



Fixed Income Strategy for Growth CORE (FISG CORE)

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Investment Objectives and Process of FISG CORE

Investment Objectives

- Purchasing power protection
- Preservation of capital
- Consistent stream of income

Investment Process

- We believe inflation is the biggest threat to a fixed income portfolio over time.
- To mitigate the impact of inflation, we:
 - Use convertibles in the investment process with the goal of gravitating the portfolio towards equity returns while seeking to achieve a similar volatility profile of a traditional fixed income portfolio.

Construction and Guidelines of Portfolio

Portfolio composed of 100% fixed income securities
–Bonds, Preferred Securities, Convertible Securities

Portfolio Investment Criteria

- Target number of securities is between 20-40¹
- Target duration is between 3-7 years
- Target is for no security to be rated less than BB+/Ba1 (S&P/Moody's)²
- Target is for no more than 25% corporate preferred securities
- Target is for no more than 15% of the portfolio be unrated
- Target is for 15%-25% Convertible Securities

Concentration Limits

- Industry sector: no one sector will typically exceed 20% of portfolio
- Individual security: no one issuer will typically exceed 5% of the portfolio (at cost)

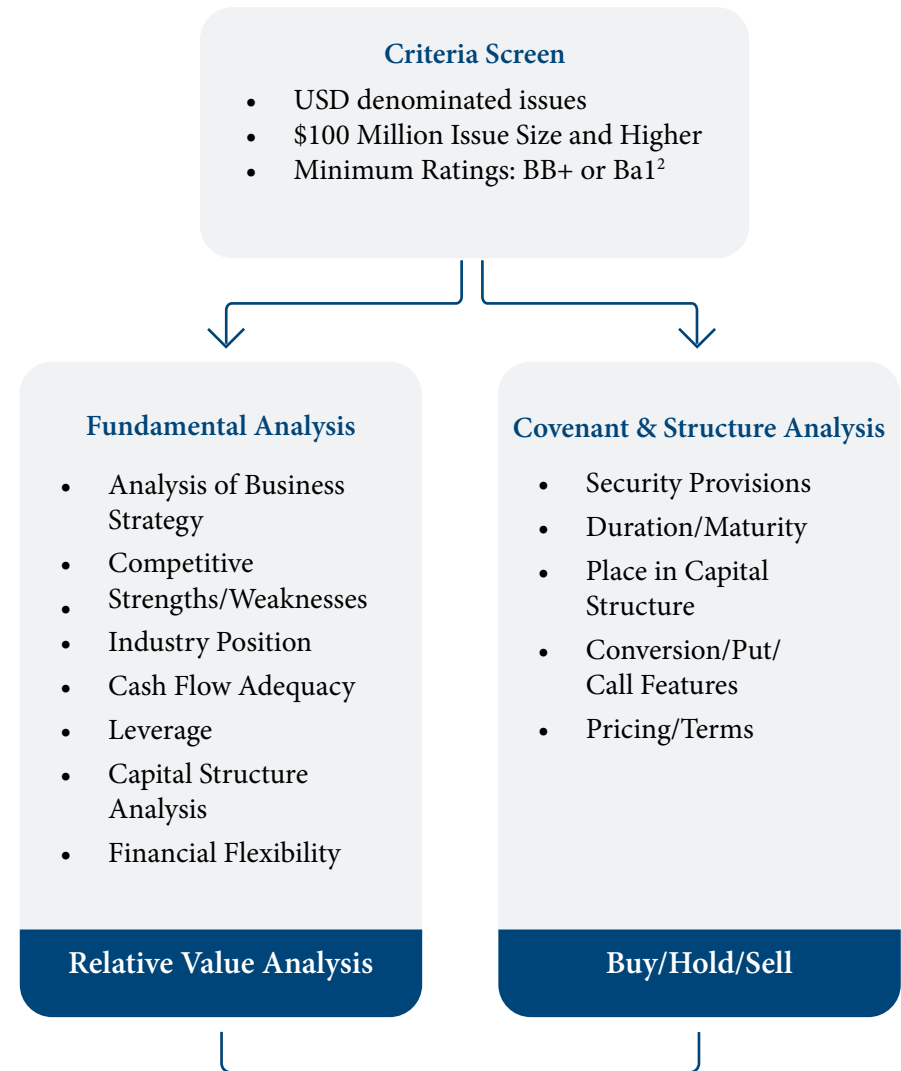
1. Diversification does not protect against loss.

2. BB/Ba2 credit ratings are considered speculative and are subject to credit risk. The higher the rating the higher the credit quality with lower credit risk a bond will have. Rating is for non-investment grade securities.

Security Selection Process

- FISG CORE first identifies appropriate portfolio candidates through a criteria based screening process
- FISG CORE focuses on companies whose business model we believe will allow for healthy cash flow generation, financial flexibility and a sound industry position¹
- Fundamental company analysis and security covenant and structure analysis is conducted on portfolio candidates with the goal of selecting securities we feel will most likely maximize price behavior

1. Some portfolio candidates might only have one of these characteristics.
2. Bond rating firms, such as Moody's, Standard & Poor's and Fitch, use different designations consisting of upper - and lower - case letters 'A' and 'B' to identify a bond's credit quality rating. 'AAA' and 'AA' (high credit quality) and 'A' and 'BBB' (medium credit quality) are considered investment grade. Credit ratings for bonds below these designations ('BB', 'B', 'CCC', etc.) are considered low credit quality, and are commonly referred to as "junk bonds".



Why Include Convertible Securities

Convertible Securities:

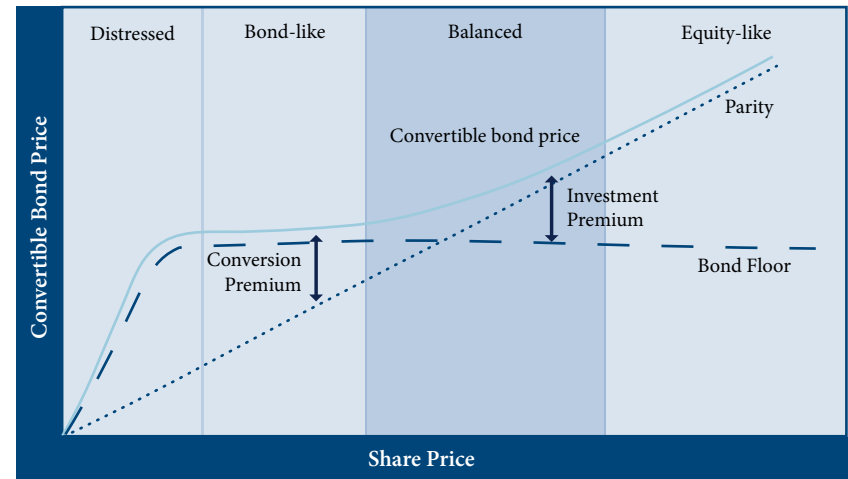
- Are fixed income securities that permit the holder the right to exchange that security for common stock of the issuing corporation under pre-specified conditions
- May provide a positive risk reward for the portfolio
- Usually sit just above preferred and common equity in the capital structure
- When used appropriately can get an asymmetrical payoff profile



Risk Considerations:

- Convertible bonds tend to offer a lower coupon compared to other non-convertible bonds in exchange for the value of an embedded option
- Convertibles can also be less liquid than the underlying equity
- Convertible securities, like other types of fixed-income investments, are always subject to market risk if sold prior to maturity. All fixed income investments may be worth less than original cost upon redemption or maturity. Bond prices fluctuate inversely to changes in interest rates. Therefore, a general rise in interest rates can result in the decline of the value of your investment.

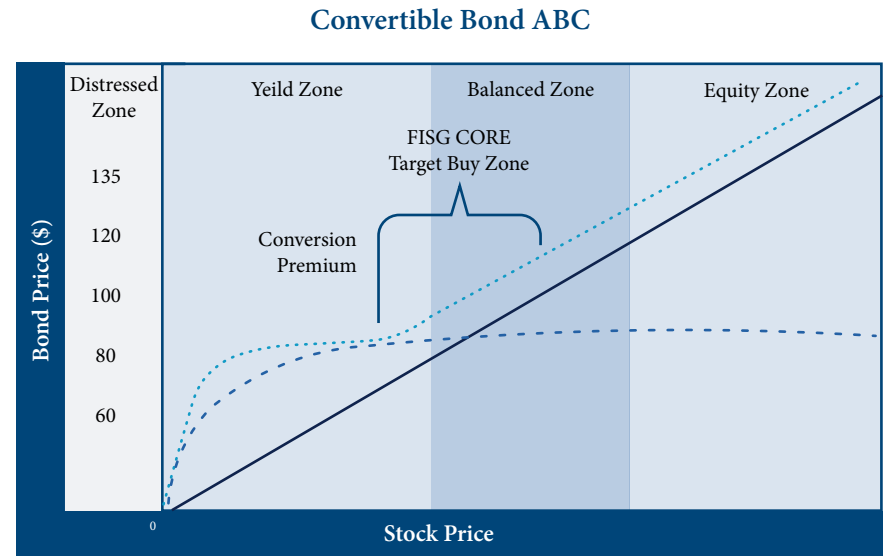
Convertible Bond Illustration



Source: Credit Suisse

Strategic Use of Convertible Securities

- Strict Buy/Sell Discipline (See graph)
- Look to purchase securities in the yield zone and in the low end of the balanced zone (positions will traditionally be initiated below a \$108 price) or when YTM/YTC is still positive, whichever is higher¹
- Mandatory sell review at 135 price (early part of equity sensitivity zone).



Source:
"Introduction to Convertibles" BarCap p.12
Past performance does not guarantee future returns.
Example for illustrative purposes

— Equity Value
..... Convertible Security
- - - Investment Value



Biography

Mike Blaustein, *Principal*

I am the founding principal of Bluestone Capital Advisors, a firm I started to provide greater flexibility in how I serve clients and to better align investment strategies with their evolving needs. With 36 years of investment experience, I've worked with both institutional and individual clients, offering deep expertise in fixed income — particularly in convertible bonds. My career has been built on delivering institutional-grade insights with a personalized touch, bridging the gap between sophisticated investment thinking and individual client goals. At Bluestone Capital Advisors, I focus on thoughtful, disciplined strategies designed to help clients navigate complex markets with clarity and confidence.

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Risks of Convertible Securities

- Convertible bonds tend to offer a lower coupon compared to other non convertible bonds in exchange for the value of the embedded option
- Interest rate risk
- Credit spread risk
- Convertibles can be less liquid than the underlying equity
- Convertibles can be subject to the issuer's equity and equity volatility performance
- Convertibles securities may be called before intended, which may have an adverse effect on investment objectives
- High-yield, lower rated, securities involve greater risk than higher rated securities; portfolios that invest in them may be subject to greater levels of credit and liquidity risk than portfolios that do not.

This document is intended to provide an overview of asset class risks and does not purport to provide a description of all the risks and other significant issues related to an investment in the above described asset class. Please consult the offering memorandum or private placement memorandum for a full listing of the risks. Prior to transacting, potential investors should ensure that they fully understand the terms of the instrument/transaction and any applicable risks.

Top 10 Holdings

AS OF JUNE, 18 2025

CUSIP	DESCRIPTION	TYPE	COUPON	MATURITY DATE	YTM/YTW	RATING	SECTOR	PRICE
009066AB7	AIR BNB	SR UNSECURED CVT	0%	3/15/2026	5.72%	NR	CONSUMER DISCRETIONARY	96.25
012653AD3	ALBEMARLE	SR UNSECURED	4.65%	6/1/2027	5.98%	BBB/Baa3	MATERIALS	99.25
06051GLA5	BANK OF AMERICA FIX TO FLOAT	SR UNSECURED	4.827%	7/22/2026	5.91%	A-/A1	FINANCIALS	100.00
90353TAJ9	UBER	SR UNSECURED CVT	0%	12/15/2025	1.27%	NR	CONSUMER DISCRETIONARY	113.80
14448CAP9	CARRIER	SR UNSECURED	2.493%	2/15/2027	5.42%	BBB/Baa3	INDUSTRIALS	96.87
00971TAL5	AKAMAI	SR UNSECURED CVT	0.375%	09/01/27	1.20%	NR	TECHNOLOGY	96.75
189054AV1	CLOROX	SR UNSECURED	3.1%	10/1/2027	5.12%	BBB+/Baa1	CONSUMER/ CYCLICAL	97.30
68389XCF0	ORACLE	SR UNSECURED	5.8%	11/10/2025	5.59%	BBB/Baa2	INDUSTRIAL	100.47
693475BF1	PNC BANK	FIX TO FLOAT	6.2%	NONE	7.87%	BBB-/Baa2	CONSUMER/ NON-CYCLICAL	101.50
532457CE6	ELI LILLY	SR UNSECURED	5%	2/27/2026	5.03%	A+/A1	ENERGY	100.00

The top 10 holdings list represents the largest percentage of holdings in a representative account of the style as of the date shown and is subject to change without notice. The mention of specific securities is not a recommendation or a solicitation for any person to buy, sell, or hold a particular security.

The portfolio is subject to change. As PIM portfolios are separately managed the individual client account holdings will vary, perhaps significantly from those listed on this factsheet. A client opening an account today may or may not be invested in securities or sectors based upon the percentages shown on this communication. For the most recent portfolio composition please contact the PIM manager.

Yield to Maturity (YTM). Yield to Worst (YTW) captures the worst case yield if callable.

Explanation of Moody's and S&P Longer Term Corporate Debt (greater than one year to maturity) Rating Scales:

Ratings of Baa3/BBB- or higher (above the dotted line) are considered **investment grade**.

Moody's	S&P	
Aaa	AAA	— The highest quality debt, with minimal credit risk
Aa1	AA+	} High quality and subject to very low credit risk
Aa2	AA	
Aa3	AA-	
A1	A+	} Upper-medium grade subject to low credit risk
A2	A	
A3	A-	
Baa1	BBB+	} Subject to moderate credit risk; considered medium-grade, and as such may possess certain speculative characteristics
Baa2	BBB	
Baa3	BBB-	

Ratings of Ba1/BB+ or lower (below the dotted line) are considered **high yield**.

Ba1	BB+	} Judged to have speculative elements; subject to show substantial credit risk
Ba2	BB	
Ba3	BB-	
B1	B+	} Considered speculative and are subject to high credit risk.
B2	B	
B3	B-	
Caa1	CCC+	} Judged to be of poor standing and are subject to very high credit risk
Caa2	CCC	
Caa3	CCC-	
Ca	CC	— The highest quality debt, with minimal credit risk
C	C	— The lowest rate class of bonds; these obligations are typically in default with little prospect for recovery
NA	D	— Default

Disclosures

The strategy discussed is done within the PIM Program. The PIM program is not designed for excessively traded or inactive accounts, and may not be appropriate for all investors. Please carefully review the Wells Fargo Advisors advisory disclosure document for a full description of our services. The minimum account size for this program is \$50,000.

Since no one investment program is appropriate for all types of investors, this information is provided for informational purposes only. You should review your investment objectives, risk tolerance and liquidity needs before selecting a suitable investment program.

Stocks offer long term growth potential, but may fluctuate more and provide less current income than other investments. An investment in the stock market should be made with an understanding of the risks associated with common stocks, including market fluctuations.

Bond yields and market value will fluctuate so that your investment, if sold prior to maturity, may be worth more or less than its original cost.

Preferred securities have special risks associated with investing. Preferred securities are subject to interest rate and credit risks. Preferred securities are generally subordinated to bonds or other debt instruments in an issuer's capital structure, subjecting them to a greater risk of non-payment than more senior securities. In addition, the issue may be callable which may negatively impact the return of the security.

Investment products and services are offered through Wells Fargo Advisors, a trade name used by Wells Fargo Clearing Services, LLC, Member SIPC, a registered broker-dealer and non-bank affiliate of Wells Fargo & Company.

Definitions

Convertible bonds have complex exposures to interest rates, the issuer's credit quality, liquidity spreads, the issuer's stock price and implied volatility. This makes them difficult to price. They may be subordinate to other securities if the issuer goes into bankruptcy which means the holder of the bond has a lower claim on the company's assets. The bond feature of convertible securities comes from their stated interest rate and claim to principal. A convertible bond's value depends on its creditworthiness, yield and time to maturity. Bondholders usually receive substantially lower yield to maturity in comparison to non convertible bonds. The stock feature is derived from the embedded call option that allows the convertible bond to participate in stock appreciation. As such, the option value is tied to factors affecting the underlying stock price. Factors that affect the embedded option include stock price movement and the amount of the time left on the option.

Call or put features- A call option gives the issuer the right to "call" away the convertible security from the holder, generally at a price of par. A put option gives the holder the right to "put" or sell the convertible security back to the issuer, generally at a price of par. Convertible security holders should pay close attention to these features and their provisions as they can be very influential on a convertible security's value.

Coupon or dividend- The fixed interest rate paid to the holder for the term of the security.

Conversion premium- The conversion premium is the percentage difference between the current price of the convertible security and its parity value. For example, a convertible security trading at par (100) has a 25% premium if its parity value is 80.

Parity- Also referred to as equity value, parity is simply the value of the bond if it were converted immediately to common stock. An investor would generally not consider converting to common stock unless parity is higher than the current market price of the convertible security.

Premium- The percentage by which a convertible security is valued over its parity.

Bond Floor- The lowest value that a convertible bond can fall.

Duration- A measure used to determine a bond's or bond portfolio's sensitivity to movements in interest rates. Generally, the longer the duration the more sensitive a bond or bond portfolio is to changes in interest rates.