HighMark® Capital Management, Inc.’s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

Rigorous Manager Due Diligence
Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

Flexible Investment Options
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark’s active asset allocation approach.

Risk Management
The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

INVESTMENT OBJECTIVE
To provide growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important.

ASSET ALLOCATION — MODERATE PORTFOLIO
<table>
<thead>
<tr>
<th>Strategic Range</th>
<th>Equity</th>
<th>Fixed Income</th>
<th>Cash</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy</td>
<td>40 - 60%</td>
<td>40 - 60%</td>
<td>0 - 20%</td>
</tr>
<tr>
<td>Tactical</td>
<td>50%</td>
<td>45%</td>
<td>5%</td>
</tr>
</tbody>
</table>

ANNUALIZED TOTAL RETURNS

<table>
<thead>
<tr>
<th></th>
<th>HighMark Plus (Active)</th>
<th>Index Plus (Passive)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Quarter*</td>
<td>1.01%</td>
<td>1.13%</td>
</tr>
<tr>
<td>Blended Benchmark**</td>
<td>1.45%</td>
<td>1.45%</td>
</tr>
<tr>
<td>Year To Date</td>
<td>0.27%</td>
<td>0.09%</td>
</tr>
<tr>
<td>Blended Benchmark</td>
<td>0.60%</td>
<td>0.60%</td>
</tr>
<tr>
<td>1 Year</td>
<td>6.42%</td>
<td>5.77%</td>
</tr>
<tr>
<td>Blended Benchmark</td>
<td>6.40%</td>
<td>6.40%</td>
</tr>
<tr>
<td>3 Year</td>
<td>5.82%</td>
<td>5.56%</td>
</tr>
<tr>
<td>Blended Benchmark</td>
<td>5.96%</td>
<td>5.96%</td>
</tr>
<tr>
<td>5 Year</td>
<td>6.59%</td>
<td>6.36%</td>
</tr>
<tr>
<td>Blended Benchmark</td>
<td>6.84%</td>
<td>6.84%</td>
</tr>
<tr>
<td>10 Year</td>
<td>6.02%</td>
<td>5.98%</td>
</tr>
<tr>
<td>Blended Benchmark</td>
<td>6.18%</td>
<td>6.18%</td>
</tr>
</tbody>
</table>

* Returns less than 1-year are not annualized. **Breakdown for Blended Benchmark: 26.5% S&P500, 5% Russell Mid Cap, 7.5% Russell 2000, 3.25% MSCI EM FREE, 6% MSCI EAFE, 33.50% BC US Agg, 10% ML 1-3 Yr- US Corp/Gov, 1.50% US High Yield Master II, 1.75% Wilshire REIT, and 5% Citibank 1 Mth T-Bill. Prior to October 2012, the blended benchmarks were 43% S&P 500, 2% Russell 2000, 5% MSCI EAFE, 15% ML 1-3 Year Corp./Govt, 30% BC Agg, 5% Citibank 1 Mth T-Bill. Prior to April 2007, the blended benchmarks were 50% S&P 500, 15% ML 1-3 Yr Corp/Govt, 30% BC Agg, and 5% Citibank 1 Mth T-Bill.
US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. As of June 30, 2018, the adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios.

PARS Moderate active and passive objectives and do not have equity concentration of 25% or more in one common stock security.

Composites are managed by HighMark's HighMark Capital Advisors (HCA) with full investment authority according to the blended rate is 0.58%. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 36 basis points paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a $10 million initial value would grow to $12.54 million after fees (Net-of-Fees) and $12.76 million before fees (Gross-of-Fees).

HighMark Plus (Active) Index Plus (Passive)

Columbia Contrarian Core Z
Vanguard Growth & Income Adm
Dodge & Cox Stock Fund
Harbor Capital Appreciation
T. Rowe Price Growth Stock
iShares Russell Mid-Cap ETF
Vanguard REIT ETF
Undiscovered Managers Behavioral Value
T. Rowe Price New Horizons
Nationwide Baird International Equities
Dodge & Cox International Stock
MFS International Growth I
Hartford Schroders Emerging Markets Eq
Vanguard Short-Term Invest-Grade Adm
iShares Core U.S. Aggregate
First American Government Obligations Z

HOLDINGS

iShares S&P 500 ETF
iShares Russell 500 Value
iShares Russell Mid-Cap ETF
Vanguard REIT ETF
iShares Russell 2000 Value
iShares Russell 2000 Growth
iShares MSCI EAFE
Vanguard FTSE Emerging Markets ETF
Vanguard Short-Term Invest-Grade Adm
First American Government Obligations Z

Holdings are subject to change at the discretion of the investment manager.

STYLE

Large Cap Value 6.4%
Cash 3.1%
Mid Cap 3.6%
Large Cap Growth 4.7%
Large Cap Core 14.2%
Real Estate 1.4%
Small Cap 8.6%
Interm-Term Bond 38.3%
Short-Term Bond 7.8%
Init Stocks 12.1%

The performance records shown represent size-weighted composites of tax exempt accounts that meet the following criteria:

- The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios.
- US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale.

The performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-accounting.

Blended benchmarks represent HighMark’s strategic allocations between equity, fixed income, and cash and are rebalanced monthly. Benchmark returns do not reflect the deduction of advisory fees or other expenses of investing but assumes the reinvestment of dividends and other earnings. An investor cannot invest directly in an index. The unmanaged S&P 500 Index is representative of the performance of large companies in the U.S. stock market. The MSCI EAFE Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The US High Yield Master II Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market, whilst REIT index measures U.S. publicly traded Real Estate Investment Trusts. The unmanaged Bloomberg Barclays Capital (BIC) U.S. Aggregate Bond Index is generally representative of the U.S. taxable bond market as a whole. The Merrill Lynch (ML) 1-3 Year U.S. Corporate & Government Index tracks the bond performance of The ML U.S. Corporate & Government Index, with a remaining term to final maturity less than 3 years. The Barron’s Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe.

**HOLDINGS**

**HighMark Plus (Active)**

- Columbia Contrarian Core Z
- Vanguard Growth & Income Adm
- Dodge & Cox Stock Fund
- Harbor Capital Appreciation
- T. Rowe Price Growth Stock
- iShares Russell Mid-Cap ETF
- Vanguard REIT ETF
- Undiscovered Managers Behavioral Value
- T. Rowe Price New Horizons
- Nationwide Baird International Equities
- Dodge & Cox International Stock
- MFS International Growth I
- Hartford Schroders Emerging Markets Eq
- Vanguard Short-Term Invest-Grade Adm
- iShares Core U.S. Aggregate
- First American Government Obligations Z

**Index Plus (Passive)**

- iShares S&P 500 ETF
- iShares Russell 500 Value
- iShares Russell Mid-Cap ETF
- Vanguard REIT ETF
- iShares Russell 2000 Value
- iShares Russell 2000 Growth
- iShares MSCI EAFE
- Vanguard FTSE Emerging Markets ETF
- Vanguard Short-Term Invest-Grade Adm
- iShares Core U.S. Aggregate
- First American Government Obligations Z

**ABOUT THE ADVISER**

HighMark Capital Management, Inc. (HighMark) has nearly 100 years (including predecessor organizations) of institutional money management experience with more than $7.1 billion in assets under management. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

**ABOUT THE PORTFOLIO MANAGEMENT TEAM**

**Andrew Brown, CFA®**
- Senior Portfolio Manager
- Investment Experience: since 1994
- HighMark Tenure: since 1997
- Education: MBA, University of Southern California; BA, University of Southern California

**Salvatore “Tony” Milazzo III, CFA®**
- Senior Portfolio Manager
- Investment Experience: since 2004
- HighMark Tenure: since 2014
- Education: BA, Colgate University

**J. Keith Stribling, CFA®**
- Senior Portfolio Manager
- Investment Experience: since 1985
- HighMark Tenure: since 1995
- Education: BA, Stetson University

**Christiane Tsuda**
- Senior Portfolio Manager
- Investment Experience: since 1987
- HighMark Tenure: since 2010
- Education: BA, International Christian University, Tokyo

**Anne Wimmer, CFA®**
- Senior Portfolio Manager
- Investment Experience: since 1997
- HighMark Tenure: since 2007
- Education: BA, University of California, Santa Barbara

**Randy Yurchak, CFA®**
- Senior Portfolio Manager
- Investment Experience: since 2002
- HighMark Tenure: since 2017
- Education: MBA, Arizona State University; BS, University of Washington

**Manager Review Group**
- Number of Members: 7
- Average Years of Experience: 16
- Average Tenure (Years): 14