

## IRON SHORT-TERM INVESTMENT GRADE CORPORATE BOND PORTFOLIO

Separately Managed Account | 1Q 2019

### The Role of Fixed Income for the Long-Term Investor

Fixed income exposure is an integral component of the long-term strategic allocation of financial assets in an investor's portfolio. It can provide capital stability and income. Further, a short-term corporate bond allocation can provide liquidity and mitigate interest rate volatility, thus seeking to provide long-term investors with better risk-adjusted returns.

### Strategy Highlights

The value proposition that IRON provides includes:

- **Individual Bonds:** IRON structures laddered portfolios of individual bonds, which are generally held to maturity to mitigate interest rate risk. This structure is unlike an ETF or mutual fund which has a perpetual duration.
- **Diversification:** The portfolios are broadly diversified across all major market sectors.
- **Credit Monitoring:** Bonds are purchased with the intent to be held until maturity. However, all positions are actively monitored for any changes in credit. When necessary, a position will be sold if the credit deteriorates and becomes a risk to the portfolio.
- **Trade Execution:** IRON can execute with numerous broker-dealers across multiple trading platforms. Further, IRON does not hold any bond inventory thus avoiding any conflict of interest.
- **Reporting and Transparency:** IRON provides detailed reporting for end clients to gain insight into their portfolios.



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## Investment Objective

The IRON Short-Term Investment Grade Corporate Bond Portfolio seeks to provide current income with relatively low price volatility from a portfolio of diversified investment grade bonds.

## Investment Approach

The Portfolio invests in corporate bonds with a credit quality of BBB- or better and maturities ranging from 1-5 years. The typical portfolio has an average credit quality of A-/BBB+ with an average duration of approximately 3 years. While the manager seeks to limit turnover, a bond may be sold if it violates the investment grade threshold or the manager deems it to be a risk to the overall portfolio objective.

## Strategy Fit in a Client's Portfolio

IRON's Short-Term Investment-Grade Corporate Bond Portfolio fits into the fixed income portion of an investor's diversified portfolio looking to mitigate potential credit, interest rate, and liquidity risk.

## Strategy Goals

- Capital Preservation
- Stable Current Income
- Lower Price Volatility
- Diversified Investment Grade Exposure

## Strategy Information

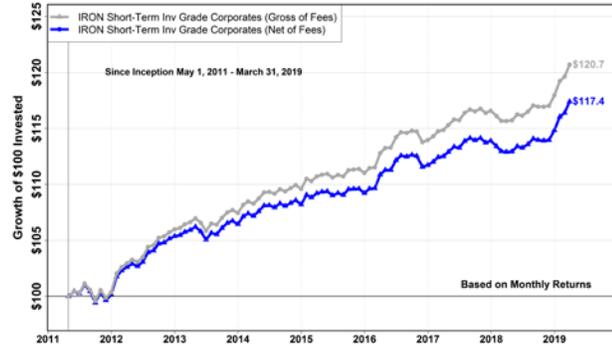
Minimum Investment: \$500,000  
Fee: 0.35%

## Benefits of Separately Managed Accounts

Customized Portfolio Construction	Tax Efficiency
Competitive Fees	Flexible Investment Policy Guidelines
Transparency	Management
Ownership	Liquidity

## Portfolio Performance

As of 3/31/2019

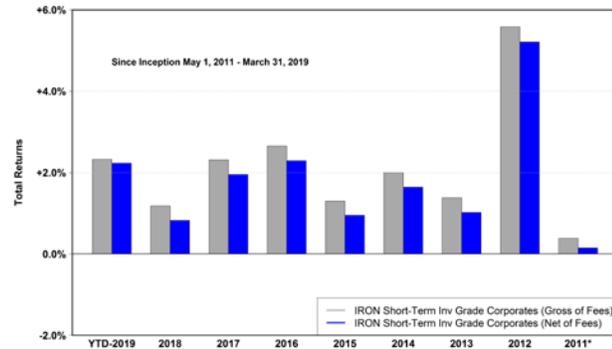


	YTD-2019	2018	2017	2016	2015	2014	2013	2012	Annualized Return Since Inception*
IRON Short-Term Corporate Strategy (Gross of Fees)	2.32%	1.18%	2.31%	2.65%	1.30%	2.00%	1.38%	5.58%	2.40%
IRON Short-Term Corporate Strategy (Net of Fees)	2.23%	0.82%	1.95%	2.29%	0.95%	1.64%	1.02%	5.21%	2.05%

\*Since Inception 5/1/2011

## Calendar Year Total Returns

As of 3/31/2019



## Monthly Returns

As of 3/31/2019

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
IRON Short-Term Corporate Strategy (Gross of Fees)	1.07%	0.33%	0.90%									
IRON Short-Term Corporate Strategy (Net of Fees)	1.04%	0.30%	0.87%									

## Quarterly Returns

As of 3/31/2019

	Q1	Q2	Q3	Q4
IRON Short-Term Corporate Strategy (Gross of Fees)	2.32%			
IRON Short-Term Corporate Strategy (Net of Fees)	2.23%			

Past performance is not indicative of future results, which may vary. The value of investments and the income derived from investments can go down as well as up. Future returns are not guaranteed, and a loss of principal may occur. Investment objectives, risks, charges, expenses, and other important information are contained in this documents; read and consider them carefully before investing. Management fees of 0.35% annually, our highest published fee, have been deducted from the above results. Please see last page for important disclosures.

## Statistical Comparison

As of 3/31/2019

	Annualized Total Return*	Annualized Standard Deviation	Sharpe Ratio	Maximum Drawdown	Sortino Ratio
IRON Short-Term Corporate Strategy (Gross of Fees)	2.40%	1.50%	1.25	-1.5%	2.62
IRON Short-Term Corporate Strategy (Net of Fees)	2.05%	1.50%	1.02	-1.6%	2.01

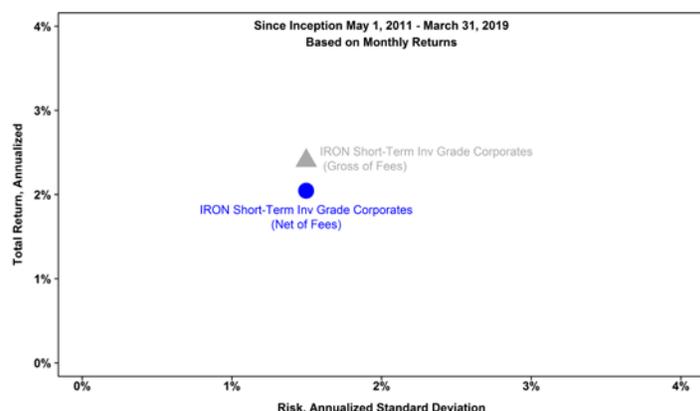
  

	Downside Deviation	Best Monthly Return	Worst Monthly Return	Up Capture Ratio	Down Capture Ratio
IRON Short-Term Corporate Strategy (Gross of Fees)	0.72%	1.65%	-0.99%	0.88	0.82
IRON Short-Term Corporate Strategy (Net of Fees)	0.76%	1.62%	-1.02%	0.82	0.92

\*Since Inception 5/1/2011

## Risk-Reward

As of 3/31/2019



## Portfolio Characteristics

As of 3/31/2019

Characteristic	
Weighted Average Effective Maturity	2.6
Weighted Average Duration	2.36
Weighted Average Coupon	3.65%
Weighted Average Yield to Cost	3.04%
Weighted Average Credit Quality	BBB+/BBB

## Distribution by Maturity

As of 3/31/2019

Year	(% of Portfolio)
2019	4%
2020	20%
2021	22%
2022	31%
2023	22%
2024	1%
<b>Total</b>	<b>100.0%</b>

## Distribution by Credit Quality

As of 3/31/2019

Rating	(% of Portfolio)
AAA	0%
AA	0%
A	12%
BBB	88%
<BBB	0%
<b>Total</b>	<b>100.0%</b>

## Distribution by Sector

As of 3/31/2019

Sector	(% of Portfolio)
Basic Materials	4.38%
Communications	13.48%
Consumer Cyclical	7.49%
Consumer Non-Cyclical	25.00%
Energy	3.69%
Financial	30.07%
Industrials	9.68%
Technology	6.22%
Utilities	0.00%
Other	0.00%
<b>Total</b>	<b>100.0%</b>

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The above returns and characteristics are based on the composite. Actual returns and characteristics for individual client portfolios managed by IRON Financial, LLC may vary and do not necessarily coincide exactly with the returns and characteristics for the composite group. Actual performance of client portfolios may differ materially due to the timing related to the actual deployment and investment of a client portfolio, the reinvestment of dividends or interest, length of time various positions are held, client objectives and restrictions, and fees and expenses incurred by the individual portfolio.

## PORTFOLIO MANAGEMENT



**Aaron Izenstark**  
*Co-Founder and Chief Investment Officer*

Mr. Izenstark is a Co-Founder and Chief Investment Officer of IRON Financial. He is responsible for oversight of IRON's investment management, research and trading capabilities and for the oversight and management of the firm's approximately \$4.5 billion in current client assets.

Since IRON's founding in 1994, Mr. Izenstark's focus has been on designing specialized Fixed Income and Equity strategies that seek to reduce portfolio volatility and downside risk while earning competitive returns through full market cycles. Under the guidance of Mr. Izenstark, the IRON organization has evolved from managing a small portfolio in 1994 to today managing assets for a range of Intermediary, Institutional and High Net Worth investors today.

Prior to Co-Founding IRON Financial in 1994, Mr. Izenstark was a member of the Chicago Board of Trade and Chicago Mercantile Exchange where he specialized in the trading of Fixed Income and Equity derivatives. Mr. Izenstark began investing in High Yield fixed income securities in 1988 while a member of the Chicago Board of Trade (CBOT) – where he first developed the investment process that has evolved into the full investment methodology IRON uses presently in managing its high yield fixed income strategy. Mr. Izenstark received his Bachelor of Science in Business Administration from Indiana University and he holds the FINRA Series 2 and 65 licenses.



**Ted Connolly**  
*Director, Portfolio Management and Trading*

Mr. Ted Connolly is a trader and portfolio manager for a series of strategies for IRON Financial. Mr. Connolly joined IRON Financial in 2006 and has responsibility for fixed income strategies incorporating the use of corporate, government, municipal and convertible securities. Mr. Connolly also has the responsibility for overseeing the global and domestic option overlay strategies at IRON.

Prior to joining IRON, Mr. Connolly worked for several market making firms at the Chicago Board Options Exchange and the Chicago Board of Trade. During this time, he was responsible for the administrative start-up of a yield curve trading group trading futures to hedge option trades as well as trading the daily and overnight gamma for open option positions. Mr. Connolly earned a Bachelor of Arts in Economics from Connecticut College and holds the FINRA Series 65 license.



**Dr. Ramesh Poola, Ph.D., CFA**  
*Managing Director of Investment and Quantitative Research*

Dr. Ramesh Poola, Ph.D., CFA is the Managing Director of Investment and Quantitative Research for IRON Financial. Dr. Poola joined IRON Financial in 2009 and he heads and oversees all quantitative investment research, financial modeling, portfolio construction, and risk analysis for IRON's investment strategies across all asset classes. He also leads investment research for IRON Financial's ERISA 3(38) Investment Fiduciary Corporate Retirement Services business.

Prior to joining IRON, Dr. Poola was an Equities Research Analyst at Koch Quantitative Trading, LLC, a division of Koch Industries, where he was responsible for quantitative research; the development of new investment strategies; and the development and enhancement of advanced risk management practices. Previously, Dr. Poola was an Equity Research Analyst at Morningstar, LLC where he was responsible for fundamental equity research coverage in the diversified industrial sector. He conceived and organized Morningstar's first stock conference, "The Management Behind the Moat."

Previously, Dr. Poola spent six years in advanced engineering research and development at General Motors Corporation and six years as a leading researcher at Argonne National Laboratory. Dr. Poola was awarded eleven U.S. Patents and authored/co-authored over 60 scholarly technical papers in leading peer-reviewed journals. Also, he was a recipient of GM's "Outstanding Achievement Award" for exemplary leadership and excellence and was a three-time recipient of the "Argonne Director's Award," – the highest award provided by Argonne for outstanding achievements and research contributions. He was also a recipient of the "R&D 100" award from R&D magazine.

**To learn more, please contact:**

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Our management fees are 0.35% annually. The data for the IRON Short Term Investment Grade Corporate Bond Portfolio includes all discretionary portfolios in the composite. In order to be included in the composite, an account must have an initial starting balance of \$1,000,000 or greater. Actual accounts are charged quarterly in arrears based on the quarter end value adjusted for capital flows. The advisor's advisory fees are described in our ADV Part 2. Past performance is not indicative of future results and an investment in the IRON Short Term Investment Grade Corporate Bond Portfolio involves the risk of loss, particularly with respect to short-term performance. The data assumes reinvestment of interest and includes transaction costs. If interest were not reinvested, then the above results would be considerably different. Performance results for the above are unaudited. The above characteristics are based on the composite. Actual characteristics for individual client portfolios managed by IRON Financial, LLC may vary and do not necessarily coincide exactly with the characteristics for the composite group. Actual performance of client portfolios may differ materially due to the timing related to the actual deployment and investment of a client portfolio, the reinvestment of dividends or interest, length of time various positions are held, client objectives and restrictions, and fees and expenses incurred by the individual portfolio. Investment characteristics shown are based upon the particular securities selected. The tables and other information shown are provided to you for informational purposes only and are not intended to be and do not constitute investment or tax advice nor an opinion or recommendation regarding the appropriateness of any investment. The information is based upon the particular securities selected by IRON Financial LLC on the date appearing in the materials.

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