GENOA TAXABLE STRATEGIES OVERVIEW

High Inflation readings continued in October, November, and December. With inflation effects spreading beyond a few categories, The Fed Governors quickly moved from patient to hawkish. On October 15, market predictions, as expressed by Fed Fund Futures, expected one, perhaps two increases in the Target Fed Funds Rate, starting in September 2022. By December 15th, those same markets predicted 3 rate increases starting in May 2022. The spread of the new Omicron COVID variant failed to dim the market or policy maker's view that the economy is on good footing, time to roll back the stimulus.

The 10-year US Treasury started the quarter at a yield to maturity of 1.488%, rose to a high of 1.703 on October 21st, dropped quickly to a low of 1.345% December 3rd (After the Omicron Variant discovery was announced) only to end the quarter basically where it started at 1.512%. The Bloomberg Aggregate Bond Index reflected the flatness, returning 0.01% for the quarter.

Given the new concerns for COVID variants corporate bond spreads widened slightly causing a -0.08% return for the quarter. The high yield sector performed better returning 1.87% with BB rated bonds returning 1.82% for the quarter.

Strategy Review

As of 12/31/2021 (Source: eVestment)

Strategy *Performance (Composite)*	**Opportunistic Income**	**Quality Income**
Strategy YTD (gross)	5.37%	-1.31%
Strategy YTD (net)	5.07%	-1.56%
Benchmark* YTD	-1.54%	-1.54%
Relative Performance YTD (n)	*+6.61%*	*-0.02%*
Characteristics Overview		
Yield to Maturity	3.97%	1.75%
Duration (years)	5.55	5.59
Credit	BBB	AA-

*Barclays US Aggregate

PERFORMANCE CONTRIBUTORS

Opportunistic Income

- Investments in basic materials companies outperformed as commodity inflation brightened their credit outlooks.
- Strong performance by improving automotive credits and improving industrial credits.

Quality Income

- Our pharmaceutical positions performed well as they helped in the fight against COVID.
- Strong earnings and improved outlook helped our technology positions outperform for the quarter.

PERFORMANCE DETRACTORS

Opportunistic Income

- After performing well for most of the year, our consumer, non-cyclical holdings gave back some of their gains.
- Higher quality holdings that performed in line with the broader corporate market but underperformed the index.

Quality Income

- Exposure to industrial sector hindered our performance after COVID variants caused shutdowns.
- Our holdings in the financial sector also underperformed as spreads widened given economic concerns.

STRATEGY POSITION AND 2021 OUTLOOK

At times like this, we like to remember, the Fed raising rates is good. The economy is doing well and no longer needs quantitative easing and a 0.25% Fed Funds rate. With the new focus on inflation and the support of the President and Congress, we expect the Fed accelerate their tapering, and raise rates times (25 basis points each hike) in 2022. We would also expect the announcement of a plan to shrink the Fed's balance sheet (Quantitative tightening). Bloomberg economic 2022 consensus forecasts are for 3.9% GDP growth, a good time to remove monetary stimulus.

CONTINUED STRATEGY POSITION AND 2021 OUTLOOK

With that in mind we have positioned the portfolios to benefit from economic growth (Improving credits, economically sensitive credits) and rising rates (Floating rate bonds). We also have several positions that have short calls, that if not called, could benefit the portfolio with a higher yield (Cushion bonds).

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Composite and benchmark returns are presented net of non-reclaimable withholding taxes. The "Gross" returns presented are gross of fees. The results do not reflect the deduction of investment management fees and other expenses incurred in the management of the account. Net of fee performance reflects a deduction of .25% for Quality Income and .30% for Opportunistic Income% for advisory fees. The fee schedule can be found in Genoa's ADV Part 2A. Actual fees will vary depending on, among other things, the applicable fee schedule, the investment period, investment performance and account size.

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The Bloomberg Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency)

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