



HELPING INDIVIDUALS. INDIVIDUALLY.®

**ENCLOSED IS YOUR INVESTMENT PORTFOLIO REPORT**

The Woodlands Firefighters Retirement  
System

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**Period: March 01, 2017 to March 31, 2017**

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Enclosed is your statement for your account managed by  
South Texas Money Management, Ltd. Please contact us with  
any questions regarding this statement.

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**COMMUNICATIONS**

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Contributions, Withdrawals,  
Billing or Account Changes

Transition Team  
TransitionTeam@stmmltd.com

Strategy or Investment Changes

Madelon Leone  
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San Antonio, TX 78205

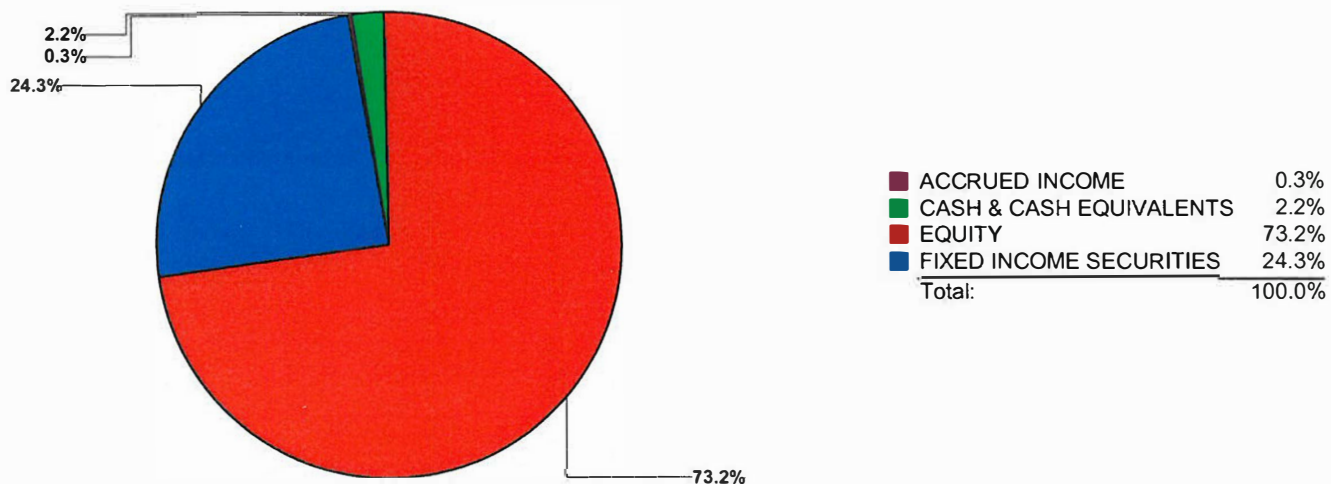
*Statement of Assets*

**Objective: Balanced**

**March 31, 2017**

	<b>Total Cost</b>	<b>Market Value</b>	<b>Percent of Portfolio</b>
CASH & CASH EQUIVALENTS	595,602	595,602	2.2 %
EQUITY	18,154,524	20,250,654	73.2 %
FIXED INCOME SECURITIES	6,749,823	6,729,332	24.3 %
ACCRUED INCOME	70,389	70,389	.3 %
<b>TOTAL PORTFOLIO</b>	<b>25,570,337</b>	<b>27,645,977</b>	<b>100.0 %</b>

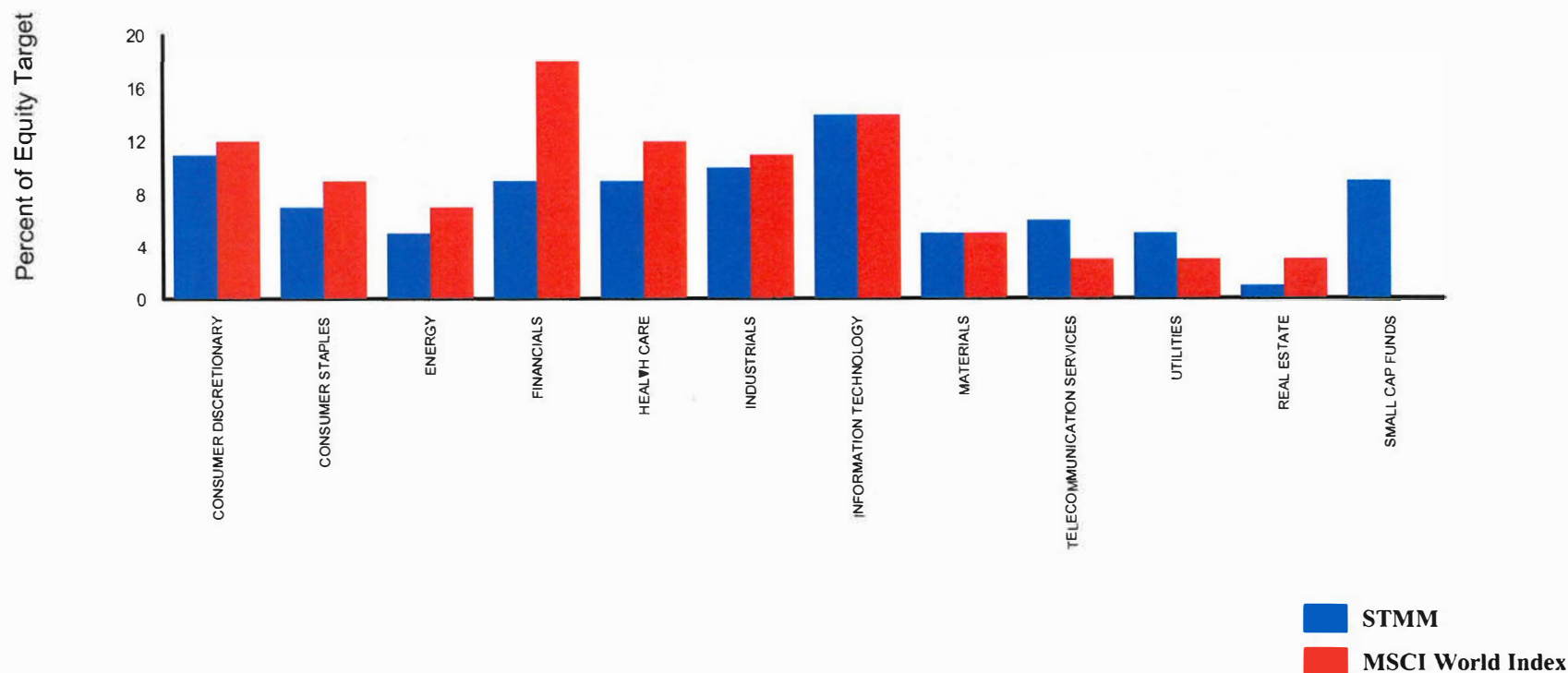
**Your Portfolio Asset Allocation \***



\* Your asset allocation may vary from your target asset allocation.

Equity Sector Diversification  
Versus MSCI World Index

March 31, 2017



*Assets in Portfolio*

Par Value or Shares	Description	Average Unit Cost (\$)	Total Cost (\$)	Unit Market Price (\$)	Total Market Value (\$)	Percent of Portfolio	Est. Annual Income (\$)	% Current Yield	Unrealized Gain/Loss (\$)	% Gain/Loss
<b>CASH &amp; CASH EQUIVALENTS</b>										
<b>CASH</b>										
	TD INSURED DEPOSIT ACCOUNT 0.010%		595,602	1.000	595,602	2.15	60	.01		
	<b>TOTAL CASH</b>		<b>595,602</b>		<b>595,602</b>	<b>2.15</b>	<b>60</b>	<b>0.01</b>		
	<b>TOTAL CASH &amp; CASH EQUIVALENTS</b>		<b>595,602</b>		<b>595,602</b>	<b>2.15</b>	<b>60</b>	<b>0.01</b>		
<b>EQUITY</b>										
<b>CONSUMER DISCRETIONARY</b>										
14,724	AMERICAN EAGLE OUTFITTERS	16.741	246,488	14.030	206,578	0.75	7,362	3.56	(39,910)	(16.19)
5,058	BRUNSWICK CORP	60.369	305,345	61.200	309,550	1.12	3,338	1.08	4,205	1.38
3,363	DISNEY WALT CO	106.190	357,117	113.390	381,331	1.38	5,246	1.38	24,213	6.78
6,078	GARMIN LTD	37.865	230,146	51.110	310,647	1.12	12,399	3.99	80,501	34.98
2,932	HASBRO INC	81.823	239,905	99.820	292,672	1.06	6,685	2.28	52,767	22.00
6,287	MACY'S INC	38.084	239,432	29.640	186,347	0.67	9,493	5.09	(53,086)	(22.17)
8,006	MICHELIN (CGDE)-UNSPON ADR	21.499	172,120	24.250	194,146	0.70	3,875	2.00	22,026	12.80
49,900	STAPLES INC	8.106	404,511	8.770	437,623	1.58	23,952	5.47	33,112	8.19
	<b>TOTAL CONSUMER DISCRETIONARY</b>		<b>2,195,064</b>		<b>2,318,892</b>	<b>8.39</b>	<b>72,351</b>	<b>3.12</b>	<b>123,828</b>	
<b>CONSUMER STAPLES</b>										
6,632	BROWN-FOREMAN CORP CLASS B	45.483	301,643	46.180	306,266	1.11	4,841	1.58	4,623	1.53
4,757	LAUDER ESTEE COS INC	79.863	379,909	84.790	403,346	1.46	6,470	1.60	23,437	6.17
3,876	NESTLE SA SPNSRD ADR REP RG SH ONE ADR REP 1/4TH OF A REG SH	75.252	291,677	76.900	298,064	1.08	7,492	2.51	6,388	2.19
10,687	SYSCO CORP	48.751	520,999	51.920	554,869	2.01	14,107	2.54	33,870	6.50
	<b>TOTAL CONSUMER STAPLES</b>		<b>1,494,227</b>		<b>1,562,545</b>	<b>5.65</b>	<b>32,910</b>	<b>2.11</b>	<b>68,318</b>	
<b>ENERGY</b>										
3,550	CHEVRON CORP NEW	103.570	367,675	107.370	381,164	1.38	15,336	4.02	13,489	3.67
5,599	OCCIDENTAL PETROLEUM	67.848	379,882	63.360	354,753	1.28	17,021	4.80	(25,129)	(6.61)
4,909	TESORO CORP	83.301	408,927	81.060	397,924	1.44	10,800	2.71	(11,003)	(2.69)
	<b>TOTAL ENERGY</b>		<b>1,156,483</b>		<b>1,133,840</b>	<b>4.10</b>	<b>43,157</b>	<b>3.81</b>	<b>(22,644)</b>	
<b>FINANCIALS</b>										
23,220	AVIVA PLC - SPON ADR	13.091	303,971	13.305	308,937	1.12	12,771	4.13	4,967	1.63

### *Assets in Portfolio*

Par Value or Shares	Description	Average Unit Cost (\$)	Total Cost (\$)	Unit Market Price (\$)	Total Market Value (\$)	Percent of Portfolio	Est. Annual Income (\$)	% Current Yield	Unrealized Gain/Loss (\$)	% Gain/Loss
<b>EQUITY</b>										
<b>FINANCIALS (Cont.)</b>										
26,505	BANK OF AMERICA CORP	15.755	417,596	23.590	625,253	2.26	7,952	1.27	207,657	49.73
8,122	BANK OF MONTREAL	64.354	522,685	74.790	607,444	2.20	21,702	3.57	84,760	16.22
5,864	ESSENT GROUP LTD COM	34.801	204,074	36.170	212,101	0.77	0	.00	8,027	3.93
7,351	FIRST AMERICAN FINANCIAL	39.236	288,425	39.280	288,747	1.04	9,997	3.46	322	0.11
<b>TOTAL FINANCIALS</b>			<b>1,736,751</b>		<b>2,042,483</b>	<b>7.39</b>	<b>52,422</b>	<b>2.57</b>	<b>305,732</b>	
<b>HEALTH CARE</b>										
6,731	BRISTOL-MYERS SQUIBB CO	62.679	421,893	54.380	366,032	1.32	10,500	2.87	(55,861)	(13.24)
4,044	EDWARDS LIFESCIENCES CORP	98.216	397,187	94.070	380,419	1.38	0	.00	(16,768)	(4.22)
5,599	MERCK & CO. INC.	55.906	313,016	63.540	355,760	1.29	10,526	2.96	42,745	13.66
4,383	NUVASIVE INC	64.824	284,125	74.680	327,322	1.18	0	.00	43,198	15.20
8,002	TEVA PHARMACEUTICAL INDS ADR	36.990	295,991	32.090	256,784	0.93	9,250	3.60	(39,207)	(13.25)
1,078	VAREX IMAGING CORPORATION	27.895	30,071	33.600	36,221	0.13	0	.00	6,150	20.45
2,695	VARIAN MEDICAL SYSTEMS INC	79.484	214,210	91.130	245,595	0.89	0	.00	31,385	14.65
<b>TOTAL HEALTH CARE</b>			<b>1,956,493</b>		<b>1,968,134</b>	<b>7.12</b>	<b>30,277</b>	<b>1.54</b>	<b>11,641</b>	
<b>INDUSTRIALS</b>										
1,454	ACUITY BRANDS INC	206.055	299,604	204.000	296,616	1.07	756	.25	(2,988)	(1.00)
4,408	EATON CORPORATION PLC	55.656	245,332	74.150	326,853	1.18	10,579	3.24	81,521	33.23
20,296	GENERAL ELECTRIC CO	27.618	560,536	29.800	604,821	2.19	19,484	3.22	44,285	7.90
3,352	GRANITE CONSTRUCTION INC	49.286	165,207	50.190	168,237	0.61	1,743	1.04	3,030	1.83
1,456	MIDDLEBY CORP	119.163	173,501	136.450	198,671	0.72	0	.00	25,170	14.51
2,579	RAYTHEON CO NEW	135.625	349,776	152.500	393,298	1.42	8,227	2.09	43,522	12.44
5,002	SPIRIT AIRLINES INC	47.634	238,266	53.070	265,456	0.96	0	.00	27,191	11.41
<b>TOTAL INDUSTRIALS</b>			<b>2,032,220</b>		<b>2,253,952</b>	<b>8.15</b>	<b>40,789</b>	<b>1.81</b>	<b>221,731</b>	
<b>INFORMATION TECHNOLOGY</b>										
5,268	ADOBE SYSTEMS INC	96.075	506,121	130.130	685,525	2.48	0	.00	179,403	35.45
18,531	ATOS SE UNSPON. ADR	20.406	378,134	24.770	459,013	1.66	3,243	.71	80,879	21.39
5,869	ELECTRONIC ARTS INC	76.266	447,605	89.520	525,393	1.90	0	.00	77,788	17.38
6,235	MICROSOFT CORP	41.424	258,280	65.860	410,637	1.49	9,727	2.37	152,357	58.99
12,842	NETSCOUT SYSTEMS	30.645	393,537	37.950	487,354	1.76	0	.00	93,817	23.84

## Assets in Portfolio

Par Value or Shares	Description	Average Unit Cost (\$)	Total Cost (\$)	Unit Market Price (\$)	Total Market Value (\$)	Percent of Portfolio	Est. Annual Income (\$)	% Current Yield	Unrealized Gain/Loss (\$)	% Gain/Loss
<b>EQUITY</b>										
<b>INFORMATION TECHNOLOGY (Cont.)</b>										
5,480	VANTIV INC	37.195	203,830	64.120	351,378	1.27	0	.00	147,548	72.39
	<b>TOTAL INFORMATION TECHNOLOGY</b>		<b>2,187,507</b>		<b>2,919,299</b>	<b>10.56</b>	<b>12,970</b>	<b>0.44</b>	<b>731,792</b>	
<b>MATERIALS</b>										
11,880	BHP BILLITON PLC-ADR	32.953	391,485	31.150	370,062	1.34	12,830	3.47	(21,423)	(5.47)
5,131	DU PONT E I DE NEMOURS & CO	64.386	330,365	80.330	412,173	1.49	7,799	1.89	81,808	24.76
8,515	INTERNATIONAL PAPER CO	40.583	345,561	50.780	432,392	1.56	15,753	3.64	86,830	25.13
	<b>TOTAL MATERIALS</b>		<b>1,067,412</b>		<b>1,214,627</b>	<b>4.39</b>	<b>36,382</b>	<b>3.00</b>	<b>147,215</b>	
<b>TELECOMMUNICATION SERVICES</b>										
8,572	AT&T INC	33.103	283,758	41.550	356,167	1.29	16,801	4.72	72,409	25.52
5,414	T MOBILE US INC COM	47.391	256,575	64.590	349,690	1.26	14,889	4.26	93,116	36.29
6,324	VERIZON COMMUNICATIONS	48.384	305,982	48.750	308,295	1.12	14,608	4.74	2,313	0.76
15,920	VODAFONE GROUP PLC NEW	30.091	479,052	26.430	420,766	1.52	23,832	5.66	(58,286)	(12.17)
	<b>TOTAL TELECOMMUNICATION SERVICES</b>		<b>1,325,366</b>		<b>1,434,917</b>	<b>5.19</b>	<b>70,130</b>	<b>4.89</b>	<b>109,551</b>	
<b>UTILITIES</b>										
20,777	SECTOR SPDR TRUST SBI INT-UTIL	45.960	954,913	51.310	1,066,068	3.86	34,864	3.27	111,155	11.64
	<b>TOTAL UTILITIES</b>		<b>954,913</b>		<b>1,066,068</b>	<b>3.86</b>	<b>34,864</b>	<b>3.27</b>	<b>111,155</b>	
<b>REAL ESTATE</b>										
2,912	SL GREEN REALTY CORP	97.163	282,937	106.620	310,477	1.12	9,027	2.91	27,540	9.73
	<b>TOTAL REAL ESTATE</b>		<b>282,937</b>		<b>310,477</b>	<b>1.12</b>	<b>9,027</b>	<b>2.91</b>	<b>27,540</b>	
<b>SMALL CAP FUNDS</b>										
29,286	ISHARES CORE S&P SMALL-CAP ETF	60.273	1,765,150	69.160	2,025,420	7.33	24,893	1.23	260,269	14.74
	<b>TOTAL SMALL CAP FUNDS</b>		<b>1,765,150</b>		<b>2,025,420</b>	<b>7.33</b>	<b>24,893</b>	<b>1.23</b>	<b>260,269</b>	
	<b>TOTAL EQUITY</b>		<b>18,154,524</b>		<b>20,250,654</b>	<b>73.25</b>	<b>460,172</b>	<b>2.27</b>	<b>2,096,131</b>	
<b>FIXED INCOME SECURITIES</b>										
<b>CORPORATE BONDS</b>										
325,000	BANK OF MONTREAL SNR 1.400% 04-10-2018	99.979	324,932	99.852	324,518	1.17	4,550	1.40	(414)	(0.13)
350,000	BANK OF NOVA SCOTIA SNR 1.700% 06-11-2018	99.982	349,936	100.118	350,414	1.27	5,950	1.70	478	0.14

*Assets in Portfolio*

Par Value or Shares	Description	Average Unit Cost (\$)	Total Cost (\$)	Unit Market Price (\$)	Total Market Value (\$)	Percent of Portfolio	Est. Annual Income (\$)	% Current Yield	Unrealized Gain/Loss (\$)	% Gain/ Loss
<b>FIXED INCOME SECURITIES</b>										
<b>CORPORATE BONDS (Cont.)</b>										
250,000	CISCO SYSTEM INC SNR 1.650% 06-15-2018	99.995	249,987	100.329	250,821	0.91	4,125	1.64	835	0.33
400,000	NEW YORK UNIVERSITY SNR 1.767% 07-01-2019	100.002	400,006	100.560	402,240	1.45	7,068	1.76	2,234	0.56
400,000	PFIZER INC SR NT 1.45%19 1.4500% 06-03-2019	99.919	399,676	99.532	398,126	1.44	5,800	1.46	(1,549)	(0.39)
250,000	WELLS FARGO & CO SNR FXD 2.600% 07-22-2020	99.964	249,910	100.995	252,488	0.91	6,500	2.57	2,577	1.03
	<b>TOTAL CORPORATE BONDS</b>		<b>1,974,447</b>		<b>1,978,608</b>	<b>7.16</b>	<b>33,993</b>	<b>1.72</b>	<b>4,161</b>	
<b>MUNICIPAL BONDS</b>										
<b>Taxable</b>										
350,000	AUSTIN TX ELEC UTLY REV TAX 1.704% 11-15-2018	100.002	350,005	100.242	350,847	1.27	5,964	1.70	842	0.24
350,000	AUSTIN TX WTR REV TAX 2.133% 11-15-2019	100.003	350,009	99.689	348,912	1.26	7,466	2.14	(1,097)	(0.31)
250,000	COLORADO ST UNIV SYS REV TAX 2.688% 03-01-2021	100.004	250,011	99.320	248,300	0.90	6,720	2.71	(1,711)	(0.68)
200,000	HAWAII ST GO BDS FJ 1.370% 10-01-2020	100.177	200,354	98.186	196,372	0.71	2,740	1.40	(3,982)	(1.99)
375,000	INDIANA ST FIN AUTH REV TAX 1.330% 07-15-2017	100.000	375,000	100.354	376,328	1.36	4,988	1.33	1,327	0.35
400,000	JEA FL POWER REV TAX 1.888% 10-01-2019	100.003	400,010	99.804	399,216	1.44	7,552	1.89	(794)	(0.20)
400,000	MONTGOMERY ALA GO WTS B 2.150% 04-01-2020	101.756	407,024	100.228	400,912	1.45	8,600	2.15	(6,112)	(1.50)
350,000	NEW YORK NY GO TAX 2.150% 06-01-2020	100.001	350,004	100.878	353,073	1.28	7,525	2.13	3,069	0.88
350,000	PORT OF HOUSTON GO TAX 5.000% 10-01-2019	107.224	375,285	107.165	375,078	1.36	17,500	4.67	(207)	(0.06)
270,000	SAN ANTONIO TX GO TAX 2.448% 02-01-2021	100.003	270,008	99.893	269,711	0.98	6,610	2.45	(297)	(0.11)

*Assets in Portfolio*

Par Value or Shares	Description	Average Unit Cost (\$)	Total Cost (\$)	Unit Market Price (\$)	Total Market Value (\$)	Percent of Portfolio	Est. Annual Income (\$)	% Current Yield	Unrealized Gain/Loss (\$)	% Gain/ Loss
<b>FIXED INCOME SECURITIES</b>										
<b>MUNICIPAL BONDS (Cont.)</b>										
<i>Taxable</i>										
350,000	TEXAS TECH UNIV REV REF TAX 2.104% 02-15-2020	100.002	350,008	100.665	352,328	1.27	7,364	2.09	2,320	0.66
400,000	UNIV OF N TEXAS TX 2.103% 04-15-2020	101.983	407,933	100.445	401,780	1.45	8,412	2.09	(6,153)	(1.51)
400,000	UNIVERSITY HOUSTON TEX UNIV RE 2.5000% 02-15-2021	103.680	414,718	100.966	403,864	1.46	10,000	2.48	(10,854)	(2.62)
275,000	WILLIAMSON CNTY TX GO TAX 1.588% 02-15-2019	100.003	275,007	99.638	274,005	0.99	4,367	1.59	(1,002)	(0.36)
<b>TOTAL MUNICIPAL BONDS</b>			<b>4,775,376</b>		<b>4,750,724</b>	<b>17.18</b>	<b>105,807</b>	<b>2.23</b>	<b>(24,652)</b>	
<b>TOTAL FIXED INCOME SECURITIES</b>			<b>6,749,823</b>		<b>6,729,332</b>	<b>24.34</b>	<b>139,800</b>	<b>2.08</b>	<b>(20,492)</b>	
<b>ACCRUED INCOME</b>										
ACCRUED INCOME			70,389		70,389	0.25				
<b>TOTAL ACCRUED INCOME</b>			<b>70,389</b>		<b>70,389</b>	<b>0.25</b>				
<b>TOTAL PORTFOLIO</b>			<b>25,570,337</b>		<b>27,645,977</b>	<b>100.00</b>	<b>600,031</b>	<b>2.17</b>	<b>2,075,639</b>	



*Investment Changes*

**Purchases**

Trade Date	Quantity	Description	Average Cost (\$)	Total Cost (\$)
<b>EQUITY</b>				
03/03/17	5,864	ESSENT GROUP LTD COM	34.80	204,074.15
03/07/17	4,909	TESORO CORP	83.30	408,926.65
03/08/17	8,247	AVIVA PLC - SPON ADR	12.68	104,550.87
03/23/17	14,780	AVIVA PLC - SPON ADR	13.32	196,874.55
03/23/17	3,354	BRUNSWICK CORP	60.69	203,557.87
03/24/17	193	AVIVA PLC - SPON ADR	13.19	2,545.54
EQUITY Totals:				1,120,529.63
Total Purchases				1,120,529.63

*Investment Changes*

**Sales / Maturities**

Date Sold	Quantity	Description	Purchase Date	Total Cost (\$)	Total Proceeds (\$)	----- Gain or Loss (\$) -----		
						Short Term	Long Term	
<b>EQUITY</b>								
03/01/2017	1,417	UNITED THERAPEUTICS CORP DE	07/08/2016	157,589.96	213,397.85	55,807.89		
03/01/2017	771	UNITED THERAPEUTICS CORP DE	11/09/2016	97,830.97	116,111.32	18,280.35		
03/02/2017	6,565	AARON'S, INC.	08/17/2016	163,318.55	184,137.29	20,818.74		
03/21/2017	5,552	BED BATH & BEYOND INC	07/05/2016	234,016.53	212,258.80	(21,757.73)		
03/21/2017	4,065	BED BATH & BEYOND INC	11/09/2016	160,082.59	155,409.22	(4,673.37)		
EQUITY Totals:					812,838.60	881,314.48	68,475.88	0.00
<b>Total Sales</b>					<b>812,838.60</b>	<b>881,314.48</b>	<b>68,475.88</b>	<b>0.00</b>
Year to Date Gain/Losses							68,372.44	103,817.26

***Statement of Changes***

	<u>Period (\$)</u>	<u>Year to Date (\$)</u>
Beginning Market Value	27,401,433	26,288,764
Contributions/Withdrawals	255,377	639,533
Income Earned	53,787	140,825
Increase/Decrease in Market Value	(64,621)	576,855
Market Value on 03/31/2017	27,645,977	27,645,977
Management Fee	0	0

***Account Investment Performance***

	<u>Period</u>	<u>Year to Date</u>
Total Account (Net of Fees)	-0.04%	2.72%
Equity	-0.08%	3.67%
Fixed Income	0.14%	0.56%

*"Please be advised that several items may cause the performance of your account to diverge from the benchmark. These include, but are not limited to, objective changes, significant cash contributions or withdrawals, cash directives, non-core holdings, tax managed positions and uninvested income cash."*

*"Past performance is not indicative of future results."  
 Total Account (Net of Fees) includes return on cash held in the account.*

For any questions regarding your account performance, please contact your STMM Investment Advisor.

*Yearly Summary of Account Value*

<u>Year End</u>	<u>Market Value (\$)</u>	<u>Net Additions &amp; Withdrawals (\$)</u>	<u>Fees &amp; Expenses(\$)</u>	<u>Annual Income (\$)</u>
12/31/2015	22,205,372	5,077,110	(110,387)	254,671
12/31/2016	26,288,764	2,507,584	(83,103)	442,909
		<u>7,584,695</u>		

Disclosures

Data represented on this page is from inception of the account or 2004 when STMM converted to Financial Information Network (FIN), a portfolio accounting system.

This information is for informational purposes only. Please rely on the statement and Form 1099 provided by your custodian for tax purposes.

*Market Performance*

	<b>Period</b>	<b>Year to Date</b>
MSCI World Index	1.07 %	6.38 %
S&P 500 Total Return Index	0.12 %	6.07 %
Russell 3000 Index w/Income	0.07 %	5.74 %
Barclays 1-10 Yr. Blend Muni Bond Index	0.12 %	1.56 %
90 Day Treasury Bill Index	0.03 %	0.06 %
Barclays Intermediate Govt./Credit Bond Index	0.04 %	0.78 %
Barclays Aggregate Bond Index	(0.05) %	0.82 %
Consumer Price Index (CPI)	0.31 %	0.90 %
Gold (Spot Price)	(0.86) %	7.40 %

## Disclosures

This investment portfolio report is provided to you for informational purposes only. It provides information on your account managed by South Texas Money Management, Ltd., a registered investment advisor. It is not intended as a tax document. South Texas Money Management, Ltd. is not the custodian of your assets. South Texas Money Management, Ltd. is not a broker/dealer. You should verify this investment portfolio report with the statement provided by your custodian.

South Texas Money Management, Ltd. provides the following services:

1. Investment management
2. Asset allocation management
3. Quarterly performance and strategy summary reports
4. Annual investment presentation (upon request)
5. Annual written analysis of account holdings and performance
6. Open communication

### Important Notes:

**Market Valuation:** Market valuations for securities in this report are provided only as a general guide to value your portfolio. Such market valuations are obtained from outside parties. These market valuations may vary from your custodian statement. For example, the market value for a bond may vary from your custodian statement. Bond prices are based on a method of fair valuing bonds that applies analytic methods to historical prices to produce an estimated price. This price is not necessarily the price you paid for the bond, nor is it the price you could receive if you sold it and this price is not necessarily a price at which the bond has ever traded.

**Trade Date / Settlement Date:** This report includes transactions executed (traded) but not yet settled during the period. Your custodian may prepare statements for the same period which include only transactions which have settled within such period.

**Cost Basis:** South Texas Money Management, Ltd. may have no information regarding cost basis of securities purchased prior to our management of your account. Such cost basis is necessary to compute the gain or loss upon the sale of a security. If the gain or loss information detailed herein is inconsistent with your records, it may be due to missing cost basis. In that case, please contact us to provide missing cost basis for your account.

**Tax Managed or Directed:** If assets are segregated as "Tax Managed or Directed," it generally means they are "directed" or low cost basis holdings. The total account performance includes these assets. Client directed cash levels are part of the total return and do not necessarily reflect South Texas Money Management, Ltd. ("STMM") cash strategy. STMM shall have no responsibility with respect to any assets that are segregated as "Unmanaged", and total account performance will not include any such Unmanaged assets. Accordingly, Unmanaged assets are not included in the account market value for purposes of calculating STMM's management fee.

**Reports to the Internal Revenue Service:** This report is not a tax document. Your custodian will provide to you, the Internal Revenue Service and to certain states, information on sales, dividends and various types of interest credited to your account in order to file your tax return.

Please contact either of your South Texas Money Management investment advisers listed on the first page of this report under "Strategy or Investment Changes" if there are any changes in your personal or financial situation or investment objectives, or if you wish to impose, add or modify any reasonable restrictions to the management of your account.

Important disclosures are set forth in Part 2 of South Texas Money Management's Form ADV, a copy of which has been provided without charge to you. If you would like to receive a copy of the ADV Part 2 at no charge, contact us at the phone number or address below. You may also access the current ADV Part 2 at <http://www.stmmltd.com/form-adv>.

If you have any questions regarding this portfolio report, your portfolio or to change your contact information, please contact South Texas Money Management, Ltd. by phone (210) 824-8916 or in writing to 700 N. St. Mary's Street, Suite 100, San Antonio, TX 78205.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE PERFORMANCE. THERE IS A RISK OF LOSS.