



**Objective**

To build and maintain a portfolio that represents the best relative value available based on the expected economic and market environment. We alter portfolio composition based on the liquidity constraints of the client. We look to add incremental return by taking advantage of market anomalies. Our goal is to outperform the Bloomberg Intermediate Govt/Credit Index and to rank in the upper quartile in a universe of our peers.

**Strategy**

We seek total rate of return through the active management of all structural components of the portfolio; sector/ industry allocation, credit quality, liquidity, yield curve, maturity exposure and call structure. Our primary focus is issue selection and sector rotation. We attempt to buy credits or structure that should perform well in the current economic environment. We typically do not look to benefit from duration management.

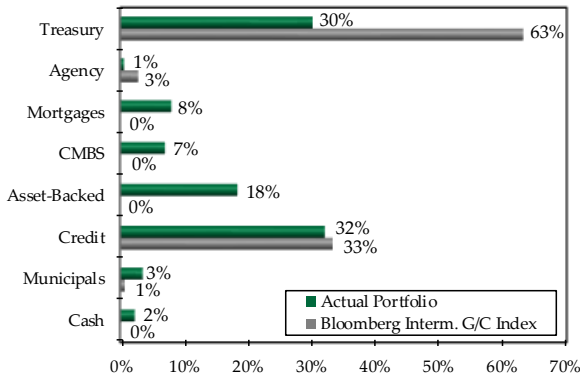
**Philosophy**

Fixed Income returns correlate to the economic cycle, so our portfolio strategy emanates from a detailed, ongoing assessment of the economy. Our bias is to maximize yield, but with great respect for the risk inherit in such a strategy. We believe over the long term, that maximizing yield and relative value with sensitivity to credit risk leads to higher returns.

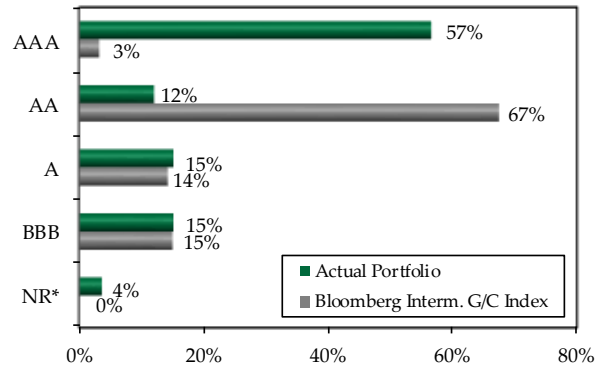
Minimum account size \$25 million.

Minimum commingled fund account size: \$5 million.

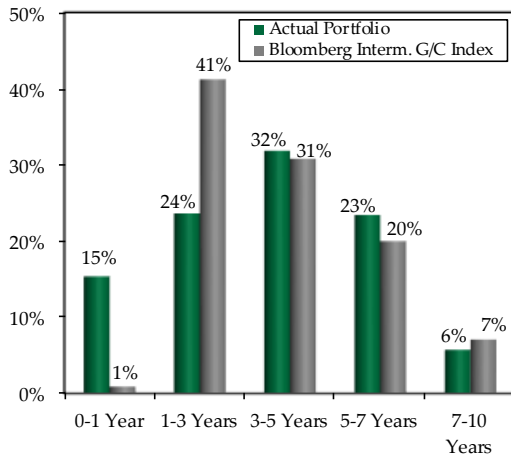
**Sector Distribution**



**Quality Distribution**



**Duration Distribution**



**Portfolio Statistics**

	<b>Actual Portfolio</b>	<b>Bloomberg Interm. G/C Index</b>
Average Yield	5.29	4.82
Average Maturity	4.18	4.29
Average Coupon	3.93	3.18
Effective Duration	3.57	3.76
Average Quality	AA-	AA

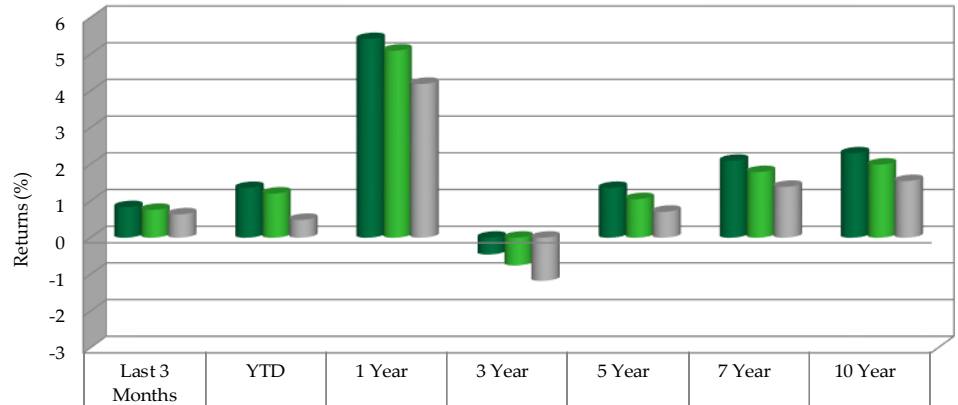
AUM in Composite: \$2.4 Billion  
Accounts in Composite: 21

**Portfolio Management Team**

	<b>Focus</b>	<b>Years at NIS</b>	<b>Years of Experience</b>
Jason Berrie, CFA	CIO, Credit	20	31
Mark Anderson, CFA	Strategist/Preferred	24	31
James Kaplan, CFA	Lead PM - Structured	15	42
Barbara Schalla, CFA	Credit	33	39
Vincent Russo, CFA	Credit	10	26
Lesly Barnes	ABS	17	22
Stefan Martin	CMBS	7	25
John Veternick	Credit Analyst	9	9
Stephen Smitley	Municipal/Structured	3	25

Disclosures: Distribution totals may not equal 100% due to rounding. The Actual Portfolio data shown represents a client portfolio that NIS believes to be representative of the NIS Intermediate Fixed Income management strategy. The Bloomberg Intermediate Government/Credit Index is comprised of all outstanding U.S. Treasury and Agency issues and investment grade credit bonds greater than one year, but less than ten years in maturity. Comparative data was provided by or compiled based on information gathered from Bloomberg which is a third party source. Although we believe this source is reliable, we have not independently verified any such information and make no representations or warranties as to the accuracy, timeliness or completeness of such information. All investments are subject to a risk of loss.

## Performance History (as of 6/30/24)



	Last 3 Months	YTD	1 Year	3 Year	5 Year	7 Year	10 Year
■ NIS Intermediate Composite (Gross %)	0.83	1.35	5.41	-0.46	1.36	2.09	2.30
■ NIS Intermediate Composite (Net %)	0.76	1.20	5.10	-0.76	1.05	1.79	1.99
■ Bloomberg Intermediate Govt/Credit Index (%)	0.64	0.49	4.19	-1.18	0.71	1.39	1.55

Returns greater than one year are annualized.

## Performance Disclosure

Annual Performance History											
Year	Composite Gross Return (%)	Composite Net Return (%)	Bloomberg Intermediate C/C Return (%)	Composite 3-Yr Std. Dev. (%)	Bloomberg Intermediate C/C 3-Yr Std. Dev. (%)	Number of Portfolios	Composite Gross Dispersion (%)	Total Assets at End of Period (USD millions)	Percentage of Firm Assets	Total Firm Assets (USD millions)	
2023	6.24	5.92	5.24	4.45	4.64	17	0.15	2,032.2	20.80	9,771	
2022	-8.12	-8.40	-8.23	4.30	3.88	16	0.11	1,828.6	23.08	7,923	
2021	-0.55	-0.85	-1.44	3.09	2.37	25	0.18	2,076.3	20.78	9,993	
2020	6.68	6.37	6.43	3.04	2.31	26	0.22	2,035.3	21.63	9,411	
2019	7.33	7.00	6.80	1.83	2.04	22	0.16	1,774.2	20.27	8,751	
2018	1.44	1.14	0.88	1.83	2.09	22	0.08	1,567.2	21.74	7,210	
2017	3.30	2.99	2.14	1.87	2.11	19	0.14	1,429.2	21.30	6,709	
2016	2.95	2.64	2.08	1.96	2.22	22	0.26	1,351.1	21.58	6,261	
2015	1.91	1.61	1.07	2.05	2.10	21	0.20	1,177.1	24.03	4,899	
2014	4.57	4.26	3.13	2.03	1.94	21	0.14	1,058.7	25.68	4,122	
2013	0.10	-0.20	-0.86	2.13	2.11	24	0.18	875.4	23.80	3,678	
2012	7.60	7.28	3.89	2.27	2.16	24	0.39	749.7	21.65	3,463	
2011	6.40	6.09	5.80	3.00	2.55	27	0.27	830.0	27.38	3,031	
2010	9.55	9.22	5.89			24	0.37	814.8	28.82	2,827	
2009	12.59	12.25	5.24			26	0.75	886.1	30.23	2,931	
2008	1.48	1.17	5.08			27	1.09	861.1	28.48	3,024	
2007	5.50	5.18	7.39			29	0.40	808.5	25.42	3,181	
2006	4.83	4.52	4.08			32	0.09	789.6	25.63	3,081	
2005	2.43	2.12	1.58			32	0.17	820.4	26.57	3,088	
2004	3.83	3.52	3.04			27	0.16	661.4	22.76	2,906	
2003	5.23	4.92	4.31			14	0.34	347.6	13.37	2,599	

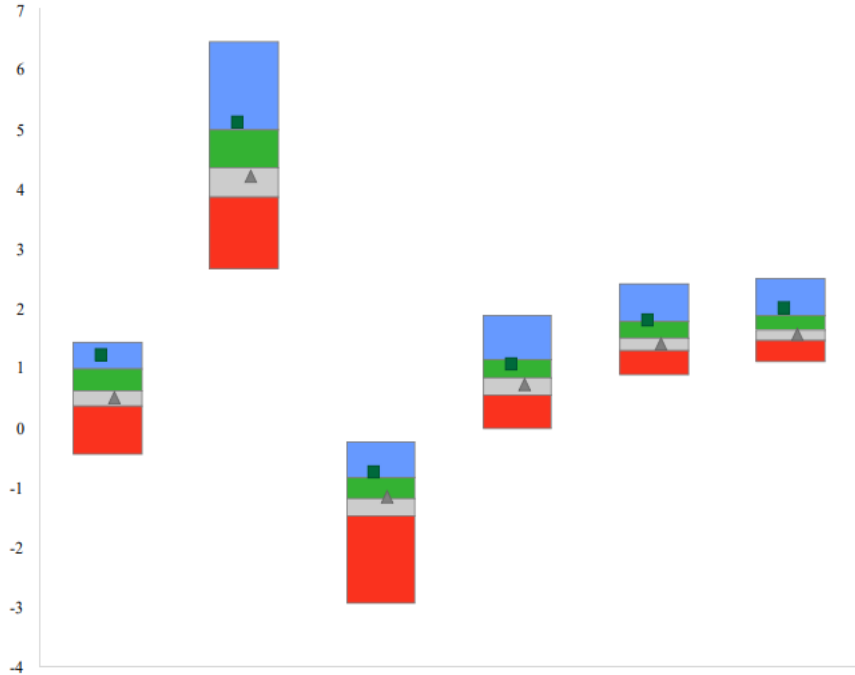
National Investment Services claims compliance with the Global investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. National Investment Services has been independently verified for the periods January 1, 1997 to December 31, 2022. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The NIS Intermediate Fixed Income composite has had a performance examination for the periods January 1, 1997 to December 31, 2022. The verification and performance examination reports are available upon request.

### Notes:

NIS is defined as an SEC registered investment management firm established in 1993. Resolute Investment Managers acquired a controlling interest in NIS on December 30, 2019. NIS employees retained minority ownership of the firm. NIS manages fixed-income and preferred stock assets for primarily United States institutional clients. Included in the composite are all actively-managed, fully-discretionary portfolios that invest in investment grade securities and have an intermediate duration. We seek total rate of return through the active management of all structural components of the portfolio; sector/industry allocation, credit quality, liquidity, yield curve, maturity exposure and call structure. The Bloomberg Intermediate Government/Credit Index is comprised of all outstanding U.S. Treasury and Agency issues and investment grade credit bonds greater than one year, but less than ten years in maturity. A complete list and description of firm composites and performance results is available upon request. The composite was created on April 1, 1994. The composite inception date is 4/1/1994. Performance results are shown gross-of-fees and net-of-fees. The gross-of-fees returns are presented before the management fee but after all trading costs. The net-of-fees returns are calculated by deducting a model investment management fee of 0.025%, 1/12<sup>th</sup> of the highest management fee of .30% from the monthly gross composite return. Investment advisory fees are described in Part 2 of the firm's form ADV. Fees are negotiable. Portfolios are valued monthly on a trade date basis including accrued interest and dividends. Returns shown are on a total return basis, which includes realized and unrealized gains and losses, capital changes, dividends, interest income and brokerage commissions or trading costs, and excluding management and custodial fees. Valuations and returns are computed and stated in U.S. Dollars. Past performance is not a guarantee of future results. Market conditions can vary widely over time and can result in the loss of portfolio value. Annualized returns are shown for all periods over one year. Performance results are total returns which includes the reinvestment of all income. The dispersion of annual returns is measured by the standard deviation across equal-weighted portfolio returns represented within the composite for the full year. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The standard deviation is not presented for the other calendar years because it is not a requirement for periods prior to 2011. National Investment Services uses a significant cash flow rate of 15%. Accounts that reach a significant cash flow of 15% or more will be removed from their defined composites for the month of the flow. They will be added back into their defined composites the following month. A complete list and description of firm composites and performance results is available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.



■ NIS Intermediate Fixed Income  
▲ Bloomberg US Intern. Govt/Credit



Universe: eVestment US Intermediate Duration Fixed Income (Percentile)

	DS	VT	RM	YTD		1 Year		3 Years		5 Years		7 Years		10 Years	
					Rk		Rk		Rk		Rk		Rk		Rk
5th percentile				1.4		6.4		-0.3		1.9		2.4		2.5	
25th percentile				1.0		5.0		-0.9		1.1		1.8		1.9	
Median				0.6		4.3		-1.2		0.8		1.5		1.6	
75th percentile				0.3		3.8		-1.5		0.5		1.3		1.4	
95th percentile				-0.5		2.6		-3.0		0.0		0.9		1.1	
# of Observations				210		208		195		186		176		164	
■ NIS Intermediate Fixed Income	IM	SA	NF	1.2	13	5.1	20	-0.8	16	1.1	28	1.8	22	2.0	16
▲ Bloomberg US Intern. Govt/Credit	IM	IX	IX	0.5	59	4.2	58	-1.2	48	0.7	61	1.4	63	1.5	58

Results displayed in USD using Spot Rate (SR).

Source: eVestment Alliance

### Standard Deviation

	1 Year	3 Year	5 Year	7 Year	10 Year
<b>NIS Intermediate Composite</b>	<b>4.29</b>	<b>4.59</b>	<b>4.20</b>	<b>3.70</b>	<b>3.26</b>
Bloomberg Intermediate Govt/Credit	4.41	4.78	4.04	3.60	3.23

NIS Intermediate Fixed Income performance is net of a 30 bps investment management fee. Returns greater than one year are annualized.

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