

Core Plus Fixed Income Fund

A Private Placement - Collective Trust

MANAGEMENT TEAM

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OBJECTIVE

- Seeks high total investment return through a combination of current income and capital appreciation and to outperform its benchmark

HIGHLIGHTS

- Portfolio guidelines are broad, offering considerable investment flexibility
- Individual investment ideas are evaluated on the basis of their investment return potential and contribution to portfolio risk
- Top-down macroeconomic analysis combined with bottom-up security selection drives portfolio construction
- Duration is managed in a narrow range to the benchmark
- Up to 20% of the portfolio can be invested in high-yield corporate securities
- Allocations to non-US dollar and emerging markets debt securities are allowed
- Manage risk through continuous monitoring of absolute risk and tracking error from benchmark
- Issuer maximum of 5% determined at the time of purchase (Treasuries and GSEs excluded)
- Industry maximum of 25% determined at the time of purchase
- Investment universe: agencies, asset-backed securities (ABS), commercial mortgage-backed securities (CMSB), convertibles, emerging markets debt, investment grade and high yield corporate, mortgage-backed securities (MBS), non-US dollar bonds, preferred stock, US Treasuries and Yankee bonds

BENCHMARK

Barclays US Aggregate Index

TRUST FACTS

Share class	C
Strategy inception	1/1/86
Trust inception	7/23/10
Class inception	4/4/12
Strategy assets	\$26,007.9 mm
Trust assets (all classes)	\$2,586.3 mm
Net asset value	\$12.78
Turnover (at 6/30/15)	52%

PORTFOLIO CHARACTERISTICS

	Trust	Index
Avg yield	4.49%	2.58%
Avg maturity	10.02 yrs	7.82 yrs
Avg duration	6.74 yrs	5.62 yrs
Avg coupon	4.12%	3.19%
Avg credit quality	A2	AA2

PERFORMANCE (%)

	CUMULATIVE RETURN		AVERAGE ANNUALIZED RETURN				
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
NET	-0.62	-3.40	-3.40	0.88	-	-	3.10
BENCHMARK	-0.57	0.55	0.55	1.44	-	-	2.23

ANNUAL TRUSTEE FEE:

Class C fee: 0.35%

Minimum account size: \$10 mm

Additional share classes may be available; the fees and performance will vary. Please see the Declaration of Trust for additional expenses and charges.

Performance data shown represents past performance and is no guarantee of future results. Investment return and value will vary and you may have a gain or loss when shares are sold. Current performance may be lower or higher than quoted.

Returns for one and multi-year periods are annualized. Returns reflect changes in share price and reinvestment of dividends and capital gains. Net returns are gross returns less annual trustee fees. Class C Units are available to prospective Participating Trusts which are defined contribution plans and who have at least \$10 million for investment in the Trust.

There is no guarantee that the investment objective will be realized or that the strategy will generate positive or excess return.

The trust includes out-of-benchmark allocations to sectors or investments that evolve over time.

Avg Yield is Yield to Effective Maturity. Duration and Maturity for equity securities are deemed to be zero.



SECTOR DISTRIBUTION (%)

	Trust	Index
Investment Grade Credit	34.6	29.4
Agency MBS	19.6	29.3
High Yield Credit	16.8	-
US Treasury	16.4	36.3
CMBS	5.6	1.2
ABS/RMBS	4.6	0.6
Non-US Dollar (ex CAD)	3.2	-
US Agency	1.4	2.8
Bank Loans	0.8	-
Emerging Markets Debt	0.5	0.2
Municipals	-	0.3
Cash & Equivalents	-3.7	-

CURRENCY DISTRIBUTION (%)

	Trust	Index
US Dollars	97.0	100
Developing Countries	3.0	-

COUNTRY DISTRIBUTION (%)

	Trust	Index
United States	76.8	91.3
Mexico	3.5	0.5
Brazil	3.2	0.2
United Kingdom	1.8	0.9
China	1.7	0.2
Thailand	1.4	-
Colombia	1.2	0.2
South Korea	1.1	0.2
Indonesia	1.1	-
Other	8.2	6.5

The Barclays US Aggregate Bond Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the US investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis. Indexes are unmanaged. It is not possible to invest directly in an index.

CREDIT QUALITY (%)

	Trust	Index
AAA	39.1	72.8
AA	1.8	5.5
A	17.6	12.7
BAA	24.3	9.0
BA	13.8	-
B	3.2	-
CAA & Lower	0.2	-

DURATION DISTRIBUTION (%)

	Trust	Index
Less than 1 Yr.	12.2	0.6
1 to 3 Yrs.	15.5	26.3
3 to 5 Yrs.	29.3	31.3
5 to 7 Yrs.	17.4	21.1
7 to 10 Yrs.	9.2	8.1
10 Yrs. or more	20.1	12.6
Cash & Equivalents	-3.7	-

MATURITY DISTRIBUTION (%)

	Trust	Index
Less than 1 Yr.	5.9	1.0
1 to 3 Yrs.	16.4	21.8
3 to 5 Yrs.	18.9	20.6
5 to 7 Yrs.	22.4	18.7
7 to 10 Yrs.	17.2	23.0
10 Yrs. or more	23.0	14.8
Cash & Equivalents	-3.7	-

ABOUT RISK

Below investment-grade (also known as high yield) securities are subject to a high degree of market and credit risk. In addition, the secondary market for these securities may lack liquidity, which in turn may adversely affect the value of these securities and that of the trust. Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than US investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation. Trust funds that invest in bonds can lose their value. When interest rates rise bond prices usually fall and vice versa. An investment in a Collective Trust is not suitable for all investors. There can be substantial risks including the following: they are speculative instruments, the right to redeem and transfer interests is limited, there is no secondary market, they are not listed on an exchange and performance can be volatile.

Due to rounding, **Quality**, **Maturity**, **Sector**, **Currency**, **Country** and **Duration** distribution totals may not equal 100%. This portfolio is actively managed and characteristics are subject to change. **Credit Quality** reflects the highest credit rating assigned to individual holdings of the trust among Moody's, S&P or Fitch; ratings are subject to change. The trust's shares are not rated by any rating agency and no credit rating for trust shares is implied. **Cash & Equivalents** may include unsettled trades, fees and/or derivatives. In the **Sector**, **Duration** and **Maturity** distributions, the calculations are based on the specific traits of each security related to that distribution, which can result in variations of the Cash & Equivalents weightings. **ABS/RMBS**: Asset-Backed Securities/Residential Mortgage-Backed Securities. **Agency MBS**: Agency Mortgage-Backed Securities. **CMBS**: Commercial Mortgage-Backed Securities. **Emerging Markets Debt** in the sector distribution is defined as US dollar denominated, non-investment grade bonds, which are from a country on the firm approved Emerging Markets list based on Barclays Emerging Markets Ex-Aggregate Index.

The assets of the Core Plus Fixed Income Fund are managed by the Loomis Sayles Trust Company, LLC, as trustee of the Trust. The Loomis Sayles Trust Company is organized under the laws of New Hampshire and is a subsidiary of Loomis, Sayles & Company, L.P. Participation in this private investment trust is limited to certain US tax exempt retirement plans; please review the Confidential Offering Memorandum for more details. The trust is not registered under the Investment Company Act of 1940, in reliance on an exception thereunder.

Investors should consider a portfolio's objective, risks and expenses carefully before investing. This and other information can be found in the Confidential Offering Memorandum. Investment in the trust should not be considered a complete investment program.

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