GALLIARD
Capital Management, LLC

GALLIARD MANAGED INCOME FUND CORE INVESTMENT REVIEW

Fourth Quarter 2022

FOR INSTITUTIONAL INVESTOR USE ONLY

GALLIARD MANAGED INCOME FUND CORE FACTS

- Fund Inception Date: January 1, 1998
- Fund Advisor: Galliard Capital Management, LLC
- Fund Trustee: SEI Trust Company
- Valuation Frequency: Daily
- Fund is 100% benefit responsive
    - Plan sponsor withdrawal with 12 month notice

INVESTMENT OBJECTIVE

The Fund seeks to provide investors with a moderate level of stable income without principal volatility. The Fund is designed for investors seeking more income than money market funds without the price fluctuation of stock or bond funds.

INVESTMENT STRATEGY

The Fund's underlying fixed income strategy is managed in a conservative style that utilizes a disciplined value investing process to build a high quality portfolio with broad diversification and an emphasis on risk control. Our core investment philosophy is to build a portfolio of realizable yield through bottom-up, fundamental research, utilizing a team-based approach to portfolio management. Galliard's fixed income portfolios emphasize high quality spread sectors, diversification across sectors and issuers to reduce risk, neutral duration positioning, and a laddered portfolio structure for ample natural liquidity. The Fund employs a multi-manager approach utilizing non-affiliated subadvisors within the underlying fixed income strategy that is designed to complement the Galliard managed allocation maintaining an emphasis on diversification and high quality.

The majority of the Fund's assets will be invested in fixed income portfolios that are wrapped by stable value contracts which allow Fund participants to transact at book value. The Fund will hold cash in order to maintain sufficient liquidity. The Fund utilizes high credit quality stable value contract issuers, with an emphasis on diversification.

INVESTMENT RISK

As is true of any form of investment, there is the risk of principal loss or underperformance relative to benchmarks or other investment options. Underperformance or principal loss may be the result of many factors. Please refer to the Fund's Disclosure Booklet for information regarding risk factors.

INVESTMENT PERFORMANCE[1] (as of 12/31/22)

Annualized Performance	4Q'22	1 Year	3 Year	5 Year	10 Year
Total Return (Before Inv. Mgmt. Fees)[2]	0.56	1.91	1.96	2.14	2.09
Total Return (After Maximum Fees)	0.50	1.66	1.70	1.88	1.83
50% FTSE 3-Mo T-Bill + 50% ICE BofA 1-3 Yr Tsy Index[3]	0.80	(1.10)	0.15	1.01	0.71
FTSE 3 Month Treasury Bill[4]	0.87	1.50	0.71	1.25	0.74
Value Added (Before Inv. Mgmt. Fees)[5]	(0.24)	3.01	1.80	1.13	1.38

Past performance is not an indication of how the investment will perform in the future.
1: Returns for periods less than one year are not annualized
2: Returns designated as "before investment management fees" includes all income, realized and unrealized capital gains and losses and all annual fund operating expenses. These returns also include all non-affiliated subadvisor fees, audit and valuation fees. Returns designated as "after maximum fees" are the "before investment management fees" returns less the maximum 0.25% fee which may be charged by Galliard for management of each client's account. These returns may also be impacted by the effect of compounding and will be rounded to the nearest basis point. Fees which may be charged to each client for investment management are described in Galliard Capital Management's Form ADV Part 2.
3: While it is believed that the benchmark used here represents an appropriate point of comparison for the Fund referenced above, prospective investors should be aware that the volatility of the above referenced benchmark or index may be substantially different from that of the Fund; and holdings in the Fund may differ significantly from the benchmark or index if the investment guidelines and criteria are different than the Fund.
4: Economic Index provided for informational purposes only.
5: May not add due to rounding.

FUND POSITIONING

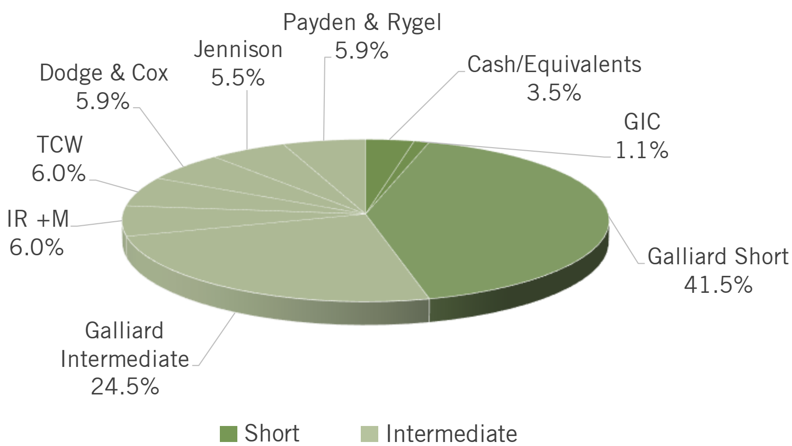
- The Fund's investment strategy remained unchanged during the quarter
- We continue to employ a multi-manager approach, emphasizing actively managed portfolios of diversified, high quality fixed income securities wrapped under security backed investment contracts and separate account GICs
- In the current market environment, we continue to manage the Fund's duration within its target range, while maintaining an appropriate level of liquidity
- Sector allocations continue to broadly diversified across the bond market
- The Fund's blended yield before investment management fees increased from the prior quarter to 2.30%

FUND CHARACTERISTICS as of December 31, 2022

Total Assets	$2,994,895,863
Blended Yield[1](Before Inv. Mgmt. Fees)	2.30%
Blended Yield[1](After Maximum Fees)	2.05%
Market to Book Ratio	93.5%
Effective Duration	2.91 Yrs
Number of Contract Issuers	8
Number of Underlying Issues	3,052
Annualized Turnover as of 12/31/22[2]	63.4%

1: The Fund's blended yield is the weighted average of all of the investment contracts' individual crediting rates and the yield on the cash equivalents held by the Fund as of the date reported. Blended Yield before investment management fees has been reduced by the amount of book value investment contract fees and all annual fund operating expenses. The blended yield net of Galliard investment management fees will vary by client depending on unique fee schedules. The maximum investment management fee by which the yield could be reduced is 0.25%.
2: Please refer to the Fund's Disclosure Booklet for more information regarding methodology of turnover calculation.

STRATEGY / MANAGER DISTRIBUTION[3]



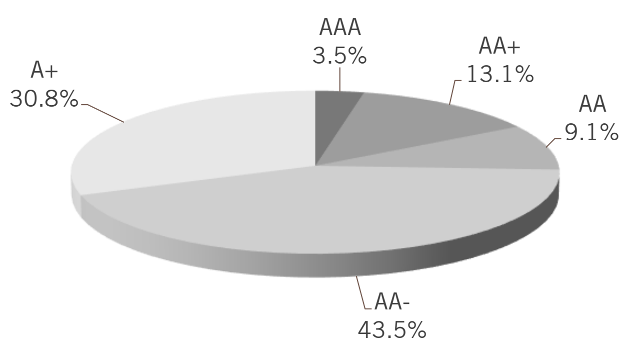
3: Totals may not add to 100% due to rounding.

GALLIARD MANAGED INCOME FUND CORE HOLDINGS

Issuer	% of Portfolio	Moody's Rating	S&P Rating	Contract Type[1]
Transamerica Life Ins. Co.	17.7%	A1	A+	SBIC
Prudential Ins. Co. of America	15.5%	Aa3	AA-	SBIC
American General Life Ins. Co.	12.8%	A2	A+	SBIC
Massachusetts Mutual Life Ins. Co.	12.7%	Aa3	AA+	SBIC
Pacific Life Ins. Co.	12.6%	Aa3	AA-	SBIC
State Street Bank and Trust Co.	9.1%	Aa2	AA-	SBIC
Metropolitan Life Ins. Co.	8.7%	Aa3	AA-	SAGIC
Metropolitan Life Ins. Co.	6.4%	Aa3	AA-	SBIC
Massachusetts Mutual Life Ins. Co.	0.4%	Aa3	AA+	GIC
Metropolitan Life Ins. Co.	0.4%	Aa3	AA-	GIC
Principal Life Ins. Co.	0.3%	A1	A+	GIC
Cash/Equivalents				
Short Term Investment Fund	3.5%	Aaa	AAA	---
TOTAL	**100.0%**	**Aa3[2]**	**AA-[2]**	**---**

1: GIC = Guaranteed Investment Contract. SBIC = Security Backed Investment Contract. Security Backed Investment Contract (SBIC) or Separate Account GIC (SAGIC)
2: The Weighted Average Quality of the portfolio has NOT been assessed by a nationally recognized statistical rating organization. The Weighted Average Quality shown represents an average quality of the contracts and cash held by the portfolio as rated by S&P and Moody's.

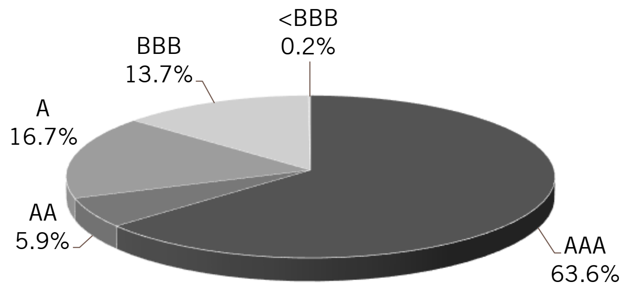
CONTRACT QUALITY DISTRIBUTION[3]



3: The quality distribution shown represents the distribution of the contract issuers' Composite Ratings, as rated by S&P, Moody's and Fitch. If Moody's, S&P and Fitch all provide a credit rating, the composite rating is the median of the three agency ratings. If only two agencies provide ratings, the composite is the more conservative rating. If only one agency provides a rating, the composite rating reflects that agency's rating.

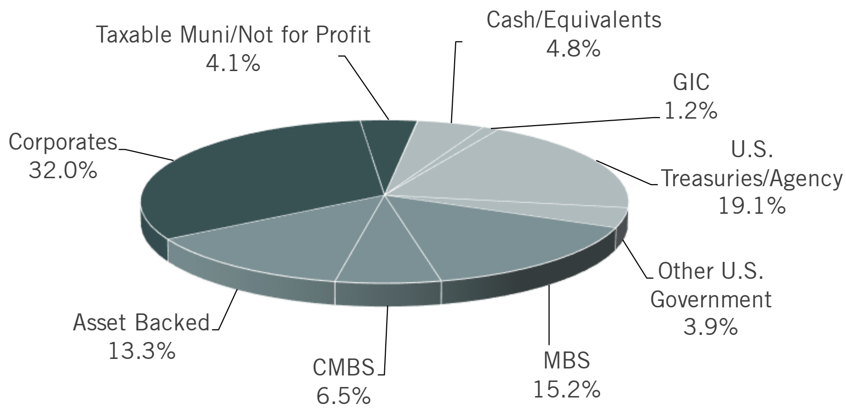
Totals may not add to 100% due to rounding.

UNDERLYING FIXED INCOME CREDIT QUALITY[1]

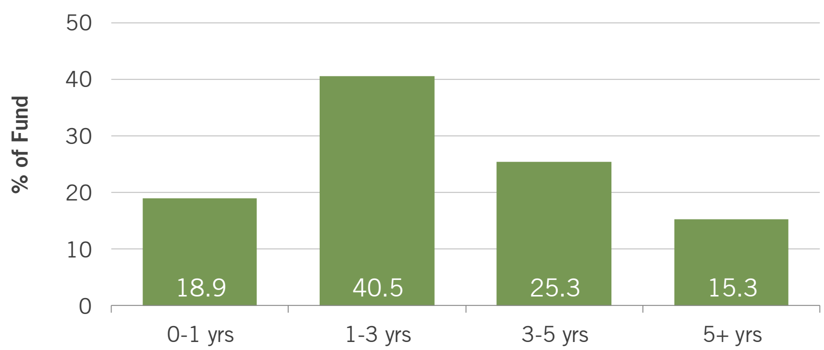


1: The quality distribution shown represents the distribution of the individual holdings' Composite Ratings, as rated by S&P, Moody's and Fitch. If Moody's, S&P and Fitch all provide a credit rating, the composite rating is the median of the three agency ratings. If only two agencies provide ratings, the composite is the more conservative rating. If only one agency provides a rating, the composite rating reflects that agency's rating.

UNDERLYING FIXED INCOME ASSET ALLOCATION



UNDERLYING DURATION DISTRIBUTION



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GALLIARD MANAGED INCOME FUND CORE INVESTMENT PERFORMANCE HISTORY

Fourth Quarter 2022

ANNUAL PERFORMANCE[1]

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Managed Income Fund (Before Inv. Mgmt. Fees)	1.91	1.71	2.25	2.51	2.31	1.97	1.91	1.99	1.97	2.32
Managed Income Fund (After Maximum Fees)	1.66	1.46	1.99	2.26	2.05	1.72	1.65	1.74	1.72	2.06
50% FTSE 3-Mo T-Bill + 50% ICE BofA 1-3 Yr Tsy Index[2]	(1.10)	(0.25)	1.84	2.90	1.72	0.63	0.58	0.29	0.33	0.20
Consumer Price Index[3]	6.84	7.04	1.36	2.29	1.67	2.11	2.07	0.73	0.76	1.51
FTSE 3 Month Treasury Bill[3]	1.50	0.05	0.58	2.25	1.86	0.84	0.27	0.03	0.03	0.05

QUARTERLY PERFORMANCE[1]

	FIRST QUARTER		SECOND QUARTER		THIRD QUARTER		FOURTH QUARTER	
YEAR	**Before Inv. Mgt. Fees**	**After Max. Fees**	**Before Inv. Mgt. Fees**	**After Max. Fees**	**Before Inv. Mgt. Fees**	**After Max. Fees**	**Before Inv. Mgt. Fees**	**After Max. Fees**
2012	0.68	0.61	0.63	0.57	0.63	0.57	0.63	0.57
2013	0.60	0.54	0.60	0.54	0.56	0.50	0.53	0.47
2014	0.48	0.42	0.48	0.42	0.48	0.42	0.51	0.45
2015	0.50	0.44	0.51	0.45	0.48	0.42	0.48	0.42
2016	0.46	0.40	0.47	0.41	0.48	0.42	0.48	0.42
2017	0.45	0.39	0.48	0.41	0.50	0.44	0.52	0.46
2018	0.53	0.46	0.56	0.50	0.59	0.52	0.61	0.55
2019	0.59	0.53	0.63	0.56	0.64	0.58	0.63	0.57
2020	0.59	0.53	0.57	0.51	0.54	0.48	0.52	0.46
2021	0.45	0.38	0.42	0.36	0.41	0.35	0.42	0.36
2022	0.40	0.33	0.43	0.37	0.51	0.45	0.56	0.50

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3: Consumer Price Index as reported on 1/3/23. Economic Indices provided for informational purposes only.

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SEI Trust Company (the "Trustee") serves as the Trustee of the Fund and maintains ultimate fiduciary authority over the management of, and the investments made, in the Fund. The Fund is part of a Collective Investment Trust (the "Trust") operated by the Trustee. The Trustee is a trust company organized under the laws of the Commonwealth of Pennsylvania and wholly owned subsidiary of SEI Investments Company (SEI). The Trust is not a mutual fund, as defined under the investment company act of 1940, as amended.

A collective investment trust fund (CIT) is a pooled investment vehicle that is exempt from SEC registration as an investment company under Section 3(c)(11) of the Investment Company Act of 1940 and maintained by a bank or trust company for the collective investment of qualified retirement plans. The Fund is managed by SEI Trust Company, the trustee, based on the investment advice of Galliard Capital Management.

Galliard Investment Management Fees
The Galliard Managed Income Fund Core offered for direct investment by certain institutions such as retirement plans and employee benefit trusts. The Fund itself does not accrue an investment management fee. A series of other stable value collective investment funds managed by Galliard and trusteed by SEI Trust Company purchase interests in the Fund and may accrue investment management fees. The Fund may also be offered through certain financial intermediaries that may charge their customers other fees.

An investment management fee may be paid at the Fund level or directly at the Plan level or by the Plan Sponsor. The maximum 0.25% fee which may be charged by Galliard for the management of each client's account is reflected on the prior page. Fees which may be charged to each client for investment management are described in Galliard Capital Management's Form ADV Part 2.

Please refer to your plan administrator for specific information on the fee arrangement with Galliard for your Plan.

2022 – ONE FOR THE HISTORY BOOKS

Another year over, and oh what a year it was! It goes without saying that we are in a historic time, not only because of the three-year old global pandemic and the war in Eastern Europe, but also because of the battle against inflation being waged by central banks across the globe. While it has become commonplace to talk of the current inflation rate as "the highest since the early 1980s", the extent of monetary policy tightening and the market reaction are perhaps less commonly discussed among the broader population. In the nine months since March, the Federal Reserve has raised its policy rate 425 bps (4.25%), making this the fastest, most aggressive policy tightening since 1981 and resulting in the largest selloff in interest rates across the curve in equally as long.

While the curve sold off only slightly during the fourth quarter, 2-year Treasury rates rose 370 bps (3.70%) and 10-year Treasury rates rose 237 bps (2.37%) for the full year. This resulted in 133 bps of curve flattening and the most deeply inverted yield curve in 40 years. In early December, the curve was inverted by 84 bps, the largest inversion since 1981, before ending the year inverted by 55 bps. Reflecting tighter financial conditions and the effects of quantitative tightening, 10-year real yields ended the year a whopping 268 bps (2.68%) higher than at the end of 2021. Considering all of this, it should come as no surprise that fixed income returns were truly dismal in 2022. The annual total return for the Bloomberg U.S. Aggregate Index, -13%, was the worst on record going back to inception in 1976.

We hope for better days ahead, but unfortunately volatility could persist in the coming year. The Fed's hawkish monetary policy actions could very well tip the economy into a recession, as suggested by the yield curve inversion, which leads to many questions. If recession does come, how deep and how long will it be? How far will unemployment rise? What will the Fed do if faced with stubbornly high inflation and increasing unemployment? Which side of the Fed's dual mandate will win out? And let's not forget about Ukraine. The war with Russia is nearing the one-year mark with no end in sight. We continue to believe that the consequences of this conflict, both intended and unintended, will be felt for years to come. For the time being, the economic engine in the U.S. remains intact. 3Q GDP growth beat expectations, coming in at 3.2% q/q annualized with the largest positive contribution coming from a narrowing trade deficit. Behind the headline number, however, measures of domestic demand, such as residential investment and consumer spending, were less optimistic. 4Q GDP is expected to be approximately 1.0%-2.0% q/q annualized, bringing full-year 2022 growth to ~2.0%. Looking ahead, estimates are for GDP to remain positive through early 2023 before the economy slips into a recession in the back half of the year, resulting in full-year GDP growth that is barely positive.

FED AND U.S. GOVERNMENT REMAIN ACTIVE

The Federal Reserve increased its policy rate by another 75 bps in November, the fourth such rate increase in as many meetings, before downshifting slightly to a 50 bps increase at the December meeting. This brings the total rate increase to 425 bps: the fastest, most aggressive monetary policy tightening in 40 years. The Fed's message has consistently been hawkish despite market sentiment that begs for a policy pivot. Although the actual wording of the FOMC statements left much to be desired, in post-policy meeting press conferences, Chair Powell has stressed that additional policy tightening will be appropriate in order to achieve the Fed's inflation target. More importantly, Powell suggested that the pace of rate hikes is perhaps less important than the terminal rate and the length of time monetary policy will remain restrictive.

This may result in interest rates rising higher and staying elevated for longer than previously expected, leaving many to believe that a soft landing will prove to be elusive. The Summary of Economic Projections (SEP) median dot plot, updated at the December meeting, suggests the Fed may well reach a terminal fed funds rate of more than 5% in 2023 (17 of 19 "dots" project a policy rate above 5% at the end of 2023). Furthermore, the recently released December meeting minutes clearly stated that "No participants anticipated that it would be appropriate to begin reducing the federal funds rate target in 2023." However, market pricing indicates another 75 bps of tightening through early 2023 followed by rate cuts in the back half of the year as a result of economic weakness, ending the year closer to 4.50%. FOMC members voiced concern about market pricing that underestimates their resolve, and highlighted that "because monetary policy worked importantly through financial markets, an unwarranted easing in financial conditions, especially if driven by a misperception by the public of the Committee's reaction function, would complicate the Committee's effort to restore price stability." Translation: the stage is set for a showdown.

In late December, the Biden Administration passed a $1.7 trillion omnibus spending package, narrowly averting a U.S. government shutdown. The bill included sizable allocations to military spending, including ongoing support for Ukraine, as well as education. The spending bill, which funds the government through next September, will be the last of its kind before the Republicans take the house in early January, dividing the government once again. Additionally, a federal court put a stop to the Biden Administration's student loan debt relief in early November. Recall that plan included targeted debt cancellation of up to $20,000 depending on household income and Pell Grant status, and was implemented using an Executive Order. The Supreme Court is scheduled to hear legal arguments in February. Approximately 26 million applications for student loan forgiveness were submitted prior to the federal court decision. In conjunction with the delay in the loan forgiveness program, the ongoing pandemic related pause in federal student loan payments was extended once again. Payments were scheduled to resume in January; however, the way it stands now, student loan payments will resume 60 days after the resolution of the legal battle or September 1, whichever comes first.

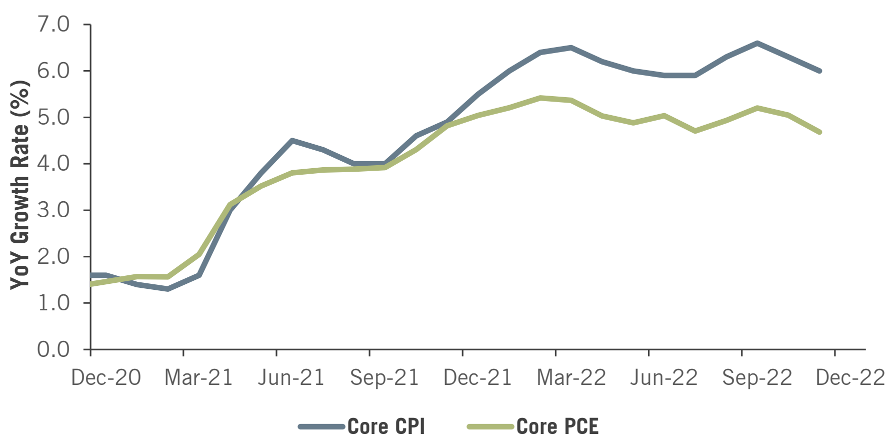
INFLATION FINALLY TRENDING LOWER?

There are early signs that inflation is finally heading in the right direction across many key measures (Figure 1). Headline CPI increased by 7.1% y/y and 0.1% m/m in November, down from 8.2% y/y and 0.4% m/m in September, while core CPI increased by 6.0% y/y and 0.2% m/m in November, down from 6.6% y/y and 0.6% m/m at the end of the third quarter. Similarly, headline PCE decelerated to 5.5% y/y and 0.1% m/m in November, down from 6.3% y/y and 0.3% m/m in September, and core PCE fell to 4.7% y/y and 0.2% m/m from 5.2% y/y and 0.5% m/m for the same time periods.

Although headline PPI jumped back up to 0.3% m/m for each of the past three months (September through November) after turning negative in late summer, year-over-year numbers are trending lower. The index registered 7.4% y/y in November versus 8.5% y/y at the end of the third quarter. Core PPI also decelerated, measuring 6.2% y/y in November versus 7.2% y/y in September. Alternative Fed measures of core inflation like the Federal Reserve Bank of Cleveland Median CPI, the Federal Reserve Bank of Cleveland 16% Trimmed-Mean CPI, and the Atlanta Fed Sticky CPI 12 Month appear to have leveled off, measuring 7.0%, 6.7%, and 6.6% y/y respectively. Although not trending lower just yet, these measures are not accelerating as they were earlier in the year.

Inflation expectations briefly shot higher in October on hopes that a policy pivot was at hand, but retreated in November and December with continued hawkish Fed messaging. 5-year and 10-year breakeven rates ended the year at 2.38% and 2.30% respectively. Meanwhile, the 5-year, 5-year forward breakeven ended at 2.20%. These are basically unchanged from the end of September, marking some of the lowest breakevens since the beginning of 2021.

FIGURE 1: CORE CPI VS CORE PCE[1]



CONSUMERS FEEL PRESSURE DESPITE SOLID LABOR MARKET

The labor market remains tight, with another with 263k, 256k, and 223k jobs added in October, November, and December respectively. Notably, job creation has exceeded expectations in just about every month since May. After grinding down to just 3.5% in September, the unemployment rate rose to 3.7% in October before falling back to 3.5% again in December. Labor force participation has been holding steady at ~62%, still short of the pre-pandemic trend.

1: Source: Bloomberg

More recently, there has been no discernable uptick in new unemployment claims despite some warning signals that a recession is around the corner. Continuing claims have slowly crept up to ~1.7 million from ~1.4 million at the end of the third quarter. While this is a completely normal range, the change here may indicate that unemployed workers are staying unemployed for a slightly longer period of time. Job openings are stuck at ~10 million and the quits rate remains elevated in the 2.6% to 2.7% range. These measures are only modestly above pre-pandemic levels, however, perhaps highlighting that there were underlying structural trends already in place that have been pulled forward by the pandemic.

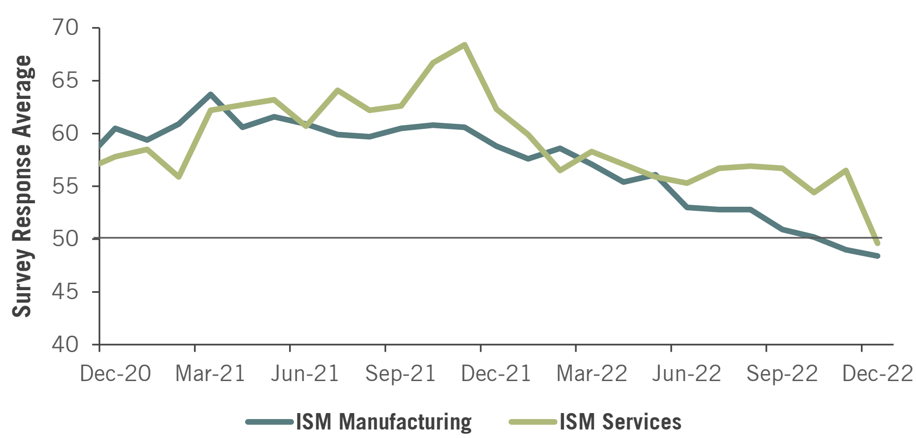
Measured year-over-year, nominal hourly earnings growth has held steady at ~5.0% each month since June. On the other hand, real hourly earnings growth continued an impressive string of negative readings stretching all the way back to April 2021, coming in at -2.1% y/y in November. Of note, the trend is getting better as this is the least negative reading since January 2022. Still, negative real wages, equity markets down ~20% as measured by the S&P 500, and meaningfully higher mortgage rates put pressure on consumers this year. Personal savings measured as a percentage of disposable income plummeted in 2022, from 7.5% at the end of 2021 to only 2.4% in November. This marks the lowest savings rate since spring of 2005.

Not surprisingly, consumer confidence remains subdued and spending has slowed. After a spike to 1.3% m/m in October, retail sales growth was -0.6% m/m in November. Retail sales ex-autos shows a similar pattern, rising by 1.2% m/m in October before falling -0.2% m/m in November. Personal consumption expenditures increased 0.9% m/m in October followed by a slowdown to 0.1% m/m in November, while core PCE measured 0.5% m/m and 0.0% m/m October and November respectively. Revolving credit has consistently grown at a double digit annualized rate over the past year; however, the growth rate has retreated to 10.4% m/m annualized in November from a peak of 29.4% m/m annualized in March. Nevertheless, many point to the outsized growth in revolving credit as evidence that consumers are strapped and using credit lines to fuel even this slower pace of consumption.

BUSINESS AND HOUSING MARKET ACTIVITY SLOWING DOWN

Businesses are not expanding at the same rate that they were previously, with a number of activity measures now in contractionary territory (Figure 2). The ISM Manufacturing PMI dipped to 49.0 in November and 48.4 in December, the first contractionary readings since May 2020. The ISM Manufacturing Report on Business New Orders remained in contractionary territory throughout the quarter, measuring 49.2, 47.2, and 45.2 in October, November, and December respectively. Durable goods orders contracted by -2.1% m/m in November, while industrial production and capacity utilization have plateaued after rising to well past pre-pandemic levels. Industrial production remains at nearly 105, which is a series high, whereas capacity utilization has leveled off at 80%. The ISM Services PMI had been the only bright spot, measuring 54.4 and 56.5 in October and November before falling to 49.6 in December.

FIGURE 2: ISM MANUFACTURING & SERVICES[2]



2: Source: Bloomberg

Mortgage rates, as measured by the Freddie Mac weekly survey rate, ended December at 6.4%, but not before rising to over 7% for the first time in over 20 years in October and November. Despite the decrease, this is still more than double where rates were at the beginning of the year. As a result, housing related activity continues to fall precipitously. Existing home sales have plummeted from a 6.5 million unit annualized pace in January to only 4.1 million annualized in November, matching the lowest measurement in the last decade, including the early months of the pandemic. Pending home sales are at the lowest in the series history going back to the beginning of 2001, excluding April 2020. In contrast, new home sales have continued to fare relatively well, bouncing around between 550k and 650k units annualized for the past handful of months. While much lower than the 800k+ unit annualized pace at the onset of the year, a reading of 640k units annualized in November is right on pre-pandemic trend.

Not surprisingly, mortgage applications and refinancing activity are at the lowest level in over 20 years, and home prices have started to crack. For the first time in over 10 years, home prices, as measured by S&P/Case-Shiller, have registered four straight months of negative month-over-month change, with the latest reading at -0.5% m/m in October. With transaction volumes plummeting, the supply of homes has naturally increased. In particular, the supply of new homes has jumped from ~3 months of supply in fall of 2020 to ~9 months of supply in November. Existing home supply has also increased, but not nearly as much as new home supply. Currently, existing home supply is ~3 months, up from a historic low of less than 2 months earlier this year.

LOOKING AHEAD

The Federal Reserve's monetary policy tightening is taking hold, as evidenced by subdued business expansion, reduced housing market activity, and slower consumer spending going into year-end. Although there are early signs that inflation pressures are moderating, we are not out of the woods yet. The Fed slowed the pace of rate hikes in December; however, its message continues to indicate that additional policy tightening will be "appropriate" to achieve its inflation target, and that the pace of rate hikes is less important than the terminal rate and the length of time monetary policy will remain restrictive. This is somewhat at odds with market pricing that assumes policy rate cuts by the end of 2023. This disconnect could prove to be a source of volatility over the near term. A policy pivot is somewhere on the horizon, but not before the Fed feels confident that inflation has been tamed. Much will depend on how sticky inflation proves to be, the extent of labor market deterioration, and which side of the Fed's dual mandate will win the day.

With the continued hawkish Fed posture, still elevated inflation, and the continuing war in Eastern Europe, volatility in risk assets has persisted, reflecting fatter tails in the distribution of outcomes. The probability of a recession in the next year has increased to 65% according to Bloomberg, supported by a deeply inverted yield curve and slowing economic activity. Discussions about recession will continue with a focus on the labor market, which remains solid. Throughout the year, market weakness provided attractive opportunities to reduce elevated liquidity and add high quality spread across sectors in a measured way. Going forward, we will continue to look for opportunities to add value while being mindful of increasing downside risks and potential headwinds that may impact our portfolio allocation and positioning decisions.