National ABLE Alliance

Q4 2017 Quarterly Investment Review
March 2, 2018

Presented by:
Steve Dombrower, CFA
SVP | Investment Management & Advisor Sales

Paul Souppa, ChFC
Analyst | Investment Management

For Institutional Investor Use Only – Prepared at the request of the National ABLE Alliance

Agenda – Quarterly Investment Review

1. **Quarterly Market Commentary**
    - Markets
    - Economy
2. **Performance Review and Evaluations**
    - Portfolio Performance
    - Underlying Fund Performance
3. **Appendix**
    - A. Asset Allocation of Risk-Based Portfolios
    - B. Fact Sheets of Underlying Funds
    - C. Biographies

Quarterly Investment Review
Economic Review

National ABLE Alliance – Economic Review

1. Domestic Equity
2. International Equity
3. Fixed Income
4. Economic Review
    - Unemployment
    - Consumer Confidence
    - Leading Indicators

National ABLE Alliance – Domestic Equity

Past Performance is not indicative of future results

Index	Dec-17	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	1 Year	3Year	5Year	10 Year
Broad Market															
DJ Industrial Average TR USD	10.96	28.11	28.11	16.50	0.21	10.04	29.65	10.24	8.38	14.06	22.68	28.11	14.36	16.37	9.28
S&P 500 TR USD	6.64	21.83	21.83	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46	21.83	11.41	15.79	8.50
NASDAQ Composite TR USD	6.55	29.64	29.64	8.87	6.96	14.75	40.12	17.45	-0.83	18.02	45.32	29.64	14.72	19.40	11.26
Large Cap															
Russell 1000 TR USD	6.59	21.69	21.69	12.05	0.92	13.24	33.11	16.42	1.50	16.10	28.43	21.69	11.23	15.71	8.59
Russell 1000 Value TR USD	5.33	13.66	13.66	17.34	-3.83	13.45	32.53	17.51	0.39	15.51	19.69	13.66	8.65	14.04	7.10
Russell 1000 Growth TR USD	7.86	30.21	30.21	7.08	5.67	13.05	33.48	15.26	2.64	16.71	37.21	30.21	13.79	17.33	10.00
Mid Cap															
Russell Mid Cap TR USD	6.07	18.52	18.52	13.80	-2.44	13.22	34.76	17.28	-1.55	25.48	40.48	18.52	9.58	14.96	9.11
Russell Mid Cap Value TR USD	5.50	13.34	13.34	20.00	-4.78	14.75	33.46	18.51	-1.38	24.75	34.21	13.34	9.00	14.68	9.10
Russell Mid Cap Growth TR USD	6.81	25.27	25.27	7.33	-0.20	11.90	35.74	15.81	-1.65	26.38	46.29	25.27	10.30	15.30	9.10
Small Cap															
Russell 2000 TR USD	3.34	14.65	14.65	21.31	-4.41	4.89	38.82	16.35	-4.18	26.85	27.17	14.65	9.96	14.12	8.71
Russell 2000 Value TR USD	2.05	7.84	7.84	31.74	-7.47	4.22	34.52	18.05	-5.50	24.50	20.58	7.84	9.55	13.01	8.17
Russell 2000 Growth TR USD	4.59	22.17	22.17	11.32	-1.38	5.60	43.30	14.59	-2.91	29.09	34.47	22.17	10.28	15.21	9.19

Source: Morningstar Direct

National ABLE Alliance – S&P 500

Source: Voya Investment Management LLC

National ABLE Alliance – International Equity

Past Performance is not indicative of future results

Index	Dec-17	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	1 Year	3Year	5Year
Global Markets														
MSCI EAFE Free GR USD	4.27	25.62	25.62	1.51	-0.39	-4.48	23.29	17.90	-11.73	8.21	32.46	25.62	8.30	8.39
MSCI EM GR USD	7.50	37.75	37.75	11.60	-14.60	-1.82	-2.27	18.63	-18.17	19.20	79.02	37.75	9.50	4.73
Regions														
MSCI Europe Ex UK GR USD	0.96	27.81	27.81	0.31	0.07	-5.84	28.74	22.54	-14.49	2.44	33.94	27.81	8.66	9.24
MSCI UK All Cap NR USD	5.82	23.81	23.81	-1.67	-5.35	-5.45	22.90	17.39	-3.85	10.96	46.01	23.81	4.84	6.01
MSCI Pacific Ex Japan GR USD	7.05	26.04	26.04	8.00	-8.35	-0.34	5.62	24.74	-12.67	17.07	73.04	26.04	7.65	5.60
MSCI Japan GR USD	8.52	24.39	24.39	2.73	9.90	-3.72	27.35	8.36	-14.19	15.59	6.39	24.39	11.98	11.48
MSCI China GR USD	7.62	54.33	54.33	1.11	-7.62	8.26	3.96	23.10	-18.24	4.83	62.63	54.33	12.96	10.16
S&P 500 TR USD	6.64	21.83	21.83	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46	21.83	11.41	15.79

National ABLE Alliance – International Economics

Source: Voya Investment Management LLC

National ABLE Alliance – Fixed Income

Past Performance is not indicative of future results

Index	Dec-17	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	1 Year	3Year	5Year	10 Year
U.S. Investment Grade															
BBgBarc Aggregate Bond Treasury TR	0.05	2.31	2.31	1.04	0.84	5.05	-2.75	1.99	9.81	5.87	-3.57	2.31	1.40	1.27	3.31
BBgBarc 1-3 Yr US Treasury TR USD	-0.28	0.42	0.42	0.86	0.56	0.63	0.36	0.43	1.55	2.40	0.80	0.42	0.62	0.57	1.45
BBgBarc US Treasury 20+ Yr TR USD	2.55	8.98	8.98	1.43	-1.59	27.48	-13.88	3.36	33.84	9.38	-21.40	8.98	2.84	3.61	6.63
BBgBarc US Agg Govt Reltd TR USD	0.30	4.18	4.18	2.73	-0.39	6.14	-2.71	4.90	6.67	5.02	2.48	4.18	2.15	1.94	3.70
BBgBarc US Corp IG TR USD	1.17	6.42	6.42	6.11	-0.68	7.46	-1.53	9.82	8.15	9.00	18.68	6.42	3.90	3.48	5.65
BBgBarc US Agency Fixed Rate MBS TR	0.15	2.48	2.48	1.67	1.51	6.15	-1.45	2.60	6.32	5.50	5.75	2.48	1.89	2.04	3.87
BBgBarc US Agg Bond TR USD	0.39	3.54	3.54	2.65	0.55	5.97	-2.02	4.21	7.84	6.54	5.93	3.54	2.24	2.10	4.01
High Yield and Global															
BBgBarc High Yield Corporate TR USD	0.47	7.50	7.50	17.13	-4.47	2.45	7.44	15.81	4.98	15.12	58.21	7.50	6.35	5.78	8.03
BBgBarc Global Aggregate TR USD	1.08	7.39	7.39	2.09	-3.15	0.59	-2.60	4.32	5.64	5.54	6.93	7.39	2.02	0.79	3.09
BBgBarc EM USD Aggregate TR USD	0.62	8.17	8.17	9.88	1.29	4.76	-4.12	17.95	6.97	12.84	34.23	8.17	6.38	3.87	7.01

National ABLE Alliance – Treasury Yields

National ABLE Alliance – Unemployment Rate

Source: Voya Investment Management LLC

National ABLE Alliance – Consumer Confidence

Source: Voya Investment Management LLC

National ABLE Alliance – Leading Indicators

Source: Voya Investment Management LLC

Annual Investment Review
Plan Review

National ABLE Alliance – Plan Review
As of December 31, 2017

Past Performance is not indicative of future results

Fund Name	Market Value	% of Plan	1 Month	3 Months	YTD	1 Year	3 Year	5 Year	10 Year	Inception	Inception Date
Aggressive Option	$1,616,397	14.59%	0.95	4.54	17.62	17.62				16.72	12/15/16
ABLE Aggressive Custom Benchmark			1.06	4.77	18.35	18.35					
Variance			**(0.11)**	**(0.23)**	**(0.73)**	**(0.73)**					
Moderately Aggressive Option	$1,481,775	13.37%	0.88	3.89	14.90	14.90				14.24	12/15/16
ABLE Moderately Aggressive Custom Benchmark			0.91	4.00	15.47	15.47					
Variance			**(0.03)**	**(0.11)**	**(0.57)**	**(0.57)**					
Growth Option	$1,799,623	16.24%	0.72	3.13	11.98	11.98				11.67	12/15/16
ABLE Growth Custom Benchmark			0.77	3.24	12.65	12.65					
Variance			**(0.05)**	**(0.11)**	**(0.67)**	**(0.67)**					
Moderate Option	$1,316,344	11.88%	0.64	2.43	9.47	9.47				9.38	12/15/16
ABLE Moderate Custom Benchmark			0.63	2.49	9.89	9.89					
Variance			**0.01**	**(0.06)**	**(0.42)**	**(0.42)**					
Moderately Conservative Option	$861,751	7.78%	0.38	1.62	6.48	6.48				6.51	12/15/16
ABLE Moderately Conservative Custom Benchmark			0.47	1.74	6.90	6.90					
Variance			**(0.09)**	**(0.12)**	**(0.42)**	**(0.42)**					
Conservative Option	$1,309,159	11.82%	0.19	0.68	2.79	2.79				2.87	12/15/16
ABLE Conservative Custom Benchmark			0.24	0.76	3.00	3.00					
Variance			**(0.05)**	**(0.08)**	**(0.21)**	**(0.21)**					
Checking Option	$2,694,496	24.32%									03/30/17
Plan Total	**$11,079,544**	**100.00%**									

Portfolio Benchmark Allocation Review

ABLE Consortium Custom Benchmarks

	Aggressive Custom Benchmark	Moderately Aggressive Custom Benchmark	Growth Custom Benchmark	Moderate Custom Benchmark	Moderately Conservative Custom Benchmark	Conservative Custom Benchmark
S&P 500 TR USD	31.50%	26.25%	21.00%	15.75%	10.50%	3.50%
S&P Completion TR USD	27.00%	22.50%	18.00%	13.50%	9.00%	3.00%
MSCI EAFE IMI NR USD	16.20%	13.50%	10.80%	8.10%	5.40%	1.80%
FTSE Emerging NR USD	6.30%	5.25%	4.20%	3.15%	2.10%	0.70%
DJ US Select REIT TR USD	9.00%	7.50%	6.00%	4.50%	3.00%	1.00%
BBgBarc US Agg Float Adj TR USD	3.00%	7.50%	12.00%	16.50%	13.50%	9.00%
BBgBarc US 1-5Y GovCredit FlAdj TR USD	2.50%	6.25%	10.00%	13.75%	11.25%	7.50%
BBgBarc U.S. Treasury TIPS 0-5Y TR USD	3.50%	8.75%	14.00%	19.25%	15.75%	10.50%
BBgBarc Gbl Agg xUSD 10% IC TR Hdg USD	1.00%	2.50%	4.00%	5.50%	4.50%	3.00%
Citi Treasury Bill 3 Mon USD	0.00%	0.00%	0.00%	0.00%	25.00%	60.00%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Underlying Investment Product Review

Underlying Product Investment Review
As of December 31, 2017

Underlying Fund Name	Underlying Fund Expense	Total Ret 3 Mo	Total Ret YTD	Total Ret 1 Yr	Total Ret Annlzd 3 Yr	Total Ret Annlzd 5 Yr	Total Ret Annlzd 10 Yr
Vanguard Institutional Index Instl Pl	0.02%	6.64	21.82	21.82	11.41	15.78	8.52
S&P 500 TR USD		6.64	21.83	21.83	11.41	15.79	8.50
Variance		**0.00**	**-0.02**	**-0.02**	**0.00**	**-0.01**	**0.02**
Vanguard Extended Market Index InstlPlus	0.05%	4.82	18.13	18.13	9.92	14.62	9.26
S&P Completion TR USD		4.84	18.11	18.11	9.80	14.49	9.17
Variance		**-0.02**	**0.02**	**0.02**	**0.12**	**0.13**	**0.10**
iShares Core MSCI EAFE ETF	0.08%	4.51	26.42	26.42	8.81	8.69	
MSCI EAFE IMI NR USD		4.50	26.16	26.16	8.64	8.54	
Variance		**0.02**	**0.27**	**0.27**	**0.16**	**0.15**	
Schwab Emerging Markets Equity ETF™	0.13%	6.79	32.03	32.03	7.87	4.06	
FTSE Emerging NR USD		6.96	32.08	32.08	8.08	4.22	
Variance		**-0.17**	**-0.05**	**-0.05**	**-0.21**	**-0.16**	
Schwab US REIT ETF™	0.07%	1.96	3.70	3.70	4.82	8.96	
DJ US Select REIT TR USD		1.98	3.76	3.76	4.97	9.09	
Variance		**-0.02**	**-0.06**	**-0.06**	**-0.15**	**-0.13**	

Past Performance is not indicative of future results

Underlying Product Investment Review
As of December 31, 2017

Underlying Fund Name	Underlying Fund Expense	Total Ret 3 Mo	Total Ret YTD	Total Ret 1 Yr	Total Ret Annlzd 3 Yr	Total Ret Annlzd 5 Yr	Total Ret Annlzd 10 Yr
Vanguard Total Bond Market Idx InstlPls	0.03%	0.42	3.59	3.59	2.20	2.05	3.95
BBgBarc US Agg Float Adj TR USD		0.41	3.63	3.63	2.27	2.10	N/A
Variance		**0.01**	**-0.04**	**-0.04**	**-0.07**	**-0.06**	**N/A**
Vanguard Short-Term Bond Idx InstlPls	0.04%	-0.32	1.21	1.21	1.24	1.04	2.38
BBgBarc US 1-5Y GovCredit FlAdj TR USD		-0.30	1.27	1.27	1.27	1.10	N/A
Variance		**-0.02**	**-0.05**	**-0.05**	**-0.03**	**-0.06**	**N/A**
Vanguard Shrt-Term Infl-Prot Sec Idx Adm	0.06%	0.21	0.82	0.82	1.12	0.12	
BBgBarc U.S. Treasury TIPS 0-5Y TR USD		0.21	0.88	0.88	1.22	0.18	
Variance		**0.01**	**-0.05**	**-0.05**	**-0.10**	**-0.06**	
iShares Core International Aggt Bd ETF	0.09%	1.16	2.51	2.51			
BBgBarc Gbl Agg xUSD 10% IC TR Hdg USD		1.20	2.64	2.64			
Variance		**-0.03**	**-0.13**	**-0.13**			

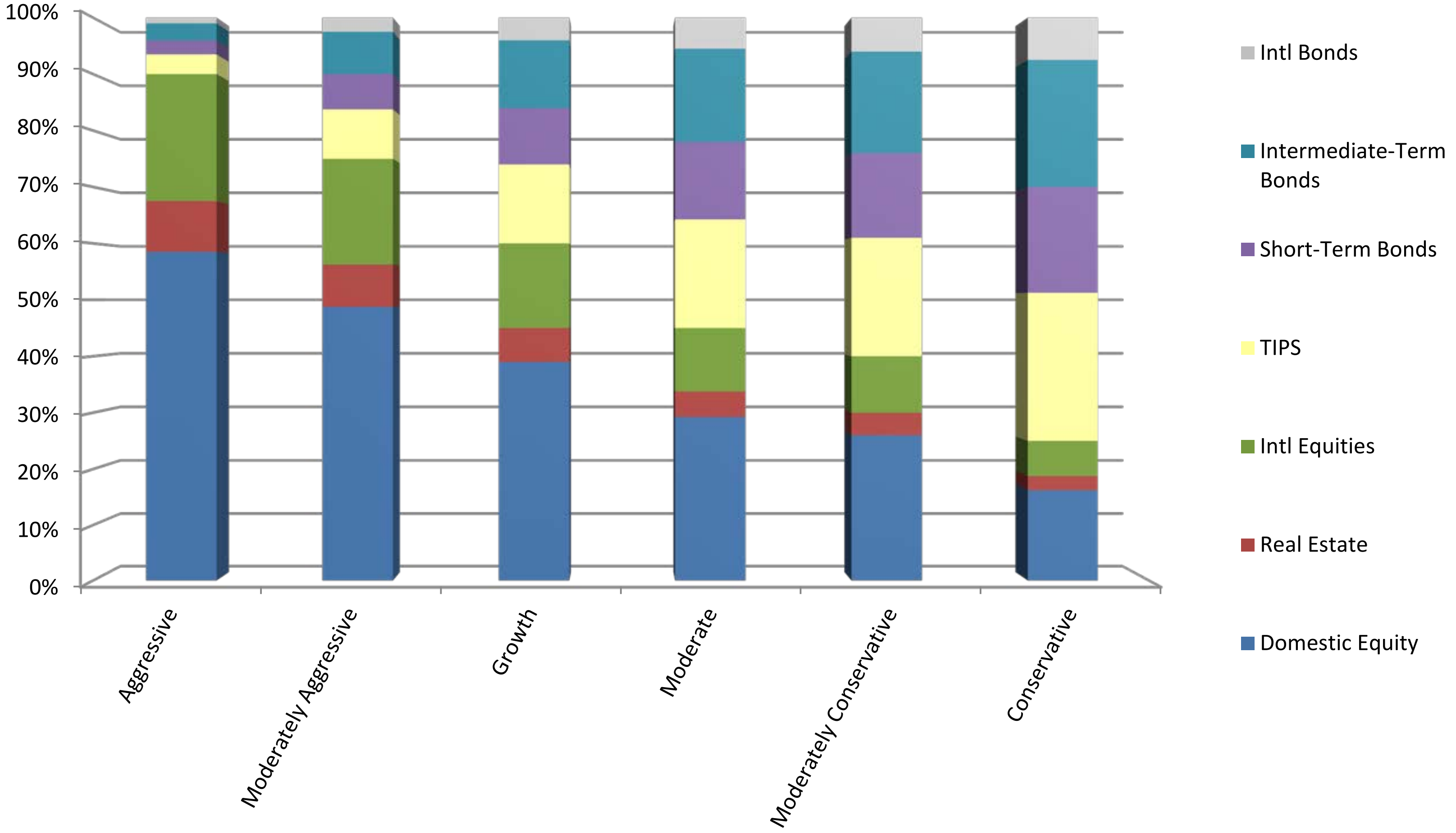
Past Performance is not indicative of future results

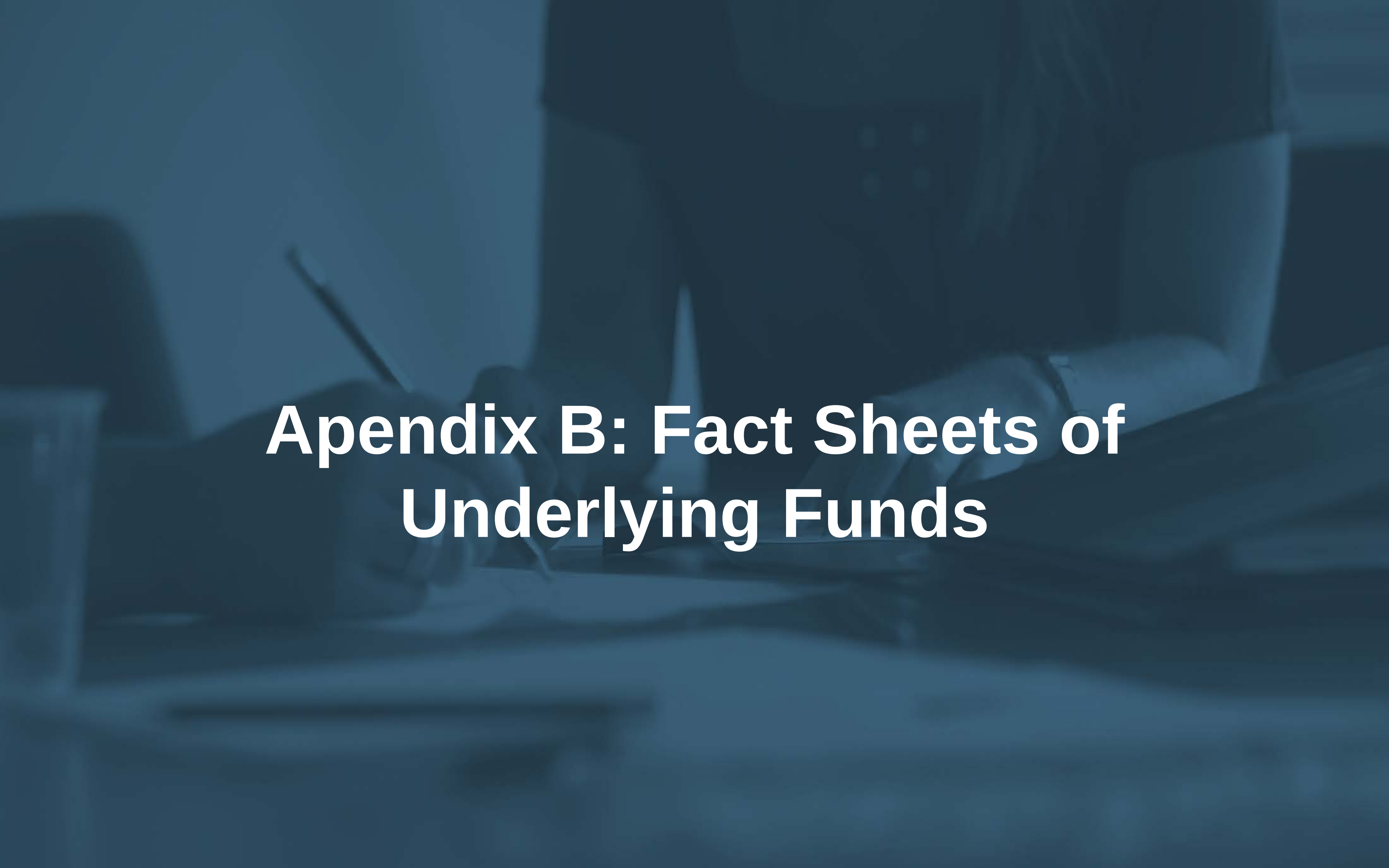
Apendix A: Asset Allocation of Risk Based Portfolios

Asset Allocation Review - Current Target Allocations

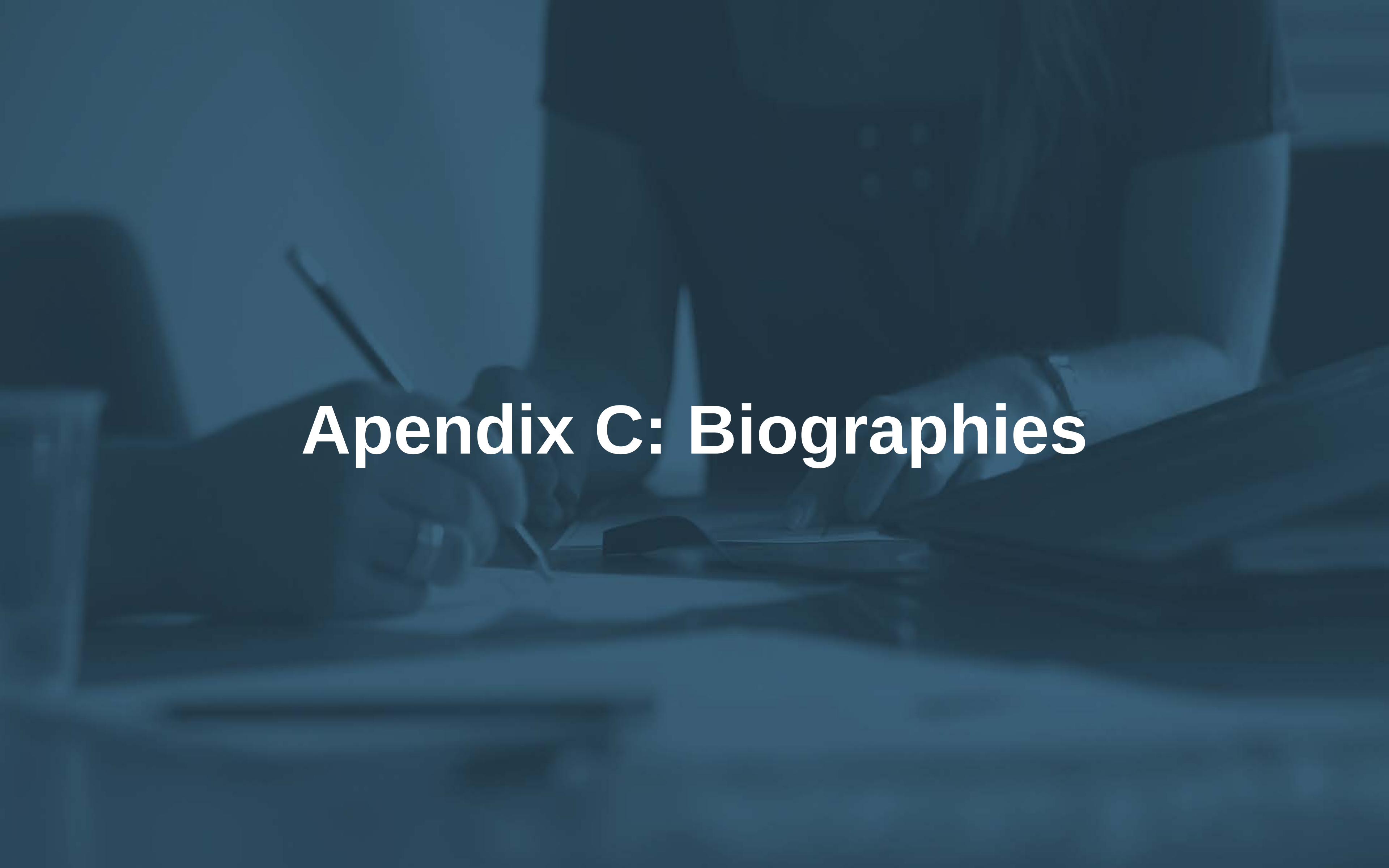
Asset Class	Underlying Investment	Ticker	Underlying Expense	National ABLE Alliance Target Asset Allocation					
				Aggressive	Moderately Aggressive	Growth	Moderate	Moderately Conservative	Conservative
U.S. Large Cap	Vanguard Institutional Index Fund - Institutional Plus	VIIIX	0.02%	31.50%	26.25%	21.00%	15.75%	10.50%	3.50%
U.S. Small & Mid Cap	Vanguard Extended Market Index Fund - Instl Plus Shares	VEMPX	0.05%	27.00%	22.50%	18.00%	13.50%	9.00%	3.00%
Non - U.S. Multi Cap	iShares Core MSCI EAFE ETF	IEFA	0.08%	16.20%	13.50%	10.80%	8.10%	5.40%	1.80%
Emerging Markets	Schwab Emerging Markets Equity ETF	SCHE	0.13%	6.30%	5.25%	4.20%	3.15%	2.10%	0.70%
REITs	Schwab U.S. REIT ETF	SCHH	0.07%	9.00%	7.50%	6.00%	4.50%	3.00%	1.00%
U.S. Core Bond	Vanguard Total Bond Market Index Fund - Institutional Plus Shares	VBMPX	0.03%	3.00%	7.50%	12.00%	16.50%	13.50%	9.00%
Short - Term Inv Grade	Vanguard Short-Term Bond Index Fund - Institutional Plus Shares	VBIPX	0.04%	2.50%	6.25%	10.00%	13.75%	11.25%	7.50%
Short - Term TIPS	Vanguard Short-Term Inflation-Protected Securities Index Fund - Admiral	VTAPX	0.07%	3.50%	8.75%	14.00%	19.25%	15.75%	10.50%
International Bond	iShares® Core International Aggregate Bond ETF	IAGG	0.09%	1.00%	2.50%	4.00%	5.50%	4.50%	3.00%
Cash	Sallie Mae High Yield FDIC		0.00%	0.00%	0.00%	0.00%	0.00%	25.00%	60.00%
Equity Allocation				**90.00%**	**75.00%**	**60.00%**	**45.00%**	**30.00%**	**10.00%**
Fixed Income Allocation				**10.00%**	**25.00%**	**40.00%**	**55.00%**	**45.00%**	**30.00%**
Cash Equivalent Allocation				**0.00%**	**0.00%**	**0.00%**	**0.00%**	**25.00%**	**60.00%**
Total Allocation				**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
Underlying Expense				**0.05%**	**0.05%**	**0.05%**	**0.05%**	**0.04%**	**0.02%**

National ABLE Alliance – Asset Allocation of Risk Based Portfolios





Apendix B: Fact Sheets of Underlying Funds



Apendix C: Biographies

Biographies
Ascensus Investment Advisors, LLC

Steve Dombrower, CFA, SVP Investment Management and Advisor Strategy

Previously Steve served as VP & Director of College Savings for Oppenheimer Funds. Steve has over 20 years of experience in Financial Services and Investment Management. Steve earned an M.B.A. in Corporate Finance & Investments from Adelphi University and a B.S. in Finance from the State University of New York at Albany. He is a Chartered Financial Analyst charter holder and a member of the CFA Institute, the New York Society of Securities Analysts, and the Financial Planning Association. Steve also holds the FINRA Series 7, 24, 50, and 63 licenses.

Paul Souppa, ChFC, Analyst, Investment Management

Previously Paul served as Investment Specialist at Voya Financial. Paul has over 18 years of experience in Investment Management Services. He earned his M.B.A. from Bentley University and a B.A. in Finance from University of Massachusetts – Amherst. Paul is a Chartered Financial Consultant and holds the FINRA Series 6 license.

ascensus®
Always have a plan

Questions?

National ABLE Alliance

For Institutional Investor Use Only
Prepared at the request of the National ABLE Alliance Oversight Committee