



June 12, 2017

Mr. Michael Stalker, CFA  
MCS Family Wealth Advisors  
360 East 10th Avenue, Suite 200  
Eugene, OR 97401

Dear Michael:

We have completed the performance review for the Income/Growth Composite managed by MCS Family Wealth Advisors (“MCS”) for the period from January 1, 1992 (inception) through March 31, 2017. The objective is to review the performance of the Income/Growth Composite (or “composite”) and attest to the accuracy of its performance.

### **Methodology Overview**

- The Income/Growth Composite includes new discretionary accounts in the composite calculation beginning the month after the first full month under management and excludes closed accounts after the last full month under management.
- Income/Growth Composite gross-of-fee (“gross”) returns are calculated on a monthly basis by asset-weighting the individual account gross returns using the beginning-of-period gross market values.
- Income/Growth Composite net-of-fee (“net”) returns are calculated on a monthly basis by asset-weighting the individual account net returns using the beginning-of-period net market values.
- Monthly Income/Growth Composite returns are geometrically linked to obtain annual returns.
- Underlying account returns are calculated on a monthly, time-weighted, total return basis that adjusts for daily-weighted external cash flows.

### **Testing Overview**

- On a sample basis, reviewed new accounts and closed accounts to ensure inclusion of accounts into the composite and exclusion of accounts from the composite follows MCS’ established policies.
- Using the data provided, for a sample of selected accounts for the period under review, we independently recalculated monthly account returns.
- For those accounts selected for calculation testing, reviewed the account input data used to calculate account returns, including reviewing holdings, transactions, valuation, and income, confirming the proper treatment of transactions for performance purposes, and testing pricing and income to independent sources.
- For those accounts selected for calculation testing, confirmed that market values and monthly account returns matched those market values and returns used in the calculation of composite results.

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- On a sample basis, recalculated the monthly gross and net composite returns using the underlying account data and reconciled the returns to the composite returns provided by MCS.
- Recalculated the quarterly and annual composite gross and net returns on a sample basis and compared to data provided by MCS.

## Results

MCS Family Wealth Advisors' management is responsible for the reported performance, the design of its policies and procedures, and for the performance presentation. Our responsibility is to express an opinion based on our review. For the period January 1, 1992 (inception) through March 31, 2017, we found that MCS Family Wealth Advisors appropriately constructed and accurately calculated the performance of the Income/Growth Composite results as presented in Tables 1 (below) and 5 (Appendix A – Monthly Returns).

Income/Growth Composite		
Year	Gross Return	Net Return
1992	5.36%	4.41%
1993	28.72%	27.67%
1994	-1.30%	-2.04%
1995	13.27%	12.31%
1996	9.38%	8.46%
1997	13.15%	12.13%
1998	7.60%	6.62%
1999	2.71%	1.77%
2000	6.58%	5.63%
2001	10.52%	9.58%
2002	6.18%	5.27%
2003	7.54%	6.61%
2004	7.82%	6.89%
2005	4.81%	3.95%
2006	9.81%	8.89%
2007	5.46%	4.54%
2008	-5.52%	-6.43%
2009	10.29%	9.26%
2010	7.00%	5.99%
2011	10.59%	9.57%
2012	7.47%	6.45%
2013	5.54%	4.51%
2014	10.02%	8.94%
2015	2.61%	1.61%
2016	4.40%	3.46%
Q1 2017	1.89%	1.66%

Table 1

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## Additional Procedures – Risk Measures

In addition to the testing procedures and results as detailed above, from the data provided by MCS for composite and index returns, we calculated the following risk measures for the period from January 1, 1992 (inception) through March 31, 2017 as presented in Tables 2, 3, and 4. The Citigroup 3-Month U.S. Treasury Bill Index is used to represent the risk free rate and the target return, as applicable.

Income/Growth Composite				
January 1, 1992 (Inception) Through March 31, 2017	Composite Gross Return	Composite Net Return	S&P 500 Index	Barclays Capital US Aggregate Index
<b>Standard Deviation</b>				
3Y	0.68%	0.68%	2.96%	1.43%
5Y	0.74%	0.72%	2.92%	1.22%
10Y	0.95%	0.94%	4.40%	1.14%
Since Inception	1.46%	1.46%	4.08%	1.11%
<b>Annualized Standard Deviation</b>				
3Y	2.36%	2.34%	10.26%	4.97%
5Y	2.58%	2.51%	10.12%	4.24%
10Y	3.30%	3.27%	15.23%	3.95%
Since Inception	5.07%	5.06%	14.14%	3.84%
<b>Average</b>				
3Y	0.43%	0.35%	0.87%	0.23%
5Y	0.48%	0.40%	1.09%	0.20%
10Y	0.46%	0.39%	0.70%	0.36%
Since Inception	0.61%	0.54%	0.83%	0.46%
<b>Drawdown</b>				
Largest Monthly	-4.15%	-4.17%	-16.80%	-4.25%
3Y Maximum	-1.57%	-1.80%	-8.35%	-4.49%
5Y Maximum	-2.76%	-3.00%	-8.35%	-4.49%
10Y Maximum	-8.20%	-9.08%	-50.95%	-4.49%
Since Inception Maximum	-8.20%	-9.08%	-50.95%	-5.15%

Table 2

Income/Growth Composite				
January 1, 1992 (Inception) Through March 31, 2017	Composite Gross vs. S&P 500 Index	Composite Gross vs. Barclays Capital US Aggregate Index	Composite Net vs. S&P 500 Index	Composite Net vs. Barclays Capital US Aggregate Index
<b>M<sup>2</sup></b>				
3Y	1.82%	0.89%	1.48%	0.72%
5Y	1.86%	0.79%	1.59%	0.67%
10Y	1.96%	0.55%	1.61%	0.46%
SI	1.32%	0.51%	1.11%	0.46%
<b>Annualized M<sup>2</sup></b>				
3Y	21.83%	10.64%	17.82%	8.70%
5Y	22.37%	9.43%	19.12%	8.07%
10Y	23.52%	6.55%	19.34%	5.47%
SI	15.87%	6.21%	13.39%	5.53%

Table 3

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<b>Income/Growth Composite</b>		
<b>January 1, 1992 (Inception) Through March 31, 2017</b>	<b>Composite Gross Return</b>	<b>Composite Net Return</b>
<b>Sharpe Ratio</b>		
3Y	0.61	0.50
5Y	0.64	0.54
10Y	0.43	0.36
SI	0.27	0.22
<b>Annualized Sharpe Ratio</b>		
3Y	2.12	1.72
5Y	2.20	1.88
10Y	1.50	1.23
SI	0.94	0.76
<b>Sortino</b>		
3Y	1.35	1.01
5Y	1.28	1.02
10Y	0.72	0.56
SI	0.47	0.36
<b>Annualized Sortino</b>		
3Y	4.69	3.49
5Y	4.45	3.54
10Y	2.49	1.93
SI	1.61	1.26
<b>Downside Deviation</b>		
3Y	0.31%	0.33%
5Y	0.37%	0.38%
10Y	0.58%	0.60%
SI	0.85%	0.88%
<b>Annualized Downside Deviation</b>		
3Y	1.07%	1.16%
5Y	1.28%	1.33%
10Y	2.00%	2.09%
SI	2.95%	3.05%

Table 4

Thank you for allowing us the opportunity to conduct this review for you and we greatly appreciate your business. Please let us know if we can provide further assistance.

Sincerely,



Ashley Reeves, CIPM  
Senior Vice President

## Appendix A – Monthly Returns

Income/Growth Composite			
Month/Year	Gross Return	Net Return	
1/1992	0.32%	0.10%	
2/1992	1.08%	1.07%	
3/1992	-0.80%	-0.80%	
4/1992	2.11%	1.90%	
5/1992	1.90%	1.87%	
6/1992	-0.70%	-0.70%	
7/1992	1.45%	1.23%	
8/1992	0.02%	0.02%	
9/1992	0.35%	0.35%	
10/1992	-0.49%	-0.71%	
11/1992	-1.14%	-1.14%	
12/1992	1.20%	1.20%	
1/1993	2.25%	2.24%	
2/1993	2.32%	2.32%	
3/1993	-0.01%	-0.21%	
4/1993	2.70%	2.70%	
5/1993	-0.56%	-0.56%	
6/1993	0.92%	0.72%	
7/1993	1.93%	1.93%	
8/1993	2.70%	2.50%	
9/1993	0.69%	0.69%	
10/1993	3.42%	3.20%	
11/1993	-0.39%	-0.39%	
12/1993	9.92%	9.92%	
1/1994	2.75%	2.75%	
2/1994	-3.10%	-3.22%	
3/1994	-4.15%	-4.17%	
4/1994	1.26%	1.06%	
5/1994	1.30%	1.29%	
6/1994	-2.82%	-2.82%	
7/1994	3.50%	3.36%	
8/1994	2.65%	2.58%	
9/1994	-1.47%	-1.47%	
10/1994	1.00%	0.81%	
11/1994	-1.87%	-1.87%	
12/1994	-0.01%	-0.01%	
1/1995	-1.44%	-1.64%	
2/1995	1.06%	1.06%	
3/1995	0.43%	0.43%	
4/1995	3.29%	3.09%	
5/1995	2.54%	2.54%	

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Income/Growth Composite			
Month/Year	Gross Return	Net Return	
6/1995	0.56%	0.55%	
7/1995	1.25%	1.08%	
8/1995	-0.87%	-0.90%	
9/1995	1.14%	1.14%	
10/1995	-0.07%	-0.28%	
11/1995	2.31%	2.30%	
12/1995	2.42%	2.42%	
1/1996	3.93%	3.88%	
2/1996	0.25%	0.11%	
3/1996	0.02%	0.02%	
4/1996	0.75%	0.55%	
5/1996	-0.07%	-0.08%	
6/1996	1.30%	1.29%	
7/1996	-2.19%	-2.20%	
8/1996	1.58%	1.40%	
9/1996	-0.12%	-0.12%	
10/1996	0.29%	0.24%	
11/1996	2.84%	2.65%	
12/1996	0.54%	0.54%	
1/1997	2.39%	2.39%	
2/1997	0.94%	0.75%	
3/1997	-1.78%	-1.81%	
4/1997	1.30%	1.09%	
5/1997	3.31%	3.31%	
6/1997	2.53%	2.53%	
7/1997	3.11%	3.11%	
8/1997	-1.56%	-1.75%	
9/1997	3.32%	3.30%	
10/1997	-2.82%	-3.07%	
11/1997	0.89%	0.88%	
12/1997	1.03%	1.03%	
1/1998	1.31%	1.31%	
2/1998	2.24%	2.02%	
3/1998	1.18%	1.18%	
4/1998	0.74%	0.51%	
5/1998	0.08%	0.08%	
6/1998	1.23%	1.23%	
7/1998	-1.29%	-1.29%	
8/1998	-3.25%	-3.48%	
9/1998	3.21%	3.21%	
10/1998	0.97%	0.74%	
11/1998	0.09%	0.09%	

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Income/Growth Composite			
Month/Year	Gross Return	Net Return	
12/1998	1.00%	1.00%	
1/1999	0.77%	0.77%	
2/1999	-1.45%	-1.66%	
3/1999	-0.35%	-0.35%	
4/1999	2.28%	2.05%	
5/1999	-0.03%	-0.04%	
6/1999	-0.79%	-0.79%	
7/1999	0.80%	0.57%	
8/1999	-0.81%	-0.81%	
9/1999	0.51%	0.50%	
10/1999	-0.59%	-0.82%	
11/1999	1.39%	1.39%	
12/1999	1.01%	1.01%	
1/2000	-1.74%	-1.74%	
2/2000	1.00%	0.78%	
3/2000	2.03%	2.02%	
4/2000	-0.37%	-0.59%	
5/2000	-0.68%	-0.70%	
6/2000	3.76%	3.75%	
7/2000	1.54%	1.33%	
8/2000	2.25%	2.25%	
9/2000	-1.48%	-1.48%	
10/2000	0.21%	0.01%	
11/2000	-2.91%	-2.92%	
12/2000	3.02%	3.01%	
1/2001	5.13%	4.91%	
2/2001	-2.47%	-2.48%	
3/2001	0.44%	0.43%	
4/2001	1.40%	1.19%	
5/2001	3.71%	3.70%	
6/2001	0.34%	0.34%	
7/2001	2.21%	2.01%	
8/2001	0.63%	0.61%	
9/2001	-3.67%	-3.67%	
10/2001	1.70%	1.48%	
11/2001	0.66%	0.65%	
12/2001	0.28%	0.28%	
1/2002	1.38%	1.38%	
2/2002	0.05%	-0.16%	
3/2002	0.45%	0.44%	
4/2002	2.04%	2.04%	
5/2002	-0.10%	-0.31%	

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Income/Growth Composite			
Month/Year	Gross Return	Net Return	
6/2002	-0.04%	-0.04%	-0.04%
7/2002	-1.86%	-1.86%	-1.86%
8/2002	1.25%	1.03%	1.03%
9/2002	0.34%	0.34%	0.34%
10/2002	-0.09%	-0.30%	-0.30%
11/2002	0.68%	0.67%	0.67%
12/2002	1.99%	1.99%	1.99%
1/2003	-0.59%	-0.59%	-0.59%
2/2003	-0.64%	-0.84%	-0.84%
3/2003	-0.34%	-0.34%	-0.34%
4/2003	1.58%	1.58%	1.58%
5/2003	3.83%	3.61%	3.61%
6/2003	-0.19%	-0.19%	-0.19%
7/2003	-0.70%	-0.70%	-0.70%
8/2003	-0.04%	-0.25%	-0.25%
9/2003	1.68%	1.68%	1.68%
10/2003	0.57%	0.56%	0.56%
11/2003	1.31%	1.09%	1.09%
12/2003	0.92%	0.92%	0.92%
1/2004	1.41%	1.40%	1.40%
2/2004	1.39%	1.18%	1.18%
3/2004	1.44%	1.44%	1.44%
4/2004	-1.91%	-1.91%	-1.91%
5/2004	-0.07%	-0.28%	-0.28%
6/2004	1.21%	1.20%	1.20%
7/2004	-0.31%	-0.31%	-0.31%
8/2004	1.22%	1.01%	1.01%
9/2004	0.60%	0.59%	0.59%
10/2004	0.41%	0.41%	0.41%
11/2004	0.41%	0.20%	0.20%
12/2004	1.81%	1.81%	1.81%
1/2005	0.13%	0.13%	0.13%
2/2005	0.06%	-0.12%	-0.12%
3/2005	-1.12%	-1.13%	-1.13%
4/2005	0.33%	0.12%	0.12%
5/2005	1.92%	1.91%	1.91%
6/2005	1.00%	1.00%	1.00%
7/2005	1.06%	0.86%	0.86%
8/2005	0.25%	0.25%	0.25%
9/2005	-1.02%	-1.02%	-1.02%
10/2005	-1.34%	-1.54%	-1.54%
11/2005	1.29%	1.29%	1.29%

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Income/Growth Composite			
Month/Year	Gross Return	Net Return	
12/2005	2.21%	2.21%	
1/2006	2.71%	2.51%	
2/2006	0.33%	0.33%	
3/2006	-0.71%	-0.72%	
4/2006	-0.15%	-0.35%	
5/2006	-0.65%	-0.66%	
6/2006	1.30%	1.30%	
7/2006	1.55%	1.35%	
8/2006	1.44%	1.43%	
9/2006	1.44%	1.43%	
10/2006	2.10%	1.89%	
11/2006	1.04%	1.04%	
12/2006	-0.92%	-0.92%	
1/2007	1.06%	0.84%	
2/2007	1.16%	1.16%	
3/2007	-0.13%	-0.13%	
4/2007	2.08%	1.87%	
5/2007	0.05%	0.05%	
6/2007	-0.62%	-0.62%	
7/2007	-0.39%	-0.60%	
8/2007	-0.31%	-0.31%	
9/2007	1.24%	1.24%	
10/2007	1.81%	1.57%	
11/2007	-0.26%	-0.26%	
12/2007	-0.32%	-0.32%	
1/2008	-1.24%	-1.47%	
2/2008	-1.36%	-1.36%	
3/2008	0.48%	0.48%	
4/2008	0.12%	-0.11%	
5/2008	-0.35%	-0.35%	
6/2008	-0.19%	-0.19%	
7/2008	-0.16%	-0.41%	
8/2008	0.90%	0.90%	
9/2008	-2.97%	-2.97%	
10/2008	-3.10%	-3.33%	
11/2008	0.96%	0.96%	
12/2008	1.35%	1.35%	
1/2009	0.74%	0.50%	
2/2009	-0.11%	-0.11%	
3/2009	0.43%	0.43%	
4/2009	1.09%	0.85%	
5/2009	0.79%	0.79%	

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Income/Growth Composite			
Month/Year	Gross Return	Net Return	
6/2009	0.36%	0.36%	0.36%
7/2009	1.95%	1.71%	1.71%
8/2009	1.83%	1.83%	1.83%
9/2009	2.45%	2.45%	2.45%
10/2009	0.17%	-0.06%	-0.06%
11/2009	1.18%	1.18%	1.18%
12/2009	-1.00%	-1.00%	-1.00%
1/2010	0.89%	0.66%	0.66%
2/2010	0.65%	0.65%	0.65%
3/2010	-0.48%	-0.48%	-0.48%
4/2010	1.56%	1.32%	1.32%
5/2010	0.98%	0.98%	0.98%
6/2010	1.09%	1.09%	1.09%
7/2010	0.80%	0.56%	0.56%
8/2010	2.77%	2.77%	2.77%
9/2010	0.68%	0.68%	0.68%
10/2010	-0.10%	-0.33%	-0.33%
11/2010	-1.09%	-1.09%	-1.09%
12/2010	-0.89%	-0.89%	-0.89%
1/2011	-0.01%	-0.24%	-0.24%
2/2011	0.79%	0.79%	0.79%
3/2011	-0.01%	-0.01%	-0.01%
4/2011	1.77%	1.54%	1.54%
5/2011	1.19%	1.19%	1.19%
6/2011	0.19%	0.19%	0.19%
7/2011	1.23%	0.99%	0.99%
8/2011	1.73%	1.73%	1.73%
9/2011	1.11%	1.11%	1.11%
10/2011	0.42%	0.19%	0.19%
11/2011	0.16%	0.16%	0.16%
12/2011	1.56%	1.56%	1.56%
1/2012	1.83%	1.59%	1.59%
2/2012	0.38%	0.38%	0.38%
3/2012	0.03%	0.03%	0.03%
4/2012	1.38%	1.15%	1.15%
5/2012	0.64%	0.64%	0.64%
6/2012	-0.01%	-0.01%	-0.01%
7/2012	1.03%	0.79%	0.79%
8/2012	0.34%	0.34%	0.34%
9/2012	0.50%	0.50%	0.50%
10/2012	-0.03%	-0.28%	-0.28%
11/2012	0.97%	0.97%	0.97%

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Income/Growth Composite			
Month/Year	Gross Return	Net Return	
12/2012	0.19%	0.19%	0.19%
1/2013	1.15%	0.91%	0.91%
2/2013	0.53%	0.53%	0.53%
3/2013	1.27%	1.27%	1.27%
4/2013	1.40%	1.15%	1.15%
5/2013	-1.01%	-1.01%	-1.01%
6/2013	-1.68%	-1.68%	-1.68%
7/2013	0.85%	0.60%	0.60%
8/2013	-0.94%	-0.94%	-0.94%
9/2013	1.60%	1.60%	1.60%
10/2013	1.52%	1.27%	1.27%
11/2013	0.38%	0.38%	0.38%
12/2013	0.39%	0.39%	0.39%
1/2014	1.09%	0.84%	0.84%
2/2014	1.38%	1.38%	1.38%
3/2014	0.60%	0.60%	0.60%
4/2014	0.79%	0.54%	0.54%
5/2014	1.34%	1.34%	1.34%
6/2014	0.68%	0.68%	0.68%
7/2014	-0.18%	-0.42%	-0.42%
8/2014	1.41%	1.41%	1.41%
9/2014	-0.10%	-0.10%	-0.10%
10/2014	1.15%	0.91%	0.91%
11/2014	1.00%	1.00%	1.00%
12/2014	0.43%	0.43%	0.43%
1/2015	0.52%	0.27%	0.27%
2/2015	0.84%	0.84%	0.84%
3/2015	0.21%	0.21%	0.21%
4/2015	0.21%	-0.03%	-0.03%
5/2015	0.00%	0.00%	0.00%
6/2015	-0.77%	-0.77%	-0.77%
7/2015	1.03%	0.78%	0.78%
8/2015	-1.19%	-1.19%	-1.19%
9/2015	0.07%	0.07%	0.07%
10/2015	1.76%	1.52%	1.52%
11/2015	-0.05%	-0.05%	-0.05%
12/2015	-0.03%	-0.03%	-0.03%
1/2016	0.00%	-0.24%	-0.24%
2/2016	0.04%	0.04%	0.04%
3/2016	1.56%	1.56%	1.56%
4/2016	0.55%	0.33%	0.33%
5/2016	0.67%	0.67%	0.67%

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Income/Growth Composite			
Month/Year		Gross Return	Net Return
	6/2016	1.20%	1.20%
	7/2016	0.88%	0.65%
	8/2016	0.20%	0.20%
	9/2016	0.15%	0.15%
	10/2016	-0.78%	-1.00%
	11/2016	-0.80%	-0.80%
	12/2016	0.67%	0.67%
	1/2017	0.48%	0.26%
	2/2017	1.00%	1.00%
	3/2017	0.40%	0.40%

Table 5