



# Intermediate Target Strategy

Designed For Cash Balance Plans

Strategy Factsheet | Data as of 03/31/2023

## FIRM OVERVIEW

- Vestwell Advisors, LLC is a Registered Investment Advisor with the Securities & Exchange Commission. It is a subsidiary of Vestwell Holdings, Inc.
- Vestwell Holdings, Inc. provides various fiduciary and non-fiduciary services on its proprietary platform to support tax-qualified retirement plans.
- Vestwell Advisors acts as an investment manager.

### Portfolio Statistics

SEC Yield <sup>A</sup>	3.79%
12 Month Yield <sup>A</sup>	2.69%
Avg Eff Duration (Years)	5.95
Avg Wtd Coupon	3.56%

### Top 5 ETFs\*

iShares Core Total USD Bond Market ETF	30%
Schwab US Aggregate Bond ETF™	20%
iShares Core S&P Total US Stock Mkt ETF	20%
VanEck Fallen Angel HiYld Bd ETF	15%
Schwab International Equity ETF™	10%

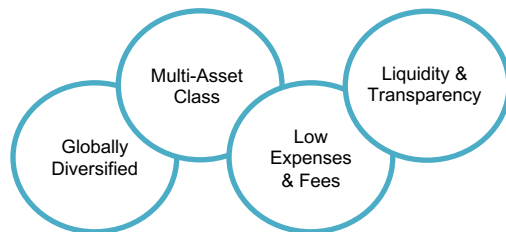
### Portfolio Characteristics

Risk Profile	Moderate
Turnover	Low
Wtd. Internal Expense Ratio**	0.10%
# of Holdings	6

## STRATEGY DESCRIPTION

- This strategy may be appropriate for a cash balance plan with a short-term investment horizon, seeking to achieve a target interest crediting rate with a moderate tolerance for risk.
- The strategy, designed for Cash Balance Plans, seeks to earn, on an annual basis, a specified interest crediting rate, while limiting volatility and downside risk.
- The portfolio is comprised of low-cost ETFs with a target weighting of each security designed to achieve the goals of the portfolio.

## KEY ATTRIBUTES



## ASSET SEGMENT WEIGHTING



65% Fixed Income 35% Equity

\*Specific holding percentages may differ by client based on individual constraints to the holdings as they deem appropriate. Communications are provided to participants and sponsors in the event any material changes are made to the portfolio, asset allocations and other factors. Complete holdings available on request. Lockwood Advisors, Inc. and Vestwell review the portfolio at least annually and make changes to the holdings as they deem appropriate. The holdings shown may not represent all of the securities purchased or sold over the past year, and there is no guarantee that the same or similar securities will be purchased or held in accounts in the future. It should not be assumed that investment in the securities shown was or will be profitable.

<sup>A</sup>Since the yield of each fund may be different, the SEC yield and the 12-month yield uses a formula to blend yields of each underlying fund/ETF in the model based on the respective ETF/fund's weight in the model. The result shown above is the SEC yield and the 12-month yield for all the overall model.

<sup>\*\*</sup>Since the expense ratio of each fund may be different, the weighted internal expense ratio uses a formula to blend expense ratios of each underlying fund/ETF in the model based on the respective ETF/fund's weight in the model. The result shown above is the expense ratio for all the overall model.



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## FUND/ETF RETURNS, INCEPTION DATE AND EXPENSE RATIOS AS OF MARCH 31, 2023

The table below shows the open-end mutual funds/ETFs held in the model on the last day of the first quarter (Q1) 2023.

Fund/ETF Name	Ticker	Q1 2023	Year-to-Date	1-Year Trailing	3-Year Trailing	5-Year Trailing	10-Year Trailing	Since Inception
VanEck Fallen Angel HiYld Bd ETF (NAV)	ANGL	3.51%	3.51%	-4.47%	7.66%	4.02%	5.72%	6.57%
VanEck Fallen Angel HiYld Bd ETF (Price)	ANGL	4.55%	4.55%	-3.37%	8.28%	4.26%	5.75%	6.61%
iShares Core S&P Total US Stock Mkt ETF (NAV)	ITOT	7.25%	7.25%	-8.76%	18.33%	10.31%	11.71%	8.88%
iShares Core S&P Total US Stock Mkt ETF (Price)	ITOT	7.21%	7.21%	-8.79%	18.33%	10.30%	11.72%	8.87%
iShares Core Total USD Bond Market ETF (NAV)	IUSB	3.08%	3.08%	-4.63%	-2.01%	1.03%	NA	1.59%
iShares Core Total USD Bond Market ETF (Price)	IUSB	3.27%	3.27%	-4.51%	-1.98%	1.02%	NA	1.57%
iShares MSCIUSA Quality Factor ETF (NAV)	QUAL	9.14%	9.14%	-6.16%	16.96%	10.20%	NA	11.65%
iShares MSCIUSA Quality Factor ETF (Price)	QUAL	9.20%	9.20%	-6.40%	16.95%	10.20%	NA	11.62%
Schwab International Equity ETF™ (NAV)	SCHF	7.72%	7.72%	-3.40%	13.43%	3.67%	5.02%	5.34%
Schwab International Equity ETF™ (Price)	SCHF	8.04%	8.04%	-2.55%	13.49%	3.52%	4.98%	5.26%
Schwab US Aggregate Bond ETF™ (NAV)	SCHZ	3.12%	3.12%	-4.81%	-2.87%	0.85%	1.30%	1.74%
Schwab US Aggregate Bond ETF™ (Price)	SCHZ	3.28%	3.28%	-4.77%	-2.46%	0.87%	1.29%	1.75%

Fund/ETF Name	Ticker	Inception Date	Gross Expense Ratio	Net Expense Ratio
VanEck Fallen Angel HiYld Bd ETF (NAV)	ANGL	4/10/2012	0.35%	0.35%
VanEck Fallen Angel HiYld Bd ETF (Price)	ANGL	4/10/2012	0.35%	0.35%
iShares Core S&P Total US Stock Mkt ETF (NAV)	ITOT	1/20/2004	0.03%	0.03%
iShares Core S&P Total US Stock Mkt ETF (Price)	ITOT	1/20/2004	0.03%	0.03%
iShares Core Total USD Bond Market ETF (NAV)	IUSB	6/10/2014	0.07%	0.06%
iShares Core Total USD Bond Market ETF (Price)	IUSB	6/10/2014	0.07%	0.06%
iShares MSCIUSA Quality Factor ETF (NAV)	QUAL	7/16/2013	0.15%	0.15%
iShares MSCIUSA Quality Factor ETF (Price)	QUAL	7/16/2013	0.15%	0.15%
Schwab International Equity ETF™ (NAV)	SCHF	11/3/2009	0.06%	0.06%
Schwab International Equity ETF™ (Price)	SCHF	11/3/2009	0.06%	0.06%
Schwab US Aggregate Bond ETF™ (NAV)	SCHZ	7/14/2011	0.03%	0.03%
Schwab US Aggregate Bond ETF™ (Price)	SCHZ	7/14/2011	0.03%	0.03%

The performance data quoted represents past performance and does not guarantee future results. Current performance may be lower or higher and materially different from the performance data quoted. The investment return and principal value of an investment will fluctuate, so that an investor's assets, when sold, may be worth significantly more or less than their original cost.

The performance information shown above does not reflect advisory fees or fees for other services payable to Vestwell or other plan expenses that are charged against participant accounts, which will reduce an investment's return. Those expenses are all displayed on quarterly benefit statements and fee disclosures provided to participants. Mutual funds /ETFs included in the Vestwell model charge additional fees and expenses against participant accounts.

Investors should carefully consider the investment objectives, risks, charges, fees and expenses of investment option available in the Plan. Vestwell and its subsidiaries do not provide legal, tax, investment or other investment advice. Plan participants are encouraged to seek advice from their qualified professional before making any investment decisions. Important information about the investment options available in your Plan can be found in the fund/ETF prospectus and, if available, the summary prospectus, by calling the fund/issuer or visiting the respective fund company's/issuer's website or by visiting the SEC's EDGAR website at <https://www.sec.gov/edgar/search/#>. Please read the prospectus and, if available, the summary prospectus carefully.

All investments are subject to risk, including the loss of principal. For additional information regarding the indices shown, please refer to the Important Information About This Fact Sheet.

### Important Information About This Fact Sheet

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On May 1, 2022, Vestwell appointed Lockwood, an SEC registered investment advisor, as an investment sub-adviser to Vestwell. As sub-adviser, Lockwood provides Vestwell with several investment models to implement Vestwell strategies and makes recommendations on investment vehicles to populate multiple Vestwell Fund lineups. Lockwood is also responsible for investment vehicle recommendations, due diligence and ongoing monitoring of the models and investment fund line ups, which are provided to Vestwell on a non-discretionary basis. Lockwood is an affiliate of Pershing, LLC and an investment adviser registered in the United States under the Investment Advisers Act of 1940. Pershing LLC, member FINRA, NYSE, SIPC, is a subsidiary of The Bank of New York Mellon Corporation (BNY Mellon).

**All investments involve risk, including the loss of principal.** All charts, data and other information provided in this fact sheet, our website, or through use of our tools are for illustrative purposes only. Vestwell Holdings, Inc. and its subsidiaries and affiliates do not provide legal, final, investment, or tax advice to any individual. We encourage you to consult with a qualified professional before making any decisions regarding your retirement plan or any other investments.

It is important to remember that there are risks inherent in any investment and that there is no assurance that any money manager, fund, asset class, index, style or strategy will provide positive performance over time. Diversification and strategic asset allocation do not guarantee a profit or protect against a loss in declining markets. **All investments are subject to risk, including the loss of principal. Past performance is not a guarantee of future results.** Current performance may be lower or higher than the performance data quoted. The investment return and principal value of an investment will fluctuate, so that an investor's assets, when sold, may be worth more or less than their original cost.

Investments in fixed income securities are subject to several general risks, including interest rate risk, credit risk, the risk of issuer default, liquidity risk and market risk. These risks can affect a security's price and yield to varying degrees, depending upon the nature of the instrument, and may occur from fluctuations in interest rates, a change to an issuer's individual situation or industry, or events in the financial markets. In general, a bond's yield is inversely rated to its price. Bonds can lose their value as interest rates rise and an investor can lose principal. If sold prior to maturity, fixed income securities are subject to gains/losses based on the level of interest rates, market conditions and the credit quality of the issuer.

Short-term fixed income securities are susceptible to fluctuations in interest rates. If interest rates rise, bond prices will decline, despite the lack of change in both coupon and maturity. Price volatility typically increases with the length of the maturity and decreases as the size of the coupon decreases. Investments in intermediate- and long-term fixed income securities involve interest rate risk and inflation risk, which could reduce the value or real return of an investment should interest rates rise.

Investments in corporate fixed income securities are subject to a number of risks, including the possibility of issuer default, credit risk, market risk and call risk.

Funds that invest in high-yield, non-investment-grade bonds involve higher risk than those that invest in investment-grade bonds. Adverse conditions may affect the issuer's ability to pay interest and principal on these securities and, as a result, they may have a higher probability of default.

Portfolios that invest in small/mid capitalization companies involve greater risk and price volatility than an investment in securities of larger capitalization, more established companies. Such securities may have limited marketability and the firms may have limited product lines, markets and financial resources than larger, more established companies.

Foreign investments are subject to risks not ordinarily associated with domestic investments, such as currency, economic and political risks, and may follow different accounting standards than domestic investments. Investments in emerging or developing markets involve exposure to economic structures that are generally less diverse and mature, and to political systems that can be expected to have less stability than those of more developed countries. These securities may be less liquid and more volatile than investments in U.S. and longer-established non-U.S. markets.

For more information about Vestwell, as well as its products, fees and services, please refer to Vestwell Advisors' Form ADV Part 2 Brochure, which is available on our website or may be obtained by writing to: Vestwell, 1410 Broadway, 23rd Fl. New York, NY 10018, or by calling (917) 979-5358.

LKA-VEST-043-23

**Important Information About This Fact Sheet****Glossary of Terms**

**12-Month Yield**—12-month yield of the model is the 12-month yield of each underlying fund/ETF in the model weighted by the respective fund's/ETF's allocation in the model. Each fund/ETF's 12-month yield reflects the amount paid out in distributions (pre-tax) by the fund/ETF in the last 12 months. Distributions include capital gains, dividend and interest payments but does not include any return of capital payments.

**SEC Yield (30 Day)**—SEC yield (30 day) is a standard calculation of yield introduced by the SEC in order to provide fairer comparison among funds/ETF. This yield reflects the interest earned after deducting the fund's/ETF's expenses during the most recent 30-day period by the average investor in the fund. Negative 30 day SEC yield results when accrued expenses of the past 30 days exceed the income collected during the past 30 days.

**Average Effective Duration**—Average effective duration is a measure of a bond fund's/ETF's interest-rate sensitivity--the longer a fund's/ETF's duration, the more sensitive the fund/ETF typically is to shifts in interest rates. A bond fund/ETF with a duration of 10 years typically is twice as volatile as a fund with a five-year duration.

**Weighted Average Coupon**—Coupon or coupon payment is the annual interest rate paid on a bond, expressed as a percentage of the face value and paid from issue date until maturity. The weighted average coupon rate of a fund/ETF reflects the coupon rate of underlying bonds weighted by each bond's coupon by its relative size in the fund/ETF. The Vestwell model weighted average coupon reflects the average coupon rate of each bond fund/ETF, weighted by the allocation of each bond fund/ETF in the Vestwell model.

**Portfolio Turnover**—Portfolio turnover measures the rate of trading activity in the model, as defined by the lesser of purchases or sales for the year divided by the average assets. A low turnover (less than 30%) may indicate a buy-and-hold strategy. High turnover (more than 100%) may indicate a strategy involving considerable buying and selling of securities.

**Gross Expense Ratio**—Gross expense ratio reflects the annual percentage of a fund's/ETF's assets paid out in expenses. Expenses include management, 12B-1, transfer agent and other asset-based fees associated with the fund's daily operations and distribution, with the exception of brokerage commissions. It does not reflect fees and/or expenses that have been waived or reimbursed by the fund's/ETF's adviser or other expense offset arrangements.

**Net Expense Ratio**—Net expense ratio reflects actual expenses paid by the fund/ETF well as any contractual fee waivers, voluntary (non-contractual) fee waivers, reductions from brokerage service arrangements and any other expense offset arrangements. Contractual fee waivers are those in which the fund's adviser has contractually agreed to waive and/or reimburse certain fees and/or expenses to limit the fund's total annual operating expenses to a specified percentage of the fund's average daily net assets. Voluntary fee waivers are those in which the fund's/ETF's adviser has voluntarily agreed to waive and/or reimburse such fees and/or expenses.