

Summary

- Pavilion Advisory Group provides independent reviews of the investment managers used by the Jewish Communal Fund. Managers are being reviewed from the perspective of whether the manager would be added anew to the JCF platform today, without regard to the history of each fund with JCF.
- **JCF's Investment Committee met in February and approved Pavilion's recommendation to replace JCF's current U.S. large cap value equity manager, Sound Shore, with Aristotle.**

Sound Shore Assessment Summary

- Sound Shore manages \$6.7 billion in the U.S. large cap value strategy, which is a contrarian, focusing on value in out-of-favor stocks.
- Sound Shore's investment performance has not been as strong as peers, underperforming the U.S. large cap value benchmark over the past three and seven years, through December 2017. The strategy has also lagged its style benchmark in five out of the last eight calendar years.

Aristotle Recommendation Summary

- Aristotle is a team based in Los Angeles, California, managing \$13.2 billion in the U.S. large cap value strategy. Their portfolio is concentrated in high-conviction stocks, which has produced a consistent track record of strong performance. Additionally, the strategy exhibits a risk profile that is in-line with or lower than peers despite the concentrated nature of the portfolio.
- The investment team is experienced and deep with very little turnover since inception. Pavilion views favorably the ownership structure of Aristotle, as the firm is almost entirely owned by active employees and members of the board.
- Investors will also experience a slight fee savings by switching from Sound Shore to Aristotle.
- The Aristotle investment vehicle that has been approved is a mutual fund with the ticker HAVLX, the Harbor Large Cap Value fund, which has Aristotle as the investment manager sub-advisor.

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