

# MJM INVESTMENT ADVISORS, INC.

## Conservative Balanced Strategy

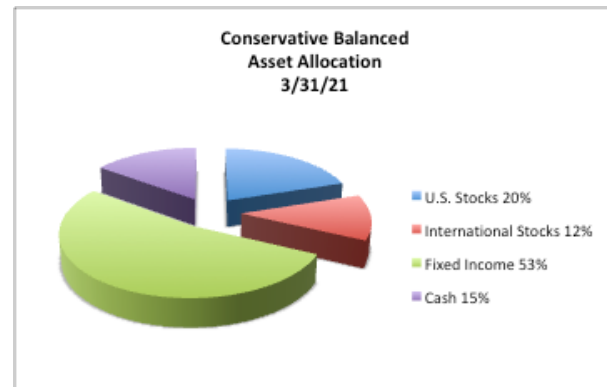
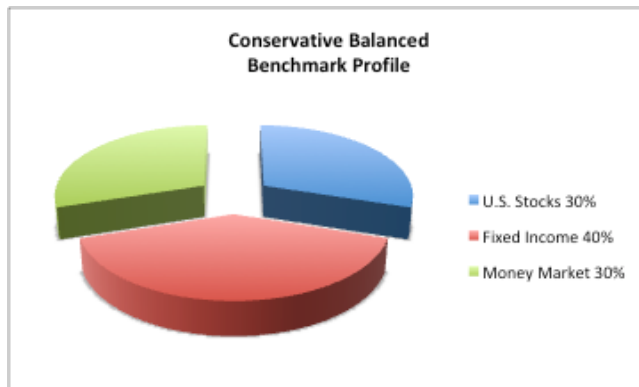
**Objective:** Capital growth and income with a capital preservation bias

**Product Summary:** Portfolio strategy is implemented through active asset allocation and mutual fund or Exchange Traded Fund selection decisions. Risk management is given priority consideration during the portfolio construction process. This strategy is appropriate for investors with shorter time horizons who want income and capital growth but prefer lower levels of return volatility.

**Performance Goal:** To exceed the return of the custom benchmark by 0.5% over a 5+ year time horizon with a risk profile lower than the benchmark as measured by standard deviation of returns.

### Investment Policy Guidelines:

Asset Class	Min	Max
Stocks	0	40
U.S. Large Cap	0	40
Int'l Large Cap	0	20
Fixed Income	30	100
Investment Grade	30	100
High Yield	0	30
Non-U.S Fixed	0	10
Money Market (Cash)	0	40



### Strategy Commentary as of 3/31/21:

The strategy is currently overweight stocks by 2%, overweight fixed income by 13%, and underweight cash by 15%. Within stocks, the portfolio is defensively positioned with a large cap, dividend yield bias. The stock allocation is currently 63% U.S. stocks and 37% international stocks. Despite high valuations, stocks are modestly overweight with yield opportunities in fixed income limited and cash currently offers a 0% return. Although overweight, the fixed income allocation has a bias towards shorter maturity strategies offering yields higher than traditional investment grade bonds. The strategy's bond positioning reflects our view that intermediate to long maturity bond yields offer a poor risk/reward setup.

MJMIA primarily uses Exchange Traded funds for implementation of balanced portfolio strategy decisions but mutual funds may also be used. Client assets are held in custody in the client's name and the custodian produces monthly portfolio valuation reports. MJMIA provides quarterly portfolio commentary to supplement custodian valuation reports. The custodian may receive fees for their services that are in addition to the MJMIA Fee Schedule.