

## Overview

Palladium LLC, is a registered investment adviser and was founded in October 2011.

As of December 2020, \$805 Million Assets Under Management.

Independent, employee-owned firm.

Palladium is an investment manager with a focus on transparency and risk management.

### Equity Market Capitalization for Palladium Defensive Endowment

Category	Weight
Large Cap	59.92%
Mid Cap	34.37%
Small Cap	5.71%

### Stock Sectors for Palladium Defensive Endowment

Category	Weight
Basic Materials	3.89%
Consumer Cyclical	10.90%
Financial Services	14.57%
Real Estate	4.28%
Consumer Defensive	6.07%
Healthcare	12.66%
Utilities	3.98%
Communication Services	7.48%
Energy	3.55%
Industrials	11.80%
Technology	20.82%

### Fixed Income Credit Quality for Palladium Defensive Endowment

Category	Weight
AAA	69.24%
AA	2.00%
A	6.43%
BBB	6.39%
Non-Investment Grade	14.60%
Not Rated	1.34%

### Fixed Income Maturity for Palladium Defensive Endowment

Category	Weight
Under 1 Year	2.12%
1 - 3 Years	8.48%
3 - 5 Years	34.49%
5 - 7 Years	25.94%
7 - 10 Years	5.80%
10 - 15 Years	3.50%
15 - 20 Years	3.77%
20 - 30 Years	12.48%
Over 30 Years	3.43%

## Key Attributes

Multi-Asset Class

Liquidity & Transparency

Globally Diversified

Low Expenses & Fees

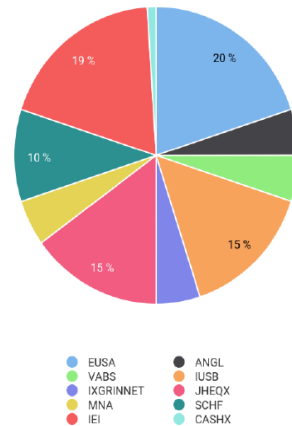
## Strategy Description

- The Defensive Endowment Model Strategy seeks to balance capital preservation and long-term growth with low-to-moderate volatility.
- This strategy is typically appropriate for an investor with a short-to-intermediate-term investment horizon and a low-to-moderate tolerance for risk, seeking preservation of capital with the potential for longer-term growth.

## Asset Allocation

### Palladium Defensive Endowment

Ticker	Name	Allocation
EUSA	iShares MSCI USA Equal Weighted ETF	20.00%
ANGL	VanEck Vectors Fallen Angel HIYld Bd ETF	5.00%
VABS	Virtus Newfleet ABS/MBS ETF	5.00%
IUSB	iShares Core Total USD Bond Market ETF	15.00%
IXGRINNET	Risk Managed Gold Index - Net	5.00%
JHEQX	JPMorgan Hedged Equity I	15.00%
MNA	IQ Merger Arbitrage ETF	5.00%
CASHX	Cash	1.00%
SCHF	Schwab International Equity ETF	10.00%
IEI	iShares 3-7 Year Treasury Bond ETF	19.00%



## PCT PORTFOLIO SEGMENTS / CONSTITUENTS

### 30.0% Equity: Low-Cost, Systematic

Systematic U.S. Equity - Equal Wtd  
Systematic Non-U.S. Equity

### 44.0% Fixed Income: Seeks to Preserve Capital and Generate Income

Short to Interm US Treasury      U.S. Total Bond Market  
Fallen Angel Bonds                      Asset Backed

### 26.0% Alternative: Anticipated Risk Mitigation with Alpha Opportunities

Risk Managed Gold                      Merger Arbitrage  
Hedged Equity

Source: Morningstar.

\*Holdings are subject to change and may be different than at the time of this report or based on program constraints.

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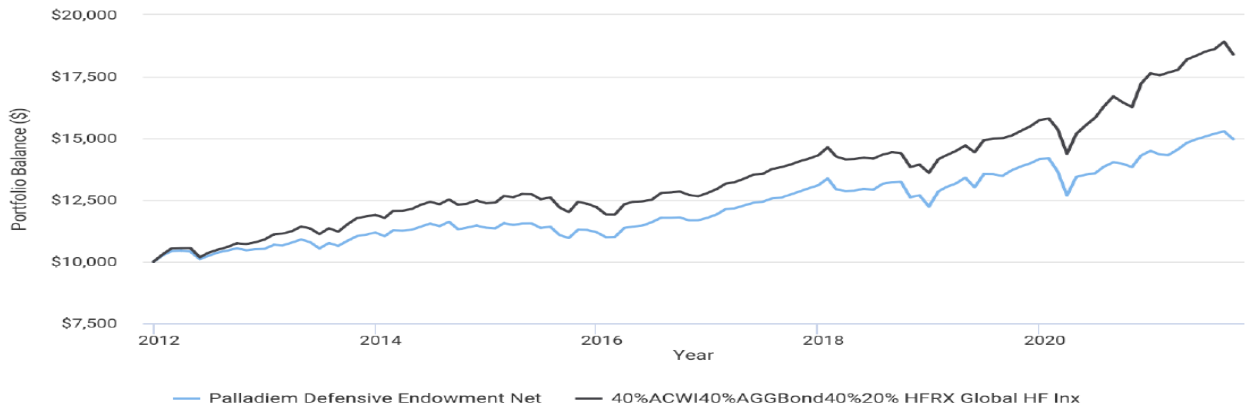
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## Portfolio Characteristics

### Holdings Based Style Analysis for Palladium Defensive Endowment

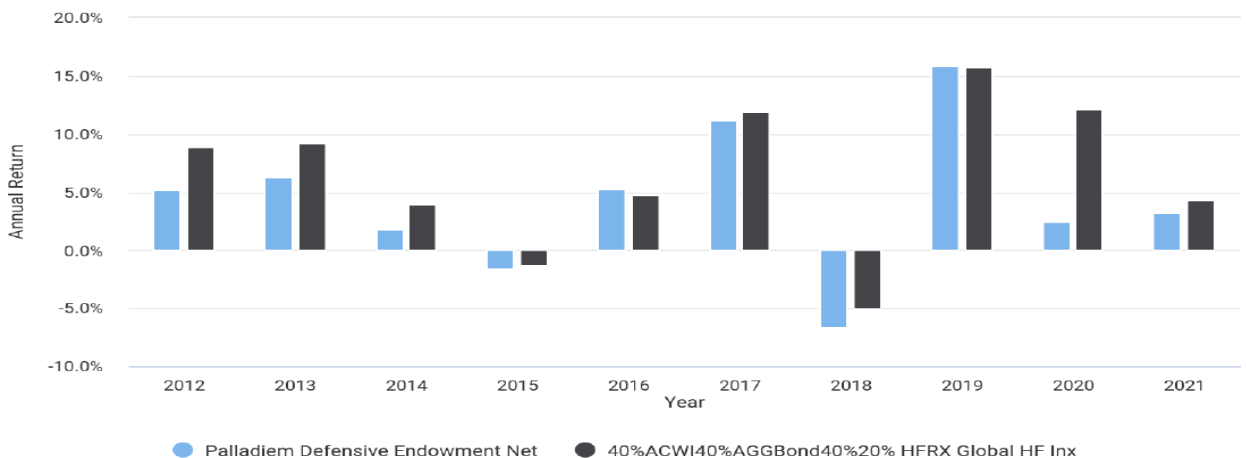
Ticker	Name	Category	Weight	Yield	Fees	P/E	Duration
EUSA	iShares MSCI USA Equal Weighted ETF	Large Blend	20.00%	1.20%	0.09%	19.78	
SCHF	Schwab International Equity ETF	Foreign Large Blend	10.00%	2.19%	0.06%	15.06	
ANGL	VanEck Fallen Angel HiYld Bd ETF	High Yield Bond	5.00%	4.22%	0.35%	59.99	6.89
IEI	iShares 3-7 Year Treasury Bond ETF	Intermediate Government	19.00%	0.76%	0.15%		4.72
IUSB	iShares Core Total USD Bond Market ETF	Intermediate Core-Plus Bond	15.00%	1.91%	0.06%		6.37
IXGRINNET	Risk Managed Gold Index - Net	Alternative Beta	5.00%				
JHEQX	JPMorgan Hedged Equity I	Options Trading	15.00%	0.75%	0.60%	24.53	
MNA	IQ Merger Arbitrage ETF	Event Driven	5.00%	2.33%	0.77%	20.74	
CASHX	Cash	Cash	1.00%	0.04%			0.00
VABS	Virtus Newfleet ABS/MBS ETF	Short-Term Bond	5.00%		0.39%		1.67
			<b>100.00%</b>	<b>1.33%</b>	<b>0.24%</b>	<b>23.96</b>	<b>5.07</b>

### Growth Chart



The chart represents the growth of a hypothetical investment of \$10,000 in the strategy since inception and reflects the reinvestment of dividends and income. The chart does not represent an actual investment and is not intended to imply future results.

### Annual Returns



Source: Portfolio Visualizer (Model Returns)

\* Inception Date: 1/1/2012

Benchmark: 40% Bloomberg Barclays Capital US Aggregate Bond Index (AggBond), 40% MSCI All Country World Index (ACWI) Net Return and 20% HFRX Absolute Return Index. Indices represent asset classes that may be included in the strategy and are presented to provide perspective on the strategy's historical risk, as measured by standard deviation, in relation to these asset classes. ACWI represents the MSCI All Country World Equity Index; AGG represents the Bloomberg Barclays Capital US Aggregate Bond Index; HFRX represents the Hedge Fund Research Institute Global Hedge Fund Index. You cannot invest directly in an index.

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### Risk and Return Metrics (Jan 2012 - Sep 2021)

Metric	Palladium Defensive Endowment Net	40%ACWI40%AGGBond40%20% HFRX Global HF Inx
Arithmetic Mean (monthly)	0.36%	0.54%
Arithmetic Mean (annualized)	4.42%	6.65%
Geometric Mean (monthly)	0.35%	0.52%
Geometric Mean (annualized)	4.22%	6.45%
Volatility (monthly)	1.79%	1.79%
Volatility (annualized)	6.19%	6.20%
Downside Deviation (monthly)	1.22%	1.10%
Max. Drawdown	-10.56%	-9.03%
US Market Correlation	0.93	0.93
Beta (*)	0.95	1.00
Alpha (annualized)	-1.80%	-0.00%
R Squared	90.77%	100.00%

### Palladium Defensive Endowment Net Returns

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2012	2.64%	1.60%	0.17%	-0.37%	-2.94%	1.38%	1.31%	0.73%	0.90%	-0.79%	0.40%	0.18%	5.20%
2013	1.52%	-0.25%	1.11%	1.16%	-1.01%	-2.35%	2.10%	-1.08%	1.92%	1.75%	0.51%	0.86%	6.31%
2014	-1.40%	2.24%	-0.11%	0.29%	1.14%	1.08%	-0.94%	1.59%	-2.62%	0.62%	0.72%	-0.78%	1.73%
2015	-0.22%	1.82%	-0.59%	0.49%	0.03%	-1.60%	0.49%	-3.06%	-1.07%	3.10%	-0.06%	-0.83%	-1.61%
2016	-1.86%	0.12%	3.35%	0.50%	0.37%	1.17%	1.58%	-0.00%	0.13%	-1.06%	0.02%	0.89%	5.23%
2017	1.19%	1.74%	0.30%	0.90%	0.90%	0.31%	1.11%	0.28%	0.97%	1.04%	0.99%	0.93%	11.18%
2018	2.11%	-3.28%	-0.52%	0.11%	0.57%	-0.32%	1.86%	0.53%	0.13%	-4.80%	0.69%	-3.67%	-6.65%
2019	5.08%	1.42%	1.10%	1.76%	-2.91%	4.09%	-0.03%	-0.49%	1.65%	1.17%	0.87%	1.28%	15.81%
2020	0.15%	-3.68%	-7.15%	5.91%	0.71%	0.36%	2.01%	1.26%	-0.42%	-0.96%	3.42%	1.35%	2.39%
2021	-1.05%	-0.17%	1.59%	1.86%	0.97%	0.71%	0.78%	0.62%	-2.07%				3.22%

### 40%ACWI40%AGGBond40%20% HFRX Global HF Inx Returns

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2012	3.02%	2.34%	0.07%	0.01%	-3.52%	1.80%	1.21%	1.00%	1.41%	-0.29%	0.65%	1.03%	8.93%
2013	1.95%	0.27%	0.92%	1.67%	-0.67%	-2.06%	2.17%	-1.23%	2.66%	2.17%	0.54%	0.60%	9.24%
2014	-1.06%	2.41%	0.06%	0.57%	1.40%	0.96%	-0.76%	1.54%	-1.72%	0.41%	1.02%	-0.89%	3.93%
2015	0.16%	2.21%	-0.38%	1.06%	-0.10%	-1.63%	0.62%	-3.25%	-1.53%	3.44%	-0.59%	-1.14%	-1.30%
2016	-2.41%	-0.03%	3.47%	0.83%	0.15%	0.51%	2.27%	0.12%	0.34%	-1.10%	-0.47%	1.10%	4.76%
2017	1.27%	1.63%	0.49%	1.02%	1.24%	0.19%	1.48%	0.57%	0.71%	0.99%	0.75%	0.98%	11.92%
2018	2.29%	-2.59%	-0.81%	0.10%	0.39%	-0.30%	1.19%	0.66%	-0.21%	-3.94%	0.68%	-2.36%	-4.96%
2019	4.01%	1.21%	1.23%	1.49%	-1.85%	3.39%	0.36%	0.16%	0.69%	1.28%	1.17%	1.66%	15.71%
2020	0.41%	-2.74%	-6.47%	5.57%	2.28%	1.94%	2.98%	2.49%	-1.42%	-1.19%	5.83%	2.48%	12.10%
2021	-0.50%	0.66%	0.59%	2.39%	0.84%	0.89%	0.55%	1.60%	-2.75%				4.26%

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