

STRATEGY OVERVIEW

The GMO Tax-Managed Benchmark-Free Strategy seeks to generate positive after-tax total returns (not benchmark-relative returns) by dynamically allocating to the most attractively priced asset classes. Free from the constraints of traditional benchmarks, the Strategy can allocate to unconventional asset classes, or to conventional asset classes in unconventional proportions.

Over a complete market cycle, the Strategy seeks annualized after-tax net returns greater than 3% above the Consumer Price Index for Urban Consumers ("CPI").

STRATEGY FACTS

Inception: 12/31/17

Assets: \$77 Million

Portfolio Management:

Ben Inker

John Thorndike

Risks:

Risks associated with investing in the Strategy may include Tax-Management Risks, Equities Risks, Fixed Income Risks, Municipal Securities Risks, and Risks of Non-U.S. Investments.

About GMO:

Founded in 1977, GMO is an independently-owned, global institutional investment manager dedicated to providing our clients with superior investment advice and performance.

Contact Us:

40 Rowes Wharf

Boston, Massachusetts 02110

(617) 330-7500 | www.gmo.com

OUR INVESTMENT PHILOSOPHY

One true advantage: the long horizon

Investors have one true advantage: their long investment horizon. The long horizon frees investors from the pressure to make short-term market predictions and tactical portfolio moves. It also gives investors the flexibility to be dynamic and change portfolio allocations to reflect the current opportunity set.

Overpaying is the greatest risk

A robust understanding of valuation lies at the heart of our investment approach. We believe that mean reversion around intrinsic value is the closest thing to the law of gravity that we have in finance. Paying too much for an asset limits its long-term return potential and eliminates the investor's margin of safety, thereby increasing the probability of permanently impairing the investor's capital. We aim to avoid this.

Career risk governs the short run

At GMO, we are distinguished by our willingness to stand apart from the market consensus. In the effort to protect their careers, many professional investors remain close to benchmarks or peer groups to avoid taking risks that may lead them to underperform. Such activity often creates opportunities for us as contrarian investors to buy underappreciated, unpopular assets and avoid expensive ones.

KEYS TO OUR INVESTMENT APPROACH

The Strategy is managed by GMO's Asset Allocation team, which leverages the strengths of investment teams across the firm and has nearly three decades of experience managing multi-asset class portfolios.

Anchor to Valuation Our 7-Year After-Tax Asset Class Forecasts form the foundation of our investment process, providing a valuation framework to assess the return opportunity embedded in different asset classes.

Cast a Wide Net We believe the most effective way to compound wealth over full market cycles is not to be rigidly tied to certain asset class exposures. To that end, we attempt to access as broad an opportunity set as possible and do not seek to control risk relative to the benchmark.

Cast a Deep Net We combine GMO's quantitative, fundamental, top-down and bottom-up resources to identify mispriced market segments and securities.

Be Contrarian We are prepared to take unconventional positions within our portfolios and hold them longer than the pain threshold of most other market participants.

Be Bold We are structured to be dynamic, moving assets across asset groups and taking significant positions when we see markets move to extreme valuations.

Be Tax Aware When making investment decisions, we employ three layers of tax management:

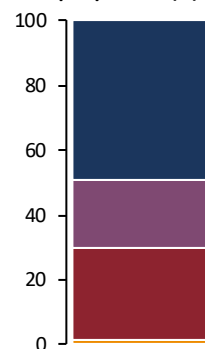
- We use our after-tax asset class forecasts to make top-down allocation decisions, take special care in assessing the after-tax expected returns of those markets that are not particularly tax-efficient, and consider dynamic shifts within the context of tax time horizons.
- Bottom-up portfolio construction seeks to maximize expected alpha of individual stocks across the globe, net of costs, including transaction costs and taxes. Where appropriate, we generate additional after-tax alpha through tax loss harvesting.
- Within fixed income, we maintain a bias toward actively managed municipal bonds.

GMO Tax-Managed Benchmark-Free Strategy

June 30, 2019

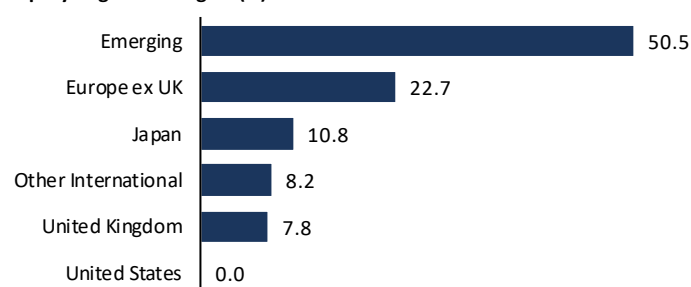
STRATEGY PROFILE

Group Exposures (%)¹



Group	Exposure (%)
Equities	49.3
Developed Ex-US Extension	24.3
Emerging Markets Extension	25.0
Alternative Strategies	20.8
Put Selling	2.6
Special Opportunities	2.6
Systematic Global Macro	9.8
Quality vs. S&P 500	5.7
Fixed Income	28.6
Municipal Bonds	28.6
Cash	1.3
Cash & Equivalents	1.3

Equity Regional Weights (%)



Equity Characteristics

	Strategy
Price/Earnings - Hist 1 Yr Wtd Median	9.9 x
Price/Book - Hist 1 Yr Wtd Avg	1.2 x
Return on Equity - Hist 1 Yr Med	14.2 %
Market Cap - Weighted Median \$Bil	\$10.5
Dividend Yield - Hist 1 Yr Wtd Avg	4.4 %

Risk Profile Since 12/31/17²

	Strategy
Std. Deviation	8.16
Sharpe Ratio	-0.43
Drawdown (12/29/17-12/31/18)	-11.53

¹The groups indicated above represent exposures determined pursuant to proprietary methodologies and are subject to change over time.

²Std. Deviation is a measure of the volatility of a portfolio's return. Sharpe Ratio is the return over the risk free rate per unit of risk. Drawdown is the largest negative cumulative portfolio return from peak to trough. Risk profile data is net.

The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy.

PERFORMANCE NET OF FEES

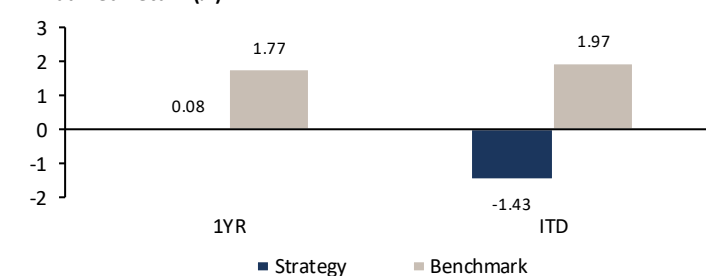
Total Return (%)

	Strategy	Benchmark
2Q 2019	0.70	0.46
YTD 2019	6.75	1.02

Annual Total Return (%)

	Strategy	Benchmark
2018	-8.33	1.92

Annualized Return (%)



Performance data quoted represents past performance and is not predictive of future performance. Returns are shown after the deduction of management fees, transaction costs and other expenses, but before custody charges, withholding taxes, and other indirect expenses. The returns assume the reinvestment of dividends and other income.

The GMO Tax-Managed Blended Index is an internally maintained benchmark computed by GMO, comprised of (i) 40% Russell 3000 Index, 20% MSCI EAFE (Europe, Australasia, and Far East) (MSCI Standard Index Series, net of withholding tax), and 40% Barclays Municipal Bond 7 Year (6-8) Index from 12/31/2002 to 9/28/2007 (ii) 60% MSCI ACWI (All Country World Index) (MSCI Standard Index Series, net of withholding tax), and 40% Barclays Municipal Bond 7 Year (6-8) Index from 9/28/2007 to 12/29/2017 and (iii) 100% CPI Plus 3% Index thereafter.