INVESTMENT UPDATE: COLEMAN FOUNDATION ***Performance as of Sept. 30, 2019***

To: Michael W. Hennessy (MH), Esther Barron (EB), & R. Michael Furlong (MF)

From: Daniel B. Wanzenberg (DW), Alison Fitzgerald (AF), Julia Antonatos

Re: **Market Update with performance as of September 30, 2019**

Allocation and Performance *(please see the asset allocation spreadsheet* ***as of 09/30/2019****, which is at the end of this report)*

The US equity markets moved higher in September after an up-and-down summer to finish positive for the quarter despite a continued slowdown in the global economic data and monetary easing in the US and Europe. The Federal Reserve cut interest rates in both July and September to extend the economic expansion amidst worries of a potential slowdown and a slowing pace of growth and hiring. The economy continued to add jobs, but consumer confidence has declined from elevated levels earlier in the year. In the end, US equities returned approximately 1.7% for the 3rd quarter. The leading asset class was REITs, returning 7.2%, while Value and Growth saw similar gains, 1.7% and 1.6%, respectively.

In Global Markets, the European Central Bank continued to cut interest rates further into negative territory as they continue to commit to quantitative easing to raise inflation. The bank's policy easing was a reaction to a weak outlook and worry of an economy that continues to slow. However, despite the continued uncertainty, European equities returned 2.5% for the 3rd quarter. In the UK, Brexit, and its unknown resolution, continue to weigh heavily as Parliament passed legislation that will force the government to ask for an extension if no deal with the EU is struck. This saw the sterling shoot higher, the prime minister suspend Parliament, and then the suspension was ruled unlawful. No end appears to be in sight; however, UK equities gained 1.0% for the quarter. In China, the economy continued to slow, with retail sales slowing down, but with their growth still above that in the US, it doesn't seem likely that China will give in to the current trade war with the US. For the quarter, Emerging Markets saw a negative return, losing (-1.9%) in Q3. The top performing index globally was the Japan TOPIX, gaining 3.4%, followed by the MSCI Europe ex UK, gaining 2.5%.

October 31 Update

Equity markets performed well in October, as the S&P 500 gained 2.2%, marking new all-time highs, geopolitical tension died down slightly, and U.S. and Chinese authorities made progress towards a partial deal on trade. Despite positive news on a potential agreement, concerns still loom over investors as job growth continues to slow, averaging 160,000 jobs added per month compared to 220,000 per month in 2018. As momentum in the economy continues to slow, the Federal Reserve cut interest rates by 25 basis points for the third time this year, which should help keep the economy supported in the short term. As U.S. earnings season is in full swing, companies thus far are outperforming expectations with earnings per share and sales growing 1% and 4%, respectively, year over year, compared to the S&P 500.

Globally, the Emerging Markets class outperformed developed equities, 4.2% compared to 2.6%, as UK continues to be uncertain on "Brexit," and the pound appreciated 5% against the U.S. dollar as markets perceive that the risk of a no-deal "Brexit" is unlikely. The most surprising news in October was Prime Minister Boris Johnson agreeing to a new "Brexit" deal with the European Union after he agreed to put a customs border in the Irish Sea. In China, real GDP growth slowed down, and in Europe the trade war continues, with the most effect being felt in Germany, due to its larger dependence on international trade. The top performing global index was the Japan TOPIX, which gained 5.0% in October, followed by MSCI Asia ex Japan, which gained 4.6%.

CFI Equity: (Current 70.0% vs. Target 70.0%)

CFI US Public Equity *(*review manager commentaries and additional attachments/performance attribution – all performance is quoted ***Gross*** of fees)

(+/-) **Dana:** *Large Cap* - outperformed the Russell 3000 index (3.77% vs. 1.02%) for the third quarter. YTD: 23.90% vs. 19.59%

Small Cap **-** underperformed the Russell 2000 index (-3.11% vs. -2.50%) for the third quarter. YTD: 15.09% vs. 13.82%

(+) **In-House Equities:** As of 09/30/19, CFI owned 13 stocks in the In-House Equities account. The stocks collectively have a cost basis of $8,915,117, a market value of $20,156,021, resulting in an unrealized gain of $11,240,904 equaling a percentage gain of 134% (in aggregate.) Mastercard and Amazon are the standouts with almost 900% gains each since we have held. Apple is up 561%, Microsoft is up 430% and Google is 400%. Our newer holdings (Abbvie, JP Morgan and Disney) have done well with the exception on Disney down 2% since purchase earlier this year.

(+) **Pinnacle Associates:** Pinnacle outperformed the Russell 2500 index (0.41% vs. -1.40%) during the third quarter. YTD: 21.97% vs. 17.31%

(-) **Fuller & Thaler (F&T)**: The F&T Micro-cap portfolio underperformed the Russell Microcap index (-7.67% vs. -5.45%) for the third quarter. YTD: 9.21% vs. 7.92%

(-) **LaSalle Street**: The LaSalle Street Small Cap portfolio underperformed the Russell 2000 index (-2.60% vs. -2.50%) for the third quarter. YTD: 13.50% vs. 13.82% (this manager has been put on watch due to a corporate change)

CFI International Equity:

(=) Blackrock Passive (MSCI ACWI ex/US): The MSCI ACWI ex/US index returned -1.80% for the third quarter. YTD: 11.56%

(+) **WCM Focused International Growth:** WCM Focused Growth outperformed the MSCI ACWI ex US Growth index (-0.09% vs. -0.85%) for the third quarter. YTD: 24.68% vs. 16.21%

(+) **WCM Focused International Value:** WCM Focused Value outperformed the MSCI ACWI ex US Value index (2.26% vs. -2.80%) for the third quarter. YTD: 21.26% vs. 6.94%

CFI Private Equity:

CFI now is invested in eight funds managed by three different firms (Portfolio Advisors, Brickman and Hillcrest) in the Private Equity space.

Portfolio Advisors: CFI started investing in these Funds in 2007 and 2008. All three Funds will no longer make any major new investments and any remaining commitments will be used as a reserve for existing investments and netted against distributions from each fund as needed. All these Funds are in the process of liquidation of their Investments and returning the proceeds to Investors. CFI has received $840,000 in distributions through 9-30-19.

Brickman Real Estate LP (Brickman Fund V, Fund VI, Fund VII and Blackstone Investors) Current Estimated MV of Fund V at 9-30-19 is $700,000. Fund V will no longer make any major investments in Buildings, only improvements to currently owned Buildings. Fund V is also in the process of liquidation of their Buildings over the next several years which will affect the Overall Performance of this Fund. Estimated MV of Fund VI at 9-30-19 is $4,900,000. During 2017, CFI committed $5 million to Brickman's Fund VII, and the Fund's first capital call was in July 2019 for $1.6 million. In June 2019, CFI entered into a new Agreement and invested $1.0 million with Brickman Blackstone Investors LLC.

Hillcrest Credit and Income Fund II, LP: CFI has committed $5 million to this Fund, initial closing 7-28-16, which will target a market segment in subordinate debt and preferred equity in high quality real estate assets in top U.S. metropolitan markets. CFI is considering this to be a Fixed Income Investment. An additional capital call of $795,000 was funded on August 8, 2019. The remaining unfunded capital commitment is $260,000.

CFI Fixed Income: (Current 28% vs. Target 28%)

(=) Wasmer Schroeder (WS) Traditional: The Coleman Foundation Main account performed in-line with its primary benchmark, gross of management fees, for the second quarter. The account returned 1.53% against 1.27% for the index. YTD: 6.57% vs. 5.76%

(+) **Wasmer Schroeder CMBS/Hybrid Account:** The MITX account returned a positive 3.24% in the third quarter and 12.62% YTD. The allocation at quarter-end was 17% preferred stock, 31% corporate bonds, 51% municipal bonds with the remainder in cash.

(+) **NorthCoast Tactical Income:** performed in-line with the Barclays Agg. 3-5 yr. index (1.52% vs. 1.27%) for the third quarter. YTD: 9.61% vs. 5.76%

(=) Goldman Sachs Short Duration: CFI initiated this account in the third quarter.

(+) **Goldman Sachs Broad Street Realty Fund:** annualized distributions are providing income at approximately 9% (income Return).

(+) **Hillcrest Realty Income:** no update

Daniel B. Wanzenberg

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Alison Fitzgerald

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Dana Investment Advisors

Market Commentary:

Despite ongoing trade frictions, political turmoil, monetary policy uncertainty, and slowing global growth, large-cap U.S. stocks moved higher in Q3, while small-cap indexes moved lower. By quarter end, the S&P 500 Index had returned +20.55% year to date. Earnings reports in July included just enough good news to provide support to the market, but then in August investors turned cautious amid growing economic and policy concerns. The Fed cut interest rates twice during Q3, which helped to support prices of risk assets. September saw a strong rotation into value stocks, with the Russell 1000 Value Index outperforming the Russell 1000 Growth Index by +3.6% for the month. Yet the Russell 1000 Growth Index was still the better performing large-cap style index for the full quarter and remains +5.5% ahead of its value counterpart year to date. The quarter started with 75 S&P 500 stocks within 1% of their 52-week highs. A transition in market leadership occurred as that number fell to 59 stocks by quarter end, with only 10 stocks remaining within 1% of their highs at both sides of the quarter. While many market observers are noting September's shift toward value, we await further confirmation that growth's dominance of the market is fading.

Large Cap – Strategy Commentary

The Dana Large Cap Equity Strategy performed well during Q3 and finished with a total return of +3.76%. Year to date, the Strategy is up +23.90%. The Strategy outperformed the S&P 500 Index each month of the quarter and has beaten the index in 7 of 9 months this year. Performance has also been steady across sectors, with outperformance in 9 of the 11 GICS sectors. Part of the Strategy's relative strength for the quarter was the direct result of avoiding big losers. Over 14% of stocks in the S&P 500 Index performed worse than the Strategy's weakest holding, with 40 S&P 500 Index stocks down more than -15% during Q3. If there is indeed a secular shift toward a more value-aware market, the Strategy could be in for a sustained period of continued relative outperformance.

SECTOR CONTRIBUTORS

Health Care – double-digit Q3 returns from CVS Health Corporation (CVS) and Bristol-Myers Squibb Company (BMY) helped the Strategy generate a positive return in Health Care, one of only three sectors to yield negative Q3 returns in the S&P 500 Index

Consumer Discretionary – continued strength in housing allowed D.R. Horton, Inc. (DHI) to be the Strategy's strongest performer in Q3, with Home Depot, Inc. (HD) also contributing to strong relative performance in the Consumer Discretionary sector

SECTOR DETRACTORS

Utilities – both Utilities holdings posted positive Q3 returns but lagged the sector average in the strongest performing sector of the S&P 500 Index, resulting is a modest underperformance in the sector

Financials – negative returns from MetLife, Inc. (MET), American Express Company (AXP), and Morgan Stanley (MS) detracted from returns

SELECT ADDITIONS

Fidelity National Information Services, Inc. (FIS) – a resilient business model with long-term contracts, EPS growth in the 10%+ area, and the potential for accelerating growth should allow the stock's valuation to expand, adding to income-driven appreciation

Lam Research Corporation (LRCX) – Lam Research is a key enabler of memory solutions for the data economy, 5G and artificial intelligence, which should result in strong sales and earnings growth; the company's strong balance sheet and consistent execution allow for optionality with respect to increasing shareholder returns through buybacks, cash returns, and M&A

SELECT DELETIONS

CVS Health Corporation (CVS) – pharmacy reimbursement pressures should remain elevated and large client losses in its Pharmacy Benefits Manager may put pressure on future earnings; with competitive threats increasing, other names within healthcare appear more attractive

Lululemon Athletica, Inc. (LULU) – the company has performed phenomenally well, posting a string of double-digit same-store-sales growth quarters, as well as consistently beating and raising earnings estimates; this strong performance is more than reflected in the current multiple

Small Cap - Strategy Commentary

The Dana Small Cap Equity Strategy pulled back -3.11% in Q3, slightly lagging the benchmark. Despite a continuing growth headwind, the Strategy's +15.09 year-to-date performance remains ahead of the benchmark. The Fed cut interest rates twice during Q3, and this gave support to risk assets, although not enough to overcome weakening earnings trends in the case of small-cap stocks. Investor focus has shifted from corporate and industry fundamentals to macroeconomic trends, particularly the path of interest rates and the potential for more rate cuts by the Fed. The Dana Small Cap Equity Strategy remains invested in high-quality stocks with attractive relative valuations compared to peers.

SECTOR CONTRIBUTORS

Health Care – the sector fared poorly in the benchmark, falling -9.6% during Q3, second only to the steep decline in the Russell 2000 Energy sector (-20.9%); portfolio holdings held up better than their benchmark peers during a sour quarter; Emergent BioSolutions (EBS) survived a somewhat weak quarter that pushed revenue expectations into Q4, but rallied strongly when an anticipated HHS contract came in bigger than street expectations; Tabula Rasa Healthcare (TRHC) reported a strong quarter with EBITDA nearly 2x expected levels as organic revenue growth reaccelerated

Consumer Staples – defensives led the Russell 2000 Index for Q3, and both consumer staples holdings outperformed the sector average; Chefs' Warehouse (CHEF) delivered organic growth and margin

improvement; Performance Food Group (PFGC) announced a transformative deal with potential accretion

SECTOR DETRACTORS

Consumer Discretionary – rotation out of strong performers hurt Chegg, Inc. (CHGG) and Fox Factory Holdings (FOXF); Chegg reported a strong quarter and tuck-in acquisition; Fox had a good quarter but may not have raised guidance enough, and their CFO stepped down

Industrials – Timken Company (TKR) and Harsco Corporation (HSC) fell on weakness in machinery names; TKR end markets are seeing softness and destocking; Harsco acquisition and divestiture had messy optics for some investors, and debt repayment occurred after quarter end

SELECT ADDITIONS

Cubic Corporation (CUB) – this Aerospace & Defense stock provides air, ground, and cyber combat training systems used by the US military and its allies and is the leading supplier of fare payment and revenue management systems used in major public transportation systems; the firm is benefiting from technology upgrades

Chegg, Inc. (CHGG) – Chegg is a provider of electronically delivered education materials with a growing business in online tutoring materials; trailing revenue growth is over 20% annually allowing for scale and improving margins; company continues to grow subscription revenue base; unique opportunity in for-profit small-cap education

SELECT DELETIONS

Timken Company (TKR) – company is executing but at a slowing pace as broad softness in various industrial end-markets has led to pressure on near term revenue growth and margins; we expect continued downward pressure on revisions until industrial weakness improves

Merit Medical Systems (MMSI) – management shocked investors with a disappointing quarter that upended confidence in firm's ability to improve margins; management might have been forgiven if sales exceeded guidance; but this was not the case; SG&A expense growth also reflected poorly on management execution

Pinnacle Associates

Strengths

1. Information Technology
2. Health Care
3. Real Estate
4. Industrials

Weaknesses

1. Consumer Discretionary
2. Energy

The Russell 2500 Growth Index returned -3.18%* in the third quarter while the Small/Mid Cap portfolio outperformed with an equity return of +0.43%.

Equity markets experienced yet more volatility in the third quarter, as growing concerns of a global economic slowdown tied to a prolonged trade war led to a second interest rate cut by the Federal Reserve. Markets sold off in August on these concerns before rebounding in September when China and the U.S. took a more conciliatory tone on trade and agreed to renew talks. More notably, a sharp reversal in market leadership emerged in early September, where premium valued, momentum growth stocks (software, FANG etc.) and low volatility defensive stocks (Utilities, Staples) meaningfully underperformed while cheaper, cyclical, higher volatility stocks far outperformed. Adding to the weakness in momentum growth was a deterioration in the IPO market, where long anticipated, so-called 'Unicorn' IPOs such as Uber, Lyft, SmileDirect and others performed terribly in their market debuts. One of the most anticipated IPOs, WeWork, was abandoned as concerns regarding a flawed business model and the founder's questionable business practices proved too much to overcome. The failed IPOs shared common traits: they had perceived high secular growth, are significantly unprofitable with no profits expected for years to come, while priced at extremely high valuations. Given our investment approach is valuation sensitive and avoids stocks with extraordinary price momentum at purchase, this abrupt change in sector performance benefitted the portfolio. We believe September marked the beginning of a long-term shift back toward reasonably priced, profitable companies with solid fundamentals.

The portfolio outperformed the benchmark for the quarter primarily due to strength in the Technology, Healthcare, Real Estate and Industrials sectors. Portfolio Technology holdings were up 6.1% as compared to a decline of 2.5% for the index. The portfolio's largest position, Lam Research, advanced 23%. This leading semiconductor capital equipment company reported solid second quarter earnings and benefitted from growing sentiment the memory chip market is bottoming. Ambarella Inc. jumped 42% after beating Q2 revenue expectations and providing a better than expected outlook. Ambarella is a leading provider of computer vision chips, which are an integral component in security cameras, and

more significantly, are now being designed into autonomous driving vehicles. Top ten holding Qorvo, a major supplier of radio frequency components to handset manufacturers, rose 11% after beating Q2 earnings expectations and providing a better than expected outlook driven by demand in Asia. Lastly Formfactor Inc., a test & measurement specialist within the semiconductor capital equipment industry, rose 19%. Healthcare outperformance was driven by pipeline advancement at Seattle Genetics and Medicines Company, and a corporate takeover of Alder Pharmaceuticals. Seattle Genetics, an oncology focused biotech firm, advanced 23% after announcing very positive trial results for its candidate for bladder cancer. Medicines Co. jumped 37% after the last of its phase 3 trial results for a revolutionary cholesterol treatment confirmed strong efficacy with no safety issues similar or better than earlier results. Alder, owner of a promising migraine drug, received an all cash takeover offer from H. Lundbeck, resulting in a 57% gain in the quarter. In Real Estate, sole holding CyrusOne, a datacenter operator, surged 38% on reports it had received takeover interest from multiple parties. In Industrials, water technology company Evoqua led with a 20% return after reporting a strong quarter and providing positive commentary regarding demand from its industrial customers for water outsourcing services offered by Evoqua. Also contributing were railroad operator Kansas City Southern, trucking firm Werner Enterprises, and Cubic Corp., a systems and software provider powering many of the advances taking place in 'smart' cities.

Partially offsetting the positive relative performance noted above was poor results from the Consumer Discretionary and Energy Sectors. In Consumer, top 10 holding Royal Caribbean fell 10%, in sympathy with peer Carnival Corp. which reported a weaker than expected quarter. We feel the selloff is unjustified, as most of the causes of Carnival's poor quarter were company specific. Cars.com, known to be exploring a sale of the company, dropped 57% after announcing a deal could not be reached. Regional casino operator Boyd Gaming fell 11% mainly due to concerns of an economic slowdown while the company has a leveraged balance sheet. We believe the balance sheet is manageable given strong free cash flow and strong fundamentals in Las Vegas, their largest market. We added to our Boyd position in the quarter after the stock decline. Lastly SeaWorld fell 15% after the CEO unexpectedly resigned. The company had reported better than expected results earlier in the quarter, and we do not expect the CEO departure reflects any change in fundamentals. It appears the CEO left due to disagreements with the board which is represented by long time shareholder Hill Path Capital. Hill Path increased its stake to over 30% earlier this year. In Energy, underperformance was driven by QEP Resources, which fell sharply after a report that a potential acquiror revised its offer lower.

Trading during the quarter was fairly active given the market volatility. New positions were taken in Aerie Pharmaceuticals, which has two approved drugs for glaucoma; and Cara Therapeutics, owner of a promising treatment for pruritis. We added to Boyd Gaming, Cubic Corp., Esperion Therapeutics, Intercept Pharmaceuticals, Portola Pharmaceuticals, Tutor Perini, and Vishay Intertechnology. On the sales side, we reduced Lam Research after it rose above our maximum single stock weighting of 5%. We also took profits in Seattle Genetics and Medicines Co. on share price strength. Two takeover transactions closed during the quarter including Array Biopharma (bought by Pfizer) and Finisar Corp. (bought by IIVI – also held in portfolio). Lastly, we reduced Sotheby's with the stock trading slightly above the current $57 per share takeover offer by the owner of LVMH.

Fuller & Thaler

The third quarter saw negative returns across the overall equity market. In the small-cap index, value outperformed growth while in the microcap area, value outperformed growth. The spread in the microcap growth (liquid) and value indexes (illiquid) was 807 basis points in the quarter -10.05 vs. -1.98. This is a great example of the liquidity differences in the microcap universe during more volatile market environments. This is also reflected in our liquidity chart below for the index returns.

The Micro-Cap strategy had a negative third quarter, returning -7.67% gross of fees underperforming versus the Russell Microcap Index return of -5.45% and underperforming the Russell 2000 return of -2.40%.

The Micro-Cap Strategy in the third quarter saw underperformance in July and September and outperformance in August. Underperformance in the quarter came from stock selection in the consumer discretionary, materials, and industrial sectors and an under allocation to the health care sector.

Stocks in both the value and growth portion of the portfolio were major contributors to the underperformance. Names that helped performance included Cardlytics (CDLX), Rubicon Project (RUBI) and e.l.f. Beauty (ELF). Names that hurt performance included Everi Holdings (EVRI), PDL BioPharm (PDLI), Verso (VRS), Waitr Holdings (WTRH) Telenav (TNAV) and Lovesac (LOVE). Portfolio positioning has not changed in the quarter with a continued underweight in financials, health care, and industrials and a continued overweight in consumer discretionary and consumer staples.

There have been several opportunities in the micro-cap area recently, with 10 new stocks added to the portfolio in the last quarter; three growth stocks (both earnings surprise stocks) and seven value stocks (two share buybacks, five insider buys). We expect the Micro-Cap Strategy to continue to provide superior performance over the long run because of its ability to identify and take advantage of mis-priced stocks across a spectrum of industries and sectors due to behavioral bias.

Wasmer Schroeder

Main Account

- The Coleman Foundation account outperformed its primary benchmark, gross of management fees, for the 3rd quarter. The account returned 1.47% against 1.37% for the index. For the year, the account has returned 6.93% vs. 6.41% for the benchmark.
- Corporate credit was the best performing fixed income sector for the third quarter in a row and the overweight by the strategy contributed to performance. However, the underweight to BBB-rated corporate credits hurt performance against the index. The taxable municipal allocation in the portfolio also contributed to performance.
- Duration management of the portfolio was neutral to the benchmark from both an overall standpoint and yield curve placement.

- Sector allocation at quarter end was 52% corporate bonds, 42% taxable municipal bonds, 3% Canadian provinces and a small allocation to securitized bonds with the remainder in cash.

Secondary Account

- The MITX account returned 3.24% in the 3rd quarter of 2019. The account has returned 12.62% year-to-date.
- The allocation at quarter-end was 17% preferred stock, 31% corporate bonds, 51% municipal bonds with the remainder in cash.