



## Knights of Columbus Limited Duration Bond Fund

This domestic bond fund is designed for faith-based investors and invests in accordance with the guidelines of the U.S. Conference of Catholic Bishops (USCCB).

### INVESTMENT OBJECTIVE

The Limited Duration Bond Fund seeks current income and capital preservation. The Fund generally invests in bonds that mature in 0 to 3 years.

### FUND INFORMATION

SHARE CLASS	Institutional Shares
TICKER SYMBOL	KCLIX
INCEPTION DATE	February 27, 2015
BENCHMARK	Bloomberg Barclays 1-3 Year U.S. Government/Credit Index
NUMBER OF HOLDINGS	184
MINIMUM INVESTMENT	\$25,000

### CREDIT QUALITY\* (as of 06/30/2017)

US Government	21.4%
AAA	24.3%
AA	6.6%
A	13.2%
BBB	32.7%
Below Investment Grade	1.8%

### INVESTMENT PROCESS

We start by evaluating the relative attractiveness of various fixed-income sectors. The focus here is to ascertain the viability of each sector's sustainability. Within sectors, bottom up issue selection will be utilized with both quantitative and qualitative analysis to determine which issues represent the most value for the portfolio. Issues not contained in the benchmark may be utilized in the Fund. Catholic screens are applied to ensure that all purchase candidates meet the USCCB investment guidelines.

Typically, Treasuries are underweighted in favor of corporate, mortgage- and asset-backed securities, where there is a potential structural yield to maturity advantage. Interest rate management is a minimal part of the strategy, as duration should typically be +/- 0.5 years of the benchmark index. Our focus is on top-down sector allocation with bottom-up security selection. While we are conscious of the underlying sector weights of the benchmark, sector weights are residual of our security selection.

Within our process, we break the fixed-income market into two segments – credit and structured. Our two senior portfolio managers lead the research efforts around these segments.

In the credit arena, we seek to understand the nature of the business and the quality of the management team. If we can't see how a company makes money, we do not invest. We also look for a favorable financial picture, including solid market share, a strong balance sheet, and good cash flow generation and allocation.

In the structured segment, we first look at the structure of a security to understand credit enhancement and cash flow priorities. At the same time, we assess collateral quality, diversification and performance history. We also look at the borrower profile to assess credit and operational risks. For perspective, we check industry and sector fundamentals and relative value versus other securities. As part of our risk mitigation, we run scenario analyses to determine default probability and cash flow risk.

### ABOUT THE PORTFOLIO MANAGEMENT TEAM

Knights of Columbus Asset Advisors manages \$22 billion in fixed-income assets on behalf of the Knights of Columbus organization (06/30/2017). Tony Minopoli oversees the investment team, including portfolio management, research and trading. Neill Jordan leads the Knights' structured investment team, and Gilles Marchand leads the credit investment team.

#### Knights of Columbus Asset Advisors Investment Team:



**Anthony Minopoli**  
 President & Chief Investment Officer  
 Started with firm: 2005  
 Started in industry: 1987



**E. Neill Jordan, CFA**  
 Vice President, Portfolio Manager  
 Started in firm: 1987  
 Started in industry: 1983



**Gilles Marchand, CFA**  
 Vice President, Portfolio Manager  
 Started with firm: 2010  
 Started in industry: 1990

## PERFORMANCE (As of 06/30/2017, inception date: 2/27/2015)

	QTR	Annualized Returns	
		1-Year	Since Inception
<b>Limited Duration Bond Fund</b>	<b>0.53%</b>	<b>0.79%</b>	<b>0.97%</b>
Bloomberg Barclays 1–3 Year Government/Credit Index	0.31%	0.35%	0.98%
Lipper Short Investment Grade Debt Classification	0.57%	1.54%	1.27%

Gross Expense Ratio: 1.19%, Net Expense Ratio: 0.50%. Knights of Columbus Asset Advisors LLC has contractually agreed to waive fees and/or to reimburse expenses to the extent necessary to keep Total Annual Fund Operating Expenses (excluding interest, taxes, brokerage commissions, acquired fund fees and expenses and non-routine expenses (collectively, "excluded expenses")) from exceeding 0.50% of the Fund's Institutional Shares' average daily net assets, respectively, until February 28, 2018.

*The performance data quoted represents past performance. Past performance is not a guarantee of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth less than their original cost and current performance may be higher or lower than the performance quoted. For performance data current to the most recent month end, please call 1-844-KC-FUNDS.*

## DURATION DISTRIBUTION

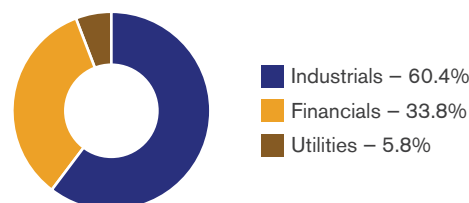
(as of 06/30/2017)

0-1 year	19.0%
1-2 year	34.7%
2-3 year	36.8%
3-5 year	9.6%
5-10 year	0.0%
10+ years	0.0%

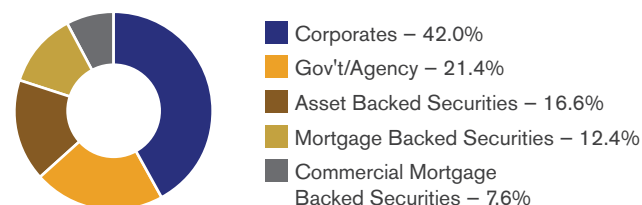
## CHARACTERISTICS (as of 06/30/2017)

30-Day SEC Yield	1.72%
Unsubsidized 30-Day Yield	1.22%
Weighted Average Maturity	3.0 yrs
Duration	1.8 yrs

## CORPORATE SECTOR DIVERSIFICATION (as of 06/30/2017)



## ASSET CLASS DIVERSIFICATION (as of 06/30/2017)



## ABOUT KNIGHTS OF COLUMBUS ASSET ADVISORS

Knights of Columbus Asset Advisors is the investment arm of Knights of Columbus, the world's largest Catholic fraternal organization. We manage the Knights' insurance assets, totaling \$24 billion as of 06/30/2017. We also offer a suite of faith-based investment solutions that are managed in accordance to the USCCB investment guidelines. To learn more about our investment capabilities, please call our investor guidance line at (844) 493-4010.

\*Credit-quality ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). "NR" is used when a rating is not available. "U.S. Government" includes U.S. Treasury, U.S. Agency, and U.S. Agency mortgage-backed securities. Ratings are obtained from Barclays using ratings from Moody's Investors Service, Fitch Ratings, and Standard & Poor's. When ratings from all three agencies are available, the median rating is used. When ratings are available from two of the agencies, the lower rating is used.

**Before investing, carefully consider the fund's investment objectives, risks, charges and expenses. This and other information about the fund can be found in the fund's prospectus and summary prospectus, which can be obtained by calling 844-KC-FUNDS. Please read the prospectus carefully before investing.**

Investing involves risk, including possible loss of principal. Bonds and bond funds are subject to interest rate risk and will decline in value as interest rates rise. High yield bonds involve greater risks of default or downgrade and are more volatile than investment grade securities, due to the speculative nature of their investments. Mortgage-backed securities are subject to prepayment and extension risk and therefore react differently to changes in interest rates than other bonds. Small movements in interest rates may quickly and significantly reduce the value of certain mortgage-backed securities. There is no guarantee that the investment objective will be achieved. Holdings are subject to change.

The Knights of Columbus Funds are distributed by SEI Investments Distribution Co. (1 Freedom Valley Dr., Oaks, PA 19456), which is not affiliated with Knights of Columbus Asset Advisors.

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