UMFF FUND OVERVIEW____as of JUNE 2024

The modern U.S. economy has rebounded significantly from the tragic and unprecedented impact of the pandemic that started early in 2020. Equity markets in 2021 were extremely positive, with particular strength in small- and mid-cap value stocks. The following year, 2022, was marked by a major sell-off of momentum technology equities. In 2023 and the first half of 2024, most stocks had narrow price ranges, with a small number of exceptionally large capitalization stocks rebounding sharply.

Our value-based investment strategies look for underlying value in stocks in general and especially in growth stocks. That style has a goal of providing strong relative long-term returns but with far less risk. In 2023, there were extremely low levels of unemployment, combined with pent-up demand (including from lack of product availability by both companies and consumers). Also, there was additional stimulus from large deficit spending. Our view, based on economic factors including those listed above, generated forecasts that were more optimistic about the 2023 economy than we believed was projected by the markets.

The current environment, including extreme levels of political gridlock, with policies appearing to us to be based upon partisan considerations, unfortunately contributes to what has become part of our longer-term economic and market forecast considerations. Additionally, we expect large federal government deficits to continue, and potentially higher direct and indirect taxes to continue to be relevant economic factors – including important product tariffs, social program rates such as Medicare and Social Security, and net higher costs for the aging of America. As a result, we are more cautious this year, particularly in our longer-term views of the economy which impacts our stock selection. We believe the risk for a return to higher future interest rates, inflation and potentially also a weaker dollar is very limited at present and in our most likely scenario, the choices as to industry segments for equity investments will be extremely important. Similarly, individual stock selection within these investment categories with reasonable valuations will be of particular attention. Long-term trends, including relative valuations of candidate companies, will be a key focus for us.

As has been shared with you, we believe over the coming decades, more funds will be expended on infrastructure than is anticipated by the markets. Water is likely to be a key area for major investment, as are roads, bridges, tunnels, energy, the electric grid, and transportation. There are also many technologies and innovation that will generate tremendous potentials.

THE FUNDS

The Diversified Equity Fund, the 100% stock Fund, had a total return of 1.3% over the past quarter and 10.8% over the past six months as equities rallies on a strong overall economy while inflation declined to 3%. Equities with direct and indirect exposure to generative artificial intelligence performed well as they benefited from both stronger fundamentals in revenue growth and also higher valuations from increased growth expectations. The Federal Reserve has maintained their discount rate, which they lend to other banks, at their 2023 peak of 5.5%. Investors however have speculated that the central bank will cut interest rates as inflation normalizes. The interest rate cut is often discussed amongst equity investors as it would act as a catalyst to expanding stock price valuation multiples. In addition to the discount rate, the Federal Reserve has conducted open market operations that has been restrictive towards the economy as their balance sheets decreased from $8.9 trillion in 2022 to $7.2 trillion. The Diversified Equity Fund's securities were selected based on attractive valuation among other factors and had an average Price to Cash Flow ratio of 14x vs the benchmark's 18x. The Fund also offered more dividend yield with an average of 2.1% yield vs the benchmark index at 1.6%. The Fund is overweight the Healthcare, Technology, and Industrials sectors with their top holdings of Taiwan Semiconductor, Corning Incorporated and Microsoft all benefiting from the advancement of generative artificial intelligence.

The Growth & Income Fund, offers a mix of half equities and half fixed income securities. The Fund had a total return of 1.1% for the past quarter and 6.2% for the past half-year. On the equity side, stock selection was more focused on valuation with a 3.2x Price to Book ratio compared to its benchmark's ratio of 4.4x. The Fund benefited from its sector allocation as the Technology sector led all sectors in performance while the Materials sector lagged all other sectors this past quarter. As compared to the benchmark, the Fund is overweight in the

Technology sector and underweight in the Materials, Financials, Energy, Consumer Staples and Consumer Discretionary sectors as declining consumer credit quality has been a concern. The Fund is also underweight Mega Cap stocks, with market capitalization of over $100 billion, as many of them are driven by the price momentum factor. On the fixed income side, the Fund benefited from interest rates stabilizing at their highest rates since 2008. The Fund maintained its position in investment grade fixed income securities with the vast majority in corporate bonds that have principal maturities within 5 years.

The Balanced Income Fund offers a mix of 30-40% equities and 60-70% fixed income securities and had a total return of 1.1% for the quarter and 4.5% for the first half of the year. The 46 equity holdings of the fund are selected to meet the Fund's objective of providing steady income while appreciating modestly for some inflation protection and growth. As a result, 12% of the equities in the Fund are in the Utility sector that provide higher dividend yields than other equity sectors. The majority of the Fund's allocation is in fixed income securities with an average yield to maturity of 4.4%. These fixed income securities mostly have a credit rating of A or above, protecting the Fund from downside risk and a potential market correction.

The Bond Fund of 100% bonds' underlying holdings had a total return of 1.0% for the quarter and 1.5% for the first half of the year. Over the past year, the Bond Fund had a total return of 5.0% as it benefitted from the Federal Reserve previously raising interest rates in 2022 and 2023. As the yield curve has been inverted for the past two years with short-term bonds having higher interest rates than long-term bonds, the Fund has been positioned to capture these higher yields with an average effective maturity of only 2.3 years. The Fund is mostly invested in high quality corporate debt but has a decent amount of exposure in municipal and US government debt. The Fund is designed to minimize the volatility of investments while providing a steady level of return.

Current Challenges:

- The unemployment rate hast trended upwards from its 2023 low and is currently at 4.0%.
- The Federal government budget deficit is projected to be $1.6 trillion this fiscal year and is unsustainable in the long-term.
- Heightened geopolitical risks with wars in Europe and the Middle East and uncertainty around the upcoming national elections in November.
- Leading economic indicators still point to a potential recession as consumer credit quality has deteriorated and building permits for new private housing have declined.

Current Opportunities

- The Labor Force participation rate has been steady at 62.7% as it returned to pre-Covid levels.
- Inflation continues to decrease towards the Federal Reserve's 2% target rate and may offer an opportunity for high yielding securities.
- Interest rates are higher than they have been since the 2008 recession and are offering opportunities in the fixed income market.

Please refer to the UMFF Q2 2024 Fund Fact pages, which are provided separately, for portfolio performance, sector allocation and other characteristics of each Fund.

1. This document may include forward-looking statements. All statements other than statements of historical fact are forward-looking statements (including words such as "believe," "estimate," "anticipate," "may," "will," "should," and "expect"). Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Various factors could cause actual results or performance to differ materially from those discussed in such forward-looking statements.

2. Past performance is not indicative of any specific investment or future results. Views regarding the economy, securities markets or other specialized areas, like all predictors of future events, cannot be guaranteed to be accurate and may result in economic loss to the investor.