Portfolio Review

International Union of Operating Engineers - Health & Welfare

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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
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Policy Influences Will Be Key for Markets in 2026

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:

- No changes

STAAC Asset Class Tactical Views as of 01/01/2026 (GWI)

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

STAAC Sector Tactical Views as of 01/01/2026

Sector					
Materials			●		
Consumer Staples			●		
Financials			●		
Real Estate				●	
Communications Services		●			
Energy			●		
Industrials			●		
Information Technology			●		
Consumer Discretionary			●		
Healthcare			●		
Utilities			●		

Source: STAAC as of January 1, 2026. 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

Stocks ended a third straight year of double-digit gains on a tepid note with the S&P 500 snapping a seven-month winning streak with a fractional loss in December. Choppy trading seen throughout the fourth quarter persisted in the final month of the year as equity investors grappled with a less hawkish than expected Federal Reserve (Fed) rate cut and intensified artificial intelligence (AI) scrutiny. Market chatter also highlighted a cyclical rotation gaining traction, which led big tech names mostly lower and contributed to some index level pressure, but was broadly viewed as a positive forward signal. Earnings headlines were light last month, although a few high-profile names drew attention, highlighted by disappointing free cash flow and high spending guidance from Oracle (ORCL) and a beat and raise from Broadcom (AVGO) failing to excite investors' lofty expectations.

Core bonds also capped an above-average 7.3% annual advance on a relatively subdued note, ending December with a 0.25% gain as measured by the Bloomberg U.S. Aggregate Index. While the Fed fulfilled hopes of another 0.25% rate reduction on December 10, downward pressure on yields was offset by a rise in global bond yields as markets from Australia to Europe priced in fewer local rate cuts in 2026. Sovereign yields in Germany and France reached their highest levels in a decade, while Japanese government bond yields hit levels unseen since 1999.

Looking forward, investors may be well served by bracing for additional bouts of volatility amid a slowing economy and likely increasing AI investment scrutiny. While our analysis shows positioning remains relatively neutral, valuations remain elevated. Pullbacks may be shallow given technology-powered earnings strength, likely additional Fed rate cuts, and the fiscal stimulus boost this year.

LPL Research expects mid-to-high single digit returns for equities in 2026, as policy tailwinds offset headwinds and AI investment continues to surge, as discussed in Outlook 2026: The Policy Engine.

The fixed income market remains rangebound, although downside pressure on yields could emerge as the Fed continues its rate-cutting cycle.

The STAAC's recommended tactical asset allocation includes:

- A neutral stance toward U.S. equities. A lot of good news is priced in, potentially limiting the opportunity for near-term upside
- The Committee favors growth over value for exposure to the AI theme and compelling earnings growth as the economy slows.
- The Committee favors large caps over small caps, partly due to superior balance sheet quality, ongoing AI investment, and potentially tighter credit markets in 2026.
- 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. EM looks better on a technical analysis basis.
- 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.

2026 MARKET FORECASTS

S&P 500 Tracking Above Bull Case Scenario

		Current
10-Year U.S. Treasury Yield		3.75% to 4.25%*
S&P 500 Index Earnings per Share		$290
S&P 500 Index Fair Value		7,350**

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

*Our 2026 year-end target for the 10-year Treasury yield is based on further Fed rate cuts but also a steepening yield curve due to ongoing concerns about sticky inflation and Federal debt/deficits.

**Our year-end 2026 fair-value target range for the S&P 500 is 7,300–7,400, based on a price-to-earnings ratio (PE) of 23 and our S&P 500 earnings per share (EPS) forecast of $320 in 2027.

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 01/01/26.

2026 ECONOMIC FORECASTS

U.S. Economy Expected to Slow This Year

	2026 (Y/Y, real GDP)
United States	2.1%
Eurozone	1.2%
Advanced Economics	1.7%
Emerging Markets	4.2%
Global	3.0%

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

Tactical Asset Allocation as of 01/01/2026

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%	16.5%	16.5%	0.0%	27.0%	25.0%	2.0%	37.5%	33.5%	4.0%
MBS	0.0%	0.0%	0.0%	4.5%	4.0%	0.5%	10.5%	9.5%	1.0%	15.5%	14.5%	1.0%	20.5%	19.0%	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. The exact percentage mix may fluctuate moderately throughout the year based on the relative market cap weights of each component within the Bloomberg US Aggregate Bond Index. The bond sector allocations in the TAA and benchmark will be updated twice per year, or as necessary, in January and July where the absolute values are subject to change, but the difference between the TAA and benchmark will remain constant (absent any Tactical Asset Allocation changes from the STAAC).

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

To better align with STAAC's asset allocation framework, 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: 80% Large Cap 20% Mid Cap. For a more detailed breakdown and explanation, please refer to the Supplemental Mid Cap Reference Guide on page 9.

Equity Asset Classes

Policy and AI Tailwinds to Fuel Continuation of the Bull Market in 2026

LPL Research expects mid-to-high single digit returns for equities in 2026, as policy tailwinds offset headwinds and AI investment continues to surge, as discussed in *Outlook 2026: The Policy Engine*. Investors may be well served by bracing for additional bouts of volatility, however, amid a slowing economy early in the year and a likely increase in AI investment scrutiny as the year progresses. Pullbacks may be shallow given technology-powered earnings strength, likely additional Fed rate cuts, and upcoming fiscal stimulus.

The Strategic and Tactical Asset Allocation Committee (STAAC) continues to favor large caps slightly over small caps and growth slightly over value. From a geographic perspective, the STAAC recommends benchmark level exposures to U.S., developed international, and emerging markets (EM), with U.S. upside potential from AI and non-U.S. upside potential if the U.S. dollar weakens.

Color Key:

Strong Overweight · Overweight · Neutral · Underweight · Strong Underweight

	Sector	Overall View	Relative Trend	Rationale
Market Capitalization and Style	**Large/Mid Growth**		Positive	The technology-driven earnings of the growth style help justify rich valuations. Large cap companies continue to offer a compelling earnings outlook. Performance may be helped by slowing economic growth early in 2026, but AI scrutiny will only increase. A value rotation is possible in 2026. Watch technicals.
	Large/Mid Value		Neutral	More market volatility or weakness in the AI theme may be needed for value stocks to outperform in 2026, although stimulus and commodities strength are supportive of cyclical value stocks. Valuations are relatively attractive. Waiting for more evidence of a sustained rotation to value and broader market participation.
	Small Growth		Positive	Attractive valuations and impending Fed rate cuts are supportive, but a slowing economy, potentially tighter credit markets in 2026, and ongoing AI investment that favors large caps could present headwinds, especially if volatility picks up. The positive technical trend is enough to favor small growth over small value.
	Small Value		No Trend	Attractive valuations, financial deregulation, a likely pickup in capital investment, and Fed rate cuts are supportive. While some policy uncertainty has cleared and the outlook for banks has improved, balance sheet strength still matters.
Region	**United States**		No Trend	AI investment, Fed rate cuts, and fiscal stimulus are keys to potential U.S. outperformance in 2026. Rich valuations may limit upside as a lot of good news is priced in. Superior earnings growth in 2026 and the U.S. innovation advantage make it difficult to underweight U.S. equities here, even at high valuations.
	Developed International		No Trend	International economies have become more competitive, with significant deficit/defense spending in Europe, and valuations are attractive, but strength in U.S. growth stocks on AI demand is a big hurdle for international to clear with limited technology exposure. A dollar breakdown is a potential bullish catalyst.
	Emerging Markets		No Trend	If EM can deliver on earnings growth expectations, bolstered by China's AI efforts and commodities gains, upside potential at low valuations becomes attractive. Recent Venezuela news may help Latin American markets over time. The possibility that U.S-China tensions flare up remains a risk. A weaker dollar could be a positive catalyst. Positive bias on improving technical analysis picture.

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

Got Our Shopping List Ready as 2026 Begins

The STAAC continues to recommend communication services as 2026 begins for solid growth at a reasonable valuation. The Committee has healthcare, industrials, and technology on its shopping list as opportunities for potential upgrades. Healthcare is attractively valued and may benefit from greater policy clarity. Industrials is poised to benefit from fiscal stimulus, AI investment, and increasing defense spending. And technology is experiencing very strong earnings growth that probably justifies rich valuations, but after such big gains, waiting for a pullback seems prudent.

Color Key:

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

	Sector	Overall View	Relative Trend	S&P Wgt.	Rationale
Cyclical	**Basic Materials**	· · ● · ·	Negative	1.9	Outperformed for the second straight month in December (+2.0%) on rising metal prices. Mining strength helped offset weakness in chemicals. Fiscal stimulus and the data center buildout may provide support, but China remains a wildcard.
	Consumer Cyclical	· · ● · ·	No Trend	10.6	Outperformed in December (+0.7%) on strength in cruise lines and some specialty retailers. Overall good holiday season, continued wealth effects, and anticipated 2026 tax cuts help. Reasonable valuations but job market is slowing.
	Financial Services	· · ● · ·	Positive	13.6	Outperformed for second straight month in December (+2.9%) on renewed confidence in credit markets and a healthy overall capital markets environment. Reasonable valuations, a steep yield curve, and de-regulation are supportive.
	Real Estate	· · · ● ·	Negative	1.8	Lagged in December (-2.9%) on rising interest rates and weakness in certain segments such as medical leasing. Reasonable valuations but dividend investing remains out of favor. November 2025 downgrade driven mostly by technicals.
Sensitive	**Communication Services**	· ● · · ·	Positive	10.6	Best performing sector in 2025 (+33.6%) but lagged in December (-1.1%) on weakness in Netflix (NFLX), Alphabet (GOOG/L), and legacy telecom players. Sector still offers favorable growth outlook at a reasonable price despite strong multi-year run.
	Energy	· · ● · ·	Negative	2.9	Flat, in line performance in December despite sharp declines in oil and natural gas. Improved Russia-Ukraine peace prospects, abundant global supply, and lackluster growth in China are headwinds. Reasonable valuations. Sub-par technicals.
	Industrials	· · ● · ·	Positive	8.3	Modest outperformer in December (+1.1%) on gains in airlines, aerospace and defense, which helped offset weakness in some AI data center players. Beneficiary of business tax incentives in 2026. Rich valuations. Positive technicals. Positive bias.
	Technology	· · ● · ·	Positive	33.7	Lagged for second straight month in December (-0.3%) amid mixed performance from AI-focused companies, e.g., Super Micro Computer (SMCI) and Broadcom (AVGO), were each down double-digit percentages. High valuations are justifiable given the growth prospects. Buy the dip candidate as momentum is still strong.
Defensive	**Consumer Defensive**	· · ● · ·	Negative	4.7	Lagged in December (-2.0%) as packaged food and big consumer product companies lagged, offsetting continued strength in value-oriented retailers. Reasonable valuations. Weak technical trend. Defensive, income sectors remain out of favor.
	Healthcare	· · ● · ·	Positive	9.7	After leading in November, healthcare slowed down last month with a 1.5% December dip amid weakness in medical equipment, including Medtronic (MDT) and some companies in diagnostics/testing. Policy headwinds have cleared, valuations remain attractive, and technicals have improved. Positive bias for early 2026.
	Utilities	· · ● · ·	Negative	2.2	After outperforming in November, utilities were the worst performing sector in December (-5.3%). Higher interest rates reduced the appeal of dividend stocks and the AI power theme cooled off. Reasonable valuations. Defensives still out of favor.

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

An Above Average Year

Last year was a good year for most fixed income markets with the Bloomberg Aggregate Bond Index up 7.3%. Each year, fixed income investors should reasonably expect coupon-type returns plus or minus price appreciation based upon changing interest rates. Importantly, as we noted in our *2025 Outlook: Pragmatic Optimism*, most of the returns came from income as Treasury yields have largely been rangebound this year, something we think is set to repeat in 2026. We continue to think high-quality sectors within the fixed income universe (Treasuries, MBS and shorter-maturity corporates) offer attractive risk-return opportunities. Spreads for most bond sectors, particularly plus sectors, remain at or near secular tights.

Color Key:

Strong Overweight | Overweight | Neutral | Underweight | Strong Underweight

Current Stance		Low	Med	High	Rationale
	Credit Quality Preference			✓	Recommend an up-in-quality approach in allocating to fixed income sectors. While all-in yields for lower quality remain near 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 and large budget deficits (higher yields), which will likely keep rates directionless (but volatile) until/unless the economic data softens enough to price in a deeper rate cutting campaign by the Fed. We think the yield curve can continue to steepen, led by a fall in shorter maturity yields. We remain neutral duration.
		Neg.	**Neut.**	**Pos.**	**Rationale**
	Municipal Bond View		✓		Over the past few months, the muni market has mostly overcome record levels of supply and has outperformed many taxable alternatives. Tax-equivalent yields remain attractive, particularly relative to taxable corporate bonds. Curve steepness suggests intermediate term allocations still offer the best risk/return but longer-term allocations worth a look as well.

		Overall View					Overall Trend	Rationale
Core Sectors	**U.S. Treasuries**	·	·	●	·	·	Positive	Treasury yields were generally higher in December but ended the year roughly 0.40% lower than where they were to start the year. We think the 10-year will trade between 3.75%–4.25% in 2026. To get Treasury yields much lower though, economic data will need to show further deterioration. Technically, 10-year yields remain in a downtrend, but more recently, have been stuck in a consolidation range between support at 4.00% and resistance at 4.20%..
Core Sectors	**Mortgage-Backed Securities**	·	●	·	·	·	Positive	MBS had its best year in decades in 2025, but spreads are below longer-term averages. While near-term momentum of falling interest rate volatility and constrained net supply will likely continue into the first half of the year, already tight spreads and eventually lower mortgage rates, which will increase prepayment risks, potentially cap returns for 2026. We remain constructive on MBS though.
Core Sectors	**Investment-Grade Corporates**	·	·	·	●	·	Positive	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.
Core Sectors	**TIPS**	·	·	●	·	·	Positive	Inflation expectations have come down recently making the "hurdle" to invest in TIPs (versus nominals) lower. 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**	·	·	●	·	·	No Trend	Valuations/spreads are back to historical averages, 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.
Plus Sectors	**High-Yield Corporates**	·	·	●	·	·	No Trend	High-yield markets have priced out most risks with spread volatility collapsing and spreads near secular tights across quality buckets. Yields for high-yield bonds are below historical averages, and we think the risk/reward is unattractive for most investors. The quality of the market has improved recently though. The asset class is better suited for income-oriented investors.
Plus Sectors	**Bank Loans**	·	·	●	·	·	No Trend	Downgrades and defaults have increased and could increase still if the economy slows/contracts. With Fed rate cuts expected to continue in 2026, yields will continue to fall. While we hold a neutral view, if pressed, we would prefer high yield bonds versus bank loans.
Plus Sectors	**Foreign Bonds**	·	·	●	·	·	No Trend	Yields have moved higher recently but are still generally lower than U.S. markets, despite ongoing political dysfunction in France and monetary policy normalization in Japan. Currency volatility is a risk. The asset class is more attractive for U.S. dollar hedged investors.
Plus Sectors	**EM Debt**	·	·	●	·	·	Positive	Valuations are relatively attractive, but idiosyncratic risks remain, and ongoing trade wars could negatively impact smaller emerging countries.

Commodities and Currencies

Metals Melt-Up Underpins a Fifth Straight Gain for Commodity Markets

The winning streak for commodity markets continued in December as the Bloomberg Roll Select Commodity Total Return Index (BCOMRST) — an index developed to address the issue of negative roll yields — rose for a fifth straight month. Precious metals maintained their pace of outperformance, while energy lagged. Another rate cut from the Fed and a weaker dollar supported buying pressure. Technically, BCOMRST bounced off support from its rising 50-day moving average (dma) and continued its ascent from a multi-year bottom. A retest of the 2022 highs near 780 appears likely from here, representing around 7% of potential upside from current levels (~727).

Precious metals continued to shine last month, with silver leading the advance. The "poor man's gold" rallied 27% despite suffering sizable profit-taking pressure into year-end. The addition of silver to the U.S. critical minerals list in November and newly implemented Chinese export restrictions have created fear over global supply shortages, while the demand side remains supported by accelerating AI capital expenditures, infrastructure spending, and building electrification trends. Platinum and palladium also notched double-digit gains, while gold ended the month up nearly 2% and briefly surpassed the October highs before pulling back at month-end.

Industrial metals traded higher in November, excluding zinc. Lithium carbonate outperformed with a 17% gain. Copper rallied 10% and is back in record-high territory. The potential for new tariffs on imports of refined copper, combined with production disruptions, and surging demand by power grids, data centers, and electric vehicles have helped pushed prices higher. Copper trading on the London Metal Exchange (LME), which could face an even tighter supply backdrop if new U.S. tariffs are added, has already broken out to record highs.

Energy lagged against the broader commodities complex, weighed down by weaker natural gas and gasoline prices. West Texas Intermediate (WTI) fell 2% and extended its losing streak to five consecutive months of losses. Despite escalating geopolitical tensions as the U.S. intensified its oil blockade in Venezuela last month, prices remained plagued by oversupply fears. According to the U.S. Energy Information Administration (EIA), global oil supply is outpacing demand by nearly four million barrels per day. The supply narrative could get some support from OPEC+, which is expected to maintain a pause in supply increases during the first quarter.

The U.S. Dollar Index dipped 1.1% after struggling with resistance from the August highs. Renewed Fed rate cut expectations weighed on the greenback, along with more hawkish outlooks from the European Central Bank (ECB) and Bank of Japan (BOJ).

Color Key: Positive Neutral Negative

Sector	Overall View	Overall Trend	Rationale
Energy		Neutral	While the global supply bear case for oil continues to weigh on price action, WTI has managed to hold above support at $55. Sentiment and positioning data reflect contrarian levels, while put skew reveals limited downside protection demand vs. April and May. A close above $62.85 would reverse a short-term downtrend/recapture the 200-dma and raise the probability of a potential low being set. Natural gas remains weather-dependent and volatile, with futures recently pulling back to support near $3.50. **We maintain our neutral view on the energy commodity sector.**
Precious Metals		Positive	Precious metals continue to outperform. We view the recent volatility in the space as profit-taking pressures from overbought levels and not a reflection of a technical or fundamental trend change. **We continue to view pullbacks as buying opportunities and maintain our positive view on precious metals.**
Industrial Metals		Positive	Industrial metals continued to make technical progress last month, with the Bloomberg Industrial Metals Subindex breaking out above the 2025 highs. Demand in the space remains supported by surging AI capex, rising global infrastructure spending, and building electrification trends, while supply is being impacted by global trade policy. **Given the improving technical backdrop, we are upgrading our view on the industrial metals group to positive from neutral this month.**
Agriculture (Ag) & Livestock		Neutral	Livestock outperformed ag last month, with notable outperformance in cattle futures, which rebounded after a sizable drop in November. Ag was led lower by nearly a 16% decline in coffee. Soybeans fell 9.4% as concerns about sustainable China buying and South American production pulled prices back into correction territory. **We maintain our neutral view on the ag & livestock space.**
U.S. Dollar		Neutral	The U.S. Dollar Index slid 1.1% last month after failing at key overhead resistance. A close above 100.40 would validate a breakout from the current bottoming process, while a break below 96 would trigger the break of a secular uptrend.

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

Strong End to 2025

Alternative investment strategies ended the year on a positive note, with all major sub-strategies outperforming the S&P 500 during December. The HFRX Macro: Systematic Diversified CTA Index led monthly performance with a gain of 2.5%, bringing year-to-date performance to 5.8%. Long developed international equity, long gold, and long silver exposure were the leading contributors to overall returns. Following the trend-following strategies, the HFRX Equity Hedge Index returned 0.9% during the month and lead all sub-strategies with a 2025 return of 10.1%.

2025 underscored the value and complexity of alternative investments in a rapidly evolving market environment. Against a backdrop of policy uncertainty, tariff shocks, and a late-year pivot toward monetary easing, performance across strategies was highly differentiated. Long/short equity emerged as a relative winner, benefiting from sector dispersion and the resurgence of growth themes. Global macro, particularly discretionary approaches, also delivered competitive returns by capitalizing on rate differentials and currency trends, while systematic macro strategies struggled with abrupt reversals. Market neutral fulfilled its role as a stabilizer, offering low correlation and volatility dampening, though a consistent return profile. However, managed futures faced one of its most challenging periods in recent history, as broken trends and whipsaw conditions eroded performance early in the year, despite performance stabilizing at the end of the year.

Overall, with economic and policy uncertainty likely to continue into 2026, we remain positive on alternative investment strategies, as we believe they can help strengthen portfolio stability during periods of volatility. Our preferred approaches include equity market-neutral, nimble discretionary global macro, and a range of managed futures strategies. In private markets, infrastructure, secondary private equity investments, and private credit remain our preferred strategies. 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	Elevated volatility and ongoing stock dispersion continue to create a favorable environment for low-net, stock-picking strategies. For long-biased long/short equity managers, expanding beyond U.S. markets into regions with supportive policy frameworks may offer more compelling opportunities.
Fundamental	**Event Driven**	Positive	Mergers and acquisitions (M&A) and initial public offerings (IPO) have improved relative to the low levels of prior years. Distressed debt opportunities remain limited as credit spreads continue to tighten. The M&A and IPO markets have begun to show signs of recovery, expanding the investable universe for merger arbitrage managers which they should benefit from.
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 discretionary macro strategies are well-positioned to capitalize on opportunities emerging from shifting economic conditions, evolving policy landscapes, and elevated market volatility.
Tactical	**Managed Futures**	Neutral	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. We remain mindful of the significant long exposure to risk assets — particularly equities — among trend-following strategies. In this environment, a broadly diversified allocation across sub-strategies is preferred.
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	Neutral	Volatility arbitrage and cross-asset tail risk strategies with minimal carrying cost may be good additional diversifiers in portfolios. Volatility arbitrage and tail risk with reduced/no negative carry can potentially add value to 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

Supplemental Mid Cap Reference Guide

Rationale for Large and Mid Cap Aggregation

The STAAC's decision to aggregate mid cap equities with large caps is driven by a desire to construct asset allocation models using distinct and efficient building blocks that either a) materially enhance expected returns, or b) materially reduce expected risk relative to our benchmark. We believe that a four-box framework, segmented by size and style, provides the most impactful differentiation for our investment decision making. Additionally, this is most aligned with our investment universe, given most active large cap managers benchmark to the Russell 1000 (which has significant overlap with the Russell Midcap Index, 800 stocks representing approximately 20% of market cap).

We also believe that reducing the number of style boxes improves capital efficiency and lowers trading costs and turnover. By streamlining these classifications, we can avoid such inefficiencies.

Disaggregated U.S. Mid Cap and Large Cap Tactical Asset Allocation as of 01/01/2026

The 80% Large Cap / 20% Mid Cap decomposition provided below is intended as a general reference for advisors who prefer to maintain a distinct mid cap allocation. The exact percentage mix may fluctuate moderately throughout the year based on the relative market cap weights of each component within the Russell 1000. The STAAC's official position is to treat large and mid caps as a combined category within the TAA as shown on page 3. The Supplemental Mid Cap Reference Guide will be updated twice per year, or as necessary, in January and July.

Investment Objective

	Aggressive Growth			Growth			Growth with Income			Income with Moderate Growth			Income with Capital Preservation		
Asset Class	TAA	Benchmark	Difference	TAA	Benchmark	Difference	TAA	Benchmark	Difference	TAA	Benchmark	Difference	TAA	Benchmark	Difference
Large Growth	25.540%	22.745%	2.795%	21.550%	19.155%	2.395%	16.360%	14.365%	1.995%	11.175%	9.575%	1.600%	5.585%	4.790%	0.795%
Mid Growth	6.460%	5.755%	0.705%	5.450%	4.845%	0.605%	4.140%	3.635%	0.505%	2.825%	2.425%	0.400%	1.415%	1.210%	0.205%
Large Value	23.545%	22.745%	0.800%	19.950%	19.155%	0.795%	14.765%	14.365%	0.400%	9.575%	9.575%	0.000%	4.790%	4.790%	0.000%
Mid Value	5.955%	5.755%	0.200%	5.050%	4.845%	0.205%	3.735%	3.635%	0.100%	2.425%	2.425%	0.000%	1.210%	1.210%	0.000%

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℠

Prepared For
Welfare Fund
Prepared on 2/2/26

Portfolio Review

IUOE Local 487 Health and Welfare Funds
11/1/25-1/30/26

Prepared By
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Table of Contents

LEGACY WEALTH MANAGEMENT
MANAGING GENERATIONS OF WEALTH

Portfolio Snapshot

IUOE Local 487 Health and Welfare Funds

Prepared for: Welfare Fund

Period: 11/1/25-1/30/26

Summary

As of: 1/30/26

PORTFOLIO	$2,186,597
GAIN/LOSS	
Unrealized	$46,070

Portfolio Performance

	SELECTED PERIOD ($)	LAST QUARTER ($)	YEAR TO DATE ($)	LAST YEAR ($)	SINCE START DATE ($)
	11/1/25 - 1/30/26	**Q4,25**	**1/30/26**	**2025**	**12/5/23**
Beginning Value	1,668,693	1,647,766	2,177,363	1,052,968	0
Net Contribution	500,014	500,014	0	1,001,280	2,000,020
Change in Value	17,890	29,583	9,234	123,115	186,576
Ending Value	2,186,597	2,177,363	2,186,597	2,177,363	2,186,597
Return	**0.90%**	**1.64%**	**0.42%**	**8.83%**	**6.95%**

Account Performance

ACCOUNT	START DATE	VALUE ($)	% OF TOTAL	SELECTED PERIOD (%)	LAST QUARTER (%)	YEAR TO DATE (%)	LAST YEAR (%)	SINCE START DATE (%)
		1/30/26	**1/30/26**	**11/1/25 - 1/30/26**	**Q4,25**	**1/30/26**	**2025**	
IUOE Local 487 Health & Welfare	12/5/23	2,186,597	100.00	0.90	1.64	0.42	8.83	6.95

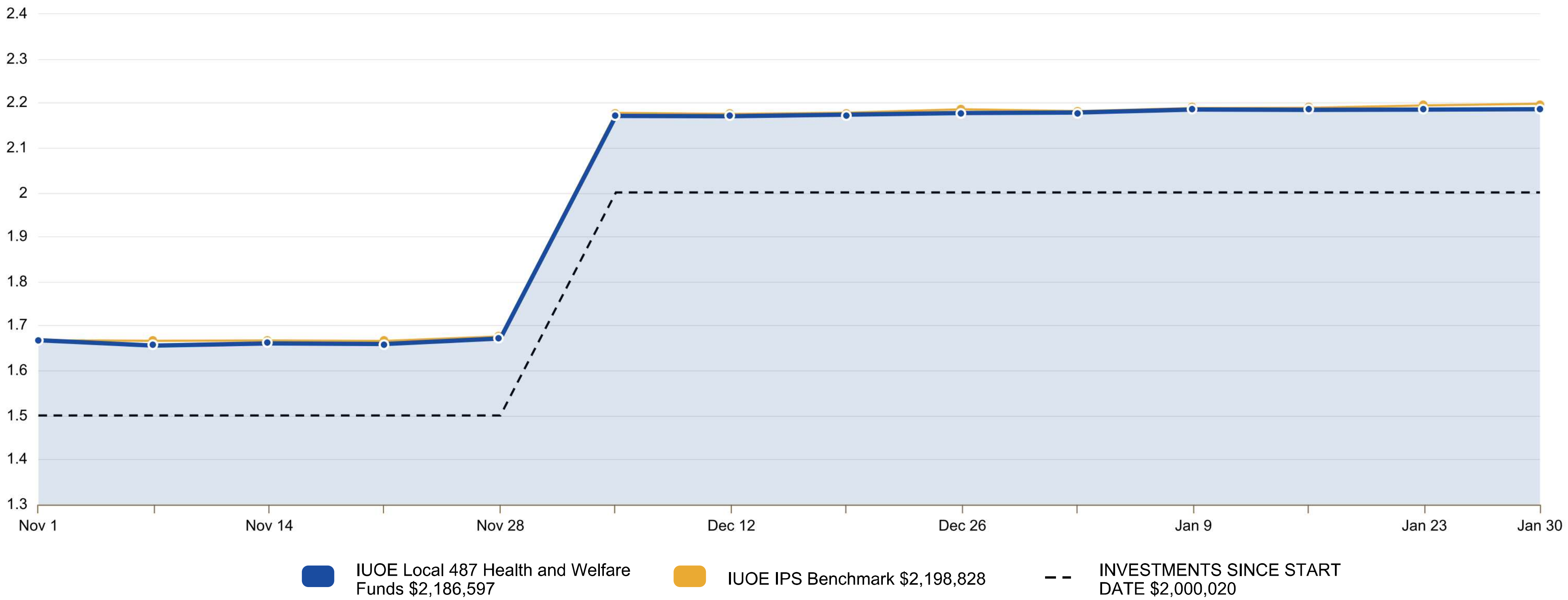
[A] This report may include assets that the firm does not hold and which are not included on the firm's books and records.

Prepared by: LWM

Portfolio Review created on: 2/2/26.

Period: 11/1/25-1/30/26

Portfolio Value (millions $)



[61] IUOE IPS Benchmark is comprised of 51% Bloomberg Bond Fund 1-5 Year Government/Corporate, 34% ICE BofAML US Treasury Bills 0-3 Month (TR), 11% Dow Jones U.S. Total Stock Market Index, 4% Bloomberg Commodity Index (TR).

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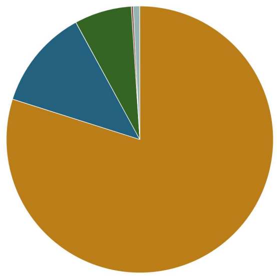
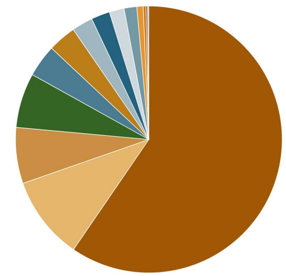
As of: 1/30/26

Asset Type



ASSET TYPE	CURRENT ALLOCATION	VALUE ($)	(%)
BONDS		1,746,944	79.89
US STOCKS		265,740	12.15
CASH		151,931	6.95
NON-US STOCKS		4,877	0.22
OTHER		17,105	0.78
Total:		**$2,186,597**	**100%**

Investment Objective



INVESTMENT OBJECTIVE	CURRENT ALLOCATION	VALUE ($)	(%)
US INVESTMENT GRADE BOND		1,302,531	59.57
OTHER BOND		221,112	10.11
NON-US BOND		148,229	6.78
CASH		144,773	6.62
US LARGE CAP CORE EQUITY		85,365	3.90
US HIGH YIELD BOND		74,970	3.43
US MID CAP EQUITY		55,726	2.55
US LARGE CAP VALUE EQUITY		49,416	2.26
US SMALL CAP EQUITY		39,132	1.79
US LARGE CAP GROWTH EQUITY		33,744	1.54
OTHER/NON-CLASSIFIED		16,878	0.77
OTHER US EQUITY		7,196	0.33
NON-US DEVELOPED MARKETS EQUITY		4,300	0.20
OTHER		3,216	0.15
Total:		**$2,186,597**	**100%**

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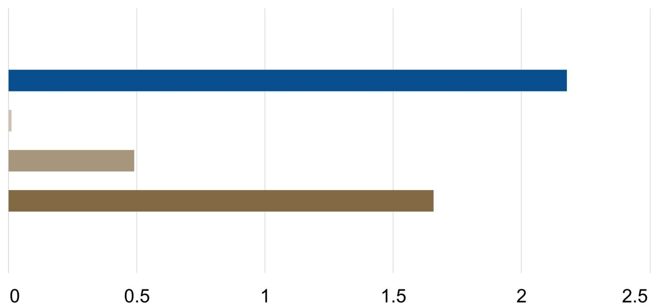
Prepared by: LWM

Portfolio Review created on: 2/2/26.

Period: 11/1/25 - 1/30/26

Core Accounts (millions $)

Return 0.90 %



	VALUE ($)
Beginning Value	**1,668,693**
Net Contribution	**500,014**
Dividends not reinvested	-6,261
Net Cash Activity	506,275
Change In Value	**17,890**
Capital Gains Reinvested	5,712
Dividend Reinvested	17,500
Fees	-3,157
Interest Reinvested	71
Market Gain/Loss	-2,236
Ending Value	**2,186,597**

Negative dividends are dividends paid in cash. The number is negative because it represents money which is paid out either to the investor or deposited into the money market.

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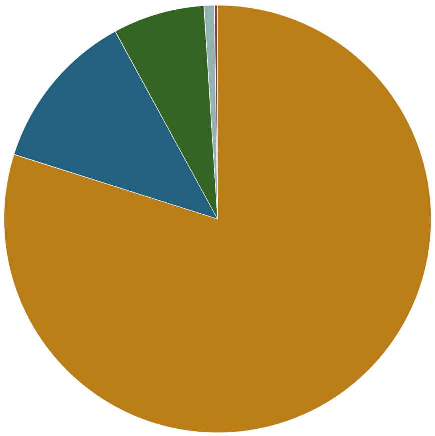
Portfolio Review created on: 2/2/26

As of: 1/30/26

Combined Total



ASSET TYPE	VALUE ($)	(%)
BONDS	1,746,944	79.89
US STOCKS	265,740	12.15
CASH	151,931	6.95
OTHER	17,105	0.78
NON-US STOCKS	4,877	0.22
Total:	**$2,186,597**	**100%**

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Prepared by: LWM

Portfolio Review created on: 2/2/26

As of: 1/30/26

Welfare Fund

Account Name: IUOE Local 487 Health & Welfare

Account Number: XXXX1891

Account Type: Defined Benefit Plan

ASSET	TICKER	ASSET TYPE	MGT. NAME	QUANTITY	PRICE ($)	VALUE ($)
BROKERAGE MONEY MARKET		CASH	BROKERAGE MONEY MARKET	27,430.83	1.00	27,430.83
COLUMBIA CONTRARIAN CORE FUND-I	SMGIX	US STOCKS	COLUMBIA THREADNEEDLE FUND SERVICES	2,250.26	38.92	87,580.04
DFA INVESTMENT GRADE PORTFOLIO FUND	DFAPX	BONDS	DIMENSIONAL FUNDS	39,858.72	10.19	406,160.39
DFA INVT DIMENSIONS GROUP IN US CORE EQ 1PT	DFEOX	US STOCKS	DIMENSIONAL FUNDS	3,067.35	50.86	156,005.62
INCOME FUND - I	JMSIX	BONDS	JP MORGAN FUNDS	32,925.71	8.60	283,161.08
J P MORGAN EXCHANGE TRADED F FLEXIBLE DEBT ET	JFLX	BONDS		5,632.98	50.56	284,803.22
PIMCO ^ MORTGAGE OPPTYS & BOND CL I2	PMZPX	BONDS		11,559.23	9.43	109,003.50
SEI INSTL MANAGED TR MLTSTRG ALT A	SMSAX	CASH	SEI ASSET MANAGEMENT PROGRAMS	8,786.72	10.14	89,097.34
WISDOMTREE TR FLOATNG RAT TREA	USFR	BONDS		14,763.74	50.35	743,354.51
				IUOE Local 487 Health & Welfare Total:		**$2,186,596.53**
				Welfare Fund Total:		**$2,186,596.53**

^ 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

Portfolio Review created on: 2/2/26

As of: 11/1/25

Mutual Fund ($)

SECURITY	NOV 2025	DEC 2025	JAN 2026	FEB 2026	MAR 2026	APR 2026	MAY 2026	JUN 2026	JUL 2026	AUG 2026	SEP 2026	OCT 2026	TOTAL
COLUMBIA CONTRARIAN CORE FUND-I		279											279
DFA INVESTMENT GRADE PORTFOLIO FUND		3,832			2,855			2,855			2,855		12,397
DFA INVT DIMENSIONS GROUP IN US CORE EQ 1PT		401			335			335			335		1,406
INCOME FUND - I	1,050	1,400	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	12,946
SEI INSTL MANAGED TR MLTSTRG ALT A		4,232											4,232
Mutual Fund Total:	**$1,050**	**$10,143**	**$1,050**	**$1,050**	**$4,240**	**$1,050**	**$1,050**	**$4,240**	**$1,050**	**$1,050**	**$4,240**	**$1,050**	**$31,260**

Closed-End Mutual Fund ($)

SECURITY	NOV 2025	DEC 2025	JAN 2026	FEB 2026	MAR 2026	APR 2026	MAY 2026	JUN 2026	JUL 2026	AUG 2026	SEP 2026	OCT 2026	TOTAL
J P MORGAN EXCHANGE TRADED F FLEXIBLE DEBT ET	704	837	1,188	894	894	894	894	894	894	894	894	894	10,774
Closed-End Mutual Fund Total:	**$704**	**$837**	**$1,188**	**$894**	**$894**	**$894**	**$894**	**$894**	**$894**	**$894**	**$894**	**$894**	**$10,774**

Common Stock ($)

SECURITY	NOV 2025	DEC 2025	JAN 2026	FEB 2026	MAR 2026	APR 2026	MAY 2026	JUN 2026	JUL 2026	AUG 2026	SEP 2026	OCT 2026	TOTAL
STATE STR SPDR S&P 500 ETF T TR UNIT						1,520			1,520			1,520	4,561
Common Stock Total:						**$1,520**			**$1,520**			**$1,520**	**$4,561**
IUOE Local 487 Health and Welfare Funds Total:	**$1,754**	**$10,980**	**$2,238**	**$1,944**	**$5,134**	**$3,464**	**$1,944**	**$5,134**	**$3,464**	**$1,944**	**$5,134**	**$3,464**	**$46,595**

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Prepared by: LWM

Portfolio Review created on: 2/2/26

As of: 11/1/25

Estimated income and cash flows are forward looking estimates based on historical data. Such estimates have inherent limitations, as they are based on historical dividend and/or interest payments that may or may not be paid in the future or may be lower or higher than the estimated amounts shown. Dividend and interest payments are subject to change any time, and may be affected by current and future economic, political and business conditions. Estimated income for certain types of securities could include a return of principal or capital gains, in which case the estimated amounts shown would be overstated. Estimated income and cash flows are provided for illustrative purposes only, and should not be relied upon for financial or tax planning purposes.

Period: 11/1/25 - 1/30/26

ACCOUNT	ACCOUNT NUMBER	BEGINNING VALUE ($)	NET CONTRIBUTIONS ($)	CHANGE IN VALUE ($)	ENDING VALUE ($)	RETURN (%)	RETURN
IUOE Local 487 Health & Welfare	XXXX1891	1,668,693	500,014	17,890	2,186,597	0.90	
	Portfolio Total:	**$1,668,693**	**$500,014**	**$17,890**	**$2,186,597**	**0.90%**	

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Prepared by: LWM

Portfolio Review created on: 2/2/26

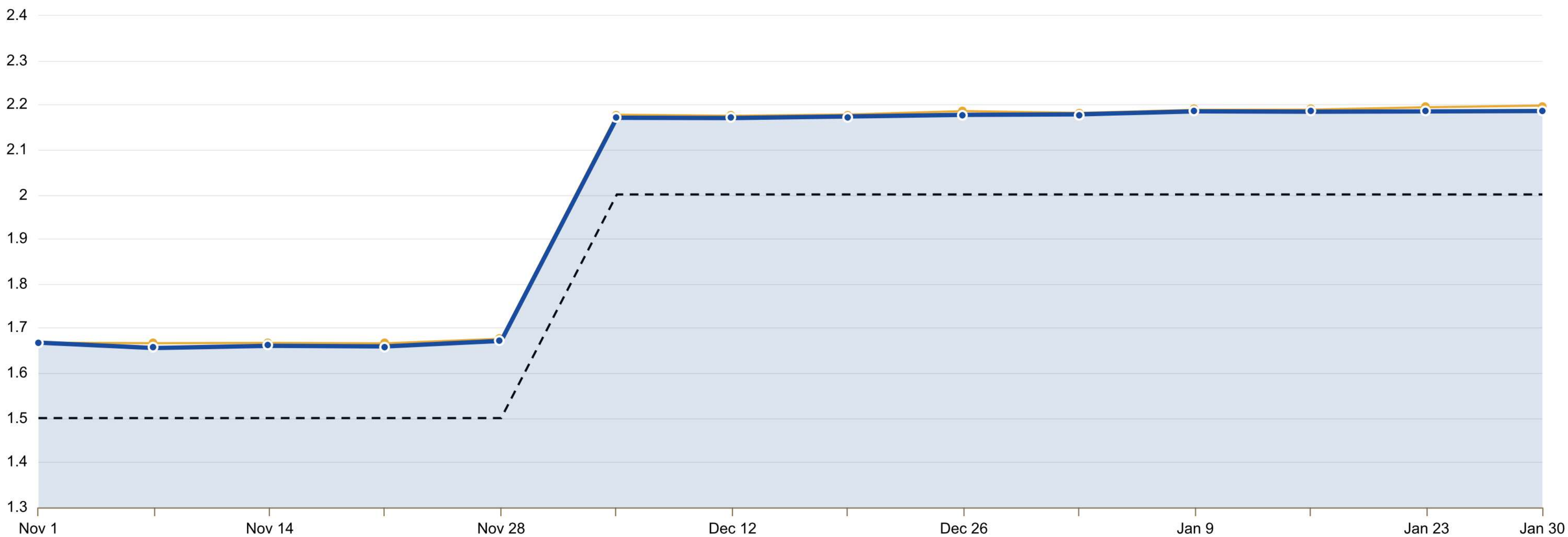
Portfolio Value and Benchmark

IUOE Local 487 Health and Welfare Funds

Prepared for: Welfare Fund

Period: 11/1/25 - 1/30/26

Portfolio Value (millions $)



Portfolio Performance

PERIOD	ENDING VALUE ($)	NET CONTRIBUTION ($)	CHANGE IN VALUE ($)	PORTFOLIO (%)	IUOE IPS Benchmark PERFORMANCE (%)	DIFF (%)
Start	1,668,693					
11/1/25 - 11/7/25	1,656,641	0	-12,052	-0.72	-0.08	-0.64
11/8/25 - 11/14/25	1,661,556	0	4,915	0.30	0.04	0.25
11/15/25 - 11/21/25	1,660,208	0	-1,348	-0.08	-0.07	-0.01
11/22/25 - 11/28/25	1,672,665	0	12,457	0.75	0.62	0.13

[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

Portfolio Review created on: 2/2/26

Period: 11/1/25 - 1/30/26

PERIOD	ENDING VALUE ($)	NET CONTRIBUTION ($)	CHANGE IN VALUE ($)	PORTFOLIO (%)	IUOE IPS Benchmark PERFORMANCE (%)	DIFF (%)
11/29/25 - 12/5/25	2,171,524	500,000	-1,140	-0.06	0.05	-0.11
12/6/25 - 12/12/25	2,170,870	0	-654	-0.03	-0.11	0.07
12/13/25 - 12/19/25	2,174,425	0	3,554	0.16	0.13	0.04
12/20/25 - 12/26/25	2,178,027	0	3,602	0.17	0.35	-0.19
12/27/25 - 1/2/26	2,179,179	14	1,139	0.05	-0.19	0.24
1/3/26 - 1/9/26	2,185,861	0	6,682	0.31	0.32	-0.01
1/10/26 - 1/16/26	2,185,074	0	-787	-0.04	0.02	-0.06
1/17/26 - 1/23/26	2,185,694	0	620	0.03	0.24	-0.21
1/24/26 - 1/30/26	2,186,597	0	903	0.04	0.18	-0.13
11/1/25 - 1/30/26	**$2,186,597**	**$500,014**	**$17,890**	**0.90%**	**1.51%**[61]	**-0.61%**

[61] IUOE IPS Benchmark is comprised of 51% Bloomberg Bond Fund 1-5 Year Government/Corporate, 34% ICE BofAML US Treasury Bills 0-3 Month (TR), 11% Dow Jones U.S. Total Stock Market Index, 4% Bloomberg Commodity Index (TR).

[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

Portfolio Review created on: 2/2/26

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 01/30/2026 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

Portfolio Review created on: 2/2/26

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:
XXXX1891

This report contains performance information calculated using Modified Dietz formula; may differ from other performance reporting systems and may differ from your LPL Quarterly Performance Reports.

The "Core Value and Benchmark" report graphs your actual core portfolio value over time, but does not include Manually Entered Assets. The starting point on the graph will always use that day's beginning balance. For fair comparison purposes, buy and sell transactions that occurred in your core portfolio during the period will be applied to any included Benchmarks. The "Net Contribution" column in the underlying legend includes all cash flows in and out of the core portfolio, including but not limited to buys, sells, dividends, interest and fees. If your core portfolio's Net Contribution contains dividend, interest and fees, it will not represent the same case flow adjustment that is applied to the benchmarks for fair comparison purposes. Additionally, interest and dividends will cause increased rate of returns in the legend without a corresponding affect on the graph.

Composite Benchmark
A composite benchmark has been used in this report. The underlying benchmarks and weightings are as follows:

Bloomberg Bond Fund 1-5 Year Government/Corporate (51%)
The Bloomberg Bond Fund Index 1-5yr Govt/Corp Index is a subset of the Bloomberg Bond Fund index and focuses its concentration on Government and Corporate issues within a 1 to 5 year time frame.

ICE BofAML US Treasury Bills 0-3 Month (TR) (34%)
The ICE BofAML U.S. Treasuries - Bills 0-3 Months Index is an unmanaged market index of U.S. Treasury securities maturing on average between 0 and 90 days that assumes reinvestment of all income.

Dow Jones U.S. Total Stock Market Index (11%)
The Dow Jones U.S. Total Stock Market Index, is an all-inclusive measure composed of all U.S. equity securities with readily available prices.

Bloomberg Commodity Index (TR) (4%)
The Bloomberg Commodity Index (TR) aims to provide broadly diversified representation of commodity markets as an asset class. The index is made up of exchange-traded futures on physical commodities. It currently represents 20 commodities, which are weighted to account for economic significance and market liquidity. Weighting restrictions on individual commodities and commodity groups promote diversification.

BANK OF AMERICA
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[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

Portfolio Review created on: 2/2/26

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Pie chart slices labeled as other may include securities classified as other by the provider of asset classification data, as well as securities that did not fit in the other slices displayed.

[61]This benchmark is a Composite Benchmark. Please see below for more details.

IUOE IPS Benchmark is comprised of 51% Bloomberg Bond Fund 1-5 Year Government/Corporate, 34% ICE BofAML US Treasury Bills 0-3 Month (TR), 11% Dow Jones U.S. Total Stock Market Index, 4% Bloomberg Commodity Index (TR).

Performance calculations are performed using the Modified Dietz Calculation method

Estimated income and cash flows are forward looking estimates based on historical data. Such estimates have inherent limitations, as they are based on historical dividend and/or interest payments that may or may not be paid in the future or may be lower or higher than the estimated amounts shown. Dividend and interest payments are subject to change any time, and may be affected by current and future economic, political and business conditions. Estimated income for certain types of securities could include a return of principal or capital gains, in which case the estimated amounts shown would be overstated. Estimated income and cash flows are provided for illustrative purposes only, and should not be relied upon for financial or tax planning purposes.

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

Portfolio Review created on: 2/2/26

Investment Policy Statement

L W M

LEGACY WEALTH

MANAGEMENT

MANAGING GENERATIONS OF WEALTH℠

International Union of Operating Engineers Local 487 Health & Welfare Plan

INVESTMENT POLICY STATEMENT
February 15, 2024

Adopted: May 9, 2024

TABLE OF CONTENTS

INTRODUCTION

This document establishes the Investment Policy Statement ("Investment Policy") for the International Union of Operating Engineers Local 487 Health and Welfare Plan (the "Plan"). The Board of Trustees of the Health and Welfare Plan ("Board of Trustees") is responsible for managing the investment process of the Plan in a prudent manner with regard to preserving principal while providing reasonable returns.

The Board of Trustees has arrived at this Investment Policy through careful study of the returns and risks associated with alternative investment strategies in relation to the current and projected liabilities of the Plan, after consulting with such outside Investment Manager (as defined below) as is deemed appropriate. This Investment Policy has been chosen as the most appropriate policy for achieving the financial objectives of the Plan which are described in the "Statement of Objectives" section of this document; however, the Board of Trustees shall be free to deviate from this Investment Policy when it concludes that it is prudent and in the interest of the Plan to do so and may amend the Investment Policy at any time.

The Board of Trustees has adopted a long-term investment horizon such that the chances and duration of investment losses are carefully weighed against the long-term potential for appreciation of assets.

In addition to the Investment Policy defined herein, the management of the Plan will be in compliance with all provisions of the Employee Retirement Income Security Act of 1974, as amended ("BRISA"), the Investment Advisers Act of 1940 and other applicable laws.

DUTIES AND RESPONSIBILITIES

The Board of Trustees is responsible for managing the investment process in a prudent manner with regard to preserving principal while providing reasonable returns. In carrying out these duties, the Board of Trustees has retained an Investment Manager, SEI Investments Management Corporation (the "Investment Manager"), to assist in managing the assets of the Plan. The Investment Manager's role is to provide guidance to the Board of Trustees on matters pertaining to the investment of Plan assets including Investment Policy, investment selection, monitoring the Plan's performance and compliance with the Investment Policy. All decisions pertaining to the Investment Policy and guidelines for the Investment Policy's implementation will be made by the Board of Trustees. The Investment Manager, in carrying out the Investment Policy defined in this document, has authority and responsibility to select appropriate investments in the specific asset classes mandated by this Investment Policy, in accordance with (and subject to) the terms of an terms of the investment management agreement dated 5/27/2010 executed between the Investment Manager and the Plan (the "Investment Management Agreement").

Duties and responsibilities are described in detail below.

Board of Trustees

The Board of Trustees will retain a qualified Investment Manager to assist in the development and implementation of the Investment Policy and guidelines.

The Board of Trustees will establish the Investment Policy of the Plan. This includes, but is not limited to, allocation between equity and fixed income assets, selection of acceptable asset classes and investment performance expectations. The Board of Trustees periodically will review the Investment Policy.

The Board of Trustees will regularly review the investment performance of the Plan including the performance of the Investment Manager to assure the Investment Policy is being followed and progress is being made toward achieving the objectives.

Investment Manager

The Investment Manager retained by the Board of Trustees will assist the Board of Trustees in establishing the Investment Policy and guidelines contained in this Investment Policy.

In accordance with the terms of the Investment Management Agreement, the Investment Manager will be responsible for managing the asset allocation, determining investment strategy and implementing security selection decisions through the investment sub-advisors for the mutual funds managed by the Investment Manager, within the investment Policy and as otherwise provided by the Board of Trustees. The Investment Manager will monitor asset allocation across and among asset classes.

The Investment Manager will monitor investment performance of the Plan. Performance reports will be provided to the Board of Trustees quarterly. The Investment Manager will report in a timely manner any substantive developments that may affect the management of Plan assets.

STATEMENT OF OBJECTIVES

ERISA Compliance

The assets of the Plan will be invested in accordance with all applicable laws in a manner consistent with fiduciary standards including ERISA (if applicable). Specifically:

1. The safeguards and diversity that a prudent investor would adhere to must be present in the investment program.
2. All transactions undertaken on behalf of the Plan must be in the best interest of plan participants and their beneficiaries.

Primary Plan Objective

The primary objective of the Plan is preservation of capital and long-term growth. The financial objectives of the Plan have been established in conjunction with a comprehensive review of the current and projected financial requirements.

Plan Financial Objectives

The primary financial objective of the Plan is preservation of capital and long-term growth. The objective is based on a long-term investment horizon, so that interim fluctuations should be viewed with appropriate perspective. It should be recognized that this is a union sensitive plan. If an opportunity for investment exists in a company that favors union practices that the , Investment Manager is aware of, then that security should be considered more advantageous to the plan, as long as the following requirements are met: I) the union sensitive security has an expected rate of return that is commensurate to rates of return of alternative investments with similar risk characteristics that are available to the plan; 2) the union sensitive security is otherwise a prudent investment for the plan in terms of diversification; liquidity, and risk/return objectives of the plan and the requirements of these investment guidelines, and 3) the investment otherwise satisfies the requirements of DOL Interpretive Bulletin 94-1 to the extent that such interpretive bulletin is valid relating to economically targeted investments.

There can be no assurance that these objectives will be met.

The desired investment objective is a long-term expected rate above the actuarial assumption rate. The target rate of return for the Plan has been based upon an analysis of historical returns supplemented with an economic and structural review for each asset class. The Board of Trustees realizes that market performance varies and that long term expected rates of return may not be meaningful during some periods. The Board of Trustees also realizes and agrees that historical performance is no guarantee of future performance.

STATEMENT OF INVESTMENT POLICY

Asset Allocation Targets

It will be the policy of the Plan to invest assets with an allocation as shown below.

Asset Class	Target Allocation	Permitted Variance
Equity	11%	+/- 7%
Fixed Income	51%	+/- 8%
Multi-Asset Class	4%	+/- 0%
Cash	34%	+/- 1%

Any equity or fixed income holding resulting in a 20% loss from cost must be documented in writing to the Trustees as to your initial reasons for purchase as well as your reasons for continued retention.

Within each asset class, assets will be invested in accordance with the Guidelines set out below. The investments selected by the Investment Manager in accordance with this Investment Policy may include a small portion of total assets in cash reserves when deemed appropriate. However, the investments will be evaluated against their appropriate benchmarks on the performance of the total funds under management.

In accordance with the terms of the Investment Management Agreement, Manager will retain discretion with respect to the SE! mutual funds utilized by Manager to implement the Strategy. Additionally, Investment Manager will retain discretion with respect to modifications required to the asset allocation identified above. In the event the Investment Manager exercises its discretion as noted in this paragraph, Investment Manager will develop and adopt a revised draft Investment Policy Statement on behalf of the Fund. Investment Manager shall notify the Board as soon as practicable after implementing any change to the asset allocation or the SE! Funds used to implement the asset allocation as soon as practicable.

Adherence to Policy Targets and Rebalancing

The asset allocation established by this Investment Policy represents a long-term perspective. As such, rapid unanticipated market shifts or changes in economic conditions may cause the asset mix to fall outside of the policy range. Generally, these divergences should be of a short-term nature.

To ensure that divergence from the target policy is within acceptable limits, rebalancing of assets may be necessary. Rebalancing procedures are authorized by the Committee for the portion of Fund assets managed by the Investment Manager in accordance with the Investment Management Agreement.

Generally, rebalancing among funds may occur on a quarterly basis for the registered investment companies (i.e., mutual funds), hedge funds, and private equity (as applicable, if required) to ensure that the target asset allocation specified in this Investment Policy is maintained within acceptable ranges as determined by the Investment Manager. The Investment Manager will identify the amount of assets that must be reallocated in order to bring the Plan back into compliance_ with this Investment Policy and will issue the necessary instructions for the transfer of funds.

Notwithstanding the foregoing, under certain circumstances, the Investment Manager may (i) make tactical investment decisions for the Fund in accordance with the terms of the target variance noted above, (ii) modify the target variance(s) applicable to the strategy, (iii) modify its standard rebalancing operating procedures, and/or (iv) suspend some or all of the rebalancing procedures affecting the strategy. Investment Manager shall only modify or suspend its rebalancing procedures as outlined in this paragraph if it has prudently determined that such suspension is in the best interest of the Plan, its participants and beneficiaries in its reasonable sole discretion. If the Investment Manager has suspended it rebalancing procedures applicable to the Plan, the Investment Manager shall seek to notify the Board of Trustees as promptly as possible of such decision.

Investment Securities and Diversification
As described in the Investment Management Agreement, the Investment Manager implements this Investment Policy through investments in mutual funds and other pooled asset portfolios. It is the responsibility of the Manager to provide a prospectus (or other offering documents) for each investment and the responsibility of the Board of Trustees to read and understand the information contained in the prospectus.

Mutual funds may use shorting strategies as outlined in the prospectus. Further, certain mutual funds may participate in securities lending as determined by the prospectus (or other offering documents). Such investments are acceptable investments provided they conform to the diversification restrictions set forth below.

Investments will be diversified within asset classes with the intent to minimize the risk of large losses to the Plan. The portfolio includes mutual funds that are managed in accordance with the diversification and industry concentration restrictions set forth in the Investment Company Act of 1940, as amended (the "1940 Act"). Pursuant to the provisions of the 1940 Act, a mutual fund may not, with respect to 75% of its assets, (i) purchase securities of any issuer (except securities issued or guaranteed by the United States Government, its agencies or instrumentalities) if, as a result, more than 5% of its total assets would be invested in the securities of such issuer; or (ii) acquire more than 10% of the outstanding voting securities of any one issuer. This restriction does not apply to the International Fixed Income Fund or the Emerging Markets Debt Fund.

In addition, no mutual fund may purchase any securities which would cause more than 25% of its total assets to be invested in the securities of one or more issuers conducting their principal business activities in the same industry, provided that this limitation does not apply to investments in securities issued or guaranteed by the United States Government, its agencies or instrumentalities.

GUIDELINES FOR PORTFOLIO HOLDINGS
Domestic Equity:
The Domestic Equity portion of the portfolio will consist primarily of equity securities of companies that are listed on registered exchanges or actively traded in the over-the-counter market. The equity portion may also be invested in securities that are not readily marketable (illiquid and restricted securities), receipts, securities issued by investment companies, warrants, repurchase agreements, convertible securities and US dollar denominated securities of foreign issuers that are traded on registered exchanges or listed on NASDAQ. A portion of the equity portfolio may also be invested in fixed income securities that are rated investment grade or better, i.e., rated in one of the four highest rating categories by a nationally recognized statistical rating organization ('1NRSRO"), or, if not rated, determined to be of comparable quality by the Investment Adviser or a mutual fund sub-adviser. The Investment Advisor will equitize cash to remain as fully invested as possible.

Non-U.S. Equity:
The non-U.S. equity portion of the portfolio will consist primarily of equity securities (common stocks, securities that are convertible into common stocks, preferred stocks, warrants and rights to subscribe to common stocks) of non-U.S. issuers purchased in foreign markets, on U.S. or foreign registered exchanges, or the over-the-counter markets. The issuers of the securities are located in countries other than the United States, including emerging market countries. Additionally, the portfolio may seek to enhance returns by

active management of currency exposure. This strategy may involve taking long and short positions using futures, foreign currency forward contracts, foreign currencies and other derivatives. The portfolio may also engage in currency transactions in an attempt to take advantage of certain inefficiencies in the currency exchange market, to increase the exposure to a foreign currency or to shift exposure to foreign currency fluctuations from one currency to another. Any remaining assets may be invested in fixed income securities of emerging market governments and companies. Certain securities issued by governments of emerging market countries are, or may be, eligible for conversion into investments in emerging market companies under debt conversion programs sponsored by such governments.

A portion of the portfolio's assets may be invested in securities that are rated below investment grade, U.S. or non-U.S. cash reserves and money market instruments, repurchase agreements, securities that are not readily marketable, obligations of supranational entities, American Depository Receipts, European Depository Receipts and investment company securities including securities issued by foreign investment companies.

Domestic Fixed Income:
The investment grade portion of the domestic fixed income portfolio will consist primarily of fixed income securities that are rated investment grade or better, i.e., rated in one of the four highest rating categories by an NRSRO at the time of purchase, or, if not rated are determined to be of comparable quality by the Investment Adviser or a mutual fund sub-adviser. The portfolio may invest in traditional fixed income securities, such as bonds and debentures, issued by domestic and foreign private and governmental issuers, including mortgage-backed and asset-backed securities. In addition, the portfolio may also contain structured securities that make interest and principal payments based upon the performance of specified assets or indices. Structured securities include mortgage-backed securities such as pass-through certificates, collateralized mortgage obligations and interest and principal only components of mortgage-backed securities. Other investments include mortgage dollar roll transactions, Yankee obligations and obligations of supranational entities.

Non-U.S. Fixed Income:
The emerging debt portion of the portfolio will consist primarily of debt securities of government, government - related and corporate issuers in emerging market countries and of entities organized to restructure outstanding debt of such issuers. Investments will be made in emerging debt securities which are primarily rated below investment grade by internationally recognized credit rating organizations, or, if not rated, determined to be of comparable quality as determined by the Investment Adviser or a mutual fund sub-adviser. While there is no limit on the percentage invested in non-US dollar denominated assets, it is expected that the majority of the emerging debt assets will be denominated in U.S. dollars or hedged back to the U.S. dollar.

Cash Equivalent Reserves
The investments selected by the Investment Adviser in accordance with this Investment Policy Statement may include a small portion of total assets in cash reserves when deemed appropriate.

Cash equivalent reserves will consist of money market securities such as high quality, short-term debt instruments. They include: (i) bankers' acceptances, certificates of deposits, notes and time deposits of highly-rated U.S. and foreign banks; (ii) U.S. Treasury obligations and obligations issued or guaranteed by the agencies and instrumentalities of the U.S. Government; (iii) high-quality commercial paper issued by U.S. and foreign corporations; (iv) debt obligations with a maturity of one year or less issued by corporations with outstanding high- quality commercial paper; (v) repurchase agreements involving any of the foregoing obligations entered into with highly-rated banks and broker-dealers; and (vi) foreign government obligations.

Volatility
Consistent with the desire for adequate diversification, the investment policy is based on the assumption that the volatility of the combined equity investment will be similar to that of the market opportunity available to institutional investors with similar return objectives. The volatility of fixed income portfolios may be greater than the market during periods when the portfolio duration exceeds that of the market.

Proxy Statements
Proxies, tender offers and the like will be voted in accordance with the terms of the Investment Management Agreement.

Execution of Security Trades
The Plan expects the purchase and sale of its securities to be made in a manner designed to receive the combination of best price and execution. The Board of Trustees recognizes that mutual fund shares are purchased and sold at the net asset value next determined after receipt of the order and that accordingly, best price and execution may not be applicable to such transactions.

CONTROL PROCEDURES

Review of Liabilities
All major liability assumptions regarding number of participants, compensation, benefit levels and actuarial assumptions will be subject to an annual review by the Board of Trustees. This review will focus on an analysis of major differences between the Plan's assumptions and actual experience.

Review of Investment Objectives
Investment performance will be reviewed annually to determine the continued feasibility of achieving the investment objectives and the appropriateness of the Investment Policy for achieving these objectives. In addition, the validity of the stated objective will be reviewed annually.

It is not expected that the Investment Policy will change frequently. In particular, short-term changes in the financial markets should not require an adjustment to the Investment Policy.

Review of Investment Manager and Investments
The Investment Manager will report on a quarterly basis to review the total Plan investment performance.

The Investment Manager will be responsible for keeping the Board of Trustees advised of any material change in its personnel, the investment strategy, or other pertinent information potentially affecting performance of all investments.

Performance reviews will focus on:

- Comparison of investment results to appropriate benchmarks, as well as market index returns in both equity and debt markets.
- Investment adherence to this Investment Policy and guidelines.
- Material changes in the investment organizations, such as in investment philosophy and personnel, etc.

Performance Expectations
The most important performance expectation is the achievement of long-term investment results that are consistent with the Plan's Investment Policy. Implementation of the policy will be directed toward achieving this return and not toward maximizing return without regard to risk.

The Board of Trustees recognizes that this real return objective may not be meaningful during some time periods. In order to ensure that investment opportunities available over a specific time period are fairly evaluated, comparative performance statistics (including benchmark indices) will be used to evaluate investment results.

ADOPTION OF INVESTMENT POLICY STATEMENT

The Board of Trustees of the International Union of Operating Engineers Local 487 Health & Welfare Plan has reviewed, approved and adopted this Investment Policy Statement, dated February 15, 2024, prepared with the assistance of Legacy Wealth Management.

DocuSigned by:
Mark Schaunaman
3E18D486C0CC452...

Trustee, Chairman 5/9/2024

Signature *Title* *Date*