



AAFMAA[®]

COMPASSION • TRUST • PROTECTION

AAFMAA Wealth Management & Trust LLC

BUILD A STRONG PORTFOLIO TO REACH YOUR INVESTMENT GOALS

You know the value of keeping your investments in order and making your money work for you, but diving into the portfolio management process is only the first step. Curious about how you can stay on the path to success and growth? Join us for this complimentary webinar to learn how to work with AAFMAA Wealth Management & Trust's experienced Relationship Managers to build a strong portfolio and adapt it to changing market environments.



AAFMAA Wealth Management & Trust

OUR MISSION: to be the premier provider of financial planning, investment management, and trust services to the American Armed Forces community.





AAFMAA Wealth Management & Trust

Focusing exclusively on the needs of the military family, we work to provide innovative, personalized, and lifestyle appropriate financial services.

Bound by a fiduciary standard - any advice or service we offer must always be in the best interest of the client.



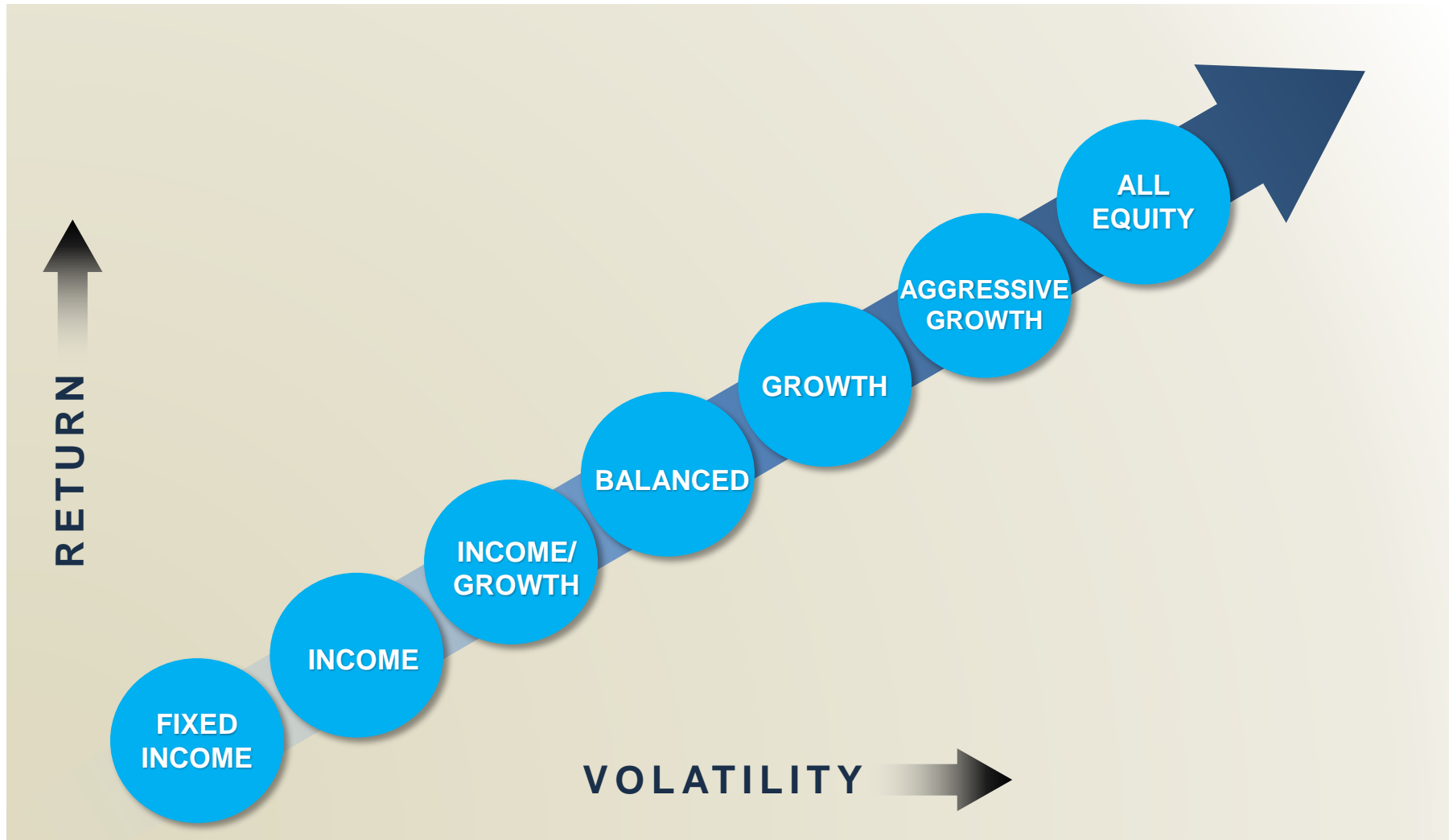


AWM&T Investment Philosophy

We center our investment philosophy on doing the right thing for you. We base decisions on a patient, long-term perspective. The single most important determinant of investment success lies in properly matching your asset allocation to your tolerance for short-term market volatility. While we believe firmly in the power of a long-term, focused, and properly allocated portfolio, we're also keenly aware of the need to mitigate risk whenever possible. Our investment process relies on the application of diversification strategies within your portfolio. By dividing a portfolio among carefully selected asset classes, you can maximize potential return at the level of risk you're willing to accept.



Return vs. Volatility





How does AWM&T Define Investment Management?

Investment Management is an on-going process of understanding your financial goals, determining your optimum portfolio, then monitoring and adjusting as necessary over time.





Understanding Your Goals

Once you DEFINE your goals, how should you MANAGE your assets to best achieve them?

- We need to know your goals and your risk tolerance.
- What is your time horizon?
- How sensitive are you to taxes?
- What personal investment preferences or restrictions would you like us to consider?
- What are your liquidity needs?



Portfolio Construction Partnership

- What goes into construction of your portfolio?
- Your role in construction
- Our role in construction
- Additions and changes to your portfolio





The Risk Tolerance Questionnaire

The Risk Tolerance Questionnaire is the cornerstone of the AWM&T Portfolio Construction Process.



**AWM&T WANTS
YOUR INPUT**

The more information you provide us, the better job we can do for you!



RISK TOLERANCE QUESTIONNAIRE

AAFMAA Wealth Management & Trust LLC

1. If you own a home, do you have more than 30% equity?
☐ Yes
☐ No
2. Which of the following best describes your current employment situation?
☐ Full—Time
☐ Part—Time
☐ Retired
☐ Unemployed
3. From an original investment of \$15,000, your portfolio now worth \$25,000 suddenly declines \$3,750 or 15%; which best describes your response?
☐ I would look for a way to invest more
☐ I would take no action
☐ I would be somewhat concerned
☐ I would avoid any investment that could suddenly lose 15% of its value (Choose last answer for next question)





TELL US MORE PLEASE!

Additional Investment Notes

Submit



The free text box lets you gives more specific information
the 12 questions may not have covered.



Sample Portfolio Current Holdings

Income Summary

| <i>Description</i> | <i>This Period</i> | <i>Year to Date</i> |
|--------------------------|--------------------|---------------------|
| Federally Taxable | | |
| Money Funds Dividends | 0.73 | 1.77 |
| Cash Dividends | 569.16 | 3,893.99 |
| Total Income | 569.89 | 3,895.76 |

Investment Detail

| <i>Description</i> | <i>Symbol</i> | <i>Quantity</i> | <i>Price</i> | <i>Market Value</i> |
|--|---------------|-----------------|--------------|---------------------|
| Cash, Money Market Fund (Sweep) | | | | |
| CASH | | | | (8,416.00) |
| Investments | | | | |
| DOUBLELINE TOTAL RETURN BD FD CL I | DBLTX | 15,702.1720 | 10.7300 | 168,484.31 |
| FPA NEW INCOME | FPNIX | 9,414.8490 | 10.0200 | 94,336.79 |
| SCOUT UNCONSTRAINED BOND FD CL I | SUBFX | 3,423.2030 | 11.8100 | 40,428.03 |
| ISHARE EDGE MSCI USA SZ FCTR ETF | SIZE | 189.0000 | 77.1100 | 14,573.79 |
| AQR MGD FUTURES STRAT HV FD CL I | QMHIX | 4,794.5830 | 8.8300 | 42,336.17 |
| AQR STYLE PREMIA ALT FD CL I | QSPIX | 6,526.6270 | 10.0300 | 65,462.07 |
| ARTISAN DEV WORLD FD ADV | APDYX | 8,243.7810 | 11.7200 | 96,617.11 |
| ARTISAN INTL VALUE FUND ADV | APDKX | 869.1150 | 37.1200 | 32,261.55 |
| ASG MGD FUTURES STRATEGY FD CL Y | ASFYX | 4,908.5240 | 9.8200 | 48,201.71 |
| BRIDGEWAY ULTRA SMALL COMPANY MARKET FUND | BRSIX | 4,566.1810 | 14.3800 | 65,661.68 |
| CAUSEWAY EMRG MKTS FD INSTL SHR CL | CEMIX | 7,890.3830 | 12.1600 | 95,947.06 |
| LITMAN GREGORY MASTERS ALT STRAT INST | MASFX | 9,947.5280 | 11.6400 | 115,789.23 |
| LOCORR MKT TREND FD CL I | LOTIX | 4,842.1050 | 10.7700 | 52,149.47 |
| OAKMARK GLOBAL SELECT FUND INV | OAKWX | 4,713.7120 | 18.7500 | 88,382.10 |
| WELLS FARGO ABSOLUTE RETURN INSTL | WABIX | 8,114.9360 | 11.0500 | 89,670.04 |
| Total Account Value | | | | 1,101,885.11 |

Values are for illustrative purposes only and do not reflect current holdings

**RISK TOLERANCE
QUESTIONNAIRE**



**YOUR DEFINED GOALS
&
ADDITIONAL INFORMATION**



**CURRENT
PORTFOLIOS**



PORTFOLIO REVIEW





Completed Portfolio Review

Lewis B. Puller

INVESTMENT MANAGEMENT PROPOSAL
May 11, 2018

PREPARED BY:

AAFMAA WEALTH MANAGEMENT & TRUST

Matthew J. Hicks
Ridgefield, CT
(910) 307-3500



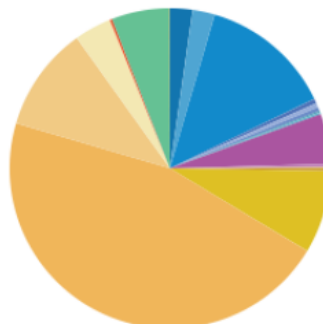
Sample of Current Holdings

Current Portfolio

Prepared for Lewis B. Puller

This report provides an asset allocation breakdown of the account(s) in your current portfolio, showing the overall distribution of your investments.

All Assets
(Blended Rate 5.59%)



| | | | |
|--------------------------------|--------|-----------------------------|--------|
| Large-Cap Growth | 2.28% | Large-Cap Value | 2.24% |
| Large-Cap Blend | 13.35% | Mid-Cap Growth | 0.48% |
| Mid-Cap Value | 0.41% | Mid-Cap Blend | 0.42% |
| Small-Cap Growth | 0.12% | Small-Cap Value | 0.11% |
| Small-Cap Blend | 0.11% | Balanced | -- |
| International | 5.08% | Emerging Markets | 0.28% |
| Short Term Municipal | 0.04% | Intermediate Term Municipal | 0.05% |
| Long Term Municipal | 0.30% | High Yield Bonds | 8.38% |
| Investment Grade Bonds | 45.92% | Short Term Bonds | 10.58% |
| Inflation Protected Securities | 3.74% | Investment Real Estate | 0.25% |
| Hedge Funds | -- | Commodities | -- |
| Cash & Money Market Funds | 5.88% | Unclassified | -- |
| SMID - Core | -- | International Bonds | -- |
| U.S. Savings Bonds | -- | Long Term Corporate Bonds | -- |
| Long Term Govt Bonds | -- | Intl Small Cap | -- |
| Insurance Cash Value | -- | | |

The Blended Rate is the weighted average of the market index rates of returns that underlie each asset class of a given model portfolio.



Risk Tolerance Questionnaire

Risk Questionnaire

Prepared for Lewis B. Puller

Risk Tolerance can be defined as the extent to which an individual chooses to risk experiencing a less-favorable outcome in the pursuit of a more-favorable outcome. An investor's risk tolerance is often assessed by answering a series of questions in a questionnaire. The main objective of this type of questionnaire is to determine an investor's time horizon and to quantify the investor's risk tolerance to volatility in their expected returns.

| Question | Your Answer |
|---|-------------------------------|
| 1. If you own a home, do you have more than 30% equity? | Yes |
| 2. Do you plan to work during retirement? | Not at all |
| 3. From an original investment of \$15,000, your portfolio now worth \$25,000 suddenly declines \$3,750 or 15%, which best describes your response? | I would be somewhat concerned |
| 4. Your portfolio, from previous question, now worth \$21,250 suddenly declines another \$2,125 or 10%, which best describes your response? | I would be somewhat concerned |
| 5. Have you invested in Equities? | No |
| 6. Have you invested in Fixed Incomes? | No |
| 7. Have you invested in Mutual Funds? | Yes |
| 8. Have you invested in Options, Futures or Derivatives? | No |
| 9. How would you describe your level of investment knowledge? | Good |
| 10. How much investment experience do you have? | Extensive (more than 5 years) |
| 11. Do you currently need to withdraw from your investments to provide income? | No |
| 12. How soon do you expect to need to withdraw from these assets to provide retirement income? | 2 to 5 years |



Risk Tolerance Questionnaire matched with an AWM&T Target Portfolio

Target Portfolio

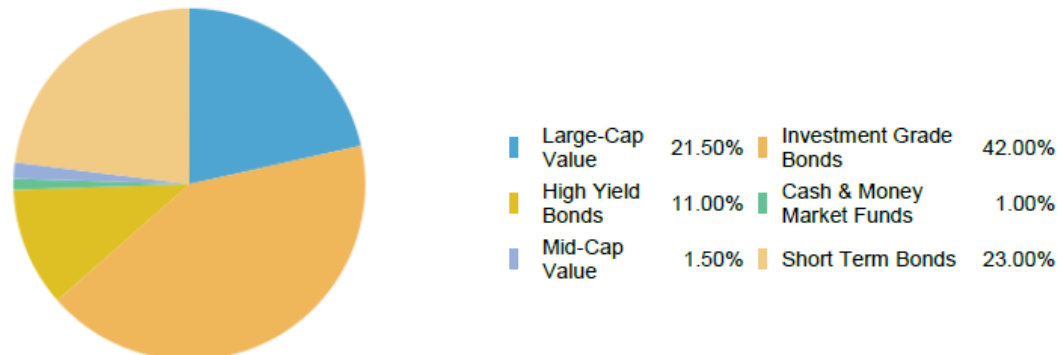
Prepared for Lewis B. Puller

According to the answers you provided on the Risk Tolerance Questionnaire, your personal Risk Tolerance level falls within the **Moderate Conservative** range. Your advisor may have modified the target portfolio to reflect additional information provided by you.



Your Target Portfolio is the model that accommodates your personal Risk Tolerance level and investment goals. The Target Portfolio chosen for you is the **AWM&T Income** portfolio, illustrated below:

AWM&T Income Portfolio
(Blended Rate 5.56%)



The Blended Rate is the weighted average of the market index rates of returns that underlie each asset class of a given model portfolio.

All investments involve risks that you will lose value including the amount of your initial investment. Investments that offer the potential for higher rates of return generally involve greater risk of loss. Note: reinvestment transactions that involve selling existing investments may involve transaction costs associated with the sale of those assets as well as transaction costs associated with the purchase of new investments.



Monte Carlo Analysis: Your Current Investments vs. AWM&T Recommendations

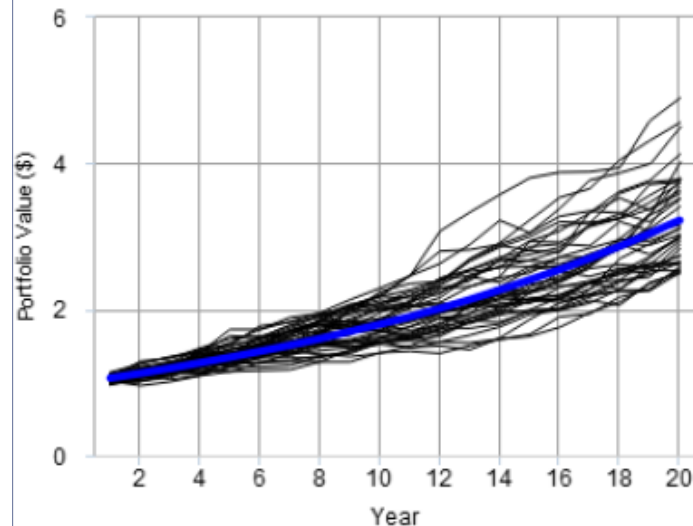
Fixed Income Monte Carlo

Base Facts

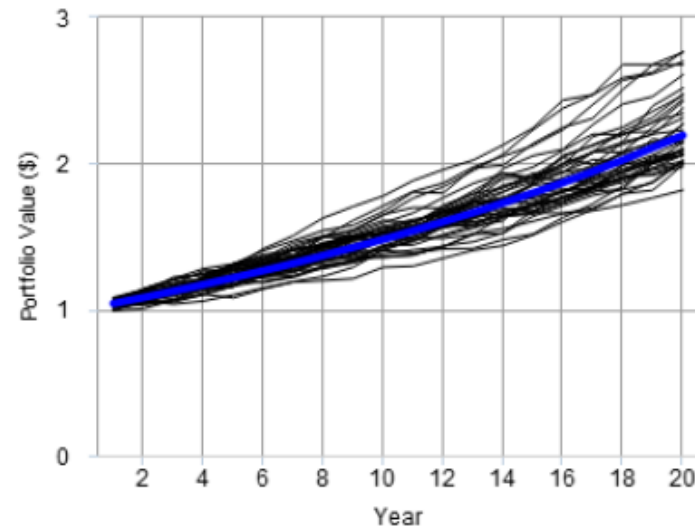
Prepared for Lewis B. Puller

This Monte Carlo Analysis of Investments report illustrates the possible performance of your total investments, category of investments or a portfolio.

Monte Carlo Analysis
All Assets - Current Allocation



Monte Carlo Analysis
AWM&T Fixed Income Model Portfolio



This report simulates investing \$1 in each portfolio over a period of 20 years. It then runs 1,000 randomly simulated market returns and volatility and graphs hypothetical sample values of the portfolio. The intent is to show the average return and a sub-set of the trials in the Monte Carlo simulation in order to get an idea of the potential behavior of the portfolio. Values less than \$1 represent an investment loss, while values more than \$1 represent an investment gain. Less risky portfolios will have a tighter range of values, while higher-risk portfolios will have a broader spread of possible returns. This Monte Carlo simulation does not take into account any taxes or cash flow.



Monte Carlo Analysis: Evaluation of Maximum Gain or Loss

STATISTICS FOR ALL ASSETS - CURRENT ALLOCATION

| | |
|----------------------------|--------|
| Average Rate of Return: | 5.59% |
| Risk (Standard Deviation): | 5.30 |
| Starting Value: | \$1.00 |
| Average Ending Value: | \$3.22 |
| Maximum Ending Value: | \$5.46 |
| Minimum Ending Value: | \$1.59 |

Based upon an Asset Allocation of:

| | |
|--------------------------------|-------------|
| Large-Cap Growth | 2.28% |
| Large-Cap Value | 2.24% |
| Large-Cap Blend | 13.35% |
| Mid-Cap Growth | 0.48% |
| Mid-Cap Value | 0.41% |
| Mid-Cap Blend | 0.41% |
| Small-Cap Growth | 0.12% |
| Small-Cap Value | 0.11% |
| Small-Cap Blend | 0.12% |
| International | 5.08% |
| Emerging Markets | 0.29% |
| Short Term Municipal | 0.04% |
| Intermediate Term Municipal | 0.05% |
| Long Term Municipal | 0.30% |
| High Yield Bonds | 8.37% |
| Investment Grade Bonds | 45.92% |
| Short Term Bonds | 10.58% |
| Inflation Protected Securities | 3.74% |
| Investment Real Estate | 0.25% |
| Cash & Money Market Funds | 5.87% |
| Total: | 100% |

STATISTICS FOR AWM&T FIXED INCOME MODEL PORTFOLIO

| | |
|----------------------------|--------|
| Average Rate of Return: | 3.92% |
| Risk (Standard Deviation): | 2.62 |
| Starting Value: | \$1.00 |
| Average Ending Value: | \$2.19 |
| Maximum Ending Value: | \$2.90 |
| Minimum Ending Value: | \$1.48 |

Based upon an Asset Allocation of:

| | |
|---------------------------|-------------|
| High Yield Bonds | 10.00% |
| Investment Grade Bonds | 55.50% |
| Short Term Bonds | 33.50% |
| Cash & Money Market Funds | 1.00% |
| Total: | 100% |

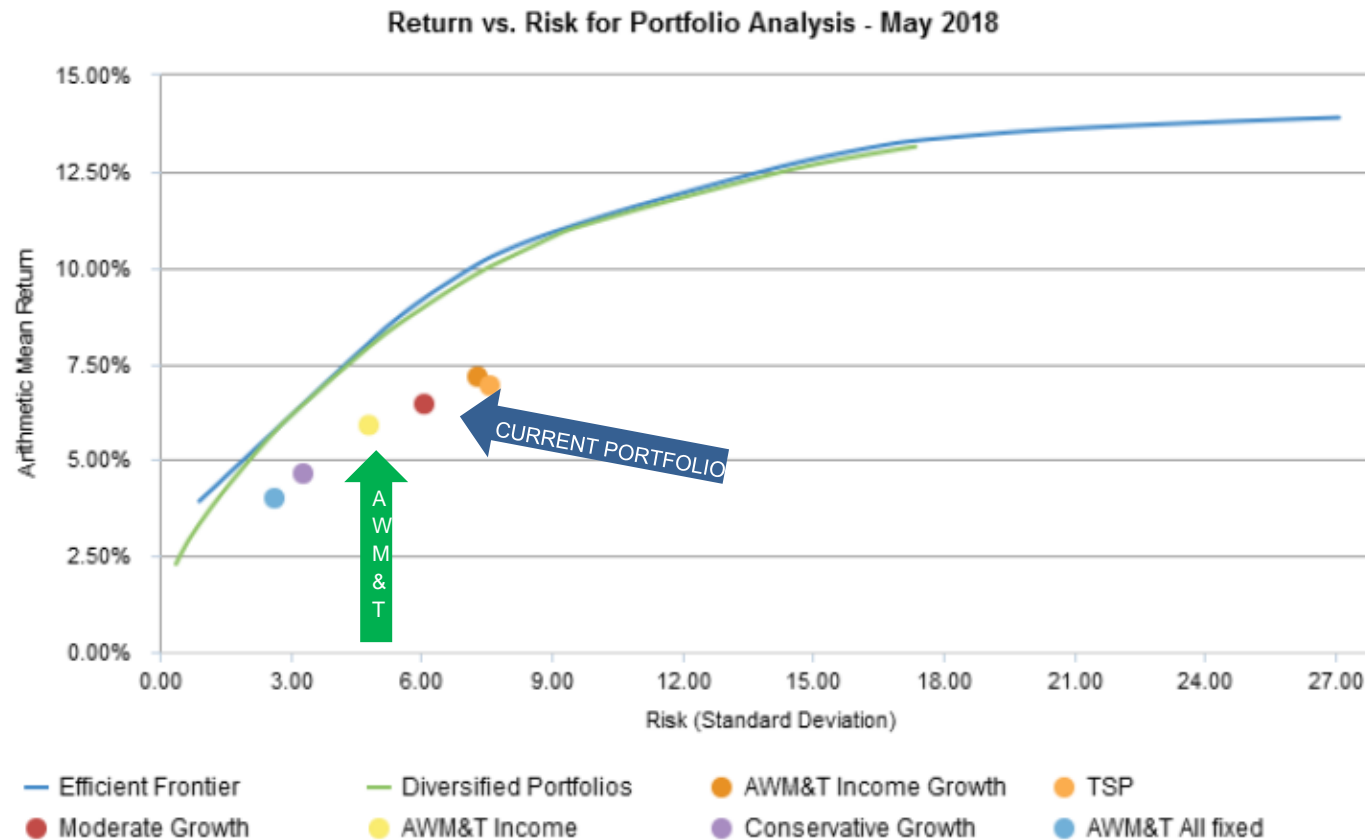


Risk vs. Portfolio Analysis

Portfolio Analysis

Prepared for Lewis B. Puller

The Portfolio Analysis Summary Report compares your existing accounts, groups of accounts, or hypothetical portfolios against the Efficient Frontier.





AWM&T Portfolio Components

Portfolio Snapshot

AWMT Fixed Taxable (Including fees)

Portfolio Value

\$920,000.00

Benchmark

BBgBarc US Govt/Credit Interm TR USD (USD)

Analysis 04-30-2018



Asset Allocation

- Cash
- US Stocks
- Non-US Stocks
- Bonds
- Other/Not Clsfd

| | Portfolio Net % | Bmark Net % |
|-----------------|-----------------|-------------|
| Cash | 12.52 | 0.05 |
| US Stocks | 0.01 | 0.00 |
| Non-US Stocks | 0.01 | 0.00 |
| Bonds | 82.90 | 99.86 |
| Other/Not Clsfd | 4.55 | 0.08 |

Morningstar Equity Style Box %

| | | |
|----|---|---|
| 0 | 0 | 0 |
| 79 | 0 | 0 |
| 0 | 0 | 0 |

Value Blend Growth
0-10 10-25 25-50 >50

Total Stock Holdings
15
% Not Classified
21

Morningstar Fixed Income Style Box %

| | | |
|----|---|---|
| 0 | 0 | 0 |
| 43 | 0 | 0 |
| 32 | 0 | 0 |

Ltd Mod Ext
0-10 10-25 25-50 >50

Total Bond Holdings
2,934
% Not Classified
25

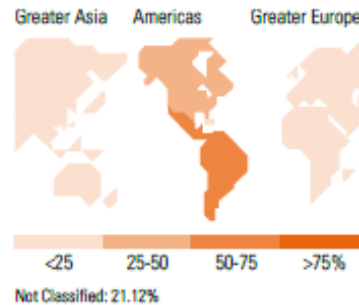
Stock Analysis 04-30-2018

Stock Sectors



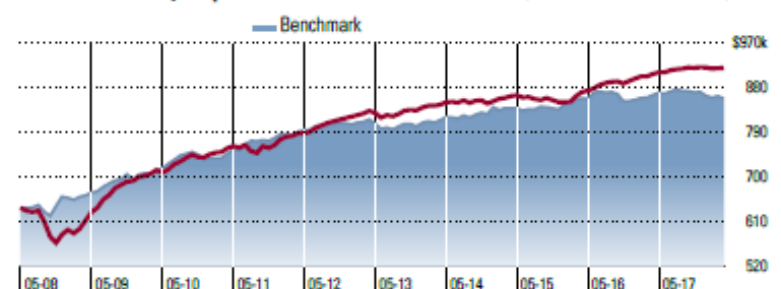
▲ Benchmark
⊙ Portfolio

World Regions



Performance 04-30-2018

Investment Activity Graph





What Do You Get From a Portfolio Review?

- An unbiased review of your current investments.
- An opportunity to re-evaluate your time horizons.
- An opportunity to re-evaluate your investment goals.
- An opportunity to look at different strategies designed to mitigate risk.



Investment Policy Statement

When you answer these questions, we can develop an investment profile and create an Investment Policy Statement (IPS) tailored for you. This written understanding of your portfolio's investment objective, goals, and guidelines provides the framework within which we make investment decisions and establishes a basis to evaluate portfolio returns. We'll revisit your IPS with you at least annually to assess whether or not it's still appropriate for you and your goals.



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INVESTMENT POLICY STATEMENT

AAFMAA Wealth Management & Trust LLC

Account Title(s): Lewis B. Puller IRA

Account Number(s): 123456789

Date: 09/13/2018

I. PURPOSE OF THE INVESTMENT POLICY STATEMENT

The purpose of this Investment Policy Statement (IPS) is to establish an understanding of the investment objective, goals, and guidelines for your portfolio. The IPS provides a framework within which AAFMAA Wealth Management & Trust LLC (AWM&T) will make investment decisions commensurate with the applicable investment objective, risk tolerance, investment restrictions, and governing instrument(s), and establish a basis to evaluate portfolio returns. This IPS is not a contract but is intended to be a summary of the investment philosophy and procedures that will be implemented in the management of your portfolio(s). Each year, as we conduct our annual Portfolio 9 review, we will request that you complete and sign an updated IPS. If you fail to return a signed IPS when it is sent to you each year for update, it is the policy of AWM&T to maintain the same investment objective as previously selected. Any requests for disbursements from or additional deposits to your account will then require the execution of an updated IPS. Should you need to make changes in the interim, please contact your Relationship Manager.

II. INVESTMENT OBJECTIVE

Each client has unique investment objectives that are affected by short and long-term needs and requirements. Categorizing this objective is critical in determining what types of investments are appropriate for a portfolio. Every client invests with a specific objective in mind, and each investment has its own unique set of benefits and risks. Investment objectives span a wide spectrum. Generally, investors seeking to generate income usually have the least amount of higher-risk investments in their accounts, while those seeking growth take the most risks. AWM&T has established seven investment objectives that are used as guidelines when constructing client portfolios. Each objective involves a different level of risk, ranging from "All Equity" to "All Fixed Income".



What Does the AWM&T Portfolio Review Cost?





The Portfolio Review is Free!





AAFMAA Wealth Management & Trust

Questions



Matthew J. Hicks, III

Relationship Manager

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- Past performance does not guarantee future results.
- Market views are as of the presentation date and are subject to change at any time or reason.
- Nothing in this presentation should be construed as a recommendation for any specific security or sector.
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