Butler Family Foundation Investment Committee

Conference Call

August 15, 2023 at 3:00 p.m. CT

I. Welcome

II. Approval of Minutes

III. Portfolio and Performance Update
   A. Manager Performance

IV. Review of Investment Policy Statement (IPS)*

V. Update on Current or New Investments
   A. Vanguard Total International Stock Fund Index
   B. J.P. Morgan Update

(IPS)* was reviewed in February Meeting (off-cycle)

Attachments:

a. Minutes of February 15th Investment Committee
b. Principal Summary Statement
c. Manager Performance
d. Blackrock Article
e. Internal Account Performance
f. J.P. Morgan GTIF Fund Summary
g. MFO Quarterly Letter

Call-in Number: 866-705-2554 (Access Code 828154#)

MINUTES OF THE FEBRUARY 15, 2023
INVESTMENT COMMITTEE MEETING
OF THE
PATRICK AND AIMEE BUTLER FAMILY FOUNDATION

The Investment Committee meeting of the Patrick and Aimee Butler Family Foundation was held on Wednesday, February 15, 2023, at 4:00 p.m. Central Time via conference call.

The meeting was called to order by Patrick O'Brien, current Chair of the Investment Committee. John K. Butler acted as recording Secretary of the meeting.

Upon call of the Secretary, the following Committee members were present: Patrick O'Brien, Ronald Kaliebe and Andrew B. LeFevour. Also present were Foundation Chief Investment Officer John Butler and Foundation Co-Director, Robert Hybben.

The Chair called for consideration of the minutes of the August 17, 2022 meeting of the Investment Committee. Upon motion duly made, seconded and unanimously carried, the minutes of the August 17, 2022 Investment Committee meeting were approved, ratified and confirmed.

The Chair then called on Mr. John Butler to provide an overview of the markets in 2022. Mr. Butler commented that the year was noteworthy in three respects; interest rate rose significantly after declining for the past 40 years, it was one of the worst years ever for a balanced portfolio, and value stocks made a roaring comeback after being written off by most investors.

The committee then reviewed the 2022 year-end summary statement, which is produced by the Foundation's custodian, Principal Custody Solutions. Mr. Butler pointed out that despite a significant increase in its grants payout in both 2020 and 2021 and widespread market declines in 2022, the Foundation still ended the year with total assets of $97 million.

Mr. Butler next reviewed the performance of the overall Foundation portfolio for the year. The Foundation's total return for 2022 was -6.4%, significantly better than average return for other Foundations, which Mr. Butler estimated at -15%. While the Foundation's investment performance still trails that of the average foundation over the past five years, the relative long-term performance remains strong.

Mr. Butler then reviewed the asset allocation of the Foundation and the performance of the Foundation's individual asset managers. As of December 31, 2022, the asset allocation remains within the targets set by the Foundation's Investment Policy Statement. Mr. Butler also reviewed the performance of the individual asset classes and managers.

Next, Mr. Butler reviewed with the Committee the schedule showing the managers of the various asset classes of the Foundation, where the assets are held (i.e., who is the custodian) and the estimated fees paid by the Foundation. Mr. Butler then discussed the total cost of managing the Foundation's assets versus the costs incurred by other foundations and noted that the Butler Foundation's costs remain well below average.

Mr. Butler then updated the Committee on any potential new investments or recent changes. As mentioned at the August Committee meeting, Mr. Butler expects to shift another $5 million from Mondrian to the Vanguard Total International Stock Fund at some point in 2023 and will likely increase its exposure to domestic equities by adding to the Vanguard Small-Cap Index Fund during the year as well. Mr. Butler also believes the J.P. Morgan Global Transportation Fund would be a good addition to the portfolio but would like to watch it a bit longer to see how it performs given higher interest rates and a potential economic slowdown.

The Committee then reviewed the Investment Policy Statement. This is usually done at the August meeting, but at that time it was decided that the Investment Policy Statement should be updated to include language on proxy voting. It was also decided that suggested changes should be postponed to the February Investment Committee meeting. This was done, and after discussion, the Committee determined that the proposed changes were fine and should be submitted for approval by the Foundation Board at their April meeting.

The next Committee meeting will be in August of 2023. The meeting will be scheduled in July and materials for the meeting will be sent one week prior to the meeting.

The meeting adjourned at 4:45 p.m. Central Time.

John K. Butler

John K. Butler, Secretary

ATTEST:

Patrick O'Brien, Committee Chair

Principal® | Custody Solutions

PATRICK AND AIMEE BUTLER FAMILY FOUNDATION
CONSOLIDATED ACCOUNT
BASE CURRENCY: USD

AS OF JUNE 30,2023

	COST	MARKET VALUE	ACCRUED INCOME	%GAIN (LOSS)	% MKT	ESTIMATED ANNUAL INCOME	CURRENT YIELD
SETTLED CASH	0.00	0.00	0.00	.0	.0	0.00	.00
RECEIVABLES	297,530.68	297,530.68		.0	.3		
PAYABLES	(421,082.02)	(421,082.02)		.0	(.4)		
NET CASH	(123,551.34)	(123,551.34)		.0	(.1)		
CASH EQUIVALENTS							
SHORT TERM FUNDS	7,624,299.24	7,624,299.24	29,349.89	.0	7.6	367,839.65	4.82
CASH EQUIVALENTS	7,624,299.24	7,624,299.24	29,349.89	.0	7.6	367,839.65	4.82
FIXED INCOME							
GOVERNMENT AND AGENCIES	4,669,338.24	4,439,335.05	26,239.80	(4.9)	4.4	224,467.72	5.06
BOND FUNDS	5,513,789.70	4,179,503.07	3,158.61	(24.2)	4.2	289,496.75	6.93
MUNICIPAL BONDS	3,807,568.47	3,423,525.95	40,422.24	(10.1)	3.4	143,869.05	4.20
CORPORATE BONDS AND NOTES	4,666,612.79	4,288,984.07	59,550.28	(8.1)	4.3	221,939.18	5.17
ASSET-BACKED SECURITIES	1,957,386.36	1,814,617.75	4,902.27	(7.3)	1.8	87,811.85	4.84
COLLATERALIZED MTG-BACKED	5,777.22	4,880.48	32.59	(15.5)	.0	391.06	8.01
FIXED INCOME	20,620,472.78	18,150,846.37	134,305.79	(12.0)	18.2	967,975.61	5.33
COMMON STOCK							
HEALTH CARE	1,290,707.01	4,022,800.00	9,960.00	211.7	4.0	109,400.00	2.72
UTILITIES	522,788.38	497,360.00	3,120.00	(4.9)	.5	16,640.00	3.35
FINANCIALS	1,210,826.78	2,685,752.76	12,741.51	121.8	2.7	100,966.04	3.76
CONSUMER STAPLES	1,291,426.31	2,620,860.00	0.00	102.9	2.6	78,572.00	3.00
CONSUMER DISCRETIONARY	189,730.00	1,459,520.00	0.00	669.3	1.5	42,680.00	2.92
MATERIALS	572,659.70	1,155,070.00	1,590.00	101.7	1.2	19,960.00	1.73
ENERGY	556,098.89	1,761,230.00	6,000.00	216.7	1.8	101,600.00	5.77
INFORMATION TECHNOLOGY	1,029,778.19	3,804,450.00	0.00	269.4	3.8	77,380.00	2.03
INDUSTRIALS	1,042,348.97	3,371,050.00	0.00	223.4	3.4	92,520.00	2.74
TELECOMMUNICATION SERVICE	680,825.30	743,800.00	0.00	9.2	.7	52,200.00	7.02
ADR'S	1,727,980.75	1,763,250.00	6,900.00	2.0	1.8	64,950.00	3.68
COMMON STOCK	10,115,170.28	23,885,142.76	40,311.51	136.1	23.9	756,868.04	3.17

Principal® | Custody Solutions

PATRICK AND AIMEE BUTLER FAMILY FOUNDATION
CONSOLIDATED ACCOUNT
BASE CURRENCY: USD

AS OF JUNE 30,2023

	COST	MARKET VALUE	ACCRUED INCOME	%GAIN (LOSS)	% MKT	ESTIMATED ANNUAL INCOME	CURRENT YIELD
EQUITY FUNDS							
MUTUAL EQUITY FUNDS	12,908,270.68	15,556,206.17	490.00	20.5	15.6	47,627.84	.31
EQUITY FUNDS	12,908,270.68	15,556,206.17	490.00	20.5	15.6	47,627.84	.31
MISCELLANEOUS							
OTHER MISCELLANEOUS	360.00	360.00	0.00	.0	.0	0.00	.00
MISCELLANEOUS	360.00	360.00	0.00	.0	.0	0.00	.00
VENTURE/LMTD PART/CLS HLD							
VENTURE CAPITAL	26,214,267.86	34,745,496.02	0.00	32.5	34.8	0.00	.00
VENTURE/LMTD PART/CLS HLD	26,214,267.86	34,745,496.02	0.00	32.5	34.8	0.00	.00
BALANCED FUNDS							
COLLECTIVE BALANCED FUNDS	72,432.41	72,691.00	942.00	.4	.1	3,454.00	4.75
BALANCED FUNDS	72,432.41	72,691.00	942.00	.4	.1	3,454.00	4.75
NET ASSETS	77,431,721.91	99,911,490.22	205,399.19	29.0	100.0	2,143,765.14	2.15

Patrick and Aimee Butler Family Foundation - Individual Manager Performance

Asset Class	Assets	Wgt	Target	Range	6 MOS	1 YR	5 YR	Incep. Date
	Allocation - Jun 30, 2023				**Performance Data - Jun 30, 2023**			
Cash	$7.3	7%	5%	0-10%	2.2%	3.5%	1.4%	NA
Fixed Income								
Sit Investment Assoc.	$15.7	16%	15%	10-20%	2.5%	-1.4%	1.8%	12/31/2011
Barclays Aggregate					2.1%	-0.9%	0.8%	
U.S. Equities	**$33.7**	**34%**	**40%**	**35-45%**				
Vanguard Small-Cap Index Fund	$9.8	10%			9.3%	14.9%	6.6%	3/31/2018
Large-Cap Value (Internal)	$23.9	24%			0.0%	5.8%	8.2%	12/31/1999
S&P 500					16.9%	19.6%	12.3%	
International Equities	**$31.3**	**31%**	**25%**	**20-30%**				
Vanguard Total Int. Stock Index	$5.4	5%			9.4%	12.3%	3.7%	6/30/2022
Mondrian Investment Group	$25.9	26%			12.7%	12.5%	3.4%	6/30/2004
MSCI All-Country World					9.5%	12.7%	3.5%	
Alternative Investments								
Miscellaneous	$11.9	12%	15%	10-20%	NA	NA	NA	NA
HFRI Composite					3.1%	5.0%	4.8%	
Total Foundation	$100	100%	100%		5.4%	8.1%	5.5%	12/31/1999

Notes:

Mondarian fund was changed from International Equity Fund to All Countries World in January 2012
Performance for Alternative Investments is an estimate due to manager changes and time lags

International stocks: why bother?

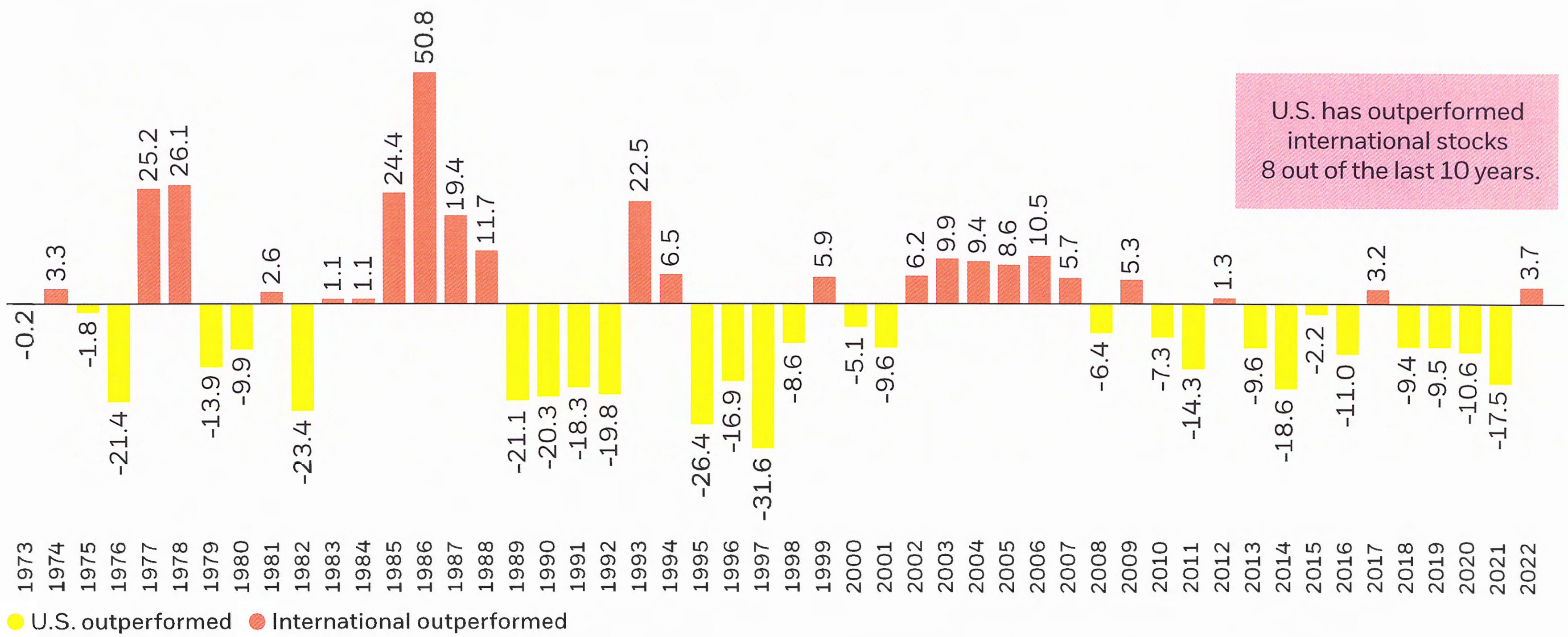
BlackRock

We know it's important for our portfolio to be diversified across asset class, strategy and geography. However, lower historical performance in international stock markets in recent years has made it easy to continue investing primarily in the U.S. When it comes to international stocks, we may find ourselves wondering: "why bother?"

U.S. vs. International stocks

Performance difference for each calendar year

International stocks minus U.S. stocks (1973 - 2022)

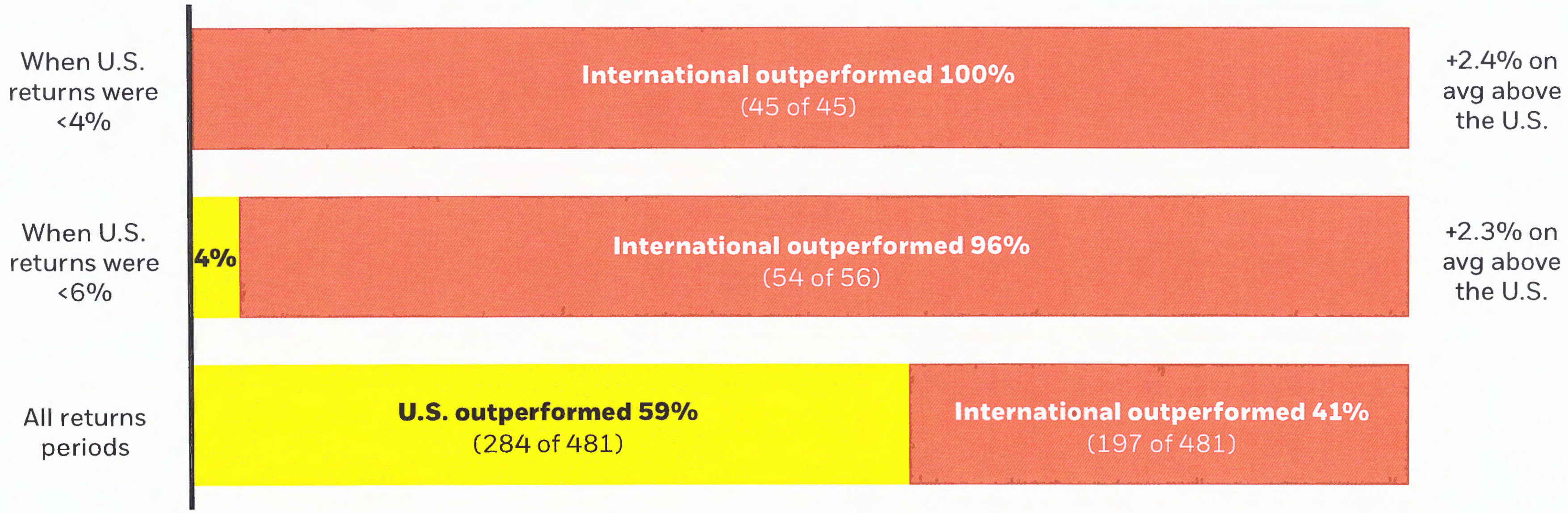


Source: Morningstar as of 12/31/22. U.S. stocks are represented by the S&P 500 Index. International stocks are represented by the MSCI EAFE NR Index. **Past performance does not guarantee or indicate future results.** Index performance is for illustrative purposes only. You cannot invest directly in an index.

Despite lagging in recent years, international stocks have performed strongly throughout history, outperforming U.S. stocks during nearly half of all time periods over the last 50 years. With lower returns forecasted for U.S. stocks over the coming years, international stocks may be primed to outperform.

Historically, international stocks outperformed 96% of the time when U.S. stocks returned less than 6% and 100% of the time when U.S. stocks returned less than 4%.

International stocks have historically outperformed in periods of lower U.S. stock returns
(10-year rolling periods, U.S. return levels vs. international, 1973 - 2022)



Source: Morningstar as of 12/31/22. U.S. stocks represented by the S&P 500 Index and International stocks represented by the MSCI EAFE Index. **Past performance does not guarantee or indicate future results.** Index performance is for illustrative purposes only. You cannot invest directly in the index.

Investing involves risk, including possible loss of principal. International investing involves risks, including risks related to foreign currency, limited liquidity, less government regulation and the possibility of substantial volatility due to adverse political, economic or other developments. These risks often are heightened for investments in emerging/developing markets or in concentrations of single countries.

Prepared by BlackRock Investments, LLC, member FINRA.

Not FDIC Insured • May Lose Value • No Bank Guarantee

Lit No. INTL-STOCK-0123 230105T-0123

BlackRock.

Principal Custody Solutions
Rates for One Account

Performance Reporting
For Effective Date 06/30/2023
07/18/2023 12:59:24 PM CDT
Preliminary

ACCOUNT: 25007201 PAT/AIMEE BUTLER SCHWAB

Category	Ending Market Value	% of Total	One Month	Calendar year to date	One year	Three years	Five years	Ten years	Inception to Date
Total Fund	25,852,424.69	100.00	5.33	(.42)	5.82	12.38	8.19	9.31	8.14
Net of Fees	25,852,424.69	100.00	5.33	(.43)	5.79	12.35	8.15		
Cash Equivalents	1,926,610.42	7.45	.40	2.21	3.50	1.19	1.34		
Short Term Funds	1,926,610.42	7.45	.40	2.21	3.50	1.19	1.34		
Equities	23,925,454.27	92.55	5.72	(.63)	5.69	13.20	8.60		
Common Stock	23,925,454.27	92.55	5.72	(.63)	5.69	13.20	8.60		
Health Care	4,032,760.00	15.60	4.95	(5.11)	2.71	11.26	9.47		
Utilities	500,480.00	1.94	(3.89)						
Financials	2,698,494.27	10.44	7.68	(4.03)	8.22	14.58	1.44		
Consumer Staples	2,620,860.00	10.14	(.83)	(10.70)	(5.74)	6.88	11.43		
Consumer Discretionary	1,459,520.00	5.65	6.20	(4.10)	8.09	8.55	13.20		
Materials	1,156,660.00	4.47	11.36	(1.18)	(6.98)	14.05	7.88		
Energy	1,767,230.00	6.84	4.48	(8.24)	14.12	39.44	9.89		
Information Technology	3,804,450.00	14.72	5.97	18.78	15.44	10.85	14.71		
Industrials	3,371,050.00	13.04	10.33	2.14	8.29	14.93	9.41		
Telecommunications	743,800.00	2.88	4.38	(2.51)	(21.95)	(7.63)	(1.22)		
ADRs	1,770,150.00	6.85	6.01	8.55	16.00	12.58	.73		
Miscellaneous	360.00	.00	.00	.00	.00	.00	.00		
Other Miscellaneous	360.00	.00	.00	.00	.00	.00	.00		
Cash	.00	.00	.00	.00	.00	.00	.00		

Indices	One Month	Calendar year to date	One year	Three years	Five years	Ten years	Inception to Date
S&P 500 (WILSHIRE)	6.61	16.89	19.59	14.60	12.31	12.86	6.84
RUSSELL 3000 INDEX	6.83	16.17	18.95	13.89	11.39	12.34	7.01

END OF REPORT

LETTER TO INVESTORS

DEAR INVESTORS,

We are pleased to present this financial report for the Global Transport Income Fund (the "Fund" or "GTIF") for the first quarter ending March 31st, 2023.

Global supply shocks and strong consumer demand pushed inflation to record highs in 2022. Inflation persisted through the start of 2023, and global central banks responded by continuing to raise interest rates. The US Federal Reserve raised the federal funds rate by 25 basis points (bps) twice in the quarter bringing the fed funds rate range to 4.75%-5.0% at the end of March. The European Central Bank also raised interest rates 50 bps in both February and March, ending the first quarter with a key deposit rate of 3.0%. Notably, both U.S. and Eurozone inflation declined to one-year lows from their 2022 record highs. In Asia, China's abandonment of its zero-covid policy marked a key shift in global markets, as previously stymied GDP growth sped up to 4.5% in the first quarter. China's re-opening is predicted to have significant global impact as Chinese industry and consumers increase demand for commodities, services, tourism, and technology.

In Q1 2023, GTIF performed as expected, with lessees performing on their lease obligations. GTIF's disciplined approach to portfolio construction, emphasizing high-quality assets and long-term leases to strong counterparties, allowed the fund to distribute quarterly income consistently despite uncertainty in global markets. During the quarter, GTIF added a new investment platform in the Maritime sector to the portfolio; a Norwegian based shipping company operating three Pure Car & Truck Carriers (PCTCs). The three vessels continued their long-duration leases with leading international cargo carriers. GTIF continues to make incremental investments in its platform companies.

At the end of Q1 2023, GTIF had 99 operating assets with an average fleet age of 6.5 years and an orderbook of 25 assets. GTIF's portfolio consisted of 124 assets: 74 in the maritime segment, 41 in the energy logistics segment, seven in the aircraft segment, one Container leasing company, one Railcar leasing company and one Electric Vehicle Charging company.

GTIF added 1 new investor in Q1 2023, bringing the total number of investors in the Fund to 99 at the end of first quarter of 2023. Over the quarter, the Fund closed USD 131.3mm of commitments (including follow on commitments from existing investors), taking total net commitments to USD 4.2 bn as of March 31st, 2023.

The Fund is pleased to announce a quarterly distribution to shareholders of USD 79.1 mm, as of the end of the first quarter 2023. The quarterly distribution will bring inception to date distributions to USD 609.4 mm.

Thank you for your support and commitment to the Global Transport Income Fund. We hope you find this report informative. If you have any questions, please do not hesitate to contact your J.P. Morgan Representative.

The Global Transportation Group

Overview

FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS

AT MARCH 31ST, 2023

Net Asset Value (millions):	USD3,742.6 mm[1]
Current Leverage:	46.3%[2]
Number of Assets:	124[3][4]
Number of Investors:	99

(1) Q1 2023 Estimated Trading NAV, includes operating portfolio investments, subscription line and fund level assets, and liabilities.

(2) Leverage ratio includes financing proceeds for signed but not yet closed financing..

(3) Includes operating assets, assets under construction and portfolio companies. Platform companies are counted as single assets except the Dry Bulk operating platform, which is counted as 13 assets. Car carrier operating platform counted as 3 assets.

(4) Does not include ownership of two shipbuilding contracts that will be transferred to a third-party partner immediately upon delivery of the vessels.

INVESTMENT PERFORMANCE

AS OF MARCH 31ST, 2023

%	Qtr.	2023 YTD	One year	Three years	Five years	Since inception
Cash Yield	**2.15%**	**2.15%**	**8.48%**	**8.37%**	**8.41%**	**8.42%**
%	Qtr.	2023 YTD	One year	Three years	Five years	Since inception
Income	2.73%	2.73%	12.60%	13.41%	12.80%	12.34%
Unrealized App/(Dep)	1.26%	1.26%	-2.37%	-2.96%	-2.35%	-2.14%
Total (gross of fees)	**3.99%**	**3.99%**	**10.01%**	**10.16%**	**10.23%**	**10.01%**
Total (net of fees)	**3.76%**	**3.76%**	**8.98%**	**9.22%**	**9.39%**	**9.18%**
Total (net of fees and swaps)	4.06%	4.06%	8.06%	7.93%	9.56%	9.27%

Source: JPMIM. Past performance is not indicative of future results. Fund inception: November 2017. "Fees" include management fees and realized performance fees, if any.

The JP Morgan Global Alternative's Global Transport Income Fund ("the Fund" or "GTIF") delivered a first-quarter gross income of 2.73% and unrealized appreciation of 1.26%, for a gross return of 3.99% (3.76% net of fees). Over the last twelve months, the Fund has delivered a gross income of 12.60%, with unrealized depreciation of -2.37%, for a total gross return of 10.01% (8.98% net of fees). In addition, the Fund had a cash yield of 2.15% in Q1 2023 and 8.48% in the last twelve months (8.42% since inception in November 2017).

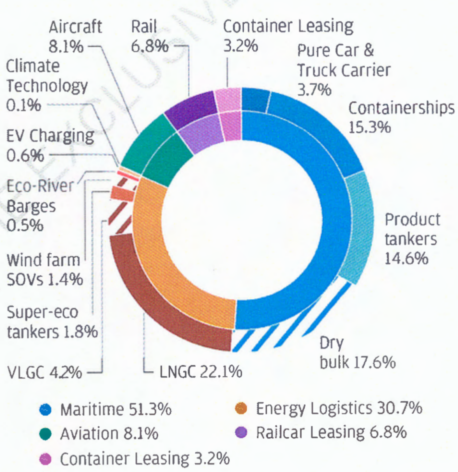
Quarterly appreciation or depreciation is derived by valuing the Fund's assets and liabilities, including swaps associated with the loan facilities. In Q1 2023, the value of the 124 assets (both acquired and under construction) increased by 1.57%. At the same time, during Q1 2023, the market value of the interest rate swaps on the Fund's loan facilities depreciated by -0.31%. As GTIF is designed to hold assets for the long-term, positive or negative swap impacts will reduce to zero as the underlying financing reaches maturity. The Fund's Total Performance (net of fees and swaps) was 4.06% for Q1 2023, 8.06% for the last twelve months, and 9.27% since inception. In May 2023, the Fund is expected to issue a cash distribution of 2.15% of Q1 2023's opening Trading NAV.

The Fund maintains a conservative leverage ratio of 46.3% as of Q1 2023, including the proceeds from ongoing financing activities.

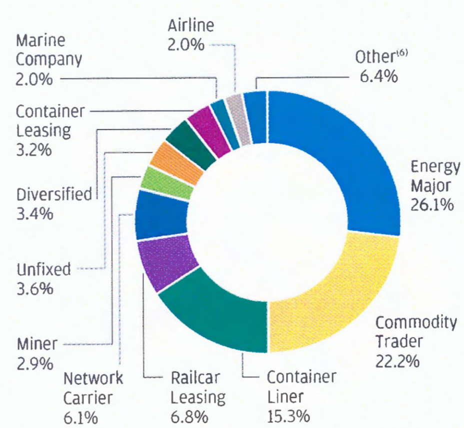
DIVERSIFICATION – NAV (%)

(Excluding Cash and Other Net Assets)[5]

SECTOR



COUNTERPARTY



(5) Includes investments in portfolio assets only.

(6) Other contains allocations to Renewables - 1.4%, Electric Utility - 1.2%, Steel Producer - 1%, Industrial Conglomerate - 1%, Cargo Shipping - 0.9%, Ro-Ro Liner - 0.8% & Climate Technology - 0.1%.

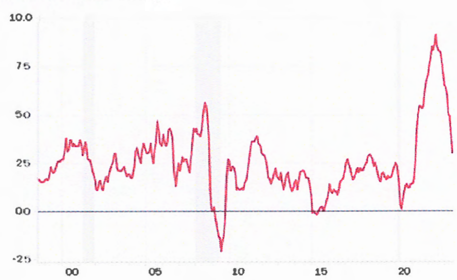
MFO MANAGEMENT COMPANY
INVESTMENT OFFICE

To Our Clients **July 24, 2023**

ECONOMIC OUTLOOK & INVESTMENT STRATEGY

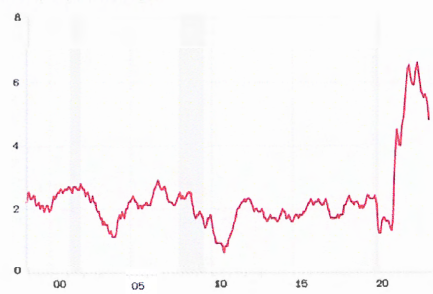
2023 has been a strange year where most of the economic news has focused on the doom and gloom of a supposed pending recession, while the stock markets have told a completely different story. What started out as a rally in a few large technology stocks has broadened out as inflation has come down sharply, interest rates have peaked, employment remains strong and dire geopolitical scenarios have not played out. While economic activity has slowed sharply in some areas, like housing and autos, it is booming in other areas like travel and construction. Our main concern is whether a severe recession is on the horizon, not whether we have slow growth or a mild recession. Given inflation is falling like a rock (see below) and the Fed is nearing the end of its hiking cycle, we believe the economy is likely to stay stable even at these higher interest rates. The United States is a large mature country so growth will be 2-3% over time. We have long held much of the record inflation of last year was supply chain induced and it would come down as supply caught up with demand. Transitory took longer than anyone would have liked but in the end the Fed, which got a terribly late start, has actually brought inflation down while modestly slowing the economy – so far it looks like a soft landing!

CHART 1: CPI
United States
(year-over-year percent change)



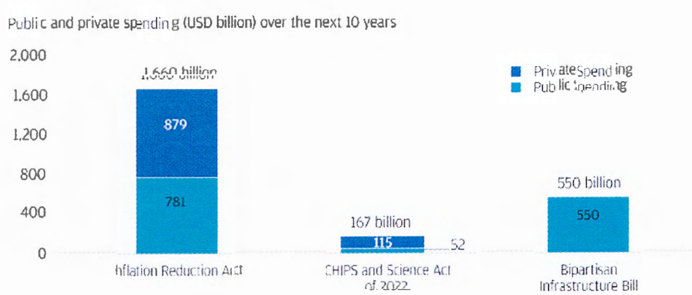
Shading indicates recession
Source: Haver Analytics, BLS, Rosenberg Research

CHART 2: Core CPI
United States
(year-over-year percent change)



Shading indicates recession
Source: Haver Analytics, BLS, Rosenberg Research

While retail purchases have slowed considerably and freight traffic is in a recession, the services part of the economy, mainly travel related, is very strong (aka the Taylor Swift economy). On top of that we have huge government stimulus projects measured in trillions ($$$) that are keeping people employed (see below). Our economic war with China has produced a positive onshoring push coupled with technology and manufacturing spend via the CHIPS Act and "green projects" of the Inflation Reduction Act. These programs will help keep economic activity going in years to come. We said fix the "damn" roads, just not all at once!



Sources: J.P. Morgan Research, Credit Suisse, White House, Congressional Budget Office, Congressional Research Service. Estimates for industrial policy bills as of 2023. Estimate for Manhattan project as of 2009. Estimates for Federal-Aid Highway Act of 1958 as of 2022. Data for Federal-Aid Highway Act of 1958 reflects the 5-year average of 1958-1962. Industrial Policy Bills of 2021-2022 include the Inflation Reduction Act, the United States CHIPS and Science Act, and the Infrastructure Investment and Jobs Act (Bipartisan Infrastructure Bill). Public and private spending for industrial policy bills of 2021-2022 is based on cumulative expected spending over the next 10 years relative to cumulative expected US GDP. Estimates for private spending for the Inflation Reduction Act are sourced from Credit Suisse. Estimates for private spending resulting from the CHIPS and Science Act are sourced from J.P. Morgan Research. Data for Manhattan project reflects the peak year of funding of 1946.

The main risk to our outlook is not the U.S. economy per se, it is geopolitical issues that seem to be multiplying whether in Europe, China or the Middle East. The tail risks of a geopolitical accident seem higher than we can remember. As Elon Musk recently said about China and Taiwan, 'you don't have to read between the lines, you only have to read the lines.' Let's hope the worst-case scenarios never develop.

Investment Strategy & Review

■ Overall Asset Allocation:

Below are our asset allocation tables – All the emerging markets funds have been sold and reallocated to our favored areas of fixed income, small caps and REITs. We recently invested in two new mutual funds described below which you may see on your account statements.

	BENCHMARK ASSET ALLOCATION - JULY 2023			
ASSET CLASS **	**ALL EQUITY (PERSONAL & TRUSTS) (AGGRESSIVE)**	**BALANCED OBJECTIVES (PERSONAL & TRUSTS)**	**INCOME ORIENTED (PERSONAL & TRUSTS)**	**FOUNDATION MODEL (TOTAL RETURN)**
Risk Reduction Assets				
Fixed Income/Money Market	2%	20%	35%	13%
Long/Short Funds *	10%	13%	5%	15%
Sub-total Risk Assets	**12%**	**33%**	**40%**	**28%**
Real Assets				
Real Estate, REITs, Commodities, Utilities	**13%**	**11%**	**15%**	**10%**
Growth Assets				
U.S. Large Company Equities	35%	23%	20%	22%
U.S. Small Company Equities	30%	23%	17%	22%
Foreign Developed Equities	10%	10%	8%	10%
Emerging Markets Equities	0%	0%	0%	0%
Venture Capital/Private Equity *	0%	0%	0%	8%
Sub-total Growth Assets	**75%**	**56%**	**45%**	**62%**
Totals	**100%**	**100%**	**100%**	**100%**

* subject to account circumstances & size, long/short funds, could be up to 15% and private equity/venture capital could be up to 7% of Equity, Balanced and Income-oriented accounts

**Please remember that at any given date actual individual account values may fluctuate within a few percentage points around these targets.

■ Fixed Income:

After a decade, there is actually 'income' in fixed income again and that includes cash-like money market funds that are yielding 4.5%. We have not seen these kinds of rates since before the Great Financial Crisis. We believe that interest rates have peaked despite the fact the Fed may raise rates one more time this summer. Rates have bounced around this year but have not moved significantly up or down. We recently added a new fixed income mutual fund to most clients' accounts, described below.

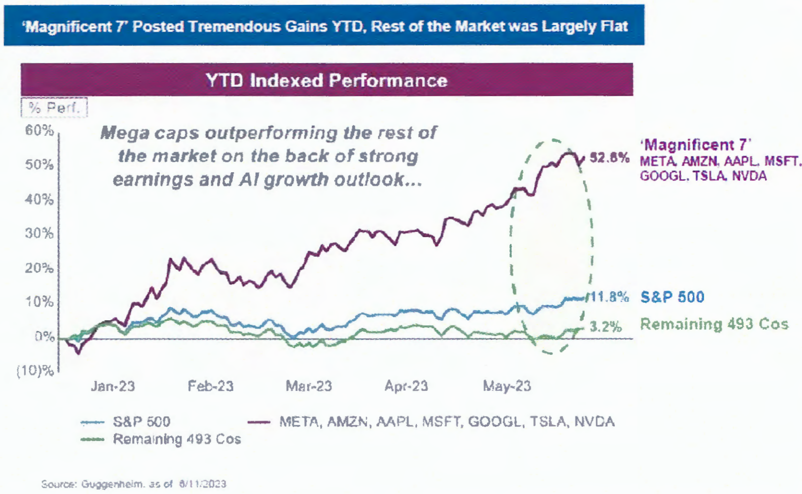
***New Investment - River Canyon Total Return Bond Fund* (RCTIX)**

For all MFO clients we have replaced the previously used *BlackRock Total Return Bond Fund* that was sold last year for a tax loss with the *River Canyon Total Return Bond Fund.* We have known *Canyon Capital* for a long time and had many conversations with them. The two funds are similar in strategy and rather low risk within the fixed income space. The fund invests in various corporate, asset backed and structured products, yielding 7% currently. Interest rates drove down all bond funds last year, but we think the worst of the interest rate hikes are behind us.

■ Equities:

For much of the year the market has been led by the large technology stocks which have driven the Nasdaq market up nearly 40%, while the tech heavy S&P 500 Index is up nearly 20%. More recently small caps and foreign markets have joined in, and the gains have begun to broaden out. Client accounts are up 7-11% YTD through June and a bit higher through July.

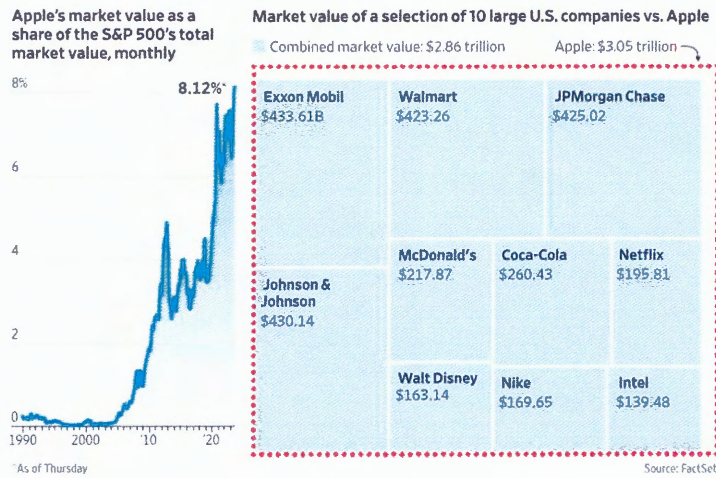
To show just how large the tech stocks have become we present two pictures that need no explanation, but in a nutshell, there has never been anything close to the size of these companies, dubbed the Magnificent Seven. These tech stocks have become the new consumer staples and became a flight to safety during the recent banking turmoil. At these levels we would allocate new funds to other areas of the market discussed below. It gets harder and harder to see significant upside in these large cap tech stocks, but they continue to confound skeptics. Clients have a healthy allocation to these large cap companies directly or via the index.



'Magnificent 7' vs. Top GDP Countries ($B)

1)	United States	$26,855
2)	China	$19,374
	Magnificent 7	***$11,037***
3)	Japan	$4,410
4)	Germany	$4,309
5)	India	$3,737
6)	United Kingdom	$3,159
	AAPL	***$3,028***
7)	France	$2,923
	MSFT	***$2,535***
8)	Italy	$2,170
9)	Canada	$2,090
10)	Brazil	$2,081
11)	Russia	$2,063
12)	South Korea	$1,722
13)	Australia	$1,708
14)	Mexico	$1,663
	GOOGL	***$1,537***
15)	Spain	$1,492

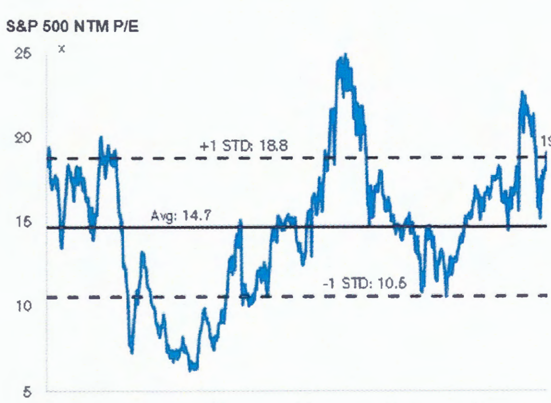
Source: Mizuho Americas, as of 6/30/2023

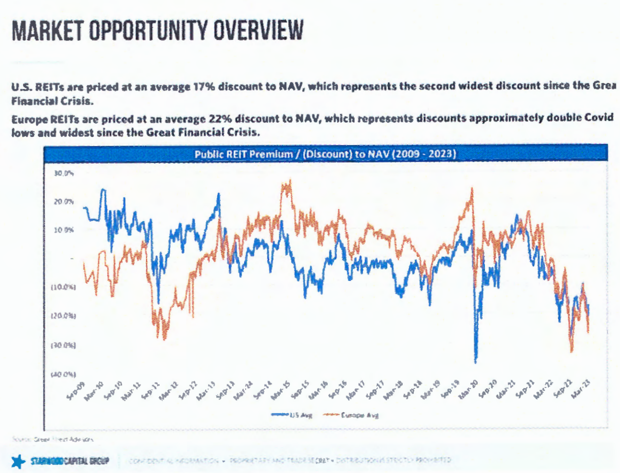


2023 Thoughts & Outlook

Going forward, we expect gains to be broader with a possible correction along the way before we go higher. Markets do look expensive, but the S&P 500 is being skewed by the larger tech stocks. At current valuations, the S&P 500 Index trades at 20x earnings, above average valuations. Below the top seven stocks, valuations are much more reasonable, but interest in anything value related has not been top of mind this year for investors. Only recently have small cap companies begun to participate in the rally, with the Russell 200 now up 12%. We would defer any new money into small caps and real estate rather than the S&P 500.

REITs have yet to participate in the rally this year. As interest rates stay steady and investors look forward to the day when the Fed signals they are done raising rates or even possible rate cuts, we believe that REITs are uniquely positioned to gather inflows. Comparing the chart of the S&P 500 at the top of its valuation range with REITs at the bottom of their range. We see opportunity as there is so much money that has been raised to invest in real estate that has to find a home.

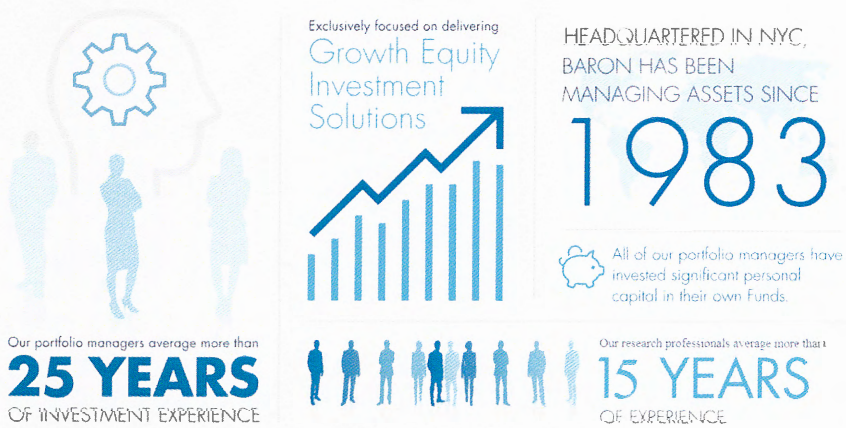


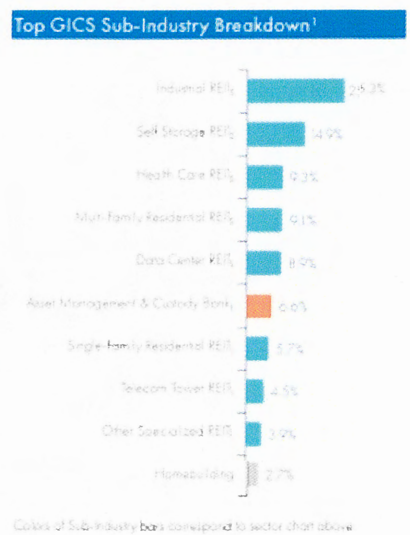


We are spending a lot of time meeting with real estate managers, both public and private. We recently invested in a private real estate hotel fund for a few clients and expect to invest in various opportunity funds with RAM Realty and Starwood Capital. We also recently added a new REIT mutual fund to all accounts as we believe at this time active real estate management is better than solely investing in the *Vanguard REIT Index Fund*. In times like these in real estate, it does matter where you invest.

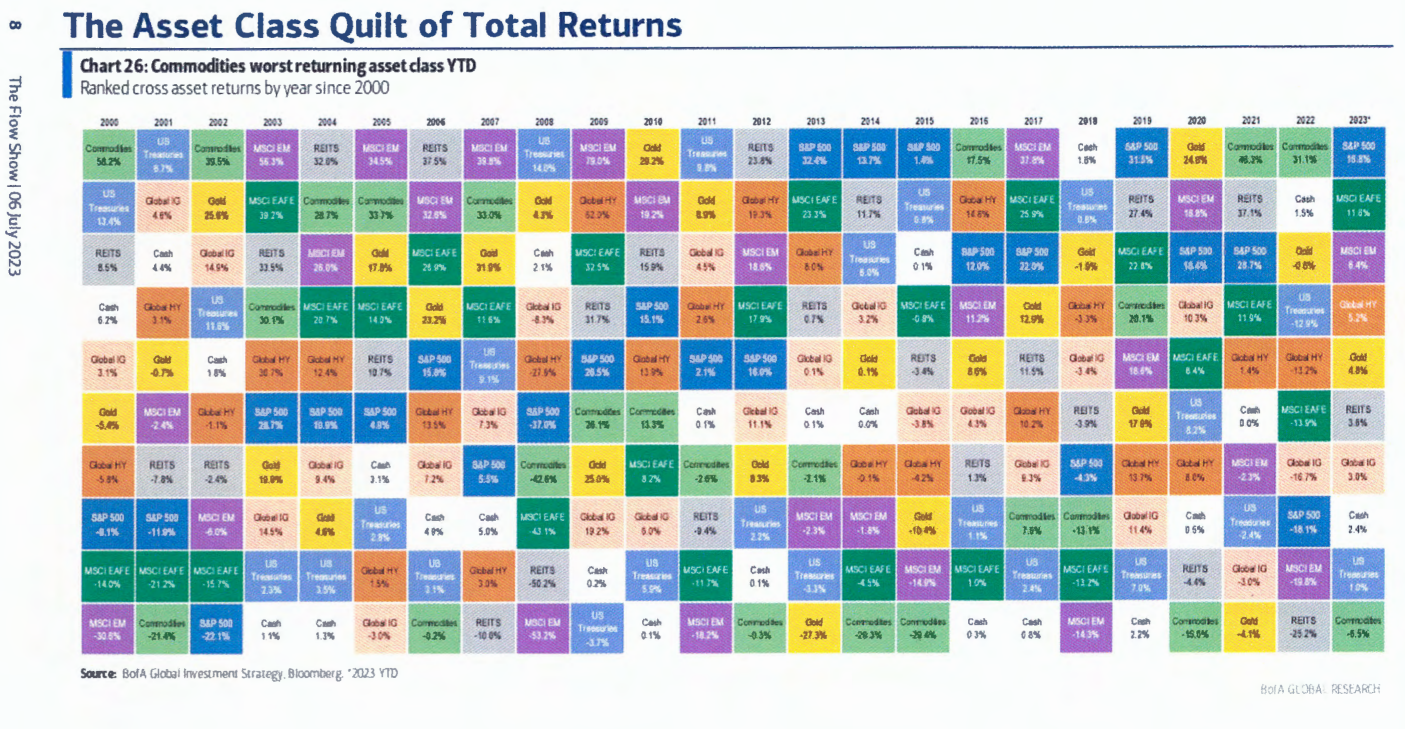
New Investment - Baron Real Estate Income Fund (BRIIX)

The immediate opportunity in real estate is in the publicly listed REITs. We have added an actively managed mutual fund to complement the *Vanguard REIT Index fund*. While the index gives us broad diversification to all REIT asset classes, there are parts of the index we might want to avoid for the longer-term including office properties and some lower tier retail properties. An active manager can pick and choose among the best sectors. We are recommending the *Baron Real Estate Income Fund*, a highly rated fund established in 2017 as an REIT complement to their much broader long-standing Baron Real Estate Fund. Baron Capital was founded in 1982 by investing legend Ron Baron. Below is a profile of Baron and the current sectors they are favoring within the REIT universe.





Appendix – As an appendix to this letter we present one of our favorite charts for review updated to 2023. Although hard to read, just focus on the colors moving around. They represent different asset classes, which you can see move around quite significantly from year to year. The point is diversification is the key to a well-balanced portfolio and trying to time large moves in and out is a fool's game. MFO clients are always invested in most of these asset classes with modest shifts from time to time depending on valuations.



Should you have any questions, please feel free to contact the MFO Investment Office at (248) 723-0050 or visit us at our new address - 380 N. Old Woodward, Suite 175, Birmingham, MI 48009.

Joseph A. Covino, CFA – jcovino@mfo.com

Andrew C. Hopper, CFA – ahopper@mfo.com

Mary F. Burdett – mburdett@mfo.com