

FUND FACTS

Benchmark	U.S. 3 Month T-Bill
Portfolio Management	Harris Arch, CFA Dan Moore, CFA
Inception Date	June 1, 2015
Assets Under Management	\$218 million

RISK METRICS

Expense Ratio	0.50%
Annualized Volatility(%) ⁴	2.98
Sharpe Ratio(%) ⁴	0.69
Number of Deals	51
Correlation to S&P 400 ⁴	0.50
Correlation to S&P 500 ⁴	0.49
Correlation to Bloomberg Barclays Agg ⁴	0.23

INVESTMENT APPROACH

The strategy seeks to build a portfolio of pending mergers and acquisitions that will generate a stable and consistent source of absolute return with low volatility and minimal correlation to broader equity and fixed income markets

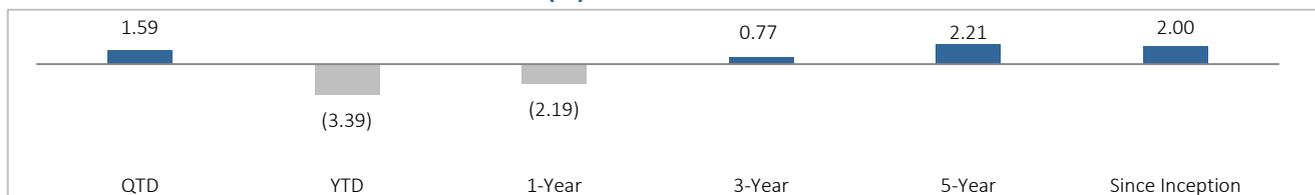
- ❖ Fundamental, bottom-up strategy, focusing on definitive transactions rather than pre-event or rumored situations.
- ❖ Rigorous research process evaluates arbitrage spreads and idiosyncratic, deal-specific risk premia related to financing, regulatory approvals, and deal completion. Assessment of completion timelines and viability determines exposures.
- ❖ Overall portfolio size and strict risk controls provide agility and scope to invest materially in small cap deals with strong alpha potential. Strategy does not currently employ financial leverage.

We believe that investors should consider Merger Arbitrage funds as a way to diversify risk.

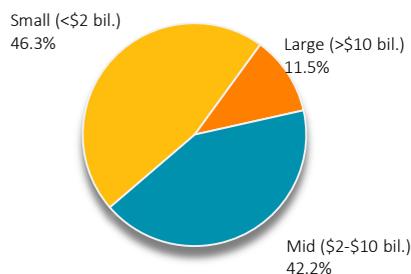
PERFORMANCE (%)¹

As of June 30, 2020	QTD	YTD	1-Year	3-Year	5-Year	Since Inception
Merger Arbitrage (Gross of fees)	1.73	(2.87)	(0.64)	2.46	3.34	3.11
Merger Arbitrage (Net of fees)	1.60	(3.11)	(1.14)	1.95	2.83	2.60
3 Month T-Bill	0.14	0.52	1.55	1.69	1.13	1.11

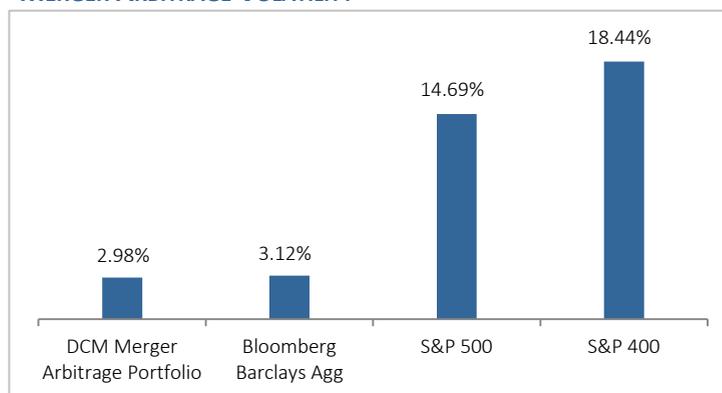
RELATIVE GROSS PERFORMANCE VS. BENCHMARK (%)



PORTFOLIO COMPOSITION WEIGHTS: DEAL VALUES ²



MERGER ARBITRAGE VOLATILITY ³



All information as of June 30, 2020 unless otherwise stated.

¹Performance for periods greater than one year is annualized.

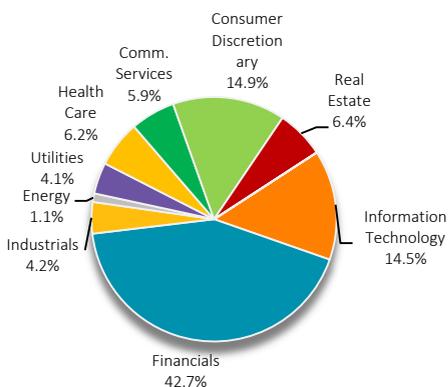
²DuPont Capital information presented is that of a representative account. The representative account is the account in the composite with the longest tenure.

³Annualized volatility with monthly returns from June 2015 to June 30, 2020.

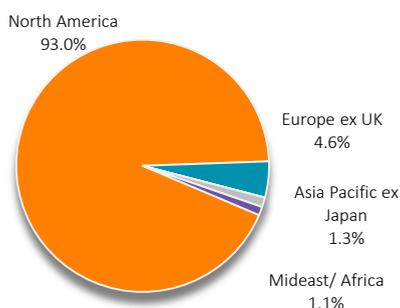
⁴Calculated with monthly returns since inception

PORTFOLIO COMPOSITION

WEIGHTS: DEAL SECTORS¹



WEIGHTS: DEAL REGIONS¹



¹DuPont Capital information presented is that of a representative account. The representative account is the account in the composite with the longest tenure.

ABOUT THE PORTFOLIO TEAM

Harris Arch, CFA

Portfolio Manager and Senior Equity Analyst
15 Years of Investment Experience

Dan Moore, CFA

Portfolio Manager and Senior Credit Analyst
18 Years of Investment Experience

PERFORMANCE DISCLOSURE: MERGER ARBITRAGE

Year	Gross Return (%)	Net Return (%)	Benchmark Return (%)	Composite 3-year Std Deviation (%)	Benchmark 3-year Std Deviation (%)	Number of Portfolios	Internal Dispersion (%)	Composite Assets (\$ millions)	Total Firm Assets (\$ millions)
2019	4.8	4.3	2.2	1.2	0.2	≤ 5	N/A	175	25,696
2018	4.6	4.1	1.8	1.5	0.2	≤ 5	N/A	157	26,318
2017	2.8	2.3	0.8	N/A	N/A	≤ 5	N/A	135	28,640
2016	4.9	4.4	0.3	N/A	N/A	≤ 5	N/A	132	26,029
2015	1.7	1.4	0.0	N/A	N/A	≤ 5	N/A	20	27,022

*Partial Year (June 1 – December 31, 2015)

- DuPont Capital Management (DCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. DCM has been independently verified for the periods January 1, 1993 through December 31, 2019.
- Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The DCM Merger Arbitrage composite has been examined for the periods January 1, 2017 through December 31, 2019. The verification and performance examination reports are available upon request.
- DCM is an investment adviser registered under the Investment Advisers Act of 1940. DCM is a wholly owned subsidiary of Corteva, Inc. Registration does not imply a certain level of skill or training.
- DCM Merger Arbitrage Composite (inception date – 06/01/2015) includes all accounts that invests in pending merger and acquisition deals, seeking to capture the spread between the target's current price and the deal price upon close. The strategy invests in both cash and stock deals. In cash deals, the strategy is long the target's equity security. In stock deals, the strategy is long the target's equity and short the acquirer's equity, according to the deal terms. Portfolio weightings are dependent on the risk and return characteristics of the pending deal. The strategy makes use of leverage (by borrowing securities for shorting).
- The composite benchmark is the 3-Month T-Bill Index, which is issued by the U.S. Government and matures every three months. The benchmark is for information purposes only and is not composed of securities held in the strategy. It is important to note that the strategy utilizes long and short positions in securities that carry certain risks not associated with the benchmark, e.g., volatility, illiquidity, and the risk of loss of capital. The returns for this index do not include any transaction costs, management fees or other costs. Benchmark returns are not covered by the report of independent verifiers.
- Performance results reflect the reinvestment of dividends and other earnings. Valuations are computed and performance is reported in U.S. dollars. Composite returns are calculated net of non-reclaimable withholding taxes. Gross-of-Fees returns are presented before management and custodial fees but after all trading expenses. Net-of-fees returns are calculated monthly by deducting 1/12th of the asset-based fee in effect for the respective time period from the gross composite return. The DCM Merger Arbitrage fee schedule is as follows: 0.50% first \$20 million, 0.45% next \$30 million, 0.40% thereafter.
- This strategy makes use of leverage by shorting equity securities. While the risk of loss with an equity holding is typically limited to the amount invested, the risk of loss in a short sale may be unlimited as the price of the applicable security rises. The gross leverage of accounts in the composite may be up to, but not exceed, 200% of capital. Gross leverage is defined as the sum of long and short exposure divided by capital.
- Securities and other instruments in which the composite invests may be denominated or quoted in currencies other than the U.S. dollar (Base Currency). Changes in foreign currency exchange rates can affect the value of an investor's account. This risk, generally known as "currency risk," means that a strong U.S. dollar (Base Currency) will reduce returns for investors while a weak U.S. dollar (Base Currency) will increase those returns. DCM may seek to protect the value of the portfolio holdings against currency risk by engaging in currency hedging transactions. Currency hedging involves special risks including possible default by the other party to the transaction and illiquidity. DCM routinely uses derivatives (i.e., currency forwards) to manage portfolio risks, reduce the cost of structuring the accounts, or to capture value disparities between financial instruments.
- The ex-post three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. For those periods with less than 36 monthly returns, "N/A" is noted.
- Internal dispersion is calculated using the equal-weighted standard deviation of annual gross returns of those portfolios that were included in the composite for the entire year. For those periods with five or fewer accounts included in the entire year, "N/A" is noted as the dispersion is not considered meaningful.
- DCM uses temporary accounts (rebalance accounts) to temporarily hold significant cash flows until they are invested according to the composite strategy or disbursed. DCM defines a significant cash flow for this composite as an external cash flow within a portfolio equal to or greater than 10% of the portfolio's beginning of day market value.
- Accounts in the composite may be aggregated with other accounts managed by DCM (and not included in this composite) for the purpose of determining prime brokerage collateral requirements. Therefore, the performance of accounts in this composite may not be the same as that of an account with a different prime broker relationship.
- Past performance is not indicative of future performance. It should not be assumed that results in the future will be profitable or equal to past performance. These performance disclosures apply to all of the DCM investment performance data presented herein.
- This composite was created in January 2018. A list of composite descriptions is available upon request as are policies for valuing portfolios, calculating performance, and preparing compliant presentations.