MODERATE DURATION

As of December 31, 2016

QUARTERLY RETURNS (%)

2016	Q1	Q2	Q3	Q4	YTD
PIA *(Gross)*	3.33	2.64	0.72	-2.83	3.80
Bloomberg Barclays Aggregate[1]	3.03	2.21	0.46	-2.98	2.65
PIA *(Net)*[2]	3.20	2.51	0.59	-2.95	3.29

ANNUAL RETURNS (%)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
PIA *(Gross)*	4.79	7.42	6.23	7.79	6.78	6.15	5.65	-1.10	6.01	0.15
Bloomberg Barclays Aggregate[1]	4.33	6.97	5.24	5.93	6.54	7.84	4.22	-2.02	5.97	0.55
PIA *(Net)*[2]	4.27	6.89	5.71	7.25	6.25	5.63	5.12	-1.59	5.49	-0.35

ANNUALIZED RETURNS (%)

	1 Year	3 Year	5 Year	7 Year	10 Year	Inception *(12/31/93)*
PIA *(Gross)*	3.80	3.29	2.86	3.88	4.85	5.67
Bloomberg Barclays Aggregate[1]	2.65	3.03	2.23	3.63	4.35	5.38
PIA *(Net)*[2]	3.29	2.78	2.35	3.36	4.33	5.14

*The **Moderate Duration Composite** was created in January 2006 and is managed by Pacific Income Advisers (PIA). Returns are presented gross and net of fees and include the reinvestment of all income. Gross and net of fee returns are net of all transaction cost.* ***The attached disclosure is an integral part of this performance presentation. Past performance is not indicative of future results.***

[1]Bloomberg Barclays U.S. Aggregate Bond Index is an unmanaged index that covers the investment grade fixed rate bond market with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. The issues must be rated investment grade, be publicly traded, and meet certain maturity and issue size requirements. You cannot invest directly in an index.

[2]Net of fee performance was calculated using the highest annual management fee of 0.50%, applied to the gross results on a monthly basis.

ANNUAL DISCLOSURE PRESENTATION

Year End	Total firm assets (millions)	Composite assets		Annual Performance Results					
		USD (millions)	Number of accounts	Composite gross	Composite Net	Bloomberg Barclays Agg	Composite Dispersion	Composite 3 Yr. Ex-Post STD	Index 3 Yr. Ex-Post STD
2016	8,846	78	13	3.80%	3.29%	2.65%	0.8%	2.99%	2.98%
2015	10,084	74	13	0.15	(0.35)	0.55	0.4	2.93	2.88
2014	10,478	241	12	6.01	5.49	5.97	1.8	2.71	2.63
2013	11,829	243	9	(1.10)	(1.59)	(2.02)	0.5	2.63	2.71
2012	13,344	347	14	5.65	5.12	4.22	0.5	2.04	2.38
2011	3,895	334	14	6.15	5.63	7.84	0.2	2.39	2.78
2010	4,387	342	12	6.78	6.25	6.54	0.3	3.99	4.17
2009	4,467	331	10	7.79	7.25	5.93	0.7	4.07	4.11
2008	4,341	314	7	6.23	5.71	5.24	0.4	4.00	3.97
2007	3,978	396	9	7.42	6.89	6.97	0.2	2.59	2.77
2006	4,167	348	8	4.79	4.27	4.33	0.3	2.81	3.21
2005	4,366	420	12	2.68	2.17	2.43	0.3	3.47	4.07
2004	4,542	524	17	3.88	3.37	4.34	0.2	3.61	4.28
2003	4,296	533	19	5.02	4.50	4.10	0.8	3.45	4.20
2002	4,353	411	12	8.78	8.25	10.26	1.1	2.87	3.35
2001	3,967	537	11	9.30	8.75	8.44	0.2	3.10	3.34
2000	3,593	643	15	11.37	10.82	11.63	0.4	3.11	3.01
1999	4,296	299	12	(0.48)	(0.97)	(0.82)	0.2	3.19	3.20
1998	5,593	813	13	8.51	7.98	8.69	0.2	3.43	3.52
1997	5,496	830	11	9.60	9.06	9.66	0.2	3.94	4.00
1996	2,868	511	11	4.46	3.94	3.63	0.3	4.60	4.59
1995	2,238	554	13	18.85	18.27	18.47	0.5	N.A.[2]	N.A.[2]
1994	1,609	160	7	(3.08)	(3.56)	(2.92)	N.A.[1]	N.A.	N.A.

[1] *N/A = Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.*
[2] *N.A.=The 3 year Ex-post standard deviation isn't presented since there aren't 36 monthly returns availible prior to this period.*

Moderate Duration Composite *consists of portfolios benchmarked to the Bloomberg Barclays U.S. Aggregate Bond Index and is constructed from all major fixed income sectors. Portfolios managed in this style tend to be conservative in terms of sector weights, quality and duration ranges, compared to that of the index. The composite may invest in sectors that are not included in the Index and may not necessarily be representative of its benchmark. Prior to January 1, 2007, the composite was named the Moderate Duration Traditional Composite. The minimum account size for this composite is $1 million. Prior to April 1, 2009 the minumim account size was $5 MM.*

Pacific Income Advisers is an autonomous investment management firm registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. The firm maintains a complete list and description of composites, which is available upon request.

Pacific Income Advisers claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Pacific Income Advisers has been independently verified for the periods January 1, 1994 through September 30, 2016. A copy of the verification report is available upon request.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

The Moderate Duration Composite was created in January 2006.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Beginning July 1, 2002, composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow of 20% of portfolio assets or greater. Additional information regarding the treatment of significant cash flows is available upon request. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using the highest management fee of 0.50%. The highest management fee may change over time. The annual composite dispersion presented is an equal-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The management fee schedule is as follows: 0.35% on the first $10 million, 0.30% on the next $40 million, and 0.25% on the balance. Actual investment advisory fees incurred by clients may vary.