

# MSAM Balanced/Conservative Growth Composite

As of 09/30/17

## Facts At A Glance

Inception Date: 02/08/2013  
 Portfolio Manager: Ron Medley  
 Strategy: Balanced/Conservative Growth  
 Benchmark:  
 Blend of S&P 1500 (60%),  
 Bloomberg Barclays Long Bond Index  
 (40%)

## Strategy Overview

The composite seeks long term growth, income, and capital conservation, in combination. It utilizes both active and passive investment vehicles to create a balanced portfolio profile. Equities, whether individual stocks or index ETF's, purchased primarily for growth, normally make up around 60% of the portfolio and securities purchased for income make up the remainder. Portfolio construction methods are used to manage risk and maintain a consistent ongoing portfolio profile.

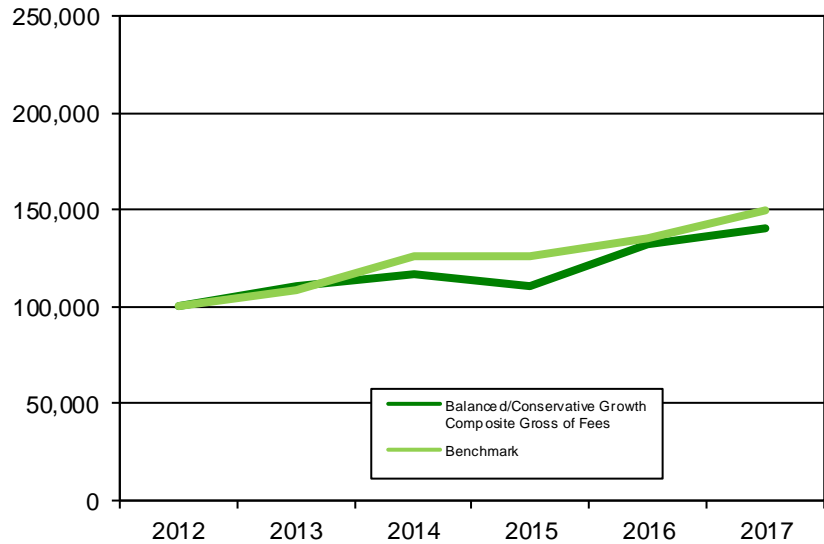
## Characteristics

Average Market Capitalization:  
 \$17,856 million  
 Number of holdings: 42  
 P/E (forward): 18.811  
 P/B: 2.23  
 P/S: 1.83  
 P/CF: 17.00

## Contact Us

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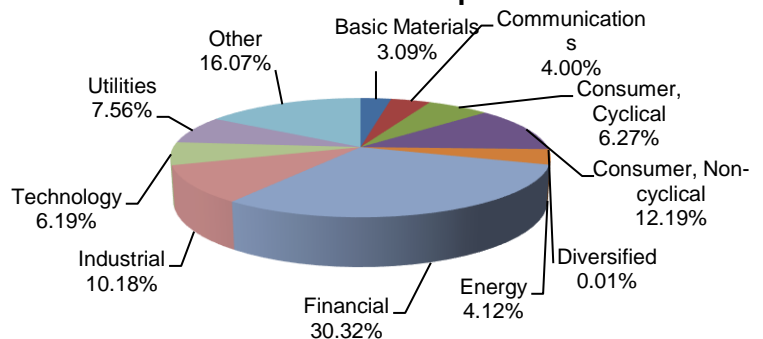
**Growth of \$100,000 from Inception to Date (02/08/13-09/30/17)<sup>1</sup>**



**Trailing Return % (Through 09/30/17)**

Period (* Annualized if greater than 1 Year)	Balanced Conservative Growth Composite Gross	Balanced Conservative Growth Composite Net	S&P 1500 60%/ Bloomberg Barclays 40% Blend
2017 YTD	6.67	5.72	10.72
1 Year	13.30	11.94	8.20
3 Year*	7.62	6.27	8.88
Inception to Date*	7.67	6.44	10.18

**Portfolio Investment Exposure**



**Top 5 Holdings**

Top 5 Holdings	% Net Assets
Powershares S&P Small Cap Low Volatility	21.75
Ishares Core S&P Mid Cap ETF	21.35
Powershares Exchange Traded Fund Trust II	19.28
Ishares Core U S Aggregate BD ETF	18.36
Pennantpark Floating Rate Capital Ltd Com	4.87
<b>Total</b>	<b>85.61</b>

This information is supplemental and provided to complement the disclosure presentation and notes on the following page.

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## Disclosure Presentation

Period	Total Firm Assets (in USD MM)	Composite Assets (in USD MM)	Number of Composite Accounts	Composite		S&P 1500	Composite Dispersion (%)*	Composite 3 Yr Ex-Post Std.Dev.**	Benchmark 3 Yr Ex-Post Std.Dev.**
				Return Gross of Fees (%)	Return Net of Fees (%)	TR 60% / Bloomberg Barclays Agg 40%			
2017 YTD	81.19	4.62	25	6.67	5.72	10.72	N/A	N/A	N/A
2016	61.39	3.21	21	19.05	17.56	8.71	1.3	9.96	6.85
2015	51.04	3.52	22	-4.95	-6.23	0.62	2.3	N/A	N/A
2014	33.13	3.49	21	4.96	3.72	18.1	2.94	N/A	N/A
2013	27.89	1.42	10	11.21	10.54	9.62	N/A	N/A	N/A

\*Annual composite dispersion is an asset weighted standard deviation of accounts.

It was not calculated for partial year 2013, nor was it calculated for the partial year 2017.

\*\* 3 Yr Standard Deviation was not calculated for years prior to 2016.

## Disclosures:

1. Past performance is not indicative of future results. Supplemental graph showing growth of \$100,000 is for illustrative purposes only. No contributions or withdrawals are contemplated. No taxes or investment management fees are considered. The statistics are based on annual returns assuming reinvestment of dividends and income, and account for both realized and unrealized gains and losses.
2. The MSAM Balanced/Conservative Growth Composite contains discretionary, fee paying, accounts, managed by Ron Medley, that follow a balanced and/or growth investment strategy. The composite seeks long term growth, income, and capital conservation, in combination. It utilizes both active and passive investment vehicles to create a balanced portfolio profile. Equities, whether individual stocks or index ETF's, purchased primarily for growth, normally make up around 60% of the portfolio and securities purchased for income make up the remainder. Passive index ETF's, in small and mid cap asset classes, for example, are used to generate growth while minimizing individual company risk. Dividend paying large cap stocks are used to maintain exposure to mature companies. Fixed income securities are generally made up of high yield corporate bonds, whether individual bonds, a bond index ETF, or an equity made up of a basket of bonds. Portfolio construction methods are used to follow the same Balanced/Conservative Growth Composite methodology across portfolios while allowing for customization of individual client accounts per their unique risk tolerance and investment preferences.
3. Returns are presented both gross and net of management fees and include the reinvestment of all income. Gross of fees includes trading costs and net of fees includes management fees. There are no performance fees. The effect of withholding tax on the balanced/conservative growth composite is not considered nor is it reflected in the benchmark price indices. The firm has a policy of checking for significant cash flows and revaluing portfolios for performance purposes when a cash flow greater than 10% happens.
4. A benchmark blend of the S&P 1500 and the Barclays Long Bond Index of 60% S&P 1500/40% Barclays Long Bond Index are provided for comparison to the Balanced/Conservative Growth Composite: The S&P 1500 for its characteristic of representing the broad equity market; the Barclays Long Bond Index for its characteristic of representing the broad bond market, and the 60%/40% blend for its characteristic of representing the overall target investment in the composite. None of the S&P indices reflect the deduction of a management fee if an investor invested in them. The S&P index reflects the reinvestment of all income.
5. To receive a complete list, description and presentation of all MSAM composites, policies regarding valuing portfolios, calculating performance and/or a compliant presentation that adheres to GIPS standards, contact Ron Medley at 1-800-628-6002, x3003 or write Attn: Ron Medley, MSAM, 13537 Barrett Pkwy. Dr., Ste. 330, Manchester, MO, 63021.