



Dear Valued Investor,

I am writing to provide an update on the “State of the Firm” and share with you our positive momentum as we focus on enhancing your experience with CBIS.

On behalf of the entire CBIS team, I want to express our gratitude for the support that we have received from so many of you – investors, consultants, and friends – as we embarked on our plan to evolve CBIS’ strategy. Your words of encouragement and support have been greatly appreciated.

As noted below, we made tremendous progress during the last few months of 2017. One of the developments I am most excited about is that with the hiring of Erin Lavelle, our new Chief Operating Officer, we have completed the staffing of our executive team, which is charged with articulating the mission and setting the business direction for our organization. We took great care assembling this team with a focus on selecting high-integrity, talented experts, each of whom brings unique strengths to our team. The four men and three women who make up our executive committee share a common vision of CBIS’ success but differ in important – and I believe beneficial – ways. In my experience, building an executive team with complementary skills is a critical element of organizational success. I strongly believe that CBIS investors will benefit from the executive team’s individual and collective strengths and their cognitive diversity.

We have focused our efforts in three specific areas that build on our culture of investment and service excellence as described below.

1) Investment Team Expansion and Product Development Progress

Our goal is to offer Catholic institutions innovative and competitive investment strategies. Under the leadership of Chief Investment Officer, John Geissinger, CFA, we added two senior members to our investment team, Paul R. Ainslie and Tim Schwarzenberger, CFA, both Managing Directors and CBIS veterans.

On the product development front, we are working on a multi-strategy series of funds that will offer investors efficient and cost-effective investment options across the equity and fixed income asset classes. Our proven investment process will rely on leading multi-managers for maximum diversity and will apply our proprietary Catholic Responsible InvestingSM approach, extending a faith-based mission to encompass the management of our portfolios. We will begin having conversations with investors and consultants in the coming months to share our exciting vision for the multi-strategy funds. Our goal is to launch the funds in July 2018.

2) Chief Operating Officer Appointment and Upcoming Enhancements

As mentioned above, we are pleased to announce the appointment of Erin Lavelle as CBIS’ Chief Operating Officer (COO) and a member of our Executive Committee. Erin, who joined us on January 2, is responsible for managing human resources, information technology, operations, legal, and finance. As COO, she will define and implement an operating model to enhance CBIS’ internal processes and infrastructure, enabling the firm to grow successfully. Erin, who is based in Chicago, has over 25 years of experience leading finance, technology, and operational teams within asset management organizations.

In the coming weeks we will be providing more details on operational enhancements that Erin is spearheading, including:

- Updated ACH/Wire Redemption Procedures: We are introducing new procedures that better align with industry best practices (only those investors who will be affected by this change will be notified of the new procedures) and,
- Service Enhancements: We are improving our service model to provide investors and consultants with a better experience. We will be rolling out a regional team structure and providing investment concierge and additional account services.

3) **Consultants**

We recognize the critical role consultants and advisors serve in helping Catholic organizations achieve their investment goals, and with our new strategy in place, we are well-positioned to be a strong partner to the investment consultant community. We have reorganized our Consultant Relations team and implemented a new regional approach to servicing consultants and investors. We are confident this new strategy will enable us to provide a greater depth of resources, increase our touch points with research and field consultants, as well as senior management, and improve our communication and collaboration. We look forward to expanding our existing consultant relationships as well as developing new mutually beneficial relationships with consultants and advisors.

I am also pleased to announce that Frank Coleman, who has been an integral member of CBIS' leadership team for more than 30 years, will be leading our Catholic Responsible InvestingSM (CRI) efforts. He has been appointed Vice Chairman of CBIS and is transitioning into a new role that will draw on his deep understanding of Catholic teachings and CRI, and his position as an industry leader on USCCB Guidelines and Socially Responsible Investing (SRI). Frank will spearhead the development of a program for Catholic fiduciaries, assisting them with the integration of Catholic teachings into the technical aspect of their jobs. No one is better qualified than Frank to assist Catholic organizations in this important way. We look forward to sharing more about this program with you as it develops.

Frank will continue serving as our CRI/SRI expert in the industry – he will remain a visible and important presence in the industry and, internally, will put in place several resources that we can use to ensure that those of us at CBIS remain grounded in the firm's important mission and aware of our history. We are fortunate to have an executive with Frank's insights, expertise, and values as a member of our organization and appreciate his willingness to take on this new role at our firm.

Finally, I want to thank my colleagues and board members for their dedication and hard work in 2017. Building on our culture of investment and service excellence, we are committed to ensuring that CBIS remains an investment leader for Catholic organizations for many years to come.

Thank you for your continued support of CBIS.



Jeffrey A. McCroy
President and Chief Executive Officer