



San Benito County Office of Education

Krystal Lomanto, County Superintendent of Schools

460 Fifth Street | Hollister, California 95023 | 831. 637.5393 | FAX 831. 637.0140

Memorandum

TO: Krystal Lomanto, County Office of Education
Board Presidents, Rural Schools
Jenny Bernosky, North County Joint Union School District
Dr. Michele Huntoon, Aromas-San Juan Unified School District
Bronson Mendes-Lobue, Tres Pinos School District
Erika Sanchez, Superintendent, Hollister School District
Dr. John Schilling, Southside School District
Dr. Shawn Tennenbaum, San Benito High School District

FROM: Shannon Hansen, Assistant Superintendent, Business Services

DATE: December 9, 2021

RE: **Investment of Funds Report Quarter Ending September 30, 2021**

Enclosed please find the Quarterly Investment of Funds Report for Quarter ending September 30, 2021.

This report is prepared by the Treasurer and reflects the overall pool of invested funds of which schools are a part. This report and subsequent quarterly reports are required to go to your Board for review and acceptance and should be documented as action in your minutes.

If you should have any questions, please call Melinda L. Casillas at 636-4034. Thank you.

Enclosure(s)

cc: Teacher-Principals
Roseanne Lascano
Kate Levesque
Sheila Maes
Lisa Wiggins
Beth Wilson

MELINDA L. CASILLAS

**TREASURER, TAX COLLECTOR
& PUBLIC ADMINISTRATOR**
440 Fifth Street, Room 107
Hollister, CA 95023

**OFFICE OF THE TAX COLLECTOR**

(831) 636-4034 • Fax (831) 636-4383
propertytaxes@cosb.us

**OFFICE OF THE TREASURER
& PUBLIC ADMINISTRATOR**

(831) 636-4043 • Fax (831) 636-4014
treas-pa@cosb.us

COUNTY OF SAN BENITO

September 30, 2021

San Benito County Board of Supervisors,

Attached is the September 2021 San Benito County Treasurer's Office Portfolio Analysis. The Portfolio Analysis contains detailed information regarding the activity of the various banking and investment operations for the month of September 2021.

September 2021 was a relatively quiet month for our investment portfolio. We had one investment and no maturities.

We deposited \$27,452,765 from Treasury agencies and paid out a total of \$26,701,360. We monitor funds in our operating account on a daily basis. Sometimes we need to transfer money into the operating account, and sometimes we have an excess of cash in the operating account and therefore move money to or from CAMP based on our cash flow needs.

Again, the Chandler monthly statement is what we are providing as part of this report. There are a few differences in terminology between our reports. As our older investments mature, those differences will become nonexistent. We will be converting to the accrual method of interest apportionment starting with this quarter. The purpose of the accrual method of interest apportionment is to provide a steadier reliance of the interest apportionment. It does not rely on the actual interest earned in a month/quarter. As we have seen in the past interest relies on those months that have actually paid interest, creating large fluctuations in the interest apportionment. Many California counties have already converted to the accrual basis of interest apportionment.

Included with this report is the Chandler Quarterly Economic Report. This particular report is as of August 31, 2021 as a sample of how the quarterly reports will look like.

Should you have any further questions, please contact me by phone or email at mcasillas@cosb.us.

Sincerely,

A handwritten signature in blue ink, which appears to read "Melinda L. Casillas".

Cc: Joe Paul Gonzalez, San Benito County Clerk, Recorder, Elections, Auditor
Krystal Lomanto, San Benito County Office of Education Superintendent

**SAN BENITO COUNTY
TREASURER'S DEPARTMENT
PORTFOLIO ANALYSIS
AS OF SEPTEMBER 30, 2021**

INVESTMENT TYPE	# of Investments	Par Value	Portfolio Investment %	Policy Investment %	In Compliance? **
Certificates of Deposits	6	\$ 22,500,000	9.5%	30%	YES
Commercial Paper	2	\$ 35,000,000	14.7%	30%	YES
Medium Term Notes	3	\$ 54,229,000	22.8%	30%	YES
Agencies	5	\$ 10,000,000	4.2%	No Limit	YES
Corporate Bonds	2	\$ 3,000,000	1.3%		YES
Treasury Notes	4	\$ 8,000,000	3.4%	No Limit	YES
Money Market	1	\$ 1,413,655	0.6%		YES
Interest		\$ -	0.0%		YES
Total Chandler Portfolio	23	\$ 134,142,655			
CAMP	1	\$ 19,850,000	8.4%	10%	YES
Interest		\$ 2,520	0.0%		
LAIF	1	\$ 74,918,000	31.6%	\$ 75,000	YES
Interest		\$ 61,205	0.0%		
River City Bank***	1	\$ 579,011	0.2%	10%	YES
Wells Fargo	1	\$ 7,814,147	3.3%	No Limit	YES
	27	\$ 237,367,538	100%		

** at the time of an investment purchase, %s are analyzed. The actual portfolio %s over time will vary.

DAYS TO MATURITY ANALYSIS	# of Investments	Par Value	
Overnight	5	\$ 104,638,538	44%
4th Quarter 2021	4	\$ 65,000,000	27%
1st Quarter 2022	1	\$ 15,000,000	6%
2nd Quarter 2022	2	\$ 3,000,000	1%
3rd Quarter 2022	4	\$ 28,729,000	12%
4th Quarter 2022	0	\$ -	0%
1st Quarter 2023	0	\$ -	0%
2nd Quarter 2023	2	\$ 3,500,000	1%
3rd Quarter 2023	2	\$ 4,000,000	2%
4th Quarter 2023	2	\$ 4,000,000	2%
1st Quarter 2024	0	\$ -	0%
2nd Quarter 2024	3	\$ 5,500,000	2%
3rd Quarter 2024	1	\$ 2,000,000	1%
4th Quarter 2024	0	\$ -	0%
1st Quarter 2025	0	\$ -	0%
2nd Quarter 2025	1	\$ 2,000,000	1%
3rd Quarter 2025	0	\$ -	
4th Quarter 2025	0	\$ -	0%
	27	\$ 237,367,538	100%

INTEREST	ACCRUAL BASIS
Certificates of Deposits	USBank \$ 2,365
Commercial Paper**	USBank \$ 4,444
Medium Term Notes	USBank \$ 27,510
Money Market	USBank \$ 152
Corporate Bonds	USBank \$ 920
Agencies	USBank \$ 3,083
Treasury Notes	USBank \$ 1,963
River City Bank	River City Bank \$ 105
CAMP	CAMP \$ (127)
LAIF	LAIF July - Sept \$ 12,839
	\$ 53,253
	\$ (53,253.31)
	CAMP 0.050% LAIF 0.220%

AS OF 09/30/2021 OR AS CLOSE TO:

QUARTER WEIGHTED AVG INTEREST EARNED 0.3649%

FYTD 201/22 WEIGHTED AVG INTEREST EARNED 0.3649%

**prior to adjustments for costs of services provided by the Treasurer and Auditor

MATURITIES	INVESTMENT CATEGORY	DATE	Par Value	TIME HELD	ANNUALIZED ROI
No Maturities					

NEW INVESTMENTS	INVESTMENT CATEGORY	Par Value	MATURITY DATE
Bank of Nova Scotia	Certificate of Deposit	\$ 1,500,000	9/21/2022

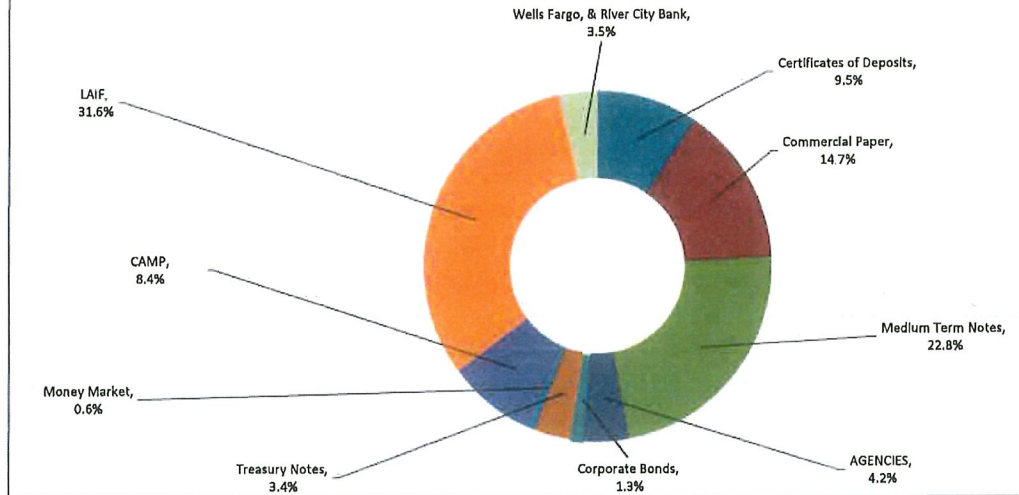
I certify funds are available to meet the pool's expenditures for the next six months.

Melinda L. Casillas, Treasurer/Tax Collector/Public Administrator

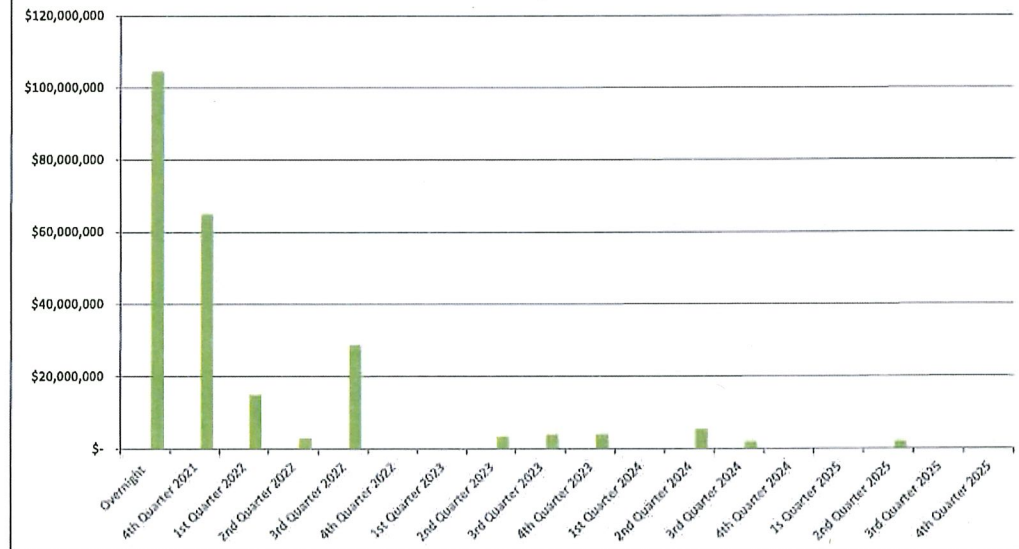
Date

10/31/2021

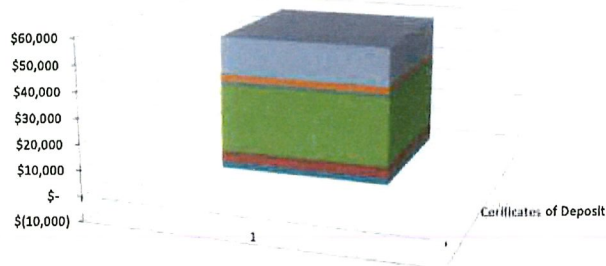
**SAN BENITO COUNTY
TREASURER'S INVESTMENT PORTFOLIO
AS OF SEPTEMBER 30, 2021**



**SAN BENITO COUNTY
INVESTMENT AGING
AS OF SEPTEMBER 30, 2021**



**San Benito County
Interest Earned
SEPTEMBER 2021**





County of San Benito Consolidated - Account #10834

MONTHLY ACCOUNT STATEMENT

SEPTEMBER 1, 2021 THROUGH SEPTEMBER 30, 2021

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.



PORTFOLIO CHARACTERISTICS

Average Modified Duration	0.28
Average Coupon	0.40%
Average Purchase YTM	0.27%
Average Market YTM	0.20%
Average S&P/Moody Rating	AA-/Aa2
Average Final Maturity	0.37 yrs
Average Life	0.35 yrs

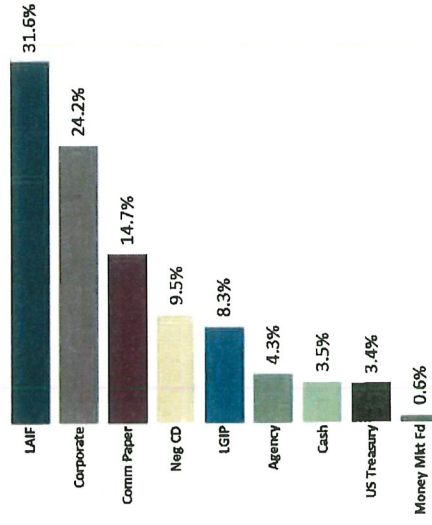
ACCOUNT SUMMARY

	Beg. Values as of 8/31/21	End Values as of 9/30/21
Market Value	236,914,406	237,580,028
Accrued Interest	117,477	187,717
Total Market Value	237,031,883	237,767,744
Income Earned	52,053	53,253
Cont/WD		
Par	236,616,206	237,367,539
Book Value	236,867,107	237,599,248
Cost Value	237,185,520	237,936,853

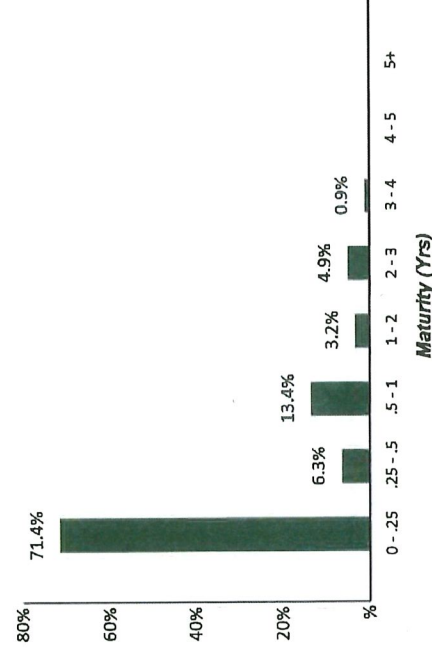
TOP ISSUERS

Local Agency Investment Fund	31.6%
MUFG Union Bank	10.3%
Sumitomo Mitsui Bank NY	8.4%
Credit Suisse New York	8.4%
CAMP	8.3%
Svenska Handelsbanken NY	6.9%
Mountcliff Funding LLC	6.3%
Australia & New Zealand Banking	4.2%
Total	84.5%

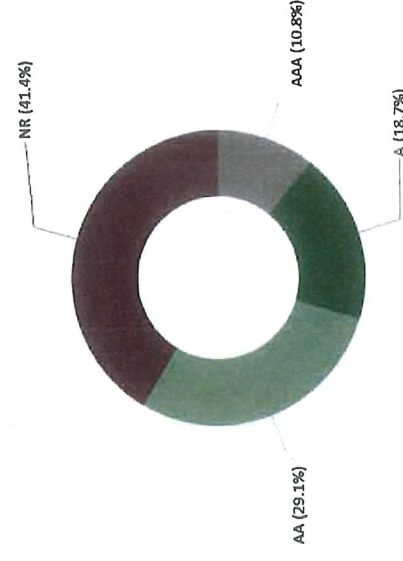
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



Statement of Compliance

As of September 30, 2021



County of San Benito Consolidated

This portfolio is a consolidation of assets managed by Chandler Asset Management and assets managed internally by Client. Chandler relies on Client to provide accurate information for reporting assets and producing this compliance statement.

Category	Standard	Comment
U.S. Treasuries	No limitation; U.S. Treasury Bills, Notes, and Bonds for which the full faith and credit of the U.S. are pledged for the payment of principal and interest. Zero coupon issues of these type of investments are authorized	Complies
Federal Agencies	No limitation; Obligations issued by Federal Agencies or U.S. Government Sponsored Enterprises (GSE); Federal Agency issues of Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (Freddie Mac/ FHLMC), Federal Farm Credit Bank System (FFCB), and Federal Home Loan Bank (FHLB); Debentures, Zero Coupon, Discount Notes, or Floaters of these issuers are authorized	Complies
Municipal Securities	No limitation; State obligations and California Local Agency Bonds; Registered Treasury notes, bonds, or warrants as defined in Government Code section 53601	Complies
Corporate Medium Term Notes	30% max of the Investment Pool; 3 years max maturity; Corporate debentures (Medium Term Notes), other than those of security or insurance firms that have a rating in the highest or second highest categories of a NRSRO; Floaters are authorized as long as the maturity does not exceed 3 years; Medium Term Notes must be issued by corporations organized and operating within the U.S.	Does not Comply *
Time Deposits	30% max of the Investment Pool; 1 year max maturity; Certificates of Deposit issued by a nationally or state-chartered bank, savings association, federal association, or state-licensed branch of a foreign bank. The bank must have a rating in the highest or second highest categories of a NRSRO	Complies
Bank Deposits	Deposits with any one depository cannot exceed 10% of the Investment Pool; 110% collateralized in accordance with Government Code section 53652	Complies
Commercial Paper	30% max of the Investment Pool; 270 days max maturity; Commercial Paper must have the highest categories of an NRSRO; The limit for each issuer is specified in the Treasurer's "Commercial Paper Approved List"	Complies
Mutual Funds	20% max of the investments; Mutual Funds, as defined in Government Code section 53601 that consist only of those investments authorized by the Investment Policy; A thorough investigation of the fund is required prior to investing and due diligence must be conducted on an annual basis	Complies
Local Agency Investment Fund (LAIF)	Maximum amount permitted by LAIF; Not used by investment adviser	Complies
California Asset Management Program	CAMP deposit limit is calculated at 10% of total portfolio	Complies
Repurchase Agreements	102% Collateralized by U.S. Treasury securities or by any U.S. Federal Agency security; Repurchase agreements shall only be made with dealers with assets >\$500 million and having either the highest commercial paper rating of A or higher rating for the issuer's debt, if any, by a NRSRO; Not used by investment adviser	Complies
Specific Securities	Specific securities as specified in the ordinance, resolution, indenture, or agreement for monies pledged to the payment or security of bonds or other indebtedness as governed by Government Code section 53601 (m) must receive written prior approval from the Treasurer	Complies
Maturity Structure	A minimum of 25% of the entire Investment Pool is to mature within 60 days; A minimum of 50% of the entire Investment Pool is to mature within 1 year; A minimum of 75% of the entire Investment Pool is to mature within 3 years; A maximum of 25% of the entire Investment Pool may mature within 3-5 years; If for any reason the Investment Pool is not in compliance with the maturity percentages, all new investments will be restricted to a maturity of 60 days or less until compliance is restored;	Complies

The Treasurer must give written approval for all purchases of securities with a maturity of 1 year or longer

**Sumitomo Mitsui Financial Note (86562MAJ9) rated A1/A-/NR and Mitsubishi UFG Fin Grp Note (606822AQ7) rated A1/A-/A-*

County of San Benito Consolidated

Account #10834

Holdings Report

As of September 30, 2021



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3137EAER6	FHLMC Note 0.375% Due 5/5/2023	2,000,000.00	08/27/2021 0.21%	2,005,600.00 2,005,307.67	100.22 0.24%	2,004,374.00 3,041.67	0.84% (933.67)	Aaa / AA+ AAA	1.59 1.59
3133EM2E1	FFCB Note 0.16% Due 8/10/2023	2,000,000.00	08/19/2021 0.22%	1,997,660.00 1,997,796.50	99.79 0.27%	1,995,758.00 453.33	0.84% (2,038.50)	Aaa / AA+ AAA	1.86 1.86
3130A8HK2	FHLB Note 1.75% Due 6/14/2024	2,000,000.00	08/30/2021 0.38%	2,075,660.00 2,073,284.02	103.40 0.48%	2,067,998.00 10,402.78	0.87% (5,286.02)	Aaa / AA+ NR	2.71 2.64
3133EMV25	FFCB Note 0.45% Due 7/23/2024	2,000,000.00	08/19/2021 0.42%	2,001,880.00 2,001,806.07	99.79 0.53%	1,995,726.00 1,700.00	0.84% (6,080.07)	Aaa / AA+ AAA	2.81 2.79
3133ELVQ4	FFCB Note 0.95% Due 4/1/2025	2,000,000.00	08/24/2021 0.58%	2,026,400.00 2,025,657.19	100.83 0.71%	2,016,520.00 9,500.00	0.85% (9,137.19)	Aaa / AA+ AAA	3.50 3.43
Total Agency		10,000,000.00	0.36%	10,107,200.00 10,103,851.45	0.45%	10,080,376.00 25,097.78	4.25% (23,475.45)	Aaa / AA+ AAA	2.50 2.46
CASH									
992118\$20	CASH WF - Checking Account	7,814,146.69	Various 0.00%	7,814,146.69 7,814,146.69	1.00 0.00%	7,814,146.69 0.00	3.29% 0.00	NR / NR NR	0.00 0.00
992118\$21	CASH River City - Cash	579,011.34	Various 0.00%	579,011.34 579,011.34	1.00 0.00%	579,011.34 0.00	0.24% 0.00	NR / NR NR	0.00 0.00
Total Cash		8,393,158.03	N/A	8,393,158.03 8,393,158.03	0.00%	8,393,158.03 0.00	3.53% 0.00	NR / NR NR	0.00 0.00
COMMERCIAL PAPER									
62455AX51	Mountcliff Funding LLC Discount CP 0.18% Due 10/5/2021	15,000,000.00	05/31/2021 0.17%	14,991,066.60 14,999,718.63	100.00 0.17%	14,999,718.63 0.00	6.31% 0.00	P-1 / A-1 NR	0.01 0.01
2254EAZ10	Credit Suisse New York Discount CP 0.14% Due 12/20/2021	20,000,000.00	05/24/2021 0.14%	19,983,666.60 19,993,777.75	99.97 0.14%	19,993,777.75 0.00	8.41% 0.00	P-1 / A-1 NR	0.22 0.22
Total Commercial Paper		35,000,000.00	0.15%	34,974,733.20 34,993,496.38	0.15%	34,993,496.38 0.00	14.72% 0.00	Aaa / AA NR	0.13 0.13
CORPORATE									
86562MAJ9	Sumitomo Mitsui Financial Note 1.274% Due 10/19/2021	20,000,000.00	02/05/2017 1.10%	20,160,840.00 20,001,686.15	100.05 0.36%	20,009,620.00 52,385.83	8.44% 7,933.85	A1 / A- NR	0.05 0.05

County of San Benito Consolidated

Account #10834

Holdings Report

As of September 30, 2021



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
CORPORATE									
05252ACR0	Australian & New Zealand Bank Note 0.999% Due 11/23/2021	10,000,000.00	04/12/2019 0.54%	10,120,820.00 10,006,698.18	100.12 0.22%	10,011,690.00 10,825.21	4.22% 4,991.82	Aa3 / AA- NR	0.15 0.15
606822AC7	Mitsubishi UFG Fin Grp Note 0.919% Due 7/25/2022	24,229,000.00	04/16/2021 0.22%	24,446,091.84 24,367,658.66	100.59 0.21%	24,371,975.33 42,053.36	10.27% 4,316.67	A1 / A- A-	0.82 0.07
037833DV9	Apple Inc Note 0.75% Due 5/11/2023	1,500,000.00	08/06/2021 0.28%	1,512,420.00 1,511,409.30	100.72 0.30%	1,510,843.50 4,375.00	0.64% (565.80)	Aa1 / AA+ NR	1.61 1.60
023135BW5	Amazon.com Inc Note 0.45% Due 5/12/2024	1,500,000.00	08/06/2021 0.45%	1,499,880.00 1,499,886.20	99.77 0.54%	1,496,559.00 2,606.25	0.63% (3,327.20)	A1 / AA AA-	2.62 2.59
Total Corporate		57,229,000.00	0.59%	57,740,051.84 57,387,338.49	0.27%	57,400,687.83 112,245.65	24.19% 13,349.34	A1 / A A-	0.50 0.18
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	74,979,205.13	Various 0.21%	74,979,205.13 74,979,205.13	1.00 0.21%	74,979,205.13 40,847.47	31.55% 0.00	NR / NR NR	0.00 0.00
Total LAIF		74,979,205.13	0.21%	74,979,205.13	0.21%	74,979,205.13 40,847.47	31.55% 0.00	NR / NR NR	0.00 0.00
LOCAL GOV INVESTMENT POOL									
90CAMP\$01	California Asset Mgmt Program CAMP	19,852,519.59	Various 0.05%	19,852,519.59 19,852,519.59	1.00 0.05%	19,852,519.59 0.00	8.35% 0.00	NR / AAA NR	0.00 0.00
Total Local Gov Investment Pool		19,852,519.59	0.05%	19,852,519.59 19,852,519.59	0.05%	19,852,519.59 0.00	8.35% 0.00	NR / AAA NR	0.00 0.00
MONEY MARKET FUND									
316175108	Fidelity Institutional Govt Money Market Fund	1,413,655.84	Various 0.01%	1,413,655.84 1,413,655.84	1.00 0.01%	1,413,655.84 0.00	0.59% 0.00	Aaa / AAA NR	0.00 0.00
Total Money Market Fund		1,413,655.84	0.01%	1,413,655.84 1,413,655.84	0.01%	1,413,655.84 0.00	0.59% 0.00	Aaa / AAA NR	0.00 0.00

Holdings Report

As of September 30, 2021



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
NEGOTIABLE CD									
86959RNA4	Svenska Handelsbanken NY Negotiable CD 0.131% Due 2/11/2022	15,000,000.00	02/26/2021 0.11%	15,002,491.97 15,000,946.95	100.00 0.13%	15,000,075.00 2,789.06	6.31% (871.95)	NR / NR NR	0.37 0.12
86959RQE3	Svenska Handelsbanken NY Yankee CD 0.23% Due 5/10/2022	1,500,000.00	08/27/2021 0.17%	1,500,630.46 1,500,550.72	100.04 0.16%	1,500,663.00 1,380.00	0.63% 112.28	P-1 / A-1+ F-1+	0.61 0.61
78012UL78	Royal Bank of Canada Yankee CD 0.2% Due 5/11/2022	1,500,000.00	08/27/2021 0.17%	1,500,316.01 1,500,276.20	100.03 0.14%	1,500,517.50 1,191.67	0.63% 241.30	P-1 / A-1+ F-1+	0.61 0.61
06367CK89	Bank of Montreal Chicago Yankee CD 0.2% Due 8/19/2022	1,500,000.00	08/19/2021 0.20%	1,499,999.98 1,499,999.98	100.01 0.19%	1,500,160.50 358.33	0.63% 160.52	P-1 / A-1 F-1+	0.88 0.88
89114WFD2	Toronto Dominion Yankee CD 0.19% Due 8/31/2022	1,500,000.00	08/30/2021 0.19%	1,500,000.00 1,500,000.00	99.99 0.20%	1,499,901.00 245.42	0.63% (99.00)	P-1 / A-1+ F-1+	0.92 0.92
06417MRL1	Bank of Nova Scotia Houston Yankee CD 0.2% Due 9/21/2022	1,500,000.00	09/27/2021 0.20%	1,499,999.88 1,499,999.88	99.99 0.21%	1,499,910.00 83.33	0.63% (89.88)	P-1 / A-1 F-1+	0.98 0.97
Total Negotiable CD		22,500,000.00	0.14%	22,503,438.30 22,501,773.73	0.15%	22,501,227.00 6,047.81	9.47% (546.73)	Aaa / AAA AAA	0.51 0.34
US TREASURY									
91282CAK7	US Treasury Note 0.125% Due 9/15/2023	2,000,000.00	08/18/2021 0.24%	1,995,078.13 1,995,357.71	99.69 0.28%	1,993,828.00 110.50	0.84% (1,529.71)	Aaa / AA+ AAA	1.96 1.95
91282CAP6	US Treasury Note 0.125% Due 10/15/2023	2,000,000.00	08/06/2021 0.25%	1,994,609.38 1,994,967.85	99.64 0.30%	1,992,812.00 1,154.37	0.84% (2,155.85)	Aaa / AA+ AAA	2.04 2.03
91282CBA8	US Treasury Note 0.125% Due 12/15/2023	2,000,000.00	08/18/2021 0.29%	1,992,187.50 1,992,583.65	99.52 0.34%	1,990,468.00 737.70	0.84% (2,115.65)	Aaa / AA+ AAA	2.21 2.20
91282CCG4	US Treasury Note 0.25% Due 6/15/2024	2,000,000.00	08/24/2021 0.41%	1,991,015.63 1,991,339.94	99.43 0.46%	1,988,594.00 1,475.41	0.84% (2,745.94)	Aaa / AA+ AAA	2.71 2.69
Total US Treasury		8,000,000.00	0.30%	7,972,890.64 7,974,249.15	0.35%	7,965,702.00 3,477.98	3.35% (8,547.15)	Aaa / AA+ AAA	2.23 2.22
TOTAL PORTFOLIO		237,367,538.59	0.27%	237,936,852.57 237,599,247.79	0.20%	237,580,027.80 187,716.69	100.00% (19,219.99)	Aa2 / AA- AA-	0.37 0.28
TOTAL MARKET VALUE PLUS ACCRUED				237,767,744.49					



Chandler Asset Management, Inc. ("Chandler") is an SEC registered investment adviser. For additional information about our firm, please see our current disclosures (Form ADV). To obtain a copy of our current disclosures, you may contact your client service representative by calling the number on the front of this statement or you may visit our website at www.chandlerasset.com.

Information contained in this monthly statement is confidential and is provided for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of this statement, but may become outdated or superseded at any time without notice.

Custody: Your qualified custodian bank maintains control of all assets reflected in this statement and we urge you to compare this statement to the one you receive from your qualified custodian. Chandler does not have any authority to withdraw or deposit funds from/to the custodian account.

Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Source Ice Data Indices, LLC ("ICE"), used with permission. ICE PERMITS USE OF THE ICE INDICES AND RELATED DATA ON AN "AS IS" BASIS; ICE, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY SUPPLIERS DISCLAIM ANY AND ALL WARRANTIES AND REPRESENTATIONS, EXPRESS AND/OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, INCLUDING THE INDICES, INDEX DATA AND ANY DATA INCLUDED IN, RELATED TO, OR DERIVED THEREFROM. NEITHER ICE DATA, ITS AFFILIATES OR THEIR RESPECTIVE THIRD PARTY PROVIDERS GUARANTEE THE QUALITY, ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE INDICES OR THE INDEX DATA OR ANY COMPONENT THEREOF, AND THE INDICES AND INDEX DATA AND ALL COMPONENTS THEREOF ARE PROVIDED ON AN "AS IS" BASIS AND LICENSEE'S USE IS AT LICENSEE'S OWN RISK. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY DO NOT SPONSOR, ENDORSE, OR RECOMMEND CHANDLER, OR ANY OF ITS PRODUCTS OR SERVICES.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Ratings: Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.