HAMLIN
CAPITAL MANAGEMENT, LLC

January 2024

Q4 2023 Quarterly Newsletter

Contact Information:
Mark Stitzer
640 Fifth Avenue, 11th Floor
NY, NY 10019
Tel: 212.752.8777
Fax: 212.752.5698

Overview

Hamlin's equity composite advanced 9.56% over the last three months of 2023, trailing the S&P 500 Index's 11.69% gain. Decelerating inflation readings and the Federal Reserve's pivot away from restrictive policy ignited powerful stock and bond market rallies. Hamlin bond accounts increased 4.91% as Treasury yields dove and the Bloomberg-Barclays High Yield Municipal Bond Index gained 9.21% over the quarter.[1]

Equity Performance

The Hamlin Equity Only Composite's 13.67% return for 2023 exceeded the Russell 1000 Value Index's and Dow Jones U.S. Select Dividend Index's 11.36% and 1.16% returns, respectively. We attribute this favorable outcome to our lower Regional Bank and Utility sector exposure and strong company-specific execution from our eclectic, concentrated holdings. The Information Technology, Financials, and Healthcare sectors led our relative performance. Our lag relative to the S&P 500 Index's impressive 26.29% return reflects that index's 28% weighting in the so-called "Magnificent Seven" low/no-dividend tech stocks to which we have no exposure. Those stocks jumped over 100% on average in 2023.[2] Hamlin's 2023 return tracked the S&P 500 Index's 13.70% equal-weighted index return. Interestingly, the Magnificent Seven's 7.93% average return over the past two years trails Hamlin's 9.52% return over the same period.

Figure 1: Hamlin Composite Net Returns vs. Benchmarks as of December 31, 2023

	4Q23	2023	3-year	5-year	10-year	Inception
Hamlin Equity Composite (Net)	9.56%	13.67%	12.88%	12.99%	9.22%	10.04%
Russell 1000 Value Index ETF (IWD)	9.49%	11.36%	8.68%	10.71%	8.22%	6.90%
Dow Jones U.S. Select Dividend Index ETF (DVY)	10.02%	1.16%	10.70%	9.60%	8.82%	-
S&P 500 Index	11.69%	26.29%	10.00%	15.69%	12.03%	7.80%

Periods over 1 year are annualized. 4Q23 performance has not yet been examined by our independent GIPS verification service provider ACA Performance Services. See GIPS disclosure at the end of this report. 1/1/2001 Inception. Please see additional disclosures at end. Source: Hamlin Capital Management.

When evaluating performance relative to benchmarks, recall that we don't select securities to align your portfolio with any index's sector weightings or holdings. We aim to construct a quality portfolio with high current income. Our goal is to preserve client capital while protecting against inflation with future dividend increases and long-term capital appreciation. Our 10.04% compound annual net return since inception indicates that an actively managed, concentrated portfolio of generous dividend paying stocks can provide attractive absolute and relative returns over time.

Equity Portfolio Discussion

Broadcom Inc., Lamar Advertising Company, and M.D.C. Holdings, Inc. led the portfolio during Q4 – gaining 33.19% on average.[3] Broadcom exceeded Street estimates in the November quarter due to 50% sequential A.I. solutions revenue growth. Management expressed confidence in the recent VMware acquisition integration and raised the dividend 14%. Lamar's management announced that demand for billboard advertising in December and early 2024 was "looking very

[1] Q4 2023 performance is a preliminary estimate. ACA Performance Services has yet to examine performance which may be subject to change. Individual accounts vary.

[2] AAPL (+49% in 2023), MSFT (+58%), AMZN (+81%), NVDA (+239%), GOOGL (+58%), META (+194%), and TSLA (+102%) represented 27.94% of the S&P 500 Index as of 12/31/2023. Source. Bloomberg.

[3] Ares Management Corporation and Target Corporation were the 4th and 5th top contributors – increasing 23.23% on average.

good," reversing prior downbeat expectations. While Denver-based homebuilder MDC exceeded gross margin guidance, we attribute the stock's move to declining mortgage rates in the aftermath of the Powell Pivot.

Genuine Parts Company, ConocoPhillips, and Enterprise Products Partners L.P. were the weakest quarterly performers – declining 2.64% on average.[4] Despite beating estimates and raising earnings guidance, Genuine Parts – our best performing stock of 2022 – announced negative U.S. auto comparable sales in the recent quarter. ConocoPhillips's 14% dividend increase on the back of higher-than-forecast production growth was not able to offset the impact on cashflow and sentiment from crude oil's 19% quarterly decline. Although Enterprise Products posted better-than-expected EBITDA in the quarter and grew the dividend 5.3% in 2023, investors may have been disappointed with increased capital expenditure in 2024.

We are happy to announce that 25 of our year-end 26 holdings announced dividend hikes in 2023 with an average increase of 8.6%.[5] Dividend growth validates our research analysis and increases your portfolio cash flow. Corporate boards generally announce dividend increases only when they envision strong cash flow growth in the future. We expect our portfolio companies to increase their cash payouts in 2024 at attractive, albeit somewhat slower rates. Client income has been compounding at 9.31% over the last ten years through 2023,[6] and we aspire to grow portfolio income at a mid-single digit rate over time.

Equity Market & Portfolio Outlook

This time last year, your Hamlin equity team was wondering what could confound the pundits' predictions for earnings and stock market weakness in 2023. We explored the case for economic resiliency – an exercise that kept client account cash levels appropriately low in 2023. Knowing that markets rarely accommodate consensus thinking, we are wondering what could go *wrong* in 2024 given double digit earnings growth forecasts, market expectations for sharply lower Federal Funds, and constructive investor sentiment.[7]

Slowing inflation may remove last year's pricing tailwind for revenue growth, and stocks have done little on average in the January through October periods of election years. The inverted yield curve continues to predict recession as the economy digests recent interest rate hikes and on-going quantitative tightening. Stocks have done fine during prior inversions… until they didn't. 10-year Treasury yields have been below 3-month Treasury Bill yields for 14 months.[8] The

---

[4] Unilever PLC and Comcast Corporation were the 4th and 5th top detractors – decreasing 0.69% on average.

[5] WSO increased its dividend 11.4% in 2023 before we purchased.

[6] The 10-year CAGR of portfolio income reflects the increase in income for calendar 2013 through 2023 for the universe of accounts defined below. Portfolio income growth is updated on an annual basis. Future growth may be materially different and is not guaranteed. Income is shown net of foreign dividend withholding taxes for the period prior to 10/1/2016 and gross subsequent. Income includes dividend accruals starting 10/1/2016. The income and performance shown is for the universe of accounts, measured annually, that: (1) had no contributions or withdrawals other than Hamlin's management fee in the year that income and portfolio value was captured, (2) open for the entire year in question; and (3) present in the equity only composite. The values and income were captured on a year-by-year basis and normalized based on the prior year values with a starting value of $1,000,000. While Hamlin believes that the performance for the accounts are representative of the Equity Only Composite, some differences may exist and performance may diverge from that of the Equity Only Composite going forward. Due to the time period requirements for inclusion, a survivorship bias may be present as only a small fraction of composite accounts are included. Dividend growth represents the average dividend increase of the companies that raised their dividend while they were owned in the Equity Only Composite. Individual portfolio and the Equity Only Composite returns and dividend income vary.

[7] The CBOE Volatility Index (VIX), a popular measure of the stock market's expectation of volatility based on S&P 500 Index options activity and often regarded a contrarian indicator, closed 2023 at 12.45. This level is 30% below its 10-year average and at the low end of its 9.14 – 82.69 range over that period. Source: Factset. As of 12/31/2023, 90% of stocks in the S&P 1500 were above their 50-day moving average, a level where the markets have paused or headed lower. Source: The Daily Shot, S&P & CRSP.

[8] The 3-month T-Bill yield has yielded higher than the 10-year T-Note since 11/2/2022. Source: Factset.

curve was inverted for 19 months entering 2008, and stocks gained 25% during the first 15 months of that episode.[9] At 19.6x bottoms-up consensus earnings estimates for 2024, valuation is less than compelling relative to an average 15.8x NTM PE multiple over the last twenty years.[10]

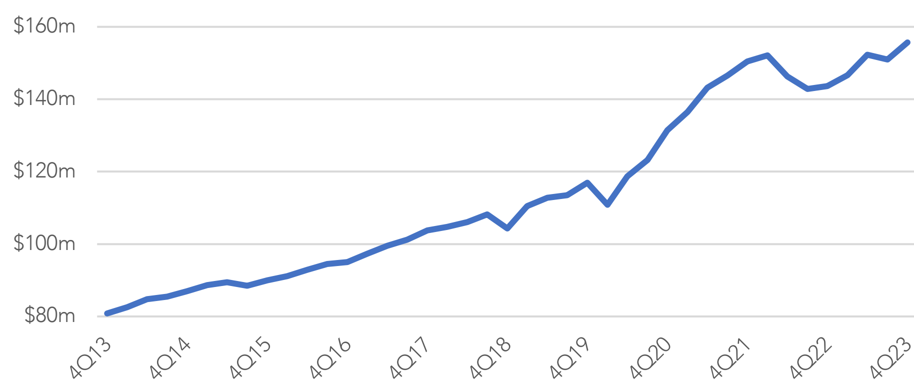
Figure 2: Sub-Par Historical S&P 500 Index Performance During First 10 Months of Election Years

Election Year	S&P 500 Index Return Through October
1984	0.70%
1988	12.91%
1992	0.38%
1996	14.50%
2000	-2.71%
2004	1.64%
2008	-34.03%
2012	12.29%
2016	4.02%
2020	1.21%
Average	**1.09%**

S&P 500 Index performance shown from 12/31 – 10/31 of last 10 election years. Source: Factset.

While concerned about these equity market headwinds, we know that we cannot predict market cycles. Meanwhile, Covid-related dynamics could portend a shallow recession or even a slow-down to "Goldilocks" growth. We sense that some of our management teams might be reluctant to reduce headcount, having felt the pinch of labor shortages as the Pandemic receded. Similarly, policy makers' reaction to the sharp Covid recession drove consumer net worth well above trend line. While most stimulus checks were spent and the savings rate is low, money market fund balances are $1 trillion above 2019 levels. The aggregate value of securities accounts and homes has soared to $155.7 trillion. With income growth exceeding CPI and with strong balance sheets, consumers can continue to spend.

Figure 3: U.S. Consumer Net Worth – Americans are Feeling Flush



As of 4Q 2023. Board of Governors of the Federal Reserve System (U.S.), Households and Nonprofit Organizations; Net Worth data used from 4Q 2013 – 3Q 2023. Source: FRED. Evercore ISI estimate of $155.7 trillion added for 4Q 2023.

There are other stock market tailwinds. Declining inflation has historically been good for stocks. The inflation trend is friendly as lower rents will impact the CPI with a lag, and a lower "quit rate" should restrain wage growth. Earnings began

[9] The 10-year T-Note yield was below the Federal Funds Effective rate from 7/3/2006 – 1/22/2008. The S&P 500 Index rose 25.20% from the start of the inversion through 10/9/2007.

[10] As of 12/31/2023, the S&P 500 Index traded at 4,769.83 and the 2024 consensus EPS estimate was $243.51. Average 20-year NTM PE measured daily from 12/31/2003 – 12/31/2023. We note that the equal weighted NTM PE sits at a more attractive 16.1x. Source: Factset.

to grow again in the recent two quarters, despite a drag from shrinking materials and energy sector profits. The table below reminds us that stocks may have room to run should they celebrate a Fed Pivot to the same degree as they have in the past.

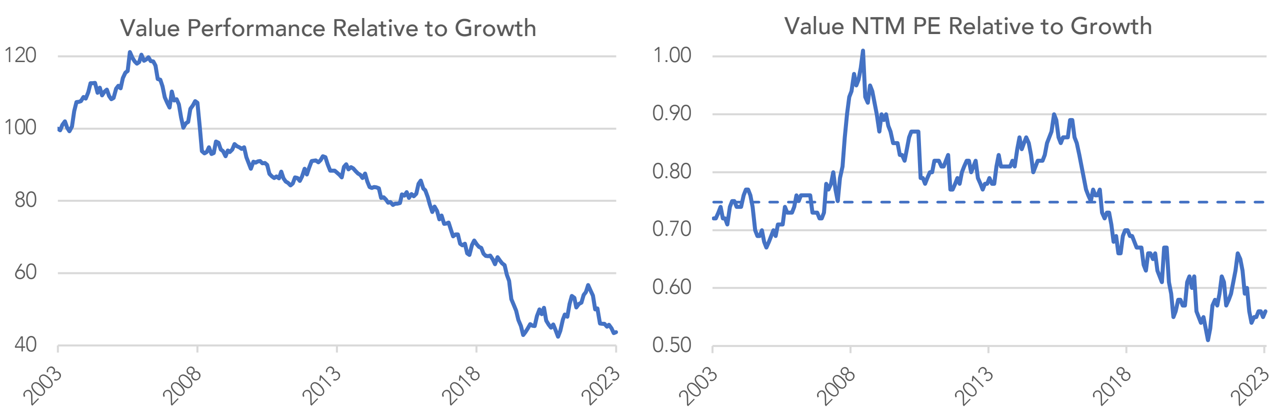
Figure 4: Market Response to Plateauing and Declining Federal Funds

Date of Last Fed Rate Hike	# of Months From Last Hike to First Cut	Performance From Last Hike to First Cut	# of Months From First Cut to Third Cut	Performance From First Cut to Third Cut
2/1/1995	5.2	17.77%	6.8	14.81%
3/25/1997	18.1	32.94%	1.6	8.61%
5/16/2000	7.6	-8.08%	2.6	-15.21%
6/29/2006	14.6	19.40%	2.8	-2.77%
12/20/2018	7.4	19.70%	3.0	2.84%
Average	**10.6**	**16.35%**	**3.4**	**1.66%**
7/27/2023	5.1	5.12%	-	-

Shaded area refers to the current period since the Fed's last rate hike on 7/27/2023 through 12/31/2023. Performance refers to the S&P 500 Index total return. Source: Factset.

Looking beyond 2024, we believe that discount rates should remain elevated for the foreseeable future. Fed Funds have likely peaked for the cycle, but we think ZIRP is over.[11] Moreover, the equity risk premium may have increased. We expect margin volatility. Deglobalization and onshoring of supply chains should be costly, price increases will be harder to come by, and populist polices such as Modern Monetary Theory may also render the economic cycle inherently more volatile. This dynamic may support value-oriented equities at a time when the gap between Value and Growth performance and valuation is historically stretched.

Figure 5: Value Stocks Have Underperformed & Relative Valuation Appears Attractive



As of 12/31/2023. Value refers to the Russell 1000 Value ETF (IWD) and Growth refers to the Russell 1000 Growth ETF (IWF). Source: Factset.

We remain excited about our companies' long-term revenue growth prospects driven by product cycles and market share gain opportunities, and we expect earnings growth for our twenty-six holdings in 2024. While our conversations with company management teams generally focus on through-the-cycle earnings power, purchases reflect our best assessment of earnings risk in a downturn. We are equally excited about several watchlist companies that meet Hamlin criteria and trade more cheaply than the broader market. We are comforted to own quality businesses with an average net debt-to-capital ratio of 37.3% and median 25.5% return on equity. Valuation remains attractive with a 15.9x average PE multiple and a generous 3.4% current dividend yield.

[11] Acronym for Zero Interest Rate Policy under which the Federal Reserve generally kept interest rates pinned to the floor for more than a decade.

Fixed Income Performance

The Hamlin Capital Management High Yield Municipal Bond Composite ended up 5.99% in 2023. Our steadfast commitment to putting money to work at attractive absolute yields on quality projects continues to help safeguard HCM client portfolios from the extreme volatility of interest rate moves in the last 18 months. And our consistent focus on credit has helped shelter the portfolio from defaults throughout and following the Pandemic. After excellent performance in 2022 (in a historically bad year for fixed income), we are pleased to see our client's accounts up nicely in 2023 with gains driven largely by tax exempt income.

As we look forward, we see continued opportunity, not to try and time interest rates but to deploy capital into a higher rate/spread environment that can create recurring tax-exempt income for clients. A combination of higher absolute rates, mutual fund outflows, and constriction in bank credit created a significant opportunity to garner favorable risk-adjusted return for clients in 2023. We believe that opportunity will continue in 2024. This should help lock in sustainable income-based returns for years to come.

Market Commentary

Inflation fears subsided materially in the last quarter of 2023 and interest rates moved down dramatically. The Federal Reserve's July hike to the Federal Funds Target Rate (to 5.50%) may end up being the last in the current cycle. The Fed appears to be getting the upper hand on inflation as the Consumer Price Index fell in November (on a month over previous month) for the first time since April 2020 and is now up 2.6% for the year (close to the Fed's 2% stated goal pending whatever changes occurred in December). Even as the broader economy – housing, wage growth, consumer spending, unemployment levels etc. – held in much better than expected in 2023, the data does show the Fed Hikes (and other contractionary factors such as banks pulling in lending post the March/April crisis) are having the intended effect of slowing the economy.

The upper bound of the Federal Funds Target Rate now stands at 5.50%, and the Fed's most recent Summary of Economic Projections implies a median target rate of 4.625% by the end of 2024. This is 50bps lower than the 5.125% median target rate predicted by the Fed at the end of Q3 and implies three rate cuts this year.[12] While the Fed sees three rate cuts next year the short-term interest rate market appears to imply several more. As conservative fixed income investors, we take the view (and agree with the Fed) that it may take time to unwind the imbedded inflation and absent some exogenous/unforeseen shock we may end up at the low end of rate cut expectations. We may see higher rates for longer than the market expects. However, looking back at Q4, there is no doubt fixed income markets rallied hard as interest rates moved down following the change in rate expectations.

Treasury yields in the 10-year spot moved down 71 bps for the quarter and down over 100 bps from the intra quarter high to finish the year at 3.88%. Essentially a volatile roundtrip for the year, ending up 9 bps from where it started the year at 3.79%. Municipal bond yields rallied even harder, the 10-year MMD AAA Muni yield finishing the year at 2.28%, down 117 bps from the end of September and down 35 bps from the 2022 finish of 2.63%.

The late year move in interest rates led to a significant richening in relative value (as measured by the Muni/UST ratio which divides the MMD AAA yield by the Treasury yield of the same maturity), with the 1-year, 5-year, 10-year, and 30-year Muni/UST ratios ending 2023 at 56%, 59%, 59%, and 83%, respectively. This compares to the end of the third

[12] Per the FOMC Summary of Economic Projections released on 12/13/2023.

quarter when 1-year, 5-year, 10-year, and 30-year Muni/UST ratios stood at 68%, 74%, 75%, and 92% and the five year average of 110%, 76%, 84%, and 93%.[13] Hamlin believes that the gap between current ratios and their long-term averages is likely to compress over time which has the potential to pressure the relative performance of munis.

Total muni funds lost approximately $16.1 billion for the year, while high yield municipal bond funds ended up with a modest inflow of $454 million in the same period.[14] New issuance in 2023 was light with $384 billion coming to market, a roughly 8% drop as compared to the 10-year average of $418 billion as a combination of heightened interest rate volatility and elevated cost of capital weighed on issuer's willingness to tap the primary market.[15] We wouldn't be surprised to see issuance and inflows potentially pick up slightly this year.

Market Opportunity

The 2023 dislocation in rates and negative fund flows created significant opportunity for HCM clients. Additionally, the SVB/First Republic failures in the spring also caused regional banks to constrict lending to the not-for-profit space – further enhancing the opportunity set. After many years of patiently sourcing and negotiating "Hamlin" deals, we saw and continue to see the broader "Street" market come back to our levels. Even with the 4Q rally we continue taking inbound calls from bankers seeking execution on deals in the primary and brokers seeking execution on trades in the secondary. This does not mean that we will change our strict requirements for investment or our commitment to fundamental credit analysis. However, it does mean we are seeing more opportunities in the primary and secondary markets to buy quality names in our sectors at attractive yields. In 2023 Hamlin deployed approximately $619 million of client capital in the primary market at a weighted average yield of 6.76%, weighted average spread of +367bps, and weighted average maturity of 10 years.[16]

We are capitalizing on the fact that we have funds to deploy when few others do and using this as an opportunity to increase credit quality and liquidity in the portfolio while simultaneously garnering what we believe are attractive total return investments, seeking higher coupons as well as capital appreciation – primarily focused on total returns in the 6.50% - 7.25% range with shorter duration. We remain constructive about the market right now and pleased with the risk/reward available for clients on new deals.

While the opportunity set is much improved, we remain disciplined on both yield and credit. If the long-awaited slowdown does emerge, we wouldn't be surprised to see spreads widen and we aim to ensure clients are as well protected.

As a reminder, Hamlin manages client assets based on the individual needs of each client. Please contact us if there have been any changes in your financial situation or investment objectives, or if you wish to impose any reasonable restrictions on the management of your account or reasonably modify existing restrictions.

Thank you sincerely for your trust and confidence. Please call (212) 752-8777 with any questions or suggestions.

Joe Bridy • Chris D'Agnes • Deborah Finegan • Charlie Garland • Mark Stitzer • Parker Stitzer • Michael Tang

[13] Muni/UST ratios as of 12/29/2023; 5yr average measures the period from 12/31/2018 – 12/29/2023.

[14] Per LSEG Lipper data provided by J.P. Morgan Research on 1/4/2023; HCM has not independently verified these figures and they are subject to change.

[15] Data sourced from Bloomberg's Muni Strategy Dashboard (BI MUNIN) New Issuance Monitor; data accessed on 1/3/2024.

[16] Par weighted; represents all managed primary market purchases made by Hamlin's bond team YTD through Q4 2023.

IMPORTANT DISCLOSURES:

PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS. Investing, particularly in equities, involves the risk of a loss of principal. Any projections, targets, or estimates in this report are forward looking statements and are based on Hamlin Capital Management, LLC ("HCM")'s research, analysis, and incorporate assumptions made by HCM. All expressions of opinion are subject to change without notice and HCM undertakes no obligation to update the statements presented herein. While HCM believes the sources of all data provided in this presentation are reliable, HCM does not guarantee accuracy, reliability or completeness. Data is presented as of the date indicated and HCM does undertake any duty to update the information presented here.

This document is provided for information purposes only and does not pertain to any equity security or bond product or service and is not an offer or solicitation to buy or sell any product or service. Due to rapidly changing market conditions and the complexity of investment decisions, supplemental information and other sources may be required to make informed investment decisions based on your individual investment objectives and suitability specifications. Clients should seek financial advice regarding the appropriateness of investing in any security or investment strategy discussed or recommended in this report. Please refer to the attached Equity Only and Bond Only Composite Annual Disclosure Presentations for further information regarding any performance results or comparisons shown in this letter.

BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). Bloomberg or Bloomberg's licensors own all proprietary rights in the Bloomberg Indices. Bloomberg does not approve or endorse this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith.

DEFINITIONS

- *AAA MMD Curve is a proprietary yield curve that provides the offer-side of "AAA" rated state general obligation bonds, as determined by the MMD analyst team.*
- *Bloomberg High Yield Municipal Bond Index measures the return of a market value-weighted basket of non-investment grade municipal bonds.*
- *Current yield is calculated by dividing an investment's annual income by the current price.*
- *Duration is a measure of the number of years it takes for an investor to be repaid the price of a security and is a measure of interest rate sensitivity.*
- *P/E is the price of a share divided by the earnings per share.*
- *S&P 1500 Index measures all stocks in the S&P 500, S&P 400, and S&P 600, covering 90% of the market capitalization of U.S. Stocks.*
- *S&P 500 tracks the stock performance of the 500 largest companies listed on stock exchanges in the United States.*
- *CPI, or consumer price index, is a measure of the average change over time in the prices paid by consumers for a market basket of consumer goods and services.*

Hamlin Capital Management, LLC
Bond Only Composite
GIPS Report
January 1, 2001 through September 30, 2023

Year	Total Firm Assets (mm)	Composite Assets (mm)	Number of Portfolios	Composite Net Return	BHYMBI Return	Internal Dispersion (NET)	Composite 3-Yr St Dev (NET)	BHYMBI 3-Yr St Dev
*YTD 2023	6,416	1,542	468	1.03%	-0.50%	N.A.	N.A.	N.A.
2022	6,350	1,462	428	-3.42%	-13.10%	1.17%	5.36	10.74
2021	5,841	1,293	370	5.43%	7.77%	0.60%	4.15	8.34
2020	4,847	1,062	324	5.17%	4.89%	0.78%	4.18	8.33
2019	4,706	814	260	8.69%	10.68%	0.99%	2.02	3.02
2018	4,253	789	245	4.25%	4.76%	0.64%	3.04	4.91
2017	4,553	733	234	8.22%	9.69%	1.67%	2.82	5.42
2016	3,617	634	219	3.84%	2.99%	0.76%	2.54	5.96
2015	3,186	758	193	4.80%	1.81%	0.77%	0.99	6.35
2014	3,077	538	138	7.18%	13.84%	1.03%	1.14	6.22
2013	2,703	546	190	2.48%	-5.51%	0.84%	1.44	5.90
2012	2,029	474	172	7.43%	18.14%	1.39%	1.52	4.17
2011	1,623	442	173	6.13%	9.25%	0.86%	2.67	7.81
2010	1,033	314	124	7.06%	7.80%	0.84%		
2009	714	220	90	16.35%	32.73%	1.64%		
2008	584	181	67	-16.73%	-27.01%	1.80%		
2007	734	173	50	4.27%	-2.28%	0.96%		
2006	869	153	55	6.81%	10.74%	1.14%		
2005	716	86	53	7.94%	8.58%	1.84%		
2004	501	53	33	8.27%	10.52%	1.61%		
2003	130	18	27	9.14%	13.22%	2.19%		
2002	49	17	29	7.22%	1.97%	2.63%		
2001	21	17	31	4.54%	4.45%	15.07%		

* Performance represents a non-annualized partial period return ending on September 30, 2023.

Bond Only Composite consists of fully discretionary bond only accounts that are comprised of any amount of bonds and cash. There is a 1 year waiting period to be included in the composite. There is no minimum account size for inclusion in the composite. The Bloomberg High Yield Municipal Bond Index (BHYMBI) is provided as a benchmark. Benchmark returns are not covered by the report of independent verifiers.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. Investing entails the risk of loss of principal. The U.S. Dollar is the currency used to express performance. Returns are presented net of management fees and includes the reinvestment of all income. Net of fee performance was calculated using actual management fees. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. The management fee schedule is as follows: 1.00% on all assets. Actual investment advisory fees incurred by clients may vary. Composite performance is shown net of custodial fees for the period prior to January 1, 2018, and gross of custodial fees and other charges that may occur as a result of a client's choice of service providers thereafter.

Hamlin is an independent registered investment advisory firm. Hamlin invests in fixed income and equities for separately managed accounts, as well as funds. In January 2004, Hamlin merged with RRH Capital Management Inc. and the performance returns are linked. Hamlin maintains a complete list and description of composites and pooled funds, which is available upon request. A copy of our current written disclosure statement discussing our advisory services and fees continues to remain available for your review upon request.

The Bond Only Composite has an inception date of January 1, 2001 and was created April 1, 2006. Hamlin claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Hamlin has been independently verified for the periods January 1, 2001 through December 31, 2008 by Ashland Partners & Company LLP. ACA Performance Services began verification for Hamlin from January 1, 2009 through September 30, 2023. A firm that claims compliance with the GIPS standards must establish policies and procedure for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Bond Only Composite has had a performance examination for the periods January 1, 2001 through September 30, 2023. The verification and performance examination reports are available upon request. The policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.