# Portfolio Review

## Florida West Coast Operating Engineers Apprenticeship Fund

Prepared by Tony DuBose, AIF®
July 30, 2025
954-474-7100
info@lwmfl.com

LEGACY WEALTH MANAGEMENT
MANAGING GENERATIONS OF WEALTH℠

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# About Us

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# About Legacy Wealth Management

Legacy Wealth Management is committed to helping clients find financial solutions through independent and comprehensive financial planning, tailored investment management approaches, and personalized, personal customer service.

Based in Plantation, Florida, our firm serves clients in Miami-Dade, Broward, and Palm Beach counties as well as clients across the United States. Our financial professionals have over 150 years of combined experience in the financial industry, providing clients an extensive understanding of complex financial matters.

Our mission is to have a positive impact on the lives of our clients and their families by delivering personalized planning solutions and ongoing service far exceeding their expectations. This mission is deeply grounded in our core values of integrity and transparency.

We abide by the fiduciary standard, putting our clients' best interests at the forefront of our work. We strive to be your trusted guide and resource as you pursue your financial goals.

# Your Advisor

Tony DuBose, AIF® is the Managing Principal and Chief Investment Officer of Legacy Wealth Management. Tony has assisted individuals, families, and institutions in pursuing their financial goals for over 27 years. His primary goal as a wealth advisor is to understand each client's unique needs and goals and to advocate for his clients' best interests. He is Chief Investment Officer of the firm, working with the investment committee to determine and execute key investment strategies.

"As an avid pilot, I relate much of flying a plane to investment management. Both are about knowing, understanding, and mitigating risks. Both are about keeping calm and alert in moments of sudden change. And both are about getting to where you want to go."

Tony enjoys expanding his knowledge in critical investment advisory and financial planning activities through continued education by attending key conferences and industry education programs. Tony graduated from Valdosta State University in 1983. He enjoys using his aviation skills to complete humanitarian missions for various nonprofit organizations.

He serves on the board of the NSU Halmos College of Arts & Sciences and Guy Harvey Oceanographic Research Center Dean's Development Council. Tony also serves as a board member of Gilda's Club of South Florida and is a member of Entrepreneur Organization.

Tony DuBose, AIF®
*Managing Principal*

# Global Portfolio Strategy

LEGACY WEALTH MANAGEMENT
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LPL RESEARCH

Global Portfolio Strategy

July 2025

# S&P 500 Starts the Second Half at an All-Time High

The LPL Strategic & Tactical Asset Allocation Committee (STAAC) determines the firm's investment outlook and asset allocation that helps define LPL Research's investment models and overall strategic and tactical investment thinking and guidance. The committee is chaired by the chief investment officer and includes investment specialists from multiple investment disciplines and areas of focus. The STAAC meets weekly to closely monitor all global economic and capital markets conditions to ensure that all the latest information is being digested and incorporated into its investment thought.

### Color Key:

- Strong Overweight View
- Overweight View
- Neutral View
- Underweight View
- Strong Underweight View

### Key changes from STAAC:

- **Raised year-end 2025 fair value target range for the S&P 500 to 6,000-6,100**
- **Raised the U.S. 10-year yield year-end target range to 4.00-4.50%**
- **Upgraded view to positive on alternatives specialty strategies and long/short equity**

### STAAC Asset Class Tactical Views as of 07/01/2025 (GWI)

| Asset Class | | | | | |
|---|---|---|---|---|---|
| **Equity** | | | Neutral | | |
| U.S. | | | Neutral | | |
| International Developed (EAFE) | | | Neutral | | |
| Emerging Markets | | | Neutral | | |
| Large/Mid Growth | | Overweight | | | |
| Large/Mid Value | | | Neutral | | |
| Small Growth | | | Neutral | | |
| Small Value | | | | Underweight | |
| **Fixed Income** | | | Neutral | | |
| Treasuries | | | Neutral | | |
| MBS | | Overweight | | | |
| IG Corporates | | | | Underweight | |
| TIPS | | | Neutral | | |
| International Developed | | | Neutral | | |
| Preferred | | | Neutral | | |
| High-Yield | | | Neutral | | |
| Bank Loans | | | Neutral | | |
| Emerging Markets | | | Neutral | | |
| **Cash** | | | | Underweight | |
| **Alternatives** | | Overweight | | | |

### STAAC Sector Tactical Views as of 07/01/2025 (GWI)

| Sector | | | | | |
|---|---|---|---|---|---|
| Materials | | | | Underweight | |
| Consumer Staples | | | Neutral | | |
| Financials | | Overweight | | | |
| Real Estate | | | Neutral | | |
| Communications Services | | Overweight | | | |
| Energy | | | Neutral | | |
| Industrials | | | Neutral | | |
| Information Technology | | | Neutral | | |
| Consumer Discretionary | | | Neutral | | |
| Healthcare | | | Neutral | | |
| Utilities | | | | Underweight | |

Source: STAAC as of July 1, 2025. All sector and asset allocation recommendations must be considered in the context of an individual investor's goals, time horizon, liquidity needs and risk tolerance. Not all recommendations will be in the best interest of all investors. The STAAC views expressed are based on a Tactical Asset Allocation (TAA) for a portfolio that has a Growth With Income (GWI) investment objective.

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# Investment Takeaways

U.S. stocks ended June at record highs, capping solid quarterly and first half gains with the S&P 500 posting back-to-back monthly rallies, while the Nasdaq Composite secured its third straight monthly advance. Headline volatility continued to drive markets, with the biggest stories including trade negotiations, President Trump's signature reconciliation bill, and geopolitical tensions. The White House requested trading partners provide their "best and final" trade deals, although no new deals were inked in June. Also, on Capitol Hill, the *One Big Beautiful Bill Act* (OBBBA) made its way through Congress as airstrikes between Israel and Iran fueled geopolitical tensions, ending with the U.S. stepping in to bomb Iranian nuclear sights and brokering a ceasefire. The corporate earnings outlook remained healthy, with an above average number of S&P 500 companies offering positive earnings per share (EPS) guidance.

Treasury yields ended lower across the curve last month with the two-year yield falling back below 3.75% and the 10-year yield dropping below 4.25%. Core bonds, measured by the Bloomberg U.S. Aggregate Bond Index, rose 1.5%, reversing May's decline. Treasury yields faced downward pressure from increasing Federal Reserve (Fed) rate cut bets, with markets pricing in roughly 0.65% of policy easing by year end compared to 0.5% expected at the end of May. Simultaneously, bond markets analyzed the reconciliation bill for potential impacts on debt and deficit spending. Domestic corporate credit ended June in positive territory.

Looking forward, investors may be well served by bracing for occasional bouts of volatility until trade uncertainties are resolved. LPL Research advises against increasing portfolio risk beyond benchmark targets at this time, as the market seems to be factoring in a lot of positive news. The fixed income market remains volatile, with longer-term yields hovering just below levels that created discomfort in risk appetite for stocks back in May.

While the U.S. economy is holding up well, LPL Research believes the S&P 500 is fairly valued and that any further gains would necessitate an earnings surprise and carefully balanced lower Treasury yields (too low could signal rising recession risks). As trade deals come through, the trajectory of the average effective tariff rate, as well as OBBBA deficit spending will be crucial.

The STAAC's recommended tactical asset allocation includes:

- A neutral stance toward U.S. equities as elevated valuations amid limited corporate visibility and a cooling economy (that likely skirts recession) offset the opportunity for a meaningful upside, in our view, even with lowered tariffs.
- The Committee favors growth over value for exposure to the AI theme and compelling earnings growth, at a premium, as the economy slows.
- The Committee favors large caps over small caps for their balance sheet quality and better position to manage tariffs.
- The Committee recommends well diversified regional exposures, with benchmark-level allocations to the U.S., developed international, and emerging markets. Non-U.S. equities offer upside from a potentially weaker U.S. dollar.
- Within fixed income, the STAAC holds a neutral weight in core bonds, with a slight preference for mortgage-backed securities (MBS) over investment-grade corporates. The Committee believes the risk-reward for core bond sectors (U.S. Treasury, agency MBS, investment-grade corporates) is more attractive than plus sectors.

### 2025 MARKET FORECASTS

Second Half Still Clouded With Trade Uncertainty

| | | Current |
|---|---|---|
| **10-Year U.S. Treasury Yield** | | 4.00% to 4.50%* |
| **S&P 500 Index Earnings per Share** | | $255 to $260 |
| **S&P 500 Index Fair Value** | | 6,000 – 6,100 |

Source: LPL Research, FactSet, Bloomberg
All indexes are unmanaged and cannot be invested into directly.

*Our year-end 2025 forecast for the U.S. 10-year Treasury yield is now 4.00% to 4.50% up from 3.75% to 4.25%. The Fed's higher for longer narrative and the poor supply/demand technicals for Treasury securities will likely keep interest rates at these elevated levels until the economic data weakens and/or inflation falls back in line with the Fed's longer term 2% target.

**Our year-end 2025 fair-value target range for the S&P 500 of 6,000–6,100 is based on a price-to-earnings ratio (PE) of 22 and our updated S&P 500 earnings per share (EPS) forecast of $275 in 2026.

Any forward-looking statements including economic forecasts may not develop as predicted and are subject to change.

All data, views, and forecasts herein are as of 07/01/25.

### 2025 ECONOMIC FORECASTS

U.S. Economy Expected to Slow This Year

| | 2025 (Y/Y, real GDP) |
|---|---|
| **United States** | 1.3% |
| **Eurozone** | 0.9% |
| **Advanced Economics** | 1.5% |
| **Emerging Markets** | 4.2% |
| **Global** | 3.0% |

Source: LPL Research, Bloomberg.
The economic forecasts may not develop as predicted.

# Tactical Asset Allocation as of 07/01/2025

**Investment Objective**

| | Aggressive Growth | | | Growth | | | Growth with Income | | | Income with Moderate Growth | | | Income with Capital Preservation | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | TAA | Benchmark | Difference | TAA | Benchmark | Difference | TAA | Benchmark | Difference | TAA | Benchmark | Difference | TAA | Benchmark | Difference |
| **STOCKS** | 95.0% | 95.0% | 0.0% | 80.0% | 80.0% | 0.0% | 60.0% | 60.0% | 0.0% | 40.0% | 40.0% | 0.0% | 20.0% | 20.0% | 0.0% |
| **U.S. Equity** | 76.0% | 76.0% | 0.0% | 64.0% | 64.0% | 0.0% | 48.0% | 48.0% | 0.0% | 32.0% | 32.0% | 0.0% | 16.0% | 16.0% | 0.0% |
| Large/Mid Growth | 32.0% | 28.5% | 3.5% | 27.0% | 24.0% | 3.0% | 20.5% | 18.0% | 2.5% | 14.0% | 12.0% | 2.0% | 7.0% | 6.0% | 1.0% |
| Large/Mid Value | 29.5% | 28.5% | 1.0% | 25.0% | 24.0% | 1.0% | 18.5% | 18.0% | 0.5% | 12.0% | 12.0% | 0.0% | 6.0% | 6.0% | 0.0% |
| Small Growth | 9.5% | 9.5% | 0.0% | 8.0% | 8.0% | 0.0% | 6.0% | 6.0% | 0.0% | 4.0% | 4.0% | 0.0% | 2.0% | 2.0% | 0.0% |
| Small Value | 5.0% | 9.5% | -4.5% | 4.0% | 8.0% | -4.0% | 3.0% | 6.0% | -3.0% | 2.0% | 4.0% | -2.0% | 1.0% | 2.0% | -1.0% |
| **International Equity** | 19.0% | 19.0% | 0.0% | 16.0% | 16.0% | 0.0% | 12.0% | 12.0% | 0.0% | 8.0% | 8.0% | 0.0% | 4.0% | 4.0% | 0.0% |
| Developed (EAFE) | 12.0% | 12.0% | 0.0% | 10.0% | 10.0% | 0.0% | 8.0% | 8.0% | 0.0% | 5.0% | 5.0% | 0.0% | 4.0% | 4.0% | 0.0% |
| Emerging Markets | 7.0% | 7.0% | 0.0% | 6.0% | 6.0% | 0.0% | 4.0% | 4.0% | 0.0% | 3.0% | 3.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| **Bonds** | 0.0% | 0.0% | 0.0% | 15.0% | 15.0% | 0.0% | 35.0% | 35.0% | 0.0% | 55.0% | 53.0% | 2.0% | 75.0% | 70.0% | 5.0% |
| **U.S. Core** | 0.0% | 0.0% | 0.0% | 15.0% | 15.0% | 0.0% | 35.0% | 35.0% | 0.0% | 55.0% | 53.0% | 2.0% | 75.0% | 70.0% | 5.0% |
| Treasuries | 0.0% | 0.0% | 0.0% | 7.0% | 7.0% | 0.0% | 16.0% | 16.0% | 0.0% | 26.5% | 24.5% | 2.0% | 36.5% | 32.5% | 4.0% |
| MBS | 0.0% | 0.0% | 0.0% | 4.5% | 4.0% | 0.5% | 11.0% | 10.0% | 1.0% | 16.0% | 15.0% | 1.0% | 21.5% | 20.0% | 1.5% |
| IG Corporates | 0.0% | 0.0% | 0.0% | 3.5% | 4.0% | -0.5% | 8.0% | 9.0% | -1.0% | 12.5% | 13.5% | -1.0% | 17.0% | 17.5% | -0.5% |
| **Alternatives** | 3.0% | 0.0% | 3.0% | 3.0% | 0.0% | 3.0% | 3.0% | 0.0% | 3.0% | 3.0% | 0.0% | 3.0% | 3.0% | 0.0% | 3.0% |
| Tactical: Global Macro | 3.0% | 0.0% | 3.0% | 2.0% | 0.0% | 2.0% | 1.5% | 0.0% | 1.5% | 1.0% | 0.0% | 1.0% | 0.0% | 0.0% | 0.0% |
| Multi-Strategy | 0.0% | 0.0% | 0.0% | 1.0% | 0.0% | 1.0% | 1.5% | 0.0% | 1.5% | 2.0% | 0.0% | 2.0% | 3.0% | 0.0% | 3.0% |
| **Cash** | 2.0% | 5.0% | -3.0% | 2.0% | 5.0% | -3.0% | 2.0% | 5.0% | -3.0% | 2.0% | 7.0% | -5.0% | 2.0% | 10.0% | -8.0% |

For investors who have their own benchmarks, we would recommend emphasizing underweights or overweights relative to the individual benchmark at the most similar overall risk level.

Equity benchmark style weights are equally distributed across growth and value. Cap weights are based on the underlying holdings of the domestic benchmark indexes.

Bond benchmark sector allocations are based on a look-through analysis of the major sector components of the Bloomberg US Aggregate Bond Index.

Treasuries include other government related debt. MBS includes other securitized debt.

To better align with other STAAC publications, mid caps have been combined with large caps in the TAA. Accounts with distinct mid cap allocations may disaggregate mid caps from the "Large & Mid" exposure shown in the table roughly in-line with relative market cap values: 75% Large Cap 25% Mid Cap.

# Equity Asset Classes

### Path to Second Half Gains May Come With Volatility as Trade Policy Uncertainty Lingers

As discussed in LPL's Midyear Outlook 2025, LPL Research expects the stock market's performance in the second half to center mostly around trade negotiations, artificial intelligence (AI), and interest rates. Stock valuations reflect a lot of good news amid so much policy uncertainty. So, we expect only modest gains by year-end with likely bouts of volatility amid a challenging macroenvironment and view market pullbacks as opportunities to selectively add equities. The Strategic and Tactical Asset Allocation Committee (STAAC) continues to favor large caps slightly over small caps and growth slightly over value. Finally, from a geographic perspective, the STAAC recommends benchmark level exposures to U.S., developed international, and emerging markets, with U.S. upside potential from AI investment and deployment, and non-U.S. upside potential from a weaker dollar, should it materialize.

**Color Key:**

● Strong Overweight ● Overweight ● Neutral ● Underweight ● Strong Underweight

| | Sector | Overall View | Relative Trend | Rationale |
|---|---|---|---|---|
| Market Capitalization and Style | **Large/Mid Growth** | · ● · · · | Positive | LPL's STAAC continues to favor a modest tilt toward the growth style and large caps as the second half begins. A slowing economy and superior, technology-driven earnings power support growth, while large caps are better positioned to manage tariffs. |
| | **Large/Mid Value** | · · ● · · | No Trend | Defensive value stocks may be poised for another stint of outperformance if stocks pull back after the recent rebound, though any relative strength may be short-lived. Cyclical value faces more tariff risk, but valuations are relatively attractive and the "One Big Beautiful Bill Act" is supportive of capital investment. |
| | **Small Growth** | · · ● · · | Positive | Valuations are attractive, some policy uncertainty has cleared, and earnings estimates have been resilient. But additional relative upside following the latest rally may be limited if the economy slows and markets pull back as expected. Fed rate cuts could be a catalyst and technicals look better than small value. |
| | **Small Value** | · · · ● · | No Trend | Attractive valuations, financial deregulation, and a likely pickup in capital investment are supportive. While some policy uncertainty has cleared, STAAC favors balance sheet strength in a slowing economy with lasting tariffs. Earnings estimates have been cut quite a bit and may fall further. Muddled technicals. |
| Region | **United States** | · · ● · · | No Trend | The STAAC maintains its neutral regional stance as the second half begins. Though some trade policy uncertainty has cleared, full valuations, elevated stagflation risk, and the earnings hit from tariffs in a slowing economy may limit opportunities for valuation expansion. AI investment is key to potential U.S. outperformance. |
| | **Developed International** | · · ● · · | Positive | The STAAC remains neutral on developed international as valuations, while still reasonable, have risen, the U.S. dollar decline could reverse, and U.S. tech strength is tough to keep up with. Economic and earnings growth outside the U.S. becoming more competitive. Ramped up deficit/defense spending in Europe is supportive. |
| | **Emerging Markets** | · · ● · · | No Trend | Fundamental and technical improvement in EM and the STAAC's preference to stay close to benchmarks until policy uncertainty clears drove the May 2025 upgrade to neutral. EM valuations remain attractive and trade tensions with China have eased. After a big drop already, don't count on more help from dollar weakness. |

Relative trend is an assessment of the intermediate term price trend and performance between various asset classes and sectors. For regions and styles, the relative trends are compared to each other.

# Equity Sectors

### Favor Communication Services and Financials as the Second Half Begins, Watch Industrials Closely

The STAAC continues to recommend a slight tilt toward more economically sensitive or cyclical sectors for the second half of 2025. Financials are attractively valued, face manageable tariff risk, and may garner support from deregulation and a steepening yield curve. Continued robust investment in AI, more trade policy clarity, and a strong earnings outlook could help the attractively valued communication services sector continue to outperform. Waning earnings momentum and slowing global growth support the Committee's cautious stance on materials. The Committee's preference for economic sensitivity over rate sensitivity explains the utilities underweight. Industrials could outperform if tariff rates come down and are likely beneficiaries of the One Big Beautiful Bill Act (OBBBA).

**Color Key:**

● Strong Overweight ● Overweight ● Neutral ● Underweight ● Strong Underweight

| | Sector | Overall View | Relative Trend | S&P Wgt. | Rationale |
|---|---|---|---|---|---|
| Cyclical | **Basic Materials** | · · · ● · | Negative | 1.9 | Underperformed in June (+2.3%) despite ongoing relative calm in U.S.-China relations and tariff support. Still, slowing global growth and lingering trade uncertainty offset potential benefits of tariffs on metal prices, limiting potential upside. |
| | **Consumer Cyclical** | · · ● · · | No Trend | 10.3 | June outperformer (+2.3%) as losses in Tesla (TSLA) offset gains in Nike (NKE) and — thanks to a late-month dip in oil prices — cruise lines. High tariff risk in retail, autos, and homebuilders and slowing consumer spending keep us at neutral. |
| | **Financial Services** | · ● · · · | Positive | 13.9 | Modest laggard in June (+3.2%) on weakness in insurance, which offset gains from strength in capital markets-oriented businesses. Active trading helps capital markets businesses, credit markets are healthy, and the yield curve may steepen, although bank lending activity is muted. Reasonable valuations and manageable tariff risk. |
| | **Real Estate** | · · ● · · | Negative | 2.0 | Underperformer in June (+0.2%) despite stable interest rates. Data center REIT Equinix (EQIX) lagged on disappointing guidance. Broadly, defensive characteristics were out of favor as the market rallied. Reasonable valuations. |
| Sensitive | **Communication Services** | · ● · · · | Positive | 9.6 | Outperformed in June (+7.3%) on strength in streaming and digital media companies, notably Meta (META) and Netflix (NFLX). Disney (DIS) another big winner on the month. AI investment remains a key driver. Earnings growth still strong but poised to slow. Reasonable valuations. Technical picture remains solid. Policy still a wildcard. |
| | **Energy** | · · ● · · | Negative | 3.1 | Solid June gains (+4.9%) on higher oil prices but slightly lagged the S&P 500. Slowing global growth, Mideast calm, and plenty of global oil supply limit sector attractiveness, but low valuations and firming nat gas demand outlook are notable. |
| | **Industrials** | · · ● · · | No Trend | 8.6 | Slight laggard in June (+3.6%) despite progress toward passing the OBBBA with its capital investment incentives. Trade uncertainty overhang lingers, and some green energy-related infrastructure spending was pulled back in the bill, but AI data center buildouts and near-shoring are supportive. Valuations are fair. Positive bias. |
| | **Technology** | · · ● · · | Positive | 33.3 | Top performing sector for third straight month in June (+9.8%) on strength in Oracle (ORCL) and semiconductors amid bullish AI outlook. Momentum is strong, but high valuations, overbought conditions, and lingering tariff risk temper our enthusiasm. |
| Defensive | **Consumer Defensive** | · · ● · · | No Trend | 5.5 | Only sector decliner in June (-1.9%) on weakness in food companies, slow earnings growth. Consumer spending is fine, and valuations are reasonable, but tariffs and RFK Jr.'s focus on healthy foods as Health Secretary create a challenging backdrop. |
| | **Healthcare** | · · ● · · | Negative | 9.3 | June laggard (+2.1%) and year-to-date decliner (-1.1%) mostly on policy-related headwinds, including Medicaid cuts in the OBBBA. Earnings growth is inflated by easy comparisons in 2024. Cheap sector but may still be a value trap. Show me story. |
| | **Utilities** | · · · ● · | Positive | 2.4 | June laggard (+0.3%) as big gains in AI power demand plays were not enough to offset rate risk and the market's preference for riskier sectors. Like staples, a likely outperformer in the next stock market selloff, especially if interest rates drop. |

Any company names noted herein are for educational purposes only and not an indication of trading intent or a solicitation of their products or services.

# Fixed Income

## A Solid First Half

U.S. fixed income investors have (quietly?) enjoyed a solid start to the year with the Bloomberg Aggregate Bond Index (Agg) up over 4% through June 30. The 4% return for the Agg is the best start to the year since 2020, when the index was up nearly 6% through June 30. Moreover, the 4% return is the fifth best first half start for the index over the last 20 years. Within the Agg, all sectors were positive, with mortgage-backed securities (MBS) outperforming investment-grade corporates and Treasury securities. Notably, Treasury yields are lower than they were to start the year despite the narrative that Treasury securities were losing their haven status. Valuations for riskier fixed income sectors remain rich relative to core sectors, in our view. Credit spreads have largely reversed the widening that took place in April and are back down to unattractive levels. Valuations for MBS remain attractive through.

**Color Key:**

● Strong Overweight ● Overweight ● Neutral ● Underweight ● Strong Underweight

| | | Low | Med | High | Rationale |
|---|---|---|---|---|---|
| Current Stance | **Credit Quality Preference** | | | ✓ | Recommend an up-in-quality approach in allocating to fixed income sectors. While all-in yields for lower quality remain above longer-term averages, we think the risk-reward favors owning core bond sectors over the riskier sectors. |
| | | **Short** | **Inter.** | **Long** | **Rationale** |
| | **Duration Preference** | | ✓ | | Yields remain under pressure from conflicting narratives: slowing growth (lower yields) but stickier inflation (higher yields), tariff pressures, and an ongoing Treasury Department debt ceiling debate will likely keep rates directionless (but volatile) until/unless the economic data softens enough to allow the Fed to continue its rate cutting campaign. We remain neutral duration. |
| | | **Neg.** | **Neut.** | **Pos.** | **Rationale** |
| | **Municipal Bond View** | | ✓ | | Performance was positive on the month, but munis have lagged broader taxable markets this year, primarily due to supply/demand imbalances. YTD, the municipal market has recorded $285 billion of new issuance, representing a 19% increase year over year. However, year-to-date inflows to funds and ETFs has been a paltry $10 billion so far. Curve steepness still suggests intermediate term allocations are worth a look. Valuations remain attractive. |

| | | Overall View | Overall Trend | Rationale |
|---|---|---|---|---|
| Core Sectors | **U.S. Treasuries** | · · ● · · | No Trend | The 10-year Treasury yield is lower by 0.38% so far this year, (through June 30) which is the largest drop in yields among developed nations, with most countries experiencing rising 10-year yields. To get Treasury yields much lower though, economic data will need to show further deterioration. Technically, 10-year yields continue to consolidate below resistance near the 4.50–4.60% range and above support from the May lows. |
| | **Mortgage-Backed Securities** | · ● · · · | No Trend | We remain constructive on agency MBS. Yields and spreads remain near multi-year highs, so we think MBS remain an attractive investment opportunity, particularly relative to lower-rated corporates. Elevated interest rate volatility is a headwind to MBS but recent demand from banks, traditionally the largest buyer of MBS, remains supportive. |
| | **Investment-Grade Corporates** | · · · ● · | No Trend | We recommend an underweight to benchmarks, but we think there is an opportunity to invest in shorter to intermediate maturity corporate securities without taking on elevated levels of interest rate or credit risk. Fundamentals remain solid, but valuations are stretched. |
| | **TIPS** | · · ● · · | No Trend | Treasury Inflation-Protected Securities (TIPS) underperformed nominals in June, as real yields decreased less than traditional Treasury securities during the month. All-in yields for TIPS remain attractive, particularly shorter maturity TIPS, and could provide a good hedge against unexpected inflation surprises. |
| Plus Sectors | **Preferred Securities** | · · ● · · | Negative | Valuations/spreads are back to historical averages, so no longer as attractive for tactical models, but all-in yields remain attractive for income-oriented investors. Recent Fed stress tests continue to show large, money-center bank fundamentals are generally sound, but the environment favors active management. |
| | **High-Yield Corporates** | · · ● · · | Positive | Spreads have largely reversed the widening that took place in April and are back near secular tights. Yields for high-yield bonds are only around historical averages, and we think spreads are at risk for further widening due to tariff/trade war uncertainty. The asset class is better suited for income-oriented investors. |
| | **Bank Loans** | · · ● · · | No Trend | Downgrades and defaults have increased and could increase still if the economy slows/contracts. Given the current economic uncertainty, high-risk credit sectors could underperform safer "core" sectors. |
| | **Foreign Bonds** | · · ● · · | No Trend | Yields have moved higher recently but are still generally lower than U.S. markets. Currency volatility is a risk. The asset class is more attractive for U.S. dollar hedged investors. |
| | **EM Debt** | · · ● · · | No Trend | Valuations are relatively attractive, but idiosyncratic risks remain, and ongoing trade wars could negatively impact smaller emerging countries. |

# Commodities and Currencies

### Strong Finish to the First Half

The Bloomberg Roll Select Commodity Total Return Index, an index developed to address the issue of negative roll yields, rallied 2.6% in June. A weaker dollar underpinned broad-based buying pressure across the commodities complex. Platinum surged nearly 30% and topped the leaderboard, while coffee led losses after tumbling 16.3%. Technically, the dollar is oversold near a secular uptrend, with both sentiment and positioning at contrarian levels. At minimum, a relief rally at this inflection point should not be ruled out.

For the first half, commodities modestly outperformed stocks; however, history shows continued outperformance in the second half is rare. Since 1992, there have only been five periods when the Bloomberg Roll Select Commodity Total Return Index outperformed the S&P 500 Total Return Index in both the first and second half.

The outlook for commodity markets in the second half of 2025 is likely to hinge on trade policy developments, which will help shape global growth and commodity performance. Long-term growth drivers, including the green energy transition and data center demand, remain intact, but China's economic recovery is a critical uncertainty, with a trade deal needed to boost rebound prospects and help counter deflationary fears. We expect precious metals to continue outperforming, while cyclically sensitive metals are gaining momentum. In energy, oil faces challenges from rising OPEC+ supply and weakening global demand.

**Color Key:** Positive Neutral Negative

| Sector | Overall View | Overall Trend | Rationale |
|---|---|---|---|
| **Energy** | | Neutral | West Texas Intermediate (WTI) briefly challenged a multi-year downtrend last month but failed as oil's geopolitical risk premium dissipated in the wake of a ceasefire agreement between Iran and Israel. The narrative in oil quickly shifted back to supply as OPEC+ announced another larger-than-expected output hike for August. The good news is that support around $55 held, with buyers stepping in again around $65. Technically, a close above $78.40 would reverse its current downtrend. Natural gas ticked higher in June but has lost momentum as the spot price recently slid below its 200-day moving average (dma). Above-average stockpiles coupled with mild weather in the Midwest underpinned the recent pullback. **We maintain our neutral view on the energy commodity sector.** |
| **Precious Metals** | | Positive | Momentum in gold has cooled off after an impressive first half rally. Profit-taking pressure, de-escalation in the Middle East, and a slowdown in physical-gold ETF demand have weighed on the yellow metal. Support for gold sets up near $3,250, $3,120, and at $2,956. Use pullbacks as buying opportunities. Recent breakouts in silver and platinum round out a strong technical setup for the group. **We maintain our positive view on precious metals.** |
| **Industrial Metals** | | Neutral | Industrial metals advanced as recession fears abated. However, tariff uncertainty, along with weak export and manufacturing activity in China, have weighed on sentiment. Copper rallied to new highs after President Trump announced 50% tariffs on the industrial metal. Aluminum continues to trend higher since April, while steel prices have faded as front-running tariff momentum seemingly wore off. **We maintain our neutral view on the industrial metals group.** |
| **Agriculture (Ag) & Livestock** | | Neutral | Livestock markets advanced last month, with live cattle and lean hogs climbing 4.8% and 8.7%, respectively. Technically, both are trending higher and extended above their rising 200-dmas. Ag was mostly lower. Corn led losses among grains after falling 5%, violating key support near the 425–430 range. Coffee led softs lower for a second straight month as bean prices tumbled over 16.3%. **We maintain our neutral view on the ag & livestock space.** |
| **U.S. Dollar** | | Negative | The dollar followed interest rates lower last month and violated support off the April lows. The greenback is oversold near a secular uptrend, with both sentiment and positioning at contrarian levels. At minimum, a relief rally at this inflection point should not be ruled out. |

The Bloomberg Commodity Index (BCOM) is made up of 24 exchange-traded futures on physical commodities, representing 22 commodities which are weighted to account for economic significance and market liquidity

Any futures referenced are being presented as a proxy, not as a recommendation. The fast price swings in commodities will result in significant volatility in an investor's holdings. Commodities include increased risks, such as political, economic, and currency instability, and may not be suitable for all investors.

Precious metal investing involves greater fluctuation and potential for losses.

# Alternative Investments

## Resilient Performance

In the first half of 2025, several key market forces we identified at the start of the year — rising uncertainties tied to the new U.S. administration's policy shifts, increased market volatility, and the testing of elevated U.S. equity valuations — began to take shape. As such, broadening portfolio diversification beyond the traditional 60/40 framework was crucial for effectively navigating the shifting market environment. Looking ahead, we expect there will be continued bouts of broad market volatility and varied performance within and across asset classes. While the current administration appears willing to work with international partners, uncertainty surrounding tariff policy is likely to persist. Prospects for deregulation and lower taxes remain, but quantifying their ability to offset tariff-related impacts will be challenging, given the true economic effects are not yet clear. Meanwhile, escalating geopolitical tensions and mixed economic data are expected to complicate the Fed's decision-making process, limiting the likelihood of a clear path forward. Considering these factors, we maintain a positive outlook on alternative strategies in general, as we believe they can help enhance portfolio stability in periods of uncertainty.

The first half of the year was quite conducive for equity market-neutral strategies, and we expect this environment to continue. Although tariff concerns briefly pushed the U.S. equity market near bear territory, it quickly rebounded to near-record highs following a temporary pause in tariff enforcement. However, tariff negotiations remain unresolved, with potential legal challenges adding further uncertainty. While deregulation and favorable tax policies could offer some support, elevated U.S. equity valuations — requiring higher earnings multiples amid slowing growth and shifting policies — reinforce our view that market-neutral strategies can continue to perform well and add value to portfolios. Focus on Sub-Strategy and Manager Differentiation for alternative strategies that help diversify portfolios, like global macro and managed futures. We came into 2025 holding a constructive view on subsets of each strategy, namely nimble discretionary macro with broad geographic exposure in global macro, and trend followers with broader mandates and reduced equity market concentration within managed futures.

In private markets, infrastructure, secondary private equity investments, and private credit remain our preferred strategies. In the first half of the year, infrastructure once again proved its resilience, with global public and private valuations holding steady despite broader stock market pressures. Continued investment — driven by both government initiatives and private sponsors — should further support the space. Secondary private equity investments have seen strong momentum in deal volumes and a pickup in the number of participants. With more limited partners, including pensions and endowments, looking to monetize some of their holdings and rebalance their portfolios, as well as general partners looking to create continuation funds, the space has become more liquid and efficient, making it a more viable standalone strategy.

**Color Key:** Positive | Neutral | Negative

| | Sector | Overall View | Rationale |
|---|---|---|---|
| Fundamental | Long/Short Equity | Positive ← | Rising volatility and stock market dispersion may create good trading opportunities for market-neutral stock pickers. For more long-biased managers, international equities could provide attractive opportunities. |
| Fundamental | Event Driven | Neutral | Merger and acquisition (M&A) and initial public offering (IPO) activity remains sluggish, and opportunities in distressed debt will likely be limited as well. |
| Tactical | Global Macro | Positive | Agile discretionary macro managers should continue to capitalize on economic and policy shifts, along with intermittent spikes in market volatility. |
| Tactical | Managed Futures | Positive | We continue to favor holding a diversified mix of sub-strategies, including but not limited to, short-term momentum, volatility breakout, pattern recognition, and trend following. Diversification within trend following in terms of markets and time frame is encouraged as well. |
| Multi-Strategy | Multi-PM Single Funds | Positive | Multi-strategy funds should continue to benefit from the ability to dynamically invest across alternative investment strategies. |
| | Specialty Strategies | Positive ← | Volatility arbitrage and cross-asset tail risk strategies with minimal carrying cost may be good additional diversifiers in portfolios. |

Please see https://www.hfr.com/indices for further information on the indices.
Definition: The HFRI 400 (US) Hedge Fund Indices are global, equal-weighted indices comprised of the largest hedge funds that report to the HFR Hedge Fund Research

# Important Disclosures

This material has been prepared for informational purposes only, and is not intended as specific advice or recommendations for any individual. There is no assurance that the views or strategies discussed are suitable for all investors and they do not take into account the particular needs, investment objectives, tax and financial condition of any specific person. To determine which investment(s) may be appropriate for you, please consult your financial professional prior to investing. Any economic forecasts set forth may not develop as predicted and are subject to change.

Stock investing involves risk including loss of principal. Because of their narrow focus, sector investing will be subject to greater volatility than investing more broadly across many sectors and companies. Value investments can perform differently from the market as a whole and can remain undervalued by the market for long periods of time. The prices of small and mid-cap stocks are generally more volatile than large cap stocks. Bonds are subject to market and interest rate risk if sold prior to maturity.

## Asset Class Disclosures

Because of its narrow focus, specialty sector investing, such as healthcare, financials, or energy, will be subject to greater volatility than investing more broadly across many sectors and companies. Relative trend is an assessment of the intermediate term price trend and performance between various asset classes and sectors. For sectors each sector's relative trend is versus the S&P 500.

Yield spread is the difference between yields on differing debt instruments, calculated by deducting the yield of one instrument from another. The higher the yield spread, the greater the difference between the yields offered by each instrument. The spread can be measured between debt instruments of differing maturities, credit ratings, and risk. Bank loans are loans issued by below investment-grade companies for short-term funding purposes with higher yield than short-term debt and involve risk. For the purposes of this publication, intermediate-term bonds have maturities between three and 10 years, and short-term bonds are those with maturities of less than three years.

Bond values will decline as interest rates rise and bonds are subject to availability and change in price. Corporate bonds are considered higher risk than government bonds. Municipal bonds are subject to availability and change in price. Interest income may be subject to the alternative minimum tax. Municipal bonds are federally tax-free but other state and local taxes may apply. If sold prior to maturity, capital gains tax could apply. U.S. Treasuries may be considered "safe haven" investments but do carry some degree of risk including interest rate, credit, and market risk. Bond yields are subject to change. Certain call or special redemption features may exist which could impact yield. Mortgage-backed securities are subject to credit, default, prepayment, extension, market and interest rate risk.

Municipal bonds are subject to availability and change in price. They are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise. Interest income may be subject to the alternative minimum tax. Municipal bonds are federally tax-free but other state and local taxes may apply. If sold prior to maturity, capital gains tax could apply.

High yield/junk bonds (grade BB or below) are not investment grade securities, and are subject to higher interest rate, credit, and liquidity risks than those graded BBB and above. They generally should be part of a diversified portfolio for sophisticated investors.

Floating rate bank loans are loans issues by below investment grade companies for short term funding purposes with higher yield than short term debt and involve risk.

Credit Quality is one of the principal criteria for judging the investment quality of a bond or bond mutual fund. Credit ratings are published rankings based on detailed financial analyses by a credit bureau specifically as it relates to the bond issue's ability to meet debt obligations. The highest rating is AAA, and the lowest is D. Securities with credit ratings of BBB and above are considered investment grade. Duration is a measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. It is expressed as a number of years.

Preferred stock dividends are paid at the discretion of the issuing company. Preferred stocks are subject to interest rate and credit risk. As interest rates rise, the price of the preferred falls (and vice versa). They may be subject to a call feature with changing interest rates or credit ratings.

Alternative investments may not be suitable for all investors and should be considered as an investment for the risk capital portion of the investor's portfolio. The strategies employed in the management of alternative investments may accelerate the velocity of potential losses. Alternative investments are include non-traditional asset classes. This may include hedge funds, private equity/debt/credit, etc. This may also include Business Development Companies (BCDs) and Opportunity Zone investments. These are not registered securities and there may be significant restrictions on purchase and suitability requirements. Please contact your advisor for any further information.

The HFRX Absolute Return Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies; including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage.

The HFRX Equity Hedge Index measures the performance of the hedge fund market. Equity hedge strategies maintain positions both long and short in primarily equity and equity derivative securities.

The HFRI® Indices are broadly constructed indices designed to capture the breadth of hedge fund performance trends across all strategies and regions.

The HFRI Institutional Macro Index is a global, equal-weighted index of hedge funds with minimum assets under management of USD $500MM which report to the HFR Database and are open to new investments.

Event driven strategies, such as merger arbitrage, consist of buying shares of the target company in a proposed merger and fully or partially hedging the exposure to the acquirer by shorting the stock of the acquiring company or other means. This strategy involves significant risk as events may not occur as planned and disruptions to a planned merger may result in significant loss to a hedged position. Managed futures are speculative, use significant leverage, may carry substantial charges, and should only be considered suitable for the risk capital portion of an investor's portfolio.

Commodity-linked investments may be more volatile and less liquid than the underlying instruments or measures, and their value may be affected by the performance of the overall commodities baskets as well as weather, geopolitical events, and regulatory developments. The fast price swings in commodities and currencies will result in significant volatility in an investor's holdings. Any futures referenced are being presented as a proxy, not as a recommendation. Commodities include increased risks, such as political, economic, and currency instability, and may not be suitable for all investors. Precious metal investing involves greater fluctuation and potential for losses.

Precious metal investing involves greater fluctuation and potential for losses.

# Important Disclosures

Investing in foreign and emerging markets securities involves special additional risks. These risks include, but are not limited to, currency risk, geopolitical risk, and risk associated with varying accounting standards. Investing in emerging markets may accentuate these risks. All information is believed to be from reliable sources; however, LPL Financial makes no representation as to its completeness or accuracy. Precious metal investing involves greater fluctuation and potential for losses.

Earnings per share (EPS) is the portion of a company's profit allocated to each outstanding share of common stock. EPS serves as an indicator of a company's profitability. Earnings per share is generally considered to be the single most important variable in determining a share's price. It is also a major component used to calculate the price-to-earnings valuation ratio.

Gross Domestic Product (GDP) is the monetary value of all the finished goods and services produced within a country's borders in a specific time period, though GDP is usually calculated on an annual basis. It includes all of private and public consumption, government outlays, investments and exports less imports that occur within a defined territory.

All index data from FactSet.

The Strategic and Tactical Asset Allocation Committee (STAAC) is a division of LPL Research.

This research material has been prepared by LPL Financial, LLC.

# Portfolio Review

LEGACY WEALTH MANAGEMENT
MANAGING GENERATIONS OF WEALTH℠

**Date Range:** 4/29/2025 - 7/29/2025

| Starting Market Value | Net Inflows & Outflows | Investment Returns | Market Value |
|---|---|---|---|
| $892,511.52 | $0.00 | $10,873.01 | $903,384.52 |

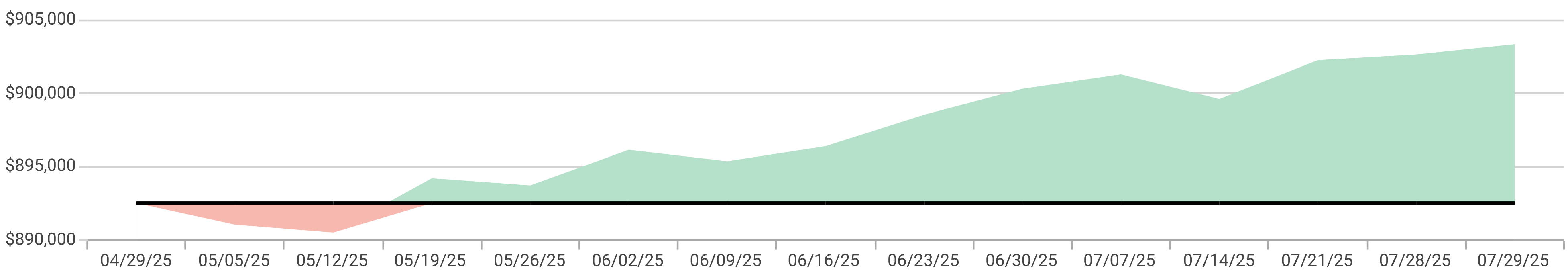
| Net Inflows & Outflows | |
|---|---|
| Inflows | $0.00 |
| Outflows | $0.00 |

| Investment Returns | |
|---|---|
| Income | $13,319.54 |
| Market Fluctuation | ($1,231.07) |
| Account Fees | ($1,215.46) |
| Total Return (IRR) | Annualized (IRR) |
| 1.22% | n/a |

*Past performance is no guarantee of future results.*

## Value Over Time

**Date Range:** 4/29/2025 - 7/29/2025




Graph Key

Market Value    Starting Market Value +/- Flows

*Indices are unmanaged and cannot be invested into directly. Past performance is no guarantee of future results.*

## Accounts

**Date Range:** 4/29/2025 - 7/29/2025

| Institution | Account # | Name | Starting Market Value | Net Flows | Market Value | Total Return (IRR) | Annualized Return (IRR) |
|---|---|---|---|---|---|---|---|
| LPL Financial | ****-4488 | FWCOE Fixed Income Portfolio (FLORIDA WC OPERATING) | 892,512 | 0 | 903,385 | 1.22 | -- |
| | | **1 Accounts Total** | **892,512** | **0** | **903,385** | **1.22** | **--** |

*Past performance is no guarantee of future results.*

## Risk Return Analysis

**Three Year Trailing:** 07/29/2022-07/29/2025

### Risk & Return

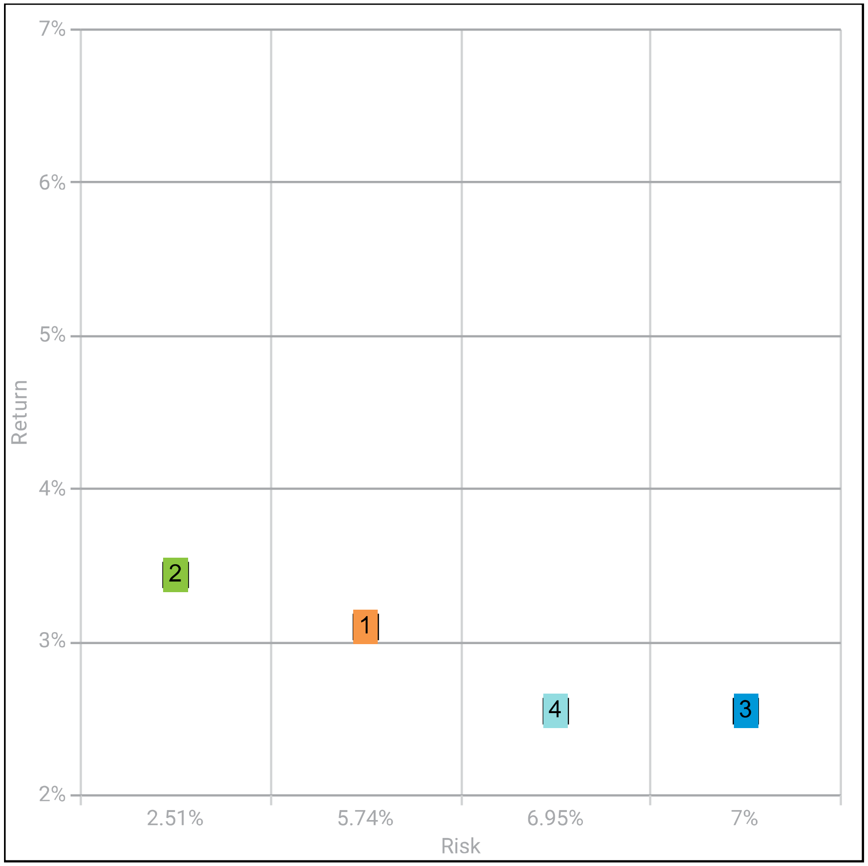
A graphical look at the historical risk and return of your portfolio and benchmark(s). This chart graphically represents the 3-year annualized risk and return data.

For the returns of fixed income holdings, the asset class respective benchmark is used.

The 3-Month Treasury Bill Index is used to represent the returns of cash and equivalent holdings.

The measure used to represent the risk is the standard deviation of returns.

This is a hypothetical example and is not representative of any specific situation. Your results will vary.




| Portfolio | Risk | Return |
|---|---|---|
| 2-Bloomberg US Government 1-3 Year Tot Return Index | 2.51% | 3.44% |
| 1-Portfolio * | 5.74% | 3.10% |
| 4-Bloomberg U.S. Aggregate Bond Index | 6.95% | 2.55% |
| 3-FTSE U.S. Broad Investment Grade Index | 7.00% | 2.55% |

* Securities without the selected date range of history are not included in the above portfolio. This may change the intended portfolio weights and may not be representative of the investment objective. Please only choose investments with history during the selected date range.

## Fixed Income Summary

**As Of:** 7/29/2025

### Portfolio Totals

| | Port. Totals | Taxable | Tax Exempt |
|---|---|---|---|
| Face Value | $763,000 | $763,000 | $0 |
| Market Value | $773,914 | $773,914 | $0 |
| Cost Basis | $772,525 | $772,525 | $0 |

### Portfolio Statistics

| | Combined | Taxable | Tax Exempt |
|---|---|---|---|
| Average Coupon | 5.20% | 5.20% | 0.00% |
| Current Duration | 1.07 | 1.07 | 0 |
| Current YTW | 4.77% | 4.77% | 0.00% |
| Current Yield | 5.08% | 5.08% | 0.00% |
| Est. Annual Income | $39,345 | $39,345 | $0 |
| % Callable | 76.92% | 76.92% | 0.00% |

### Maturity Analysis

| | Combined | Taxable | Tax Exempt |
|---|---|---|---|
| 0-5 Years | 73% | 73% | 0% |
| 5-10 Years | 27% | 27% | 0% |
| 10-15 Years | 0% | 0% | 0% |
| 15-20 Years | 0% | 0% | 0% |
| 20+ Years | 0% | 0% | 0% |

### Bond Rating Analysis **

| Rating | Allocation |
|---|---|
| AAA | 37% |
| AA | 0% |
| A | 32% |
| BBB | 24% |
| BB | 0% |
| B | 0% |
| Lower | 0% |
| CDs (FDIC up to $250k) | 7% |
| Other | 0% |

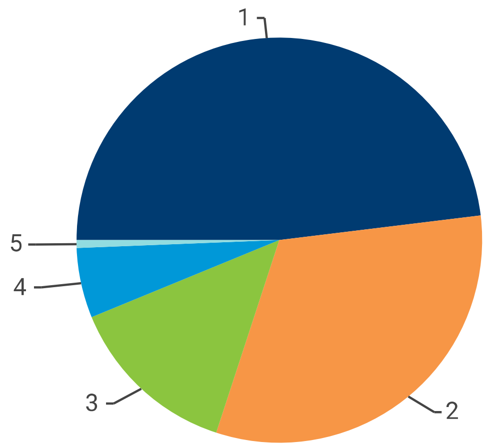
** Source: S&P/Moody's

* Maturity analysis for pre-refunded municipals incorporates the pre-refunded date instead of the maturity date.

## Allocation Chart

**As Of:** 7/29/2025

**Portfolio: Detailed Asset Class**




| Detailed Asset Class | Allocation | |
|---|---|---|
| 1. Short/Intermediate-Term High-Quality U.S. Bond | $434,413.13 | 48.1% |
| 2. Mortgage Backed Security | $289,146.28 | 32.0% |
| 3. Ultrashort Bond | $124,491.68 | 13.8% |
| 4. CD | $50,354.55 | 5.6% |
| 5. Cash and Equivalents | $4,978.88 | .6% |
| | $903,384.52 | 100.0% |

## Investment List

### [Cash and Equivalents] Item 1 of 5

**Date Range:** 4/29/2025 - 7/29/2025

| Security Identifier | Description | Institution | Account # | Starting Market Value | Net Flows | Income | Market Value | Total Return (IRR) | Yield to Worst | Yield to Maturity |
|---|---|---|---|---|---|---|---|---|---|---|
| 9999227 | Insured Cash Account | LPL Financial | ****-4488 | 58,798.19 | (53,856.98) | 37.67 | 4,978.88 | 0.20 | -- | -- |
| Cash | Cash Balance | LPL Financial | ****-4488 | (49,149.17) | 49,149.11 | 0.06 | 0.00 | 0.00 | -- | -- |
| | **2 Positions Total** | | | **9,649.02** | **(4,707.87)** | **37.73** | **4,978.88** | **0.00** | **--** | **--** |

## [CD] — Item 2 of 5

**Date Range:** 4/29/2025 - 7/29/2025

| Security Identifier | Description | Institution | Account # | Starting Market Value | Net Flows | Income | Market Value | Total Return (IRR) | Yield to Worst | Yield to Maturity |
|---|---|---|---|---|---|---|---|---|---|---|
| 795451CZ4 | SALLIE MAE BANK SALT LAKE CITY UT CD FDIC #58177 CPN 4.800% DUE 07/27/26 DTD 07/26/23 FC 01/26/24 | LPL Financial | ****-4488 | 50,511.25 | (1,190.14) | 1,190.14 | 50,354.55 | 2.05 | 4.06 | 4.06 |
| 05600XRW2 | BMO HARRIS BANK NA CHICAGO IL CD FDIC #16571 | LPL Financial | ****-4488 | 50,048.40 | (51,235.07) | 1,235.07 | 0.00 | 2.37 | -- | -- |
| | **2 Positions Total** | | | **100,559.65** | **(52,425.21)** | **2,425.21** | **50,354.55** | **2.76** | **4.06** | **4.06** |

## [Mortgage Backed Security] — Item 3 of 5

**Date Range:** 4/29/2025 - 7/29/2025

| Security Identifier | Description | Institution | Account # | Starting Market Value | Net Flows | Income | Market Value | Total Return (IRR) | Yield to Worst | Yield to Maturity |
|---|---|---|---|---|---|---|---|---|---|---|
| 3134HAJE4 | FEDL HOME LOAN MTG CORP MEDIUM TERM NOTE CPN 4.900% DUE 08/27/29 DTD 09/03/24 FC 02/27/25 CALL 05/27/25 @ 100.000 | LPL Financial | ****-4488 | 50,010.30 | 0.00 | 0.00 | 50,003.05 | (0.01) | 4.82 | 5.43 |
| 3133ERVH1 | FEDL FARM CREDIT BANK BOND CPN 4.600% DUE 01/02/29 DTD 10/02/24 FC 01/02/25 CALL 08/05/25 @ 100.000 | LPL Financial | ****-4488 | 49,957.25 | (1,150.00) | 1,150.00 | 49,919.00 | 2.24 | 4.69 | 4.69 |
| 3133ERVZ1 | FEDL FARM CREDIT BANK BOND CPN 4.400% DUE 10/04/27 DTD 10/04/24 FC 04/04/25 CALL 08/05/25 @ 100.000 | LPL Financial | ****-4488 | 49,851.85 | 0.00 | 0.00 | 49,868.35 | 0.03 | 5.11 | 5.11 |
| 3133ERWQ0 | FEDL FARM CREDIT BANK BOND CPN 4.890% DUE 10/17/33 DTD 10/17/24 FC 04/17/25 CALL 10/17/25 @ 100.000 | LPL Financial | ****-4488 | 49,616.55 | 0.00 | 0.00 | 49,368.75 | (0.50) | 5.30 | 5.30 |

## [Mortgage Backed Security] — Item 3 of 5

**Date Range:** 4/29/2025 - 7/29/2025

| Security Identifier | Description | Institution | Account # | Starting Market Value | Net Flows | Income | Market Value | Total Return (IRR) | Yield to Worst | Yield to Maturity |
|---|---|---|---|---|---|---|---|---|---|---|
| 3133ERB34 | FEDL FARM CREDIT BANK BOND CPN 5.125% DUE 05/13/31 DTD 11/13/24 FC 05/13/25 CALL 08/05/25 @ 100.000 | LPL Financial | ****-4488 | 90,013.50 | (2,306.25) | 2,306.25 | 89,987.13 | 2.59 | 5.33 | 5.33 |
| 3134H14V2 | FEDL HOME LOAN MTG CORP MEDIUM TERM NOTE | LPL Financial | ****-4488 | 50,074.65 | (51,375.00) | 1,375.00 | 0.00 | 2.60 | -- | -- |
| | **6 Positions Total** | | | **339,524.10** | **(54,831.25)** | **4,831.25** | **289,146.28** | **1.38** | **5.09** | **5.20** |

## [Short/Intermediate-Term High-Quality U.S. Bond] — Item 4 of 5

**Date Range:** 4/29/2025 - 7/29/2025

| Security Identifier | Description | Institution | Account # | Starting Market Value | Net Flows | Income | Market Value | Total Return (IRR) | Yield to Worst | Yield to Maturity |
|---|---|---|---|---|---|---|---|---|---|---|
| 26439XAC7 | DUKE ENERGY FIELD SVCS BOND CPN 8.125% DUE 08/16/30 DTD 08/16/00 FC 02/16/01 | LPL Financial | ****-4488 | 77,580.45 | 0.00 | 0.00 | 78,722.44 | 1.47 | 4.64 | 4.64 |
| 04686JAA9 | ATHENE HLDG LTD SR NOTE CPN 4.125% DUE 01/12/28 DTD 01/12/18 FC 07/12/18 CALL 10/12/27 @ 100.000 | LPL Financial | ****-4488 | 49,146.65 | (1,031.25) | 1,031.25 | 49,556.05 | 2.94 | 4.14 | 4.56 |
| 970648AG6 | WILLIS NORTH AMER INC SR NOTE CPN 4.500% DUE 09/15/28 DTD 09/10/18 FC 03/15/19 CALL 06/15/28 @ 100.000 | LPL Financial | ****-4488 | 54,872.90 | 0.00 | 0.00 | 55,192.39 | 0.58 | 4.03 | 4.42 |
| 26441CBV6 | DUKE ENERGY CORP NEW SR NOTE CPN 5.000% DUE 12/08/25 DTD 12/08/22 FC 06/08/23 | LPL Financial | ****-4488 | 0.00 | 50,081.72 | 1,250.00 | 50,038.05 | (0.09) | 4.79 | 4.79 |

## [Short/Intermediate-Term High-Quality U.S. Bond] Item 4 of 5

**Date Range:** 4/29/2025 - 7/29/2025

| Security Identifier | Description | Institution | Account # | Starting Market Value | Net Flows | Income | Market Value | Total Return (IRR) | Yield to Worst | Yield to Maturity |
|---|---|---|---|---|---|---|---|---|---|---|
| 17290AHN3 | CITIGROUP INC SR NOTE MEDIUM TERM NOTE STEP CPN 5.250% DUE 02/14/30 DTD 02/14/23 FC 05/14/23 CALL 08/14/25 @ 100.000 | LPL Financial | ****-4488 | 50,014.85 | (656.25) | 656.25 | 49,964.40 | 1.22 | 5.37 | 5.37 |
| 695114DB1 | PACIFICORP BOND CPN 5.100% DUE 02/15/29 DTD 01/05/24 FC 08/15/24 CALL 01/15/29 @ 100.000 | LPL Financial | ****-4488 | 0.00 | 51,964.58 | 0.00 | 50,906.85 | (2.14) | 3.99 | 4.58 |
| 95001DFW5 | WELLS FARGO & CO MEDIUM TERM NOTE CPN 5.650% DUE 04/29/28 DTD 04/29/24 FC 10/29/24 CALL 10/29/25 @ 100.000 | LPL Financial | ****-4488 | 49,900.00 | 0.00 | 0.00 | 49,900.00 | 0.00 | 5.80 | 5.80 |
| 91324PFF4 | UNITEDHEALTH GRP INC SR NOTE CPN 4.750% DUE 07/15/26 DTD 07/25/24 FC 01/15/25 | LPL Financial | ****-4488 | 0.00 | 49,858.00 | 1,187.50 | 50,132.95 | 0.57 | 4.46 | 4.46 |
| 38151F3G6 | GOLDMAN SACHS GROUP INC UNSECD MEDIUM TERM NOTE | LPL Financial | ****-4488 | 49,324.15 | (51,406.25) | 1,406.25 | 0.00 | 4.22 | -- | -- |
| | **9 Positions Total** | | | **330,839.00** | **98,810.55** | **5,531.25** | **434,413.13** | **1.25** | **4.64** | **4.81** |

## [Ultrashort Bond] Item 5 of 5

**Date Range:** 4/29/2025 - 7/29/2025

| Security Identifier | Description | Institution | Account # | Starting Market Value | Net Flows | Income | Market Value | Total Return (IRR) | Yield to Worst | Yield to Maturity |
|---|---|---|---|---|---|---|---|---|---|---|
| USFR | WISDOMTREE FLOATING RATE TREASURY ETF | LPL Financial | ****-4488 | 111,939.75 | 11,938.32 | 494.16 | 124,491.68 | 0.65 | -- | -- |
| | **1 Position Total** | | | **111,939.75** | **11,938.32** | **494.16** | **124,491.68** | **0.65** | **--** | **--** |

## All Investments Total:

**Date Range:** 4/29/2025 - 7/29/2025

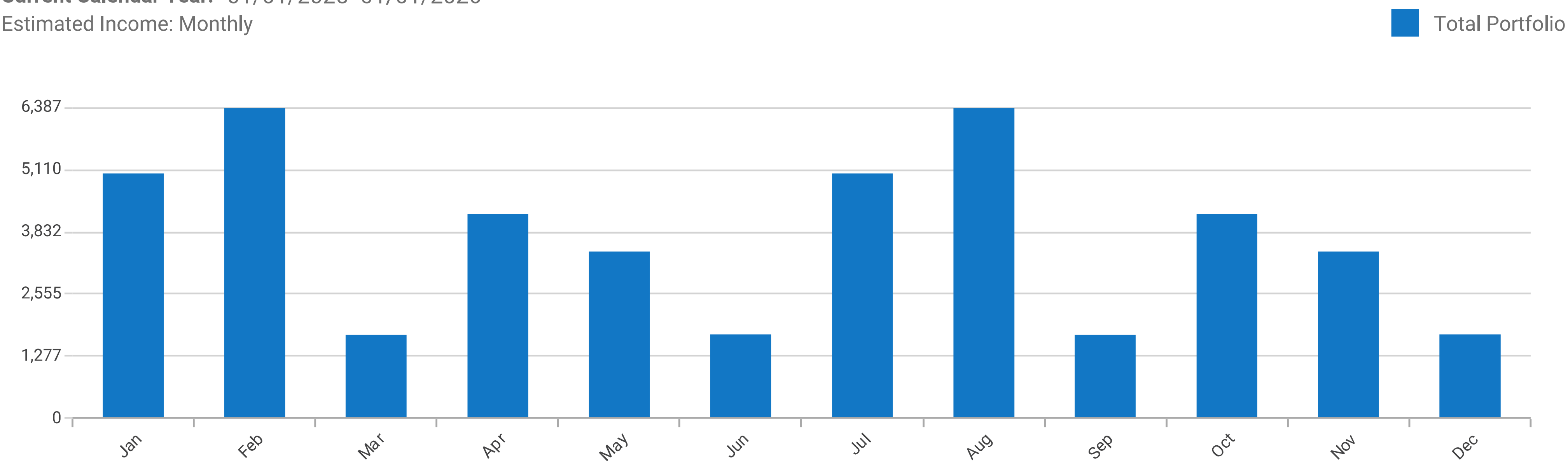
| Security Identifier | Description | Institution | Account # | Starting Market Value | Net Flows | Income | Market Value | Total Return (IRR) | Yield to Worst | Yield to Maturity |
|---|---|---|---|---|---|---|---|---|---|---|
| | **20 Positions Total** | | | **892,511.52** | **(1,215.46)** | **13,319.60** | **903,384.52** | **1.22** | **4.77** | **4.90** |

*Past performance is no guarantee of future results.*

## Estimated Income

**Current Calendar Year:** 01/01/2025- 01/01/2026

Estimated Income: Monthly




Estimated Income By Position: Monthly

******-4488 | FWCOE Fixed Income Portfolio**

| Security ID | Description | Quantity | Market Value | Next Pay Date | Monthly Income ($) Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total Income | Current Yield |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| USFR | WISDOMTREE FLOATING RATE TREASURY ETF | 2474 | $124.5K | 08/27/25 | 468 | 468 | 468 | 468 | 468 | 468 | 468 | 468 | 468 | 468 | 468 | 468 | 5,615 | 4.51% |
| 26439XAC7 | DUKE ENERGY FIELD SVCS BOND CPN 8.125% DUE 08/16/30 DTD 08/16/00 FC 02/16/01 | 68000 | $78,722 | 08/16/25 | | 2,762 | | | | | | 2,762 | | | | | 5,525 | 7.02% |

******-4488 | FWCOE Fixed Income Portfolio**

| Security ID | Description | Quantity | Market Value | Next Pay Date | Monthly Income ($) | | | | | | | | | | | | Total Income | Current Yield |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | | |
| 3133ERB34 | FEDL FARM CREDIT BANK<br>BOND<br>CPN 5.125% DUE<br>05/13/31<br>DTD 11/13/24 FC<br>05/13/25<br>CALL 08/05/25 @ 100.000 | 90000 | $89,987 | 11/13/25 | | | | | 2,306 | | | | | | 2,306 | | 4,612 | 5.13% |
| 95001DFW5 | WELLS FARGO & CO<br>MEDIUM TERM NOTE<br>CPN 5.650% DUE<br>04/29/28<br>DTD 04/29/24 FC<br>10/29/24<br>CALL 10/29/25 @ 100.000 | 50000 | $49,900 | 10/31/25 | | | | 1,412 | | | | | | 1,412 | | | 2,825 | 5.66% |
| 17290AHN3 | CITIGROUP INC<br>SR NOTE MEDIUM TERM<br>NOTE<br>STEP<br>CPN 5.250% DUE<br>02/14/30<br>DTD 02/14/23 FC<br>05/14/23<br>CALL 08/14/25 @ 100.000 | 50000 | $49,964 | 08/14/25 | | 656 | | | 656 | | | 656 | | | 656 | | 2,625 | 5.25% |
| 695114DB1 | PACIFICORP<br>BOND<br>CPN 5.100% DUE<br>02/15/29<br>DTD 01/05/24 FC<br>08/15/24<br>CALL 01/15/29 @ 100.000 | 50000 | $50,907 | 08/15/25 | | 1,275 | | | | | | 1,275 | | | | | 2,550 | 5.01% |
| 26441CBV6 | DUKE ENERGY CORP NEW<br>SR NOTE<br>CPN 5.000% DUE<br>12/08/25<br>DTD 12/08/22 FC<br>06/08/23 | 50000 | $50,038 | 12/08/25 | | | | | | 1,250 | | | | | | 1,250 | 2,500 | 5.00% |
| 970648AG6 | WILLIS NORTH AMER INC<br>SR NOTE<br>CPN 4.500% DUE<br>09/15/28<br>DTD 09/10/18 FC<br>03/15/19<br>CALL 06/15/28 @ 100.000 | 55000 | $55,192 | 09/15/25 | | | 1,238 | | | | | | 1,238 | | | | 2,475 | 4.48% |

******-4488 | FWCOE Fixed Income Portfolio**

| Security ID | Description | Quantity | Market Value | Next Pay Date | Monthly Income ($) Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total Income | Current Yield |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 3134HAJE4 | FEDL HOME LOAN MTG CORP MEDIUM TERM NOTE CPN 4.900% DUE 08/27/29 DTD 09/03/24 FC 02/27/25 CALL 05/27/25 @ 100.000 | 50000 | $50,003 | 08/27/25 | | 1,225 | | | | | | 1,225 | | | | | 2,450 | 4.90% |
| 3133ERWQ0 | FEDL FARM CREDIT BANK BOND CPN 4.890% DUE 10/17/33 DTD 10/17/24 FC 04/17/25 CALL 10/17/25 @ 100.000 | 50000 | $49,369 | 10/17/25 | | | | 1,222 | | | | | | 1,222 | | | 2,445 | 4.95% |
| 795451CZ4 | SALLIE MAE BANK SALT LAKE CITY UT CD FDIC #58177 CPN 4.800% DUE 07/27/26 DTD 07/26/23 FC 01/26/24 | 50000 | $50,355 | 01/26/26 | 1,200 | | | | | | 1,200 | | | | | | 2,400 | 4.77% |
| 91324PFF4 | UNITEDHEALTH GRP INC SR NOTE CPN 4.750% DUE 07/15/26 DTD 07/25/24 FC 01/15/25 | 50000 | $50,133 | 01/15/26 | 1,188 | | | | | | 1,188 | | | | | | 2,375 | 4.74% |
| 3133ERVH1 | FEDL FARM CREDIT BANK BOND CPN 4.600% DUE 01/02/29 DTD 10/02/24 FC 01/02/25 CALL 08/05/25 @ 100.000 | 50000 | $49,919 | 01/02/26 | 1,150 | | | | | | 1,150 | | | | | | 2,300 | 4.61% |
| 3133ERVZ1 | FEDL FARM CREDIT BANK BOND CPN 4.400% DUE 10/04/27 DTD 10/04/24 FC 04/04/25 CALL 08/05/25 @ 100.000 | 50000 | $49,868 | 10/04/25 | | | | 1,100 | | | | | | 1,100 | | | 2,200 | 4.41% |

******-4488 | FWCOE Fixed Income Portfolio**

| Security ID | Description | Quantity | Market Value | Next Pay Date | Monthly Income ($) | | | | | | | | | | | | Total Income | Current Yield |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | | |
| 04686JAA9 | ATHENE HLDG LTD SR NOTE CPN 4.125% DUE 01/12/28 DTD 01/12/18 FC 07/12/18 CALL 10/12/27 @ 100.000 | 50000 | $49,556 | 01/12/26 | 1,031 | | | | | | 1,031 | | | | | | 2,062 | 4.16% |
| **Account 1 Total:** | | | **$903.4K **** | | **5,037** | **6,387** | **1,705** | **4,203** | **3,430** | **1,718** | **5,037** | **6,387** | **1,705** | **4,203** | **3,430** | **1,718** | **44,959** | **4.98% **** |

**All Accounts Total Estimated Income**

| Security ID | Description | Quantity | Market Value | Next Pay Date | Monthly Income ($) | | | | | | | | | | | | Total Income | Current Yield |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | | |
| **All Accounts Total:** | | | **$903.4K** | | **5,037** | **6,387** | **1,705** | **4,203** | **3,430** | **1,718** | **5,037** | **6,387** | **1,705** | **4,203** | **3,430** | **1,718** | **44,959** | **4.98%** |

* Monthly Income values are rounded to the nearest dollar.

** Account's Total Market Value includes both income and non-income producing positions.

K denotes value in thousands.
MM denotes value in millions.
BN denotes value in billions.

## Benchmark Comparison

**Date Range:** 4/29/2025 - 7/29/2025

| Start Date | End Date | Asset Class | Asset Class Return % (IRR) | Asset Class Annual % (IRR) | Benchmark | Benchmark Return % (SRR) | Benchmark Annual % (SRR) |
|---|---|---|---|---|---|---|---|
| 04/29/2025 | 07/29/2025 | Cash and Equivalents | 0.00 | -- | FTSE 3-Month Treasury Bill | 1.10 | -- |
| 04/29/2025 | 07/29/2025 | Ultrashort Bond | 0.65 | -- | -- | -- | -- |
| 04/29/2025 | 07/29/2025 | Short/Intermediate-Term High-Quality U.S. Bond | 1.25 | -- | Bloomberg US Government 1-3 Year Tot Return Index | 0.54 | -- |
| 04/29/2025 | 07/29/2025 | Mortgage Backed Security | 1.38 | -- | Bloomberg Mortgage-Backed Securities Tot Return Idx | 0.74 | -- |
| 04/29/2025 | 07/29/2025 | CD | 2.76 | -- | -- | -- | -- |

| | Return % (IRR) | Annual % |
|---|---|---|
| ****-4488 FWCOE Fixed Income Portfolio SWM - Retirement - Adv | 1.22 | -- |

| Benchmark | Return % (SRR) | Annual % |
|---|---|---|
| Bloomberg US Government 1-3 Year Tot Return Index | 0.54 | -- |
| FTSE U.S. Broad Investment Grade Index | 0.76 | -- |
| Bloomberg U.S. Aggregate Bond Index | 0.72 | -- |

## General Disclaimers

This material was prepared by LPL Financial.
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The report may include securities held in your LPL account(s) and securities held directly by an outside sponsor. Information regarding outside securities positions is limited because it is provided by a third-party source. There also are differences in the way each outside securities position is reflected based on the data provided to LPL. If available, market value is reflected for these outside positions, but performance is not calculated for all outside securities positions. Information regarding outside securities positions is limited because it is provided by a third party source.

The combined total market value on the report may represent the combination of various sources and types of accounts. This combined total is subject to potential errors from the types of data sources that contribute to it, including, manual entry errors and reliability or completeness errors. Vales shown should only be used as a general guide to portfolio value, and may vary from the actual liquidation values.

Position values, size of positions, and dates also may be estimates made by your financial professional based on information you have provided. The source of all price information for tracked positions is one or more third party vendors. In addition, this report may include assumptions about transactions to balance account values in circumstances where the underlying transaction data is not readily available. Assumptions are made based on our experience and, depending on the size of the discrepancy, the assumed transaction may be recorded as an interest or dividend payment, withdrawal or deposit. Transactions assumed to be withdrawals and deposits do not impact your account performance directly. From time to time, the assumptions we make to balance account values turn out not to be accurate when we receive the actual transaction information.

Past performance is no guarantee of future results. Current values may be lower or higher than the values shown. The information contained in this report should not be relied upon for tax reporting purposes, accounting or valuation purposes. We urge you to rely on the information provided in the official account statement you receive directly from LPL, the investment sponsor, or custodian of the assets rather than this report, which is intended solely to illustrate performance and is not an official account record. We urge you to compare the information (e/g. market values, transactions, inflows, outflows, and fees) in this report with the information provided in such account statements.

Accounts held away from LPL are not covered by LPL's SIPC insurance. The LPL Financial SIPC Membership provides account protection only to those assets held at LPL. To the extent some of the other entities may be SIPC members, please contact your financial professional or the other entity or refer to the other entity's statement regarding SIPC membership.
If you are not receiving statements from your custodian, please contact your custodian directly or call LPL Financial at 800-877-7210 extension 6422.

**Dynamic Reporting:** Unlike your monthly statement, this Report is generated for you by your financial professional on an on-demand basis. This could mean that events not captured on your last monthly statement may be reflected on this report and therefore values on the two documents may not match. Whereas a monthly statement is a static document, this Report incorporates retroactive adjustments which are routinely posted to your account(s). An example of a routine, retroactive adjustment is dividend payments. Dividends you earn at the end of the month may not be posted to your account until several days into the subsequent month. Such dividends would not be reflected in the value of your monthly statement as those dividends would not have been paid into the account at the time your statement was created. This Report run sometime after the dividends are posted to your account would reflect the value of those dividends at the end of the month.

**Performance Calculations:** Performance return figures are expressed as a percentage and include the impact of the deduction of any advisory fees and transaction charges. Unless otherwise stated, performance returns are cumulative. Three different methods, time-weighted (TWR), money-weighted (IRR) and return-on-investment (ROI) are displayed on reports. The Advisory Performance Report, uses a time-weighted return. The remaining performance reports use a time-weighted return, money-weighted return or return-on-investment. The return method used on these reports is clearly labeled and can be configured by your financial professional. The time-weighted method is used to depict an account's relative rate of return, is not sensitive to contributions and withdrawals into and out of the account, and, as compared to the money-weighted method, allows clients to better compare performance against other money managers. The money-weighted return method is used to depict an account's personal rate of return, accounts for all contributions and withdrawals into and out of the account, and, as compared to the time-weighted method, better represents the client's actual investment experience during the evaluation period. When compared to the other options, return-on-investment is focused more on accounting and less on performance analysis. ROI is simply your net gain/loss (aka net change aka investment returns) expressed as a percentage of total money invested. Below is an example to clarify the difference of these three methods:

Example: Two investors begin by buying 100 shares at the end of the year's price ($10), starting off with $1,000. The first investor makes two subsequent purchases of 100 shares each, one at the end of May ($14) and the other at the end of August ($15). The second investor also makes two additional purchases of 100 shares each, but hers are at the end of April ($8) and September ($9). The price of the security at the end of the year is $11, meaning the security is up 10%. The first investor shows a loss of $600, while the second shows a gain of $600. The time-weighted return for each investor is +10%. The money-weighted return for the first investor is -24.81% and the second investor is +35.04%. In this case, return-on-investment is -15.38% for the first investor and +22.22% for the second.

| | Investor 1 | Investor 2 |
|---|---|---|
| | Dec: 100 Shares @ $10/s | Dec: 100 Shares @ $10/s |

| | | |
|---|---|---|
| | May: 100 Shares @ $14/s | Apr: 100 Shares @ $8/s |
| | Aug: 100 Shares @ $15/s | Sept: 100 Shares @ $9/s |
| Net Invested | $3,900.00 | $2,700.00 |
| Ending Value | $3,300.00 | $3,300.00 |
| Net Change | -$600.00 | $600.00 |
| | **Investor 1 Returns** | **Investor 2 Returns** |
| Time Weighted (TWR)<br>Money Weighted (IRR)<br>Return on Investment (ROI) | 10.00%<br>-24.81%<br>-15.38% | 10.00%<br>35.04%<br>22.22% |

If performance cannot be calculated for a period within the report timeframe, graphs will display a flat line and returns will display "N/A" or "—". For third party advisory programs (TMP), and outside custodians (CST), the above-noted performance calculations may differ from the methodologies used at the current or prior firm or custodian.

**Fee-based Accounts:** The figures for these accounts reflect the deduction of investment advisory fees. If the investment is being managed through a fee-based account or agreement, the returns are reduced by those applicable advisory fees. Refer to your Advisor's Form ADV, Part II for more information.

**Outside Positions:** Outside positions are securities held directly by an outside sponsor rather than in an LPL account. They include positions held in accounts identified in the "Location" column with a term other than "LPL." There may be differences in the way each outside position is reflected based on these various data sources used. If available, market value may be reflected for these outside positions. Performance may not be calculated for all outside positions. Information regarding outside positions may be limited because it is provided by a third party source.

**Standard Benchmarks:** Indices and benchmarks are unmanaged and cannot be invested into directly. For additional information regarding the indices that may be displayed, please contact your financial professional. Benchmark returns may not correspond exactly to the benchmark returns displayed on LPL advisory performance reports or statements.

If returns shown in a report are calculated according to the time-weighted method, returns for the benchmark will be shown based on the simple method. The simple method tracks the return of the benchmark during the reporting period without regard to the timing and value of any additions or withdrawals from your account.

If returns shown in a report are calculated according to the money-weighted method, returns for the benchmark may be shown either based on the simple method or the money-weighted method. A money-weighted benchmark return generally seeks to represent how a hypothetical investment in the benchmark would have performed based on the cash flows in your account. Because money-weighted benchmarks are based on the cash flows in your account, the benchmark returns shown in the report are not likely to be comparable to the published returns for the same benchmark.

**Income:** Projected income totals shown are estimated and are rounded to the nearest dollar. Total values may reflect rounding discrepancies. If information is not available to calculate income on certain securities, those income generating securities will not be displayed on the report.

**Money Market Funds:** Money market fund investments are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the funds seek to preserve a value of $1.00 per share, it is possible to lose money in money market funds.

**Est. Income** -Estimated Annual Income (EAI): For positions with annual dividends, the Estimated Annual Income is calculated by taking the annual dividend and multiplying by the number of shares owned. If dividends are more or less frequent, the dividend rate is multiplied by the frequency of the dividend and the number of shares owned. If no rate is available, no EAI numbers will be generated. EAI for certain types of securities could include a return of principal or capital gains in which case the EAI would be overstated. EAI is an estimate and the actual income and yield might be lower or higher than the estimated amounts. Additionally the actual dividend or yield may vary depending on the security issuers' approval of paying the dividends. **Yield On Cost:** is your annual estimated income expressed a percentage of the cost of your investment. This metric can show you how efficiently your investments are earning income based on your purchase price and when compared to current-yield can often showcase the growth in income payments over time. Yield on cost cannot be used to compare with the yield of an investment alternative's stated yield. For such a comparison, refer to your investment's current yield.

**Holdings Sources:** Positions held in your LPL account(s) are indicated with "LPL". The terms "Outside", "CST", "TMP" or a "sponsor's name" refer to securities held or by an investment sponsor or custodian that has agreed to electronically provide information to LPL about your holdings. The source of all price information for these tracked positions is one or more third party vendors and may include the use of substitute prices for prices that are not readily available. For certain securities such as illiquid securities, pink sheet stocks, bulletin board stocks, and fixed income positions, substitute prices used in calculating performance and displayed on the report maybe prices based on trades occurring prior to the date of the missing prices. The source of all quantity information for these holdings is LPL, the prior custodian or the investment sponsor carrying your account. "TMP" represents accounts managed by an investment firm other than LPL as part of a third party advisory program. TMP accounts are held away from LPL and are not covered by LPL's SIPC Insurance. For TMP accounts, LPL's role is limited to a referral to the third party investment firm and LPL do not serve as broker-dealer. TMP accounts have not been verified by LPL. The source of all price information is the third party investment firm, a custodian or a third party vendor. "CST" represents accounts held by an outside custodian and not held or a third party vendor. "CST" represents accounts held by an outside custodian and not held or verified by LPL nor covered by LPL's SIPC Insurance. LPL is not an investment adviser or broker dealer to CST accounts and is not responsible for the holdings or management of the CST account. The source of all price information is the custodian or a third party vendor. In addition, data from "Outside", "sponsor's name", "CST" and "TMP" accounts may also display historical data. Please be aware that you have the obligation to verify the accuracy of third party advisory programs (TMP), outside custodians (CST) through reliable written documents from the custodian holding the assets. "U" represents "Unofficial Accounts" which may contain both "tracked" and "non-tracked" positions. Tracked positions are assets not held or verified by LPL nor covered by LPL's SIPC Insurance, for which you have supplied the quantity information to your financial professional, through the delivery of a statement or other record prepared by the investment sponsor or other source other than your financial professional. The source of all price information for these tracked positions is one or more third party vendors and may include the use of substitute prices as noted above. Non-tracked positions are assets not held or verified by LPL, for which you have supplied the price and quantity information to your financial professional, through the delivery of a statement or other record prepared by the investment sponsor or other source other than your financial professional. LPL makes no representation or warranty as to the accuracy of the information concerning these Unofficial Accounts and non-tracked and tracked positions. Performance is not calculated in Performance Reports for Unofficial Accounts (either tracked or non-tracked assets).

**Pre-June 2000 Data Not Available for Performance:** Performance for LPL accounts is not available at the account, position, asset class, or security level prior to June 2000. Generally, performance for assets held directly with the sponsor is not available prior to May of 2010.

**Portfolio Manager Report Disclosures**

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<u>Performance Calculations</u> Performance return figures are expressed as a percentage and include the impact of the deduction of any advisory fees and transaction charges. Unless otherwise stated, performance returns are cumulative. Two different methods, time-weighted and money-weighted, are displayed on reports. The Advisory Performance Report uses a time- weighted return. The remaining reports use either a time-weighted or money-weighted return. The return method used on these reports is clearly labeled and can be configured by your Financial Advisor. The time-weighted method is used to depict an account's relative rate of return, is not sensitive to contributions and withdrawals into and out of the account, and, as compared to the money-weighted method, allows clients to better compare performance against other money managers. The money-weighted return method is used to depict an account's personal rate of return, accounts for all contributions and withdrawals into and out of the account, and, as compared to the time-weighted method, better represents the client's actual investment experience during the evaluation period. On your performance reports, money-weighted returns are denoted with IRR while time-weighted returns are denoted with TWR. Below is an example to clarify the difference of these two methods:

Example: Two investors begin by buying 100 shares at the end of the years' price ($10), starting off with $1,000. The first investor makes two subsequent purchases of 100 shares each, one at the end of May ($14) and the other at the end of August ($15). The second investor also makes two additional purchases of 100 shares each, but hers are at the end of April ($8) and September ($9). The price of the security at the end of the year is $11, meaning the security is up 10%. The first investor shows a loss of $600, while the second shows a gain of $600. The time-weighted return for each investor is 10%. The money- weighted return for the first investor is -24.86% and the second investor is +35.16%.

| | Investor 1 | Investor 2 |
|---|---|---|
| | Dec: 100 Shares @ $10/s | Dec: 100 Shares @ $10/s |
| | May: 100 Shares @ $14/s | Apr: 100 Shares @ $8/s |
| | Aug: 100 Shares @15/s | Sept: 100 Shares @9/s |
| Net Invested | $3,900.00 | $2,700.00 |
| Ending Value | $3,300.00 | $3,300.00 |
| Net Change | -$600.00 | $600.00 |
| Time Weighted (TWR) | 10.00% | 10.00% |
| Money Weighted (IRR) | -24.86% | 35.16% |

If performance cannot be calculated for a period within the report timeframe, graphs will display a flat line and returns will display "N/A" or "---". For third party advisory programs (TMP), and outside custodians (CST), the above-noted performance calculations may differ from the methodologies used at the current or prior firm or custodian.

<u>Purchase Date</u> Purchase date reflects the earliest purchase date for any portion of the position. Additional purchases may have been made after the initial purchase.

<u>Special Note about Certain Performance Reports</u> For the Comparative Analysis Report, only positions that were held at the Start Date and/or at the End Date will be shown; however, positions held in the account after the Start Date and sold prior to the End Date will be reflected in the performance figures shown on the report. For the Portfolio Appraisal Reports, only securities held at the End Date will be shown; however, positions held in the account on or after the Start Date and sold prior to the End Date will be reflected in the performance figures shown on the report.

<u>Location Columns</u> The terms used under the column with the heading "Loc," which include "LPL", "CST", "TMP," and "U" refer to securities held in your LPL account(s) or by an investment sponsor that has agreed to electronically provide information to LPL about your holdings.

"LPL" represents accounts with assets maintained at LPL.

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Insurance. For TMP accounts, LPL's role is limited to a referral to the third party investment firm and LPL does not serve as broker-dealer. TMP accounts have not been verified by LPL. The source of all price information is the third party investment firm, a custodian or a third party vendor.

Please be aware that you have the obligation to verify the accuracy of data for outside accounts, including CST, and TMP accounts, through confirmations, statements and other correspondence and documents you receive from the custodian holding the assets.

"U" represents "Unofficial Accounts" which may contain both "tracked" and "non-tracked" positions. Tracked positions are assets not held or verified by LPL nor covered by LPL's SIPC Insurance, for which you have supplied the quantity information to your Financial Advisor, through the delivery of a statement or other record prepared by the investment sponsor or other source other than your Financial Advisor. The source of all price information for these tracked positions is one or more third party vendors and may include the use of substitute prices as noted above. Non-tracked positions are assets not held or verified by LPL, for which you have supplied the price and quantity information to your Financial Advisor, through the delivery of a statement or other record prepared by the investment sponsor or other source other than your Financial Advisor. LPL makes no representation or warranty as to the accuracy of the information concerning these Unofficial Accounts and non-tracked and tracked positions. Performance is not calculated in Portfolio Manager reports for Unofficial Accounts (either tracked or non-tracked assets).

Personal Assets This report may include personal assets that the firm does not hold on your behalf, and that are not included on the firm's books and records. Personal assets include the following:

- Collectibles (e.g., art, antiques, coins, stamps)
- Real estate (e.g., personal residence, vacation homes, investment property)
- Intangible Assets (e.g., patents, trademarks, copyrights, goodwill)
- Checking and savings accounts
- Business ownership/interests (e.g., equipment, inventory, property, accounts receivables)
- Insurance
- Personal Property (e.g., cars, snowmobiles, etc.)

Information about personal assets is shown as an accommodation to you. The value of personal assets has not been verified by the firm and is included for informational purposes only. You should not use information about personal assets on this report for lending, legal, or tax purposes. You are encouraged to review and maintain any applicable source documents related to personal assets as they may contain notices, disclosures and other important information.

Outside Positions Outside positions are securities held directly by an outside sponsor rather than in an LPL account. They include positions held in accounts identified in the "Loc" column with a term other than "LPL." There may be differences in the way each outside position is reflected based on these various data sources used. If available, market value may be reflected for these outside positions. Performance may not be calculated for all outside positions. Information regarding outside positions may be limited because it is provided by a third party source.

Pre-June 2000 Data Not Available for Performance Performance for LPL accounts is not available at the account, position, asset class, or security level prior to June 2000. Generally, performance for assets held directly with the sponsor is not available prior to May of 2010.

Direct Participation Programs and Alternative Investments Direct participation program securities (e.g. partnerships, limited liability companies, fund of hedge funds, managed futures, and real estate investment trusts that are not listed on a national exchange or NASDAQ) are generally illiquid and you may not be able to liquidate. Securities prices may vary from actual liquidation value and should not be relied upon. The values for these securities generally are provided by the management of the program and represent the management's estimate of the investor's interest in the net assets of the program.

Cost Basis Transactions shown in the reports are automatically paired against holdings on a "First-In/First Out" basis (unless manually adjusted), and for this reason, may not match the cost basis provided in a trade confirmation or statement. In addition, because the cost basis on certain securities may have been provided by a source other than LPL, the cost basis on this report may not reflect accurate data or correspond to data on your trade confirmations. If cost basis is not available, N/A or "--- " is used as the cost basis. For any assets purchased in the account, the cost basis is the actual purchase price including transaction charges.

Index and Benchmarks Indices and benchmarks are unmanaged and cannot be invested into directly. For additional information regarding the indices that may be displayed, please contact your Financial Advisor. Benchmark returns may not correspond exactly to the benchmark returns displayed on LPL advisory performance reports or statements.

If returns shown in a report are calculated according to the time-weighted method, returns for the benchmark will be shown based on the simple method. The simple method tracks the return of the benchmark during the reporting period without regard to the timing and value of any additions or withdrawals from your account.

If returns shown in a report are calculated according to the money-weighted method, returns for the benchmark may be shown either based on the simple method or the money-weighted method. A money-weighted benchmark return generally seeks to represent how a hypothetical investment in the benchmark would have performed based on the cash flows in your account. Because money-weighted benchmarks are based on the cash flows in your account, the benchmark returns shown in the report are not likely to be comparable to the published returns for the same benchmark.

LPL Benchmarks The LPL benchmark is calculated using a weighted average of the indices, in the percentages specified as noted above. The LPL benchmark may represent the benchmark for the current investment objective for the account or a benchmark assigned to your account or group of accounts by your Financial Advisor. Please keep in mind that the investment objective for the account may have changed over time.

Income Projected income totals shown are estimated and are rounded to the nearest dollar. Total values may reflect rounding discrepancies. If information is not available to calculate income on certain securities, those income generating securities will not be displayed on the report.

Money Market Funds Money market fund investments are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the funds seek to preserve a value of $1.00 per share, it is possible to lose money in money market funds.

Securities offered through LPL Financial, Member FINRA/SIPC. Advisory Services offered through LWM Advisory Services, LLC, a Registered Investment Advisor. Legacy Wealth Management and LWM Advisory Services, LLC are separate entities from LPL Financial.

To the extent you are receiving investment advice from a separately registered independent investment advisor, please note that LPL Financial is not an affiliate of and makes no representation with respect to such entity.

Performance results prior to June 2014 reflect the performance of investments held in your account prior to LWM Advisory Services, LLC’s management of the account’s investments.

# Accrual Detail

LEGACY WEALTH
MANAGEMENT
MANAGING GENERATIONS OF WEALTH℠

As of: 7/29/25

## Florida West Coast Operating Engineers

**Account Name:** FLORIDA WEST COAST OPERATING ENGINEERS APPRENTICESHIP TRUST FUND 911 RIDGEBROOK RD SPARKS MD 21152

**Account Number:** XXXX4488

**Account Type:** 401(k) Plan FBO Participant Name/Account # (nonprototype)

| ASSET | TICKER | PRICE ($) | QUANTITY | BASE VALUE($) | DAY COUNT METHOD | COUPON/ FACTOR EFFECTIVE DATE | RATE (%) | FACTOR (%) | NUMBER OF DAYS | ACCRUAL ($) | TOTAL VALUE ($) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| ATHENE HLDG LTD SR NOTE | ATHU458550 | 0.99 | 50,000.00 | 49,556.00 | NASD 30/360 | 7/12/25 | 4.13 | 1.00 | 17 | 97.40 | 49,653.40 |
| CITIGROUP INC SR NOTE MEDIUM TERM NOTE STEP | | 1.00 | 50,000.00 | 49,964.40 | NASD 30/360 | 5/14/25 | 5.25 | 1.00 | 75 | 546.87 | 50,511.27 |
| DUKE ENERGY FIELD SVCS LLC NT 8.125% 08/16/30 B/EDTD 08/16/00 CLB | | 1.16 | 68,000.00 | 78,722.44 | NASD 30/360 | 2/16/25 | 8.13 | 1.00 | 163 | 2,501.60 | 81,224.04 |
| DUKE ENERGY CORP NEW SR NOTE | | 1.00 | 50,000.00 | 50,038.00 | NASD 30/360 | 6/8/25 | | 1.00 | 51 | | 50,038.00 |
| FEDL FARM CREDIT BANK BOND | | 1.00 | 50,000.00 | 49,919.00 | NASD 30/360 | 7/2/25 | 4.60 | 1.00 | 27 | 172.50 | 50,091.50 |
| FEDL FARM CREDIT BANK BOND | | 1.00 | 50,000.00 | 49,868.35 | Actual/365 | 4/4/25 | 4.40 | 1.00 | 116 | 699.18 | 50,567.53 |
| FEDL FARM CREDIT BANK BOND | | 0.99 | 50,000.00 | 49,368.75 | NASD 30/360 | 4/17/25 | 4.89 | 1.00 | 102 | 692.75 | 50,061.50 |
| FEDL HOME LOAN MTG CORP MEDIUM TERM NOTE | | 1.00 | 50,000.00 | 50,003.05 | NASD 30/360 | 2/27/25 | 4.90 | 1.00 | 152 | 1,034.44 | 51,037.49 |
| PACIFICORP BOND | | 1.02 | 50,000.00 | 50,906.85 | NASD 30/360 | 2/15/25 | | 1.00 | 164 | | 50,906.85 |
| SALLIE MAE BANK SALT LAKE CITY UT CD FDIC #58177 | | 1.01 | 50,000.00 | 50,354.55 | Actual/Actual | 7/27/25 | 4.80 | 1.00 | 2 | 13.04 | 50,367.59 |
| UNITEDHEALTH GRP INC SR NOTE | | 1.00 | 50,000.00 | 50,132.95 | NASD 30/360 | 7/15/25 | 4.75 | 1.00 | 14 | 92.36 | 50,225.31 |
| WELLS FARGO & CO MEDIUM TERM NOTE | | 1.00 | 50,000.00 | 49,900.00 | NASD 30/360 | 4/29/25 | 5.65 | 1.00 | 90 | 706.25 | 50,606.25 |

[A] This report may include assets that the firm does not hold and which are not included on the firm's books and records.

Prepared by: LWM

Created on: 7/30/25

# Accrual Detail

Florida West Coast Operating Engineers Apprenticeship Fund

Prepared for: Florida West Coast Operating Engineers

As of: 7/29/25

| ASSET | TICKER | PRICE ($) | QUANTITY | BASE VALUE($) | DAY COUNT METHOD | COUPON/ FACTOR EFFECTIVE DATE | RATE (%) | FACTOR (%) | NUMBER OF DAYS | ACCRUAL ($) | TOTAL VALUE ($) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| WILLIS NORTH AMER INC SR NOTE | | 1.00 | 55,000.00 | 55,192.39 | NASD 30/360 | 3/15/25 | 4.50 | 1.00 | 134 | 921.25 | 56,113.64 |
| FEDL FARM CREDIT BANK BOND | | 1.00 | 90,000.00 | 89,987.13 | Actual/365 | 5/13/25 | 5.13 | 1.00 | 77 | 973.05 | 90,960.18 |
| **FLORIDA WEST COAST OPERATING ENGINEERS APPRENTICESHIP TRUST FUND 911 RIDGEBROOK RD SPARKS MD 21152 Total:** | | | | | | | | | | **$8,450.69** | **$782,364.55** |
| **Florida West Coast Operating Engineers Total:** | | | | | | | | | | **$8,450.69** | **$782,364.55** |
| **Portfolio Total:** | | | | | | | | | | **$8,450.69** | **$782,364.55** |

[A] This report may include assets that the firm does not hold and which are not included on the firm's books and records.

Prepared by: LWM

Created on: 7/30/25

## Disclosure

Advisory services offered through LWM Advisory Services, LLC. Securities offered through LPL Financial, member FINRA/SIPC. LPL Financial, LWM Advisory Services, LLC and Legacy Wealth Management are affiliated companies. Values are as of 07/29/2025 unless otherwise noted. **This is not an official LPL Financial ("LPL") statement; it has been prepared by your Advisor for informational purposes only, and does not replace the statements you should receive directly either from LPL or from the investment sponsors for which LPL is the broker-dealer of record or any other outside custodian.** It is intended to estimate the total value of your investments for which you receive such statements, as well as any investments held away from LPL about which you have provided to your Advisor information from which values can be estimated. This report has been prepared from data believed to be reliable but no representation is being made as to its accuracy or completeness.

The report includes securities held in your LPL account(s) or that LPL does not hold on your behalf and which are not included on LPL's books and records. These outside positions are securities held directly by an outside sponsor rather than in an LPL account. There may be differences in the way each outside securities position is reflected based on the various data sources used. If available, market value may be reflected for these outside positions. Performance may not be calculated for all outside securities positions. Information regarding outside securities positions may be limited because it is provided by a third party source.

Values shown should only be used as a general guide to portfolio value, and may vary from the actual liquidation values. Accounts held away from LPL are not covered by LPL's SIPC Insurance. The LPL Financial SIPC Membership provides account protection only to those assets held at LPL. To the extent some of the other entities may be SIPC members, please contact your financial advisor or the other entity or refer to the other entity's statement regarding SIPC membership. Position values, size of positions, and dates, may be estimates made by your Advisor based on information you have provided. The information contained in this report should not be relied upon for tax reporting purposes, accounting, or valuation purposes. The source of all price information for tracked positions is one or more third party vendors and may include the use of substitute prices where prices are not readily available.

Past performance is no guarantee of future results. Current values may be lower or higher than the values shown. We urge you to compare the information (e.g. market values, transactions, inflows, out flows, and fees) in this report with the information provided in the account statements you receive directly from LPL Financial, the investment sponsor, or custodian of the assets. If you are not receiving statements from your custodian, please contact your custodian directly or call LPL Financial at 800-558-7567.

For fee-based accounts only: The figures may or may not reflect the deduction of investment advisory fees. If the investment is being managed through a fee-based account or agreement, the returns may be reduced by those applicable advisory fees. Refer to your Advisor's Form ADV, Part II.

The Cost Basis information is subject to the validity of the supplier of cost basis information and should not be used for tax purposes. Please refer to your original statements and/or confirms.

For assets not purchased in the LPL account, you or the previous broker/dealer upon transfer may have provided the date acquired and purchase cost of the position. If no such data was submitted, N/A may be listed as the purchase Cost. N/A displays when investment information is incomplete and may be treated as zero when calculating Gain or Loss totals. Since the date acquired and the purchase cost on certain securities may have been provided by another source, this information may not reflect accurate data or correspond to data on your trade confirmations. This report may use one of the following accounting methods: First In, First Out (FIFO); Last In, First Out (LIFO); Average Cost, or Average Cost Long Term. For information on the method used, please contact your advisor.

Designating liquidations as "versus payment" date on a trade confirmation will not adjust the cost basis information on your statement or in this report. If this report includes outside accounts, manual accounts, or groups of accounts, detailed descriptions of terminology and calculations used in this report can be obtained by requesting information from your advisor.

The Modified Dietz formula is used as an approximation to the true, money-weighted rate-of-return (MWRR) or internal rate of return (IRR). The portfolio or asset is valued at the starting and ending points of the period. Cash flows are included in the calculation based on their timing (i.e., when they occurred during the period). The Modified Dietz will yield a result which approximates the IRR, which is the true, money-weighted rate-of-return. If the cash flows and returns are large, then the ability for the Modified Dietz to approximate the IRR is diminished. Otherwise, the Modified Dietz serves as an acceptable approximation to the IRR.

Positions on this statement may include assets that are not held or verified by LPL, for which you have supplied the price and quantity information to your LPL representative, through the delivery of a statement or other record prepared by the investment sponsor or other source other than your LPL representative.

This report may include personal assets that the firm does not hold on your behalf, and that are not included on the firm's books and records. Personal assets include the following:

Collectibles (e.g., art, antiques, coins, stamps)

[A] This report may include assets that the firm does not hold and which are not included on the firm's books and records.

Prepared by: LWM

Created on: 7/30/25

Real estate (e.g., personal residence, vacation homes, investment property)
Intangible Assets (e.g., patents, trademarks, copyrights, goodwill)
Checking and savings accounts
Business ownership/interests (e.g., equipment, inventory, property, accounts receivables)
Insurance
Personal Property (e.g., cars, snowmobiles, etc.)

Information about personal assets is shown as an accommodation to you. The value of personal assets has not been verified by the firm and is included for informational purposes only. You should not use information about personal assets on this report for lending, legal, or tax purposes. You are encouraged to review and maintain any applicable source documents related to personal assets as they may contain notices, disclosures and other important information.

[A] The source data for the following accounts was provided by LPL BETA Brokerage:
XXXX4488

Variable Rate Securities:

Interest rate data for certain complex and/or variable rate securities is provided by third-party data service providers. Although we seek to use reliable sources of information, the accuracy, reliability, timeliness, and completeness of interest rate data may vary sometimes, particularly for complex and/or variable rate securities and those with limited or no secondary market. As a result, we can offer no assurance as to the accuracy, reliability, timeliness, or completeness of interest rate data for such securities.

When updated interest rate data is received from a third-party data service provider , the updated data will be reflected in various sources where interest rate data is used or viewed. Prior use or communication of interest rate-related data will not be revised. Since variable interest rates may be subject to change at any time and are only as accurate as the data received from third-party data service providers, interest rate data should not be relied on for making investment, trading, or tax decisions. All interest rate data and other information derived from and/or calculated using interest rates are not warranted as to accuracy, reliability, timeliness, or completeness and are subject to change without notice. We disclaim any responsibility or liability to the fullest extent permitted by applicable law for any loss or damage arising from any reliance on or use of the interest rate data or other information derived from and/or calculated using interest rates in any way. You should request a current valuation for your securities from your financial adviser or broker prior to making a financial decision or placing an order or requesting a transaction in these securities.

Performance results prior to June 2014 reflect the performance of investments held in your accounts prior to LWM Advisory Services, LLC’s management of the accounts’ investments.

[A] This report may include assets that the firm does not hold and which are not included on the firm's books and records.

Prepared by: LWM

Created on: 7/30/25

# Investment Policy Statement

LEGACY WEALTH
MANAGEMENT
MANAGING GENERATIONS OF WEALTH℠

# INVESTMENT POLICY STATEMENT

QP IDOC
LPL# 4661-4481

*Securities Offered Through LPL Financial - Member FINRA/SIPC – Advisory Services Offered Through LWM Advisory Services, LLC, A Registered Investment Advisor. Legacy Wealth Management and LWM Advisory Services, LLC are separate entities from LPL Financial.*

**Prepared For:**

**Florida West Coast Operating Engineers Apprenticeship Trust Fund**
**5621 Harney Road**
**Tampa, FL 33610**

**Amended 08/12/2021**

**Prepared By:**

**Tony DuBose, AIF®**
**Investment Advisor Representative**

**Legacy Wealth Management**
**1250 South Pine Island Road Suite 350**
**Plantation, FL 33324**

## Introduction - Statement of Purpose

This Investment Policy Statement (IPS) is intended to provide a clear understanding between the Florida West Coast Operating Engineers Apprenticeship Trust Fund, LWM Advisory Services, LLC, advisor and Tony DuBose, Investment Advisor Representative regarding the objectives, goals, and guidelines established by the trustees for the investment of assets.

This IPS is not a contract. It is intended to assist the trustees and Advisor in effectively supervising, monitoring and evaluating the management of the trust assets. These policies will be reviewed and/or revised as necessary to reflect any changes related to the portfolio, the trustees, or the markets. There is no assurance that the goals and objectives outlined herein will be achieved.

The trustees shall promptly notify the Advisor of any changes in the investment situation.

The trustees recognize and acknowledge that risk must be assumed in order to achieve the long-term investment objectives and that there are uncertainties and complexities associated with investment markets.

The trustees understand that achievement of the trust goals and objectives are measured against long-term c objectives and not against short-term market fluctuations.

### 1. Investment Goals

#### a. Risk and Time Horizon

*Investments to be focused on income, low risk Capital Preservation-oriented investments. Time horizon (5-10 Years)*

#### b. Liquidity Constraints

Immediate or near-term cash requirements may create the need for more liquid assets despite the overall long-term objectives. Trustees have the following liquidity constraint(s):

Spending Policy

*The forward annual projected distribution need =* ***None at this time****. This amount is based upon discussions with the trustees of the portfolio.*

#### c. Tax Consequences/ Non-Qualified Accounts

Legacy Wealth Management and Tony DuBose do not provide tax advice. However, during the asset management process, as information is available to the Adviser, the following tax considerations communicated by Client will be observed:

*Non-Profit, Not Applicable*

## 2. Investment Objectives

The primary investment objective of the assets placed under management is *Income* with Capital Preservation, (Conservative), although the trustees acknowledge that past performance does not guarantee future results, this portfolio should be constructed to satisfy diversification and asset allocation strategies and designed to meet the goals and objectives over time.

The nature of the investment objective reflects the trust risk tolerance, time horizon and goals, and can be described as follows:

***Income with Capital Preservation (Fixed Income)***

- ***Investors in this portfolio should have a time horizon of more than five years and be comfortable with the volatility that will occur with changing interest rates and credit risk.***
- ***Emphasis is placed on generation of current income and prevention of capital loss.***
- ***The primary investment objective of this portfolio is to generate income and preserve capital.***
- ***A minimum of 30 % of fixed income investments are allocated to high quality U.S. Non-Corporate Bonds credit quality as rated by S&P of AA+. A maximum of 60 % of the portfolio assets may be invested in Investment Grade Corporate Bonds as rated by S&P with a credit quality of BBB or better. A maximum of 5 % of the portfolio may be invested in fixed income securities with credit quality of below investment grade as rated by S&P.***

## 3. Investment Guidelines

### a. Asset Mix

Although there is no guarantee of success, investments in the portfolio will be prudently diversified using asset allocation methodology.

***100 % US Fixed Income and cash***

### b. Permissible Investments

The assets under management shall be invested in a manner that is consistent with the client's goals and objectives.

Client agrees to use the following security classifications:

- ***FDIC Insured Bank Certificate of Deposits***

- ***<u>Individual Debt Instruments</u>: United States Government Obligations, agencies of the United States Government (i.e.US Treasuries, Treasury Inflation Bonds (TIPS), debt instrument issued by Ginnie Mae, Fannie Mae, Freddie Mac, Federal Home Loan Bank, Federal Farm Credit Bank and Federal Home Loan Mortgage Corp).***

- ***<u>Investment Grade Corporate Bonds</u> issued by US Corporations with credit quality of BBB- or better as rated by S&P. 60 % Maximum 5 % to any one issuer.***

- ***<u>Cash Reserves:</u> Interest bearing securities, free from risk of loss, price fluctuation and instantly saleable. Shall consist of individual fixed income securities such as Certificates of Deposit, U.S. Treasury Bills, and other similar instruments with less than one year to maturity and/or money market funds (Non-Corporate).***

- ***Mutual Funds and Exchange Traded Funds (ETFs) with underlying permissible assets.***

**c. Prohibited Investments and Transactions**

Client designates the following as prohibited transactions in the account:

- ***The following investments shall not be included in the account:***

  ***<u>Foreign Bonds may not be utilized.</u>***

  ***<u>Equities may not be utilized</u>***

  ***<u>REITS, Managed Futures, and Hedge Funds are not be utilized.</u>***

## 4. Investment Review

**a. Performance measurement**

Client represents that the following benchmark reflects investment parameters against which portfolio performance shall be compared on a regular basis:

50-% Lehman Government Credit Index 1-3 Years
50-% S&P/Citigroup US Broad Investment Grade Index

Factors influencing performance deviations will be described by the Advisor in quarterly reports to the Client.

## 5. Modification of Investment Policy Statement

**a. Advisor/Client Meetings**

Advisor and Client will meet as required to review the portfolio and investment results in the context of this Investment Policy Statement.

Factors affecting the asset management process, including the economy and interest rates, will also be discussed.

**b. Modifications**

Any modifications to the Investment Policy Statement shall be promptly documented and disseminated to all affected parties.

Past Modification Dates:

**08/12/2021 – The FWCOE Board voted to allow up to 60 % of the fund asset to be allocated to investment grade U.S. Corporate Bonds as rated by Standard & Poor's.**

C. Defining S & P Credit Ratings

'AAA'—Extremely strong capacity to meet financial commitments. Highest Rating.

'AA'—Very strong capacity to meet financial commitments.

'A'—Strong capacity to meet financial commitments, but somewhat susceptible to adverse economic conditions and changes in circumstances.

'BBB'—Adequate capacity to meet financial commitments, but more subject to adverse economic conditions.

'BBB-'—Considered lowest investment grade by market participants.

'BB+'—Considered highest speculative grade by market participants.

'BB'—Less vulnerable in the near-term but faces major ongoing uncertainties to adverse business, financial and economic conditions.

'B'—More vulnerable to adverse business, financial and economic conditions but currently has the capacity to meet financial commitments.

'CCC'—Currently vulnerable and dependent on favorable business, financial and economic conditions to meet financial commitments.

'CC'—Currently highly vulnerable.

'C'—Currently highly vulnerable obligations and other defined circumstances.

'D'—Payment default on financial commitments.

Note: Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

This Investment Policy Statement has been reviewed and accepted by the trustees of the Trust and Adviser.

Mark Schaunaman, Trustee Date 8/12/21 Date

LWM Advisory Services, LLC.

By: 8/12/2021

Tony DuBose, Investment Advisor Representative Date