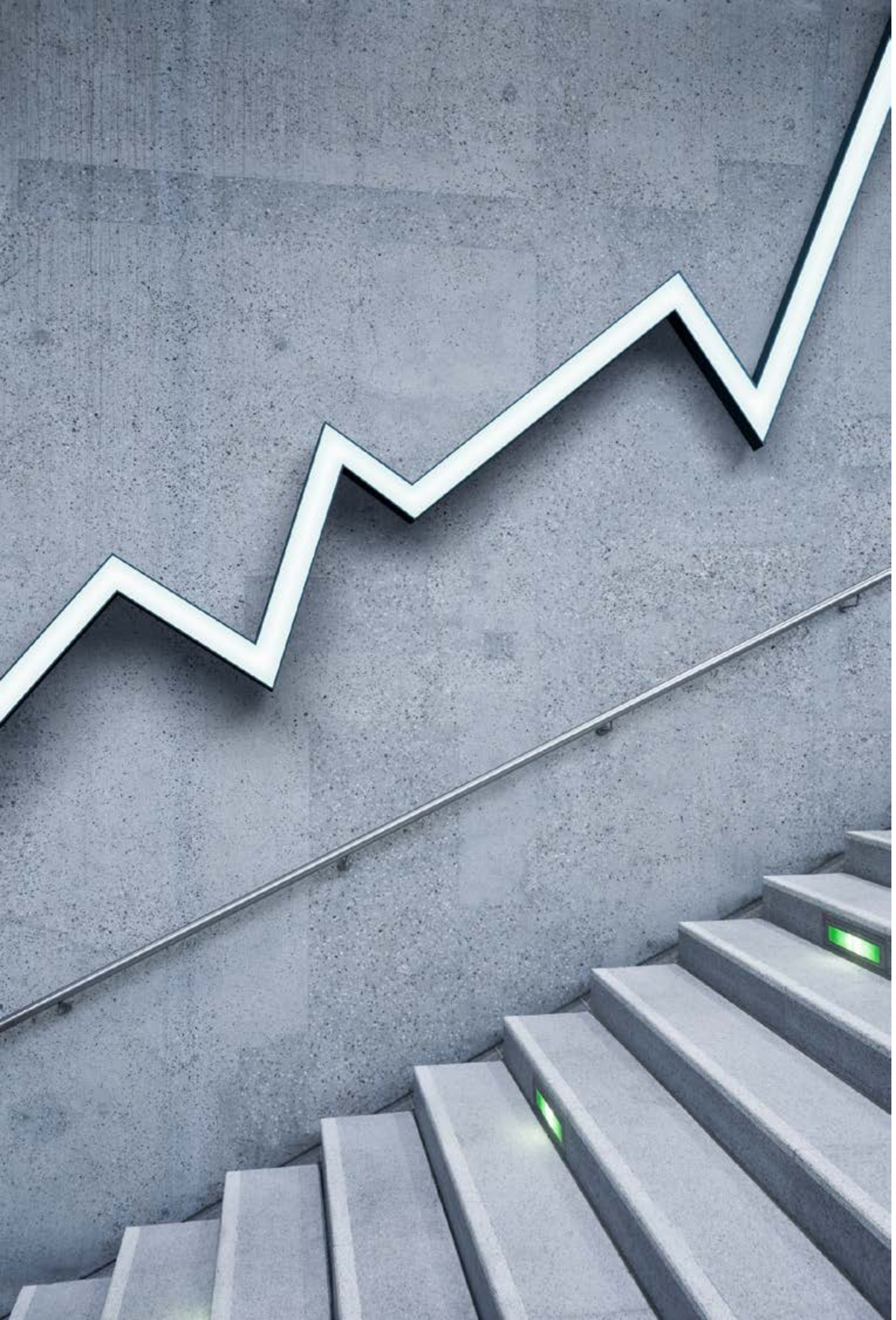


Lithographers and Photoengravers Local 285 Welfare Fund

“Rule #1 Never Lose Money. Rule #2 Never Forget Rule #1.”

- WARREN BUFFET

Agenda

- Introduction: History of The Philadelphia Trust Company
- History of Managing Health and Welfare Funds
- Services
- Suggested Changes to the IPS
- Open questions

History of PTC

PTC is an independent, state-chartered depository trust company headquartered in Philadelphia, Pa with a satellite office in Bethlehem

Started in 1999 and have grown AUM to over $1.7b

PTC is regulated by FDIC and the Pa State Department of Banking

Majority of revenue comes from Investment Management with the remaining coming from banking and trust services

PTC is completely independent with no affiliates or brokerage which allows us to focus solely on our clients’ goals

Every account is separately managed and invested in individual stocks and bonds generally avoiding mutual funds

PTC Focus

PTC is small which allows us to know our clients and focus on their needs.

Every account is assigned its own portfolio manager and client service investment professional

As a client you will hear directly from your portfolio manager, not a salesman

Our primary goals for all accounts are two fold:

- Preserve principle
- Grow that principle through conservative investment

History with H&W Funds

PTC has a long, successful history of managing Health and Welfare funds with the focus on structuring the asset allocation with the goals to preserve principle and grow that principle through conservative investment

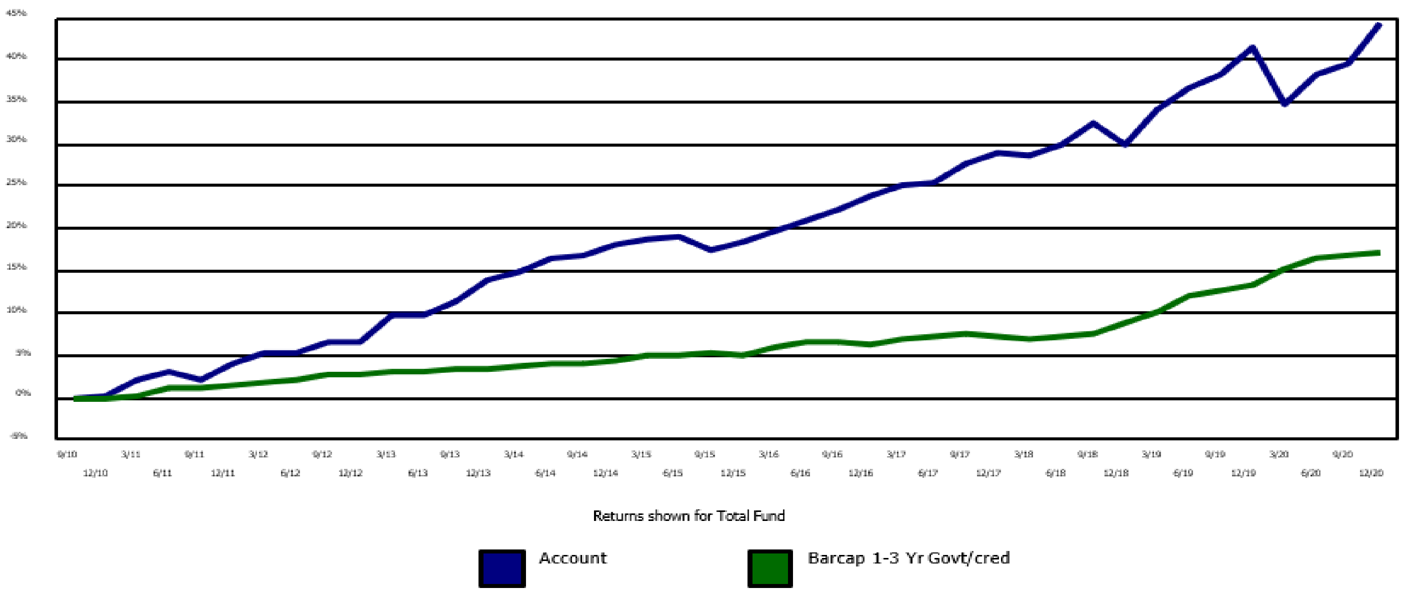
PTC currently manages several Health and Welfare funds that have consistently had returns exceeding the rate of inflation measured by the Barclay's 1-3 year Govt/credit index

Example of Historical Returns

The Philadelphia Trust Company

Performance Summary as of 12/31/2020

Cumulative Returns



Services PTC Offers

For these H&W funds PTC provides the following services for one fee:

- Investment management
- Custodian
- Asset allocation advisor
- Review of IPS
- Quarterly meeting attendance and reviews

How We Can Help

An investment professional and client service representative will be assigned to the account

PTC combines a number of services to limit the amount of providers

PTC prides itself on excellent customer service and comprehensive reporting

PTC will customize an asset allocation with the focus on limiting risk and enhancing returns

PTC provides CD’s that have competitive rates and FDIC insured

- Current 6 month CD is 0.50%

Proposed Changes to IPS

Asset allocation changes:

- 65% - 75% of the Fund shall invest in a mix of federally-guaranteed bank certificates of deposit ("CDs") and U.S. Treasury Bonds with the maximum maturity of 5 years. The amount invested in any one bank will be below the maximum threshold necessary to ensure that each such CD is fully guaranteed and insured.

- 10% - 25% of the Fund shall be invested in a diversified portfolio of mid to large cap, high quality, dividend paying equity securities.

- 0-10% of the fund shall be invested in a U.S. Treasury Money Market fund

Reasons for the changes

A combination of fiscal stimulus and economy reopening may result in higher interest rates

Dividend paying stocks offer higher yields than CDs and offer the possibility of price appreciation as well as dividend increases

- Good stocks with strong businesses currently offer dividend yields over 2%
  - Proctor and Gamble currently yields 2.3%
  - Dominion Resources currently yields 3.5%
  - Bank of America currently yields 2.13%
- The dividend yield on the S&P 500 is 1.55%*
- The 2 year Treasury is currently yielding 0.15%*
- 5 year Treasury is currently yielding 0.52%*
- 10 year Treasury is currently 1.18%*

*as of 1/12/21

Advantages in Going with PTC

Custom portfolio construction

Focused Investment Professional Service

Limit the number of service providers

Competitive FDIC insured CD’s

Independent, non affiliate Investment Advice

Zero conflicts of interest

PTC is a fiduciary and therefor everything we do is always in the best interest of our clients

Example Portfolio

75% Laddered portfolio of US Treasuries and CDs(0.25% current yield been trending higher)

- Stagger maturities out to 5 years. As bonds and CDs and Bonds mature, use the proceeds to buy longer dated, higher coupon/interest securities to mitigate interest rate risk
- Only buy US Treasuries and FDIC insured CDs to mitigate credit rate risk

20% high quality, large cap, dividend paying stocks(2.5% target yield)

- focus on consumer staples, utilities, telecom stocks with quality balance sheets that have stable dividends
  - Eg. Verizon 4% dividend, General Mills 3.75% dividend

5% Money market to allow for any disbursements needed(0.10% current yield)

Blended yield from this example portfolio would be 0.7%(with appreciation potential)

H&W portfolio similar to this yields 1.1% today with total return close to 9% in 2019

Questions