



MASON
INVESTMENT ADVISORY
SERVICES, INC.

Institutional Investment Consulting

for Endowments, Foundations, Defined
Benefit Plans and Other Institutional Portfolios



**Comprehensive Investment Consulting
Including Non-Discretionary and
Outsourced Chief Investment Officer
(OCIO) Services**



Our Defining Beliefs

A Message from Scott S. George

*President and Chief Investment Officer,
Mason Investment Advisory Services, Inc.*

We understand that it takes time to get to know a client well enough to determine which of many directions will best reflect their unique needs and preferences. As a result, when you become a client, we begin with you and your committee, not with your assets. We make the effort and take the time to get to know your organization so that we can build a continuing relationship in which the investment management and consulting process will flourish.

If you do not wish to entrust your organization's funds to a small firm with limited resources and experience, but you are also uncomfortable with being just one of thousands of clients of a large institution, Mason Investment Advisory Services (MIAS) may be ideally suited to your needs. We have the services and capabilities of a larger company combined with the atmosphere and personal touch of a small firm.

The staff of MIAS is composed of an experienced group of professionals, allowing us to take a multidisciplinary approach to the formulation of ideas and recommendations. Members of our professional staff hold a variety of credentials, including Chartered Financial Analyst (CFA), Masters of Business Administration (MBA), Certified Public Accountant (CPA), Certified Financial Planner (CFP), Juris Doctor (JD), Accredited Investment Fiduciary (AIF) and others.

On an ongoing basis, our Mason Investment Committee, comprised of many of our professionals, meets to formally discuss all aspects of our investment management process. We function as a team to create a safeguard against trendy, impulsive or speculative advice. We are committed to objectivity, which keeps our focus exactly where it should be—on you.

Please contact us with any questions you may have. We look forward to building a relationship with you and your organization.

“As fiduciaries, we are committed to objectivity, which keeps our focus exactly where it should be—on you.”

— **Scott S. George**
President and Chief Investment Officer,
Mason Investment Advisory Services, Inc.

Methodology

Assessment - Strategy - Implementation - Management

Mason's Institutional Investment Consulting service provides institutional investors with comprehensive discretionary or non-discretionary investment management and consulting.

There are four equally important steps to our process:

1. Assessment

Whether your institution's portfolio is new or established, it has unique characteristics that we need to understand in order to provide appropriate advice. We explore your investment goals and objectives, as well as expected cash flows, governing principles, growth expectations and spending requirements.

2. Strategy

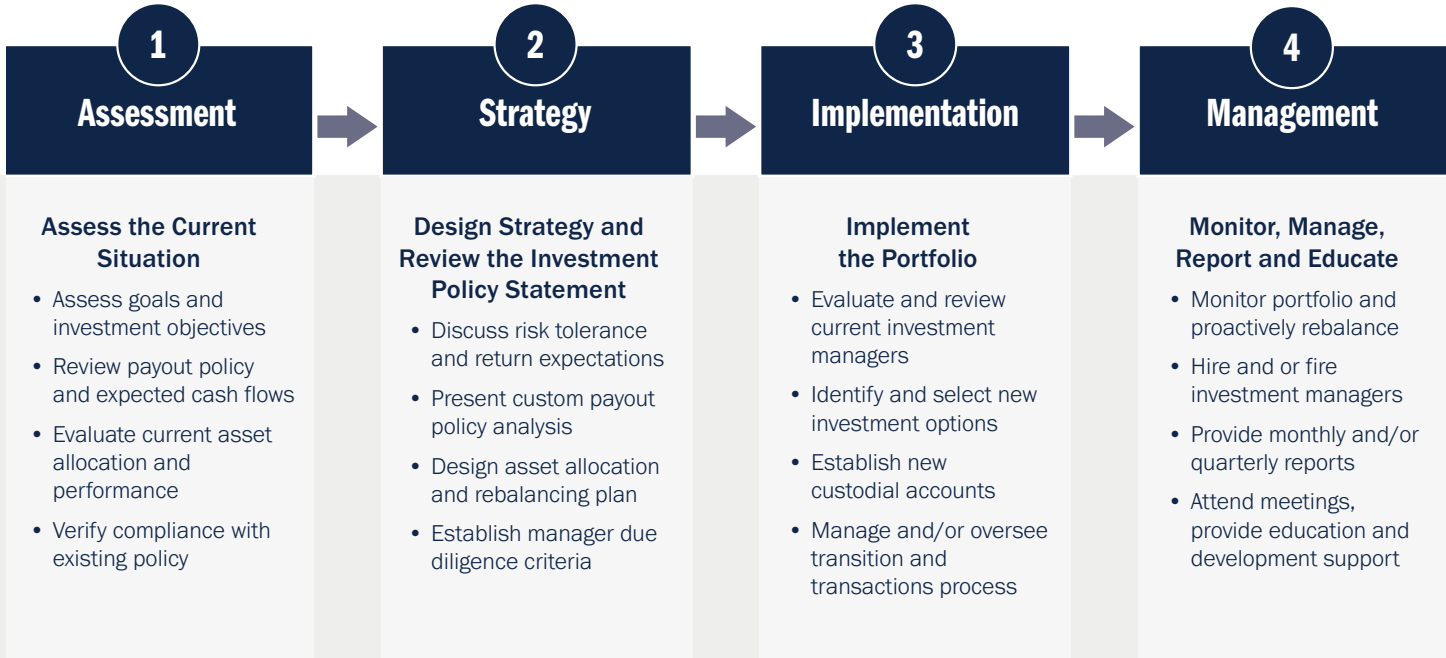
One of the primary fiduciary duties for finance and investment committees is to implement and monitor their organization's Investment Policy Statement (IPS.) At the beginning of each new institutional client relationship, our responsibility as advisors is to get to know the client. The best way for us to do so is to review and analyze the existing IPS. In our first meeting with a new client, we discuss topics including but not limited to the client's goals, investment objectives, tolerance for risk, spending and payout needs, asset allocation, rebalancing and manager due diligence criteria.

3. Implementation

Our implementation plan will include managers and funds that we believe carefully match each recommended asset class and that pass our strict due diligence requirements for consistency of performance and style, as well as for cost effectiveness. Please note that we only recommend third-party managers and funds and we do not offer or promote any proprietary products. Our service also includes operational support and assistance with new custodial account set-up and transactions management.

4. Management

Once implementation is completed, we continually monitor the asset allocation parameters, managers and funds and the clients' overall performance. For our OCIO (discretionary) clients, we proactively rebalance their portfolios and hire/fire managers and funds per the IPS due diligence criteria. On an ongoing basis, we provide a suite of reports and meet in-person with our clients' committees to review the reports and to provide education.



Asset Allocation

Reducing Risk Through Diversification

The objective of diversification is to assemble a portfolio of investment vehicles that perform differently in response to different economic circumstances. Through diversification, investors attempt to reduce the volatility of a portfolio as circumstances change from economic prosperity to recession and back again or, in another example, from low inflation (and perhaps deflation) to high inflation.

Because many of these situations cannot be predicted and become clear only in retrospect, we classify investment assets into broad asset categories, with each broad category having important subcategory targets. We believe this to be an effective strategy for multiple types of investors in multiple types of economic environments.

With proper asset allocation, a portfolio holds asset classes with low correlation (movements in the opposite direction, at the same time or not at the same magnitude). For example, low inflation or deflation has a very positive influence on bonds but usually a negative influence on real estate and energy. Inflation usually creates the opposite effect. Economic prosperity has a positive influence on stocks, but if that prosperity results in inflation, there is usually a negative impact on bonds. Mason's approach to asset allocation is to create high-performing, low volatility portfolios that we believe will provide our clients with the results they expect.

Implementation

Selecting the Managers Who Fit the Objectives

For an asset allocation strategy to be effective, professional guidance in the implementation phase is crucial. Unless each asset class is represented accurately by using mutual fund managers who best represent the class objective, the results may be much different than anticipated, particularly during times of adversity or crisis.

To identify mutual fund managers who fit your implementation objectives, we use a rigorous in-house research process that includes both analysis of mutual fund family and individual mutual fund performance. We conduct both quantitative and qualitative reviews of managers.

The goal is to identify those mutual fund families that offer both a strong historical performance track record across their open and closed offerings and that provide an accurate asset class fit. We perform ongoing due diligence of our mutual fund recommendations in our attempt to maintain who we believe to be the best mutual fund managers possible for your portfolio.

Portfolio Monitoring

Assuring Your Portfolio Reflects Your Objectives

After your portfolio is implemented, we will continually monitor it, reviewing each investment manager's performance against our strict set of analytical criteria to look for timely indications of when an investment manager should be evaluated for possible replacement. In addition, we regularly review your actual portfolio allocation against your recommended targets to identify opportunities for rebalancing, which helps to reinforce the discipline of buying low and selling high.

We communicate frequently and provide detailed, comprehensive quarterly investment performance reports and additional monthly reports to enable you to track your organization's portfolio results. In addition, you will receive monthly brokerage account statements from your custodian. Throughout the process, you will have a dedicated Mason Investment Consultant to meet with on a regular basis, backed by a team of analysts and operational specialists.

Our goal: To ensure your organization receives the attention and responsiveness you expect—and the peace of mind you, your committee and your board deserve.





Why Choose Mason?

Independent and Objective

We have no proprietary products, mutual funds or investment managers. This leaves us free to search the world of all investment managers for those who, in our judgment, are the best. We believe that if your consultant provides its own products there is an inherent conflict of interest.

Track Record of Investment Performance

We have a documented, historical, net-of-fee track record of results for clients with globally diversified portfolios. We feel that your committee should know the track record of the firm they plan to hire. Our track record shows how our clients' portfolios actually performed, not how we think a new strategy might perform.

Long-Term, Strategic Perspective

Your portfolio should be carefully allocated, managed and rebalanced, not pushed and pulled through investment vehicles in a reactive manner. We ignore "hot" trends and focus on time-tested principles in our approach to meeting your investment needs—for now and for the future.

Data Aggregation and Reporting

Our multi-advisor data aggregation and performance reporting service enables our clients to maintain their important strategic investment advisor and or multi-custody relationships and still have the ability to utilize the services of an investment consultant.

Donor Development Support

We assist our clients, if appropriate, with donor development. Examples include presentations to existing donors, donor prospects and other individuals who have an influence on raising additional funds for your organization.

About Mason

Mason Investment Advisory Services, Inc. (Mason), an investment advisor registered with the SEC, is a privately owned firm with a national scope. Our Institutional Investment Consulting group provides non-discretionary (traditional) consulting, outsourced chief investment officer services (OCIO), data aggregation and reporting and consulting services to defined contribution plans. Mason also provides financial planning and investment management to wealthy individuals. Mason's Institutional Investment Consulting group serves many types of clients including community foundations, educational institutions, healthcare entities, arts and cultural organizations, private and family foundations, corporate foundations, social service entities, public funds, and retirement plans. Mason manages short-term, intermediate-term and long-term portfolios as well as operating funds, reserve funds and defined benefit plans.