

**INTERMEDIATE TAXABLE BOND**

- Style: Intermediate Multi-Sector Bond
- Approach: Active; Top-Down/Bottom-Up
- Benchmark: Bloomberg Barclays Intermediate Aggregate Bond Index
- Inception: 12/1/2010
- Strategy Assets: \$87 MM

**INVESTMENT PHILOSOPHY**

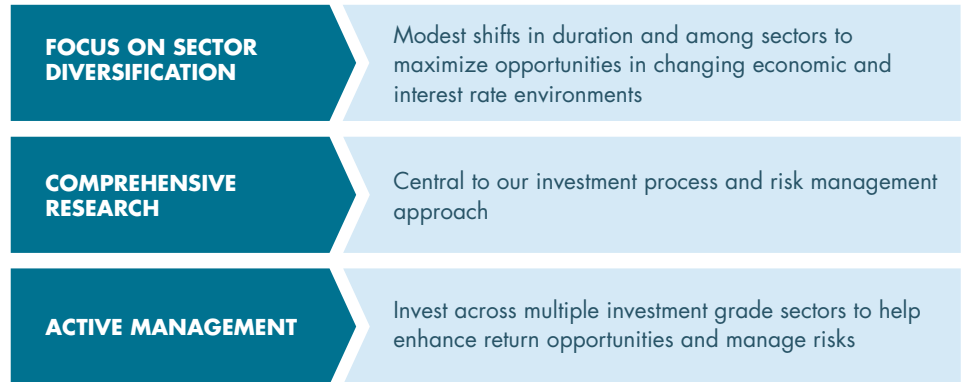
We believe that our flexible multi-sector approach takes advantage of the relative valuations among distinct bond sectors, and provides greater opportunities to generate income and capital appreciation, while helping to manage risk in changing economic environments.

**ABOUT OUR FIRM**

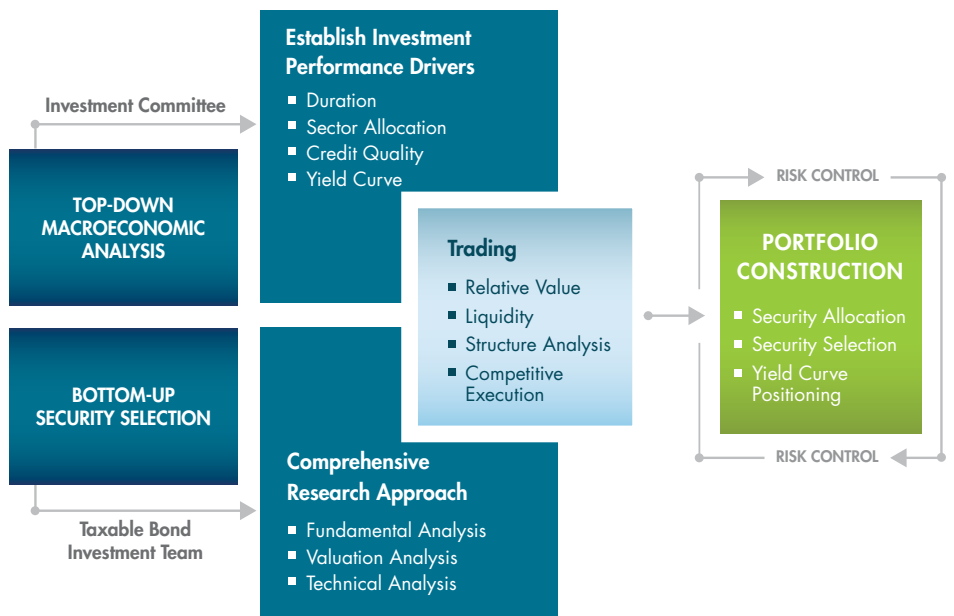
GW&K is a dynamic investment management firm that offers active equity and fixed income investment solutions to meet the needs of a diverse client base. At our core is an entrepreneurial spirit of innovation, a desire to help educate our clients and a level of service that is hard to come by. Our founding principles of applying rigorous fundamental research, focusing on quality and maintaining a long-term view still guide our investment process today.

- Founded in 1974
- \$42 Billion Under Management
- Individually Managed Accounts
- Serving Individuals and Institutions

**STRATEGY HIGHLIGHTS**



**INVESTMENT PROCESS**



**TOP-DOWN ANALYSIS**

- Analysis of business cycle, valuation trends and market technicals
- Analysis guides outlook on market, sector allocation

**BOTTOM-UP SELECTION**

- Quantitative and qualitative research techniques
- Search for companies with solid business models and the ability to generate cash

**PORTFOLIO CONSTRUCTION**

- Managers construct fully diversified portfolios that reflect their economic views
- Credit research with careful adherence to risk control

**RECOGNITION OF OPPORTUNITY**

- We seek companies that maintain sustainable competitive advantages and may benefit from emerging cyclical or secular drivers
- We seek to identify companies that are undervalued due to temporary or discrete events
- We seek AAA mortgage pass throughs that offer high total return potential and minimized risk

**INVESTMENT TEAM**

**MARY F. KANE, CFA**

Partner  
Portfolio Manager  
Investment Professional Since 1982  
Joined GW&K 2005  
AB, Wheaton College  
MBA, Boston University

**NANCY G. ANGELL, CFA**

Partner  
Co-Director, Fixed Income  
Investment Professional Since 1984  
Joined GW&K 1984  
AB, Duke University  
MBA, Boston University

**JOHN B. FOX, CFA**

Partner  
Co-Director, Fixed Income  
Investment Professional Since 1990  
Joined GW&K 1990  
BA, Boston College  
MBA, Boston University

13 Taxable Bond Investment Professionals Averaging 20 Years Experience

**A DISCIPLINED APPROACH TO PORTFOLIO CONSTRUCTION & RISK MANAGEMENT**

**RISK MANAGEMENT**

- 100% investment grade sectors
- Monitor portfolio’s duration, credit quality, sector over/underweightings relative to benchmark
- Monitor credits for changes in fundamentals, valuation and technicals

**SECTOR ALLOCATION GUIDELINES**



**TYPICAL AVERAGE CREDIT QUALITY**

A+

**DURATION GUIDELINES**

+ / - 20% of the Bloomberg Barclays Intermediate Aggregate Bond Index

**AVERAGE # OF HOLDINGS**

40 - 80

**COMPREHENSIVE RESEARCH**

Comprehensive research by our seasoned team is central to our investment process and risk managed approach. While researching new securities, our team focuses on fundamentals, valuation, and technicals.

**Fundamentals**

Our research begins with an extensive review of financial trends, cash flow, liquidity, as well as customer and supplier relationships. Assessing the quality of management is also a key component of our research process. Competitor and market analysis yields important insights on industry growth trends, and keeps us informed of relevant regulatory, technological and environmental concerns. Our research includes a thorough examination of a bond’s characteristics.

**Valuation**

We study historical spreads relative to industry peer group, and similar quality credits to identify those that are trading cheap or rich. We estimate valuations based upon current fundamentals and technicals. The team utilizes Bloomberg Analytics throughout the research process.

**Technicals**

We assess factors such as M&A, shareholder friendly activities and supply considerations. We examine covenants to ensure protection of bondholder rights. The team also reviews the mortgage back security supply outlook and investor demand before making relevant decisions.