	S&P 500 32.4%	S&P 500 13.7%	Munis 3.6%	High Yield 17.5%	S&P 500 22.3%	Munis 1.0%	S&P 500 20.6%
S&P 500 10.9%	Loans 5.3%	High Yield 11.8%	Mtges 7.0%	Mtges 8.3%	Loans 52.5%	S&P 500 15.1%	US Gov't 9.8%	S&P 500 16.0%	High Yield 7.4%	Munis 9.8%	Mtges 1.5%	S&P 500 12.0%	EM Sov 10.0%	Mtges 1.0%	High Grade 12.9%
High Yield 10.9%	S&P 500 4.9%	EM Sov 10.6%	EM Sov 6.4%	Munis -4.0%	EM Sov 27.2%	EM Sov 12.5%	EM Sov 8.2%	High Yield 15.6%	Loans 5.4%	High Grade 7.5%	S&P 500 1.4%	Loans 10.4%	High Yield 7.5%	US Gov't 0.8%	EM Sov 11.8%
Munis 5.5%	Munis 3.9%	Loans 6.9%	S&P 500 5.6%	High Grade -6.8%	S&P 500 26.4%	Loans 10.4%	High Grade 7.5%	High Grade 10.4%	Mtges -1.4%	EM Sov 7.3%	US Gov't 0.8%	EM Sov 9.5%	High Grade 6.5%	Loans 0.6%	High Yield 11.5%
High Grade 5.4%	US Gov't 2.8%	Mtges 5.3%	High Grade 4.6%	EM Sov -10.2%	High Grade 19.8%	High Grade 9.5%	Mtges 6.1%	Loans 9.8%	High Grade -1.5%	Mtges 6.1%	EM Sov 0.6%	High Grade 6.0%	Munis 5.4%	High Grade -2.2%	US Gov't 7.9%
Loans 5.3%	High Yield 2.7%	Munis 5.0%	Munis 3.3%	High Yield -26.4%	Munis 14.5%	US Gov't 5.9%	High Yield 4.4%	Munis 7.3%	Munis -2.9%	US Gov't 6.0%	Loans 0.1%	Mtges 1.7%	Loans 4.6%	High Yield -2.3%	Munis 7.1%
Mtges 4.7%	Mtges 2.6%	High Grade 4.4%	High Yield 2.2%	Loans -29.3%	Mtges 5.8%	Mtges 5.7%	S&P 500 2.1%	Mtges 2.6%	US Gov't -3.3%	High Yield 2.5%	High Grade -0.6%	US Gov't 1.1%	Mtges 2.4%	S&P 500 -4.4%	Loans 6.7%
US Gov't 3.5%	High Grade 2.0%	US Gov't 3.1%	Loans 2.0%	S&P 500 -37.0%	US Gov't -3.7%	Munis 2.3%	Loans 1.5%	US Gov't 2.2%	EM Sov -5.8%	Loans 1.8%	High Yield -4.6%	Munis 0.4%	US Gov't 2.4%	EM Sov -4.6%	Mtges 5.8%

**Source: CreditSights, BofAIML,S&PILSTA, Bloomberg   EM Sov is USD EM Sovereign BBB & lower index   YTD calculated as of Dec 31, 2019*

The chart provides the annual ranking of various fixed income classes in terms of total return performance.

CREDIT ANALYSIS

We buy bonds of companies whose credit quality is stable to improving. Continuous monitoring of the corporation's credit quality is imperative to determine when a bond's price no longer reflects its actual credit quality.

CONSISTENT APPLICATION OF AN INVESTMENT STRATEGY

Our relative value approach to buying and selling bonds meets defined objectives of intermediate maturity and best value, as well as broad diversification of holdings.

BUYING/SELLING IN THE OVER-THE-COUNTER MARKET

The bond market is an over-the-counter market that requires knowledge of historical pricing and the different bid/ask quotations of the many different market makers. Investment grade and high yield corporate bonds cover over 20,000 separate issues of over 2,000 companies; inventories are exclusive, or vary, among brokers, so having the ability to trade with best execution with many different brokers is imperative to achieving better portfolio performance.

EXECUTING IN SIZE

It is not unusual to observe significant price disparities between smaller retail executions and larger block trades. We buy/sell for all our clients in sufficient quantity in one trade to satisfy the needs of all our clients' portfolios; the smaller retail investor participates at the same price as the larger institutional client when a transaction is effected.

E. CONTACT INFORMATION

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A copy of the ADV, verified GIPS Compliant Performance Presentation, and References are available upon request.

Cincinnati Asset Management, Inc., ("CAM") was established in 1989 as a registered investment adviser with the United States Securities and Exchange Commission specializing in U.S. dollar denominated fixed income investments. CAM is an independent privately held corporation. CAM claims compliance with the Global Investment Performance Standards (GIPS®). Please contact us at the number referenced herein to obtain a compliant presentation or a list of composite descriptions. Performance examinations were conducted on the High Yield composite for the period April 1, 1989 through December 31, 2018, Investment Grade composite for the period January 1, 1993 through December 31, 2018 and Short Duration composite for the period June 1, 2004 through December 31, 2018. The Broad Market composite has been examined for the period January 1, 2007 through December 31, 2018. The Short Duration – Investment Grade composite has been examined for the period December 1, 2008 through December 31, 2018. Copies of the verification reports are available upon request.

The High Yield composite includes investments with credit ratings which average Ba3 with average maturity of four to eight years. The Investment Grade composite includes investments in fixed income securities with credit ratings averaging A3 with at least one investment grade credit rating and an average maturity of five to ten years. The Short Duration composite includes investments in fixed income securities with credit ratings averaging BAA3 and a target duration of three years. The Broad Market composite includes investments in fixed income securities with credit ratings averaging Baa2, an average duration between five and six years and an average maturity of seven to nine years. The Short Duration-Investment Grade composite includes investments in fixed income securities with credit ratings averaging A2 with at least one investment grade credit rating and an average maturity of two to four years.

The Adviser's High Yield, Investment Grade, Short Duration, Short Duration – Investment Grade and Broad Market investment performance data conform to the following standards from April 1, 1989, January 1, 1993, June 1, 2004, December 1, 2008, and January 1, 2002, respectively:

a) *The composites consist of all discretionary portfolios in each respective style under management, including all securities and cash held in the portfolios, appropriately weighted for the size of the portfolios. All portfolios are included after three months under management or upon reaching 65% invested by CAM, whichever occurs first.*
b) *Returns are calculated monthly in U.S. dollars and include reinvestment of dividends and interest.*
c) *Gross of fees performance results include all transaction costs and exclude management fees. When performance is compared to Lipper mutual fund averages gross performance net of CAM's management fees is used.*
d) *For the period from April 1, 1989 through 1992, the High Yield composite includes all assets of all accounts that meet the above criteria, except that not all accounts were added to the composite by the beginning of the third full reporting period for which the account was under management. In addition, prior to 1990 certain diversification requirements were not met.*

The indices shown for comparative purposes are based on or derived from information generally available to the public from sources believed to be reliable. No representation is made to their accuracy or completeness.

"Gross Yield Comparisons": CAM yields are for client account purchases over the last thirty days, gross before the impact of fees or expenses.

Past performance should not be taken as an indication of future results.
High Yield bonds may not be suitable investments for all individuals.
This presentation is for informational purposes and is not an offer to solicit the purchase or sale of securities.