

Madison Intermediate Government Bond



An actively managed bond strategy that invests in US Treasuries and US Agencies with maturities of 12 years or less.

Philosophy

Madison's philosophy revolves around the principle of "Participate and Protect®," which means we strive to build portfolios that participate as fully as possible in favorable markets and, more importantly, protect principal in difficult markets. We believe that this is best pursued through actively managing all fixed income risks and emphasizing quality securities.

Investment Strategy & Process

We actively manage a portfolio's duration, yield curve positioning, sector/industry allocation, and credit quality through a disciplined and repeatable process that emphasizes downside protection and preservation of capital.

Duration Decision

We aim to identify key inflection points that signal interest rate changes and actively manage portfolio duration accordingly.

Credit Selection

Our proprietary credit research, along with third-party research, combines quantitative and qualitative analysis to identify opportunities.



Quality Assessment

Alongside our qualitative macro work, we utilize quantitative analysis to continuously monitor investment-grade sectors.

Yield Curve Positioning

We position maturities in the portfolio based on our expectations for interest rate changes and yield curve shifts.

Sector Analysis

Quantitative analysis on historical spreads to find the best risk/reward trade-off among US Treasuries and US Agencies.

Why Madison Interm. Government Bond?

- High-quality, high-conviction strategy that actively manages all fixed income risks
- Proprietary credit research process
- Experienced team of fixed income investment professionals

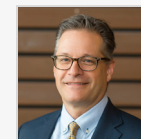
Key Facts

Inception	January 1993
Benchmark	BB US Interm Government Index
Investable Securities	US Treasury US Agency
Avg Duration	Between 2-5 years

Experienced Management



Mike Sanders, CFA, FRM
Head of Fixed Income,
Portfolio Manager
Industry since 2004



Chris Nisbet, CFA
Portfolio Manager,
Strategist
Industry since 1990



Why Madison Investments?

Madison Investments is a nationally recognized and trusted investment firm offering actively managed, risk-aware investment strategies to a broad range of clients. Our Participate & Protect® philosophy of pursuing superior risk-adjusted returns is at the heart of our value proposition to clients.



Aligned Interests	Investment Excellence	Exceptional Client Service
— Self-invested portfolio managers	— High-quality investments	— Investment-centric service model
— Independent, employee-owned	— Active strategies with a focus on downside protection	— Transparent, easy-to-understand strategies

“Madison” and/or “Madison Investments” is the unifying tradename of Madison Investment Holdings, Inc., Madison Asset Management, LLC (“MAM”), and Madison Investment Advisors, LLC (“MIA”). MAM and MIA are registered as investment advisers with the U.S. Securities and Exchange Commission. Madison Funds are distributed by MFD Distributor, LLC. MFD Distributor, LLC is registered with the U.S. Securities and Exchange Commission as a broker-dealer, and is a member firm of the Financial Industry Regulatory Authority. The home office for each firm listed above is 550 Science Drive, Madison, WI 53711. Madison’s toll-free number is 800-767-0300.

Any performance data shown represents past performance. Past performance is no guarantee of future results. Non-deposit investment products are not federally insured, involve investment risk, may lose value and are not obligations of, or guaranteed by, any financial institution. Investment returns and principal value will fluctuate. This report is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security and is not investment advice. All investing involves risks including the possible loss of principal. There can be no assurance the portfolios will achieve their investment objectives. The risks associated with an investment in the portfolio can increase during times of significant market volatility. The principal risks of investing in the portfolio include: interest rate risk, call risk, risk of default and liquidity risk. As interest rates rise, the prices of bonds fall. Long-term bonds are more exposed to interest-rate risk than short-term bonds. Unlike bonds, bond portfolios have ongoing fees and expenses. Please consult with your financial advisor to determine your risk tolerance and investment objectives. Madison’s expectation is that investors in the strategy will participate near fully in market appreciation during bull markets and experience something less than full participation during bear markets compared with investors in portfolios holding more speculative and volatile securities. Therefore, the investment philosophy is intended to represent a conservative investment strategy. There is no assurance that Madison’s expectations regarding this investment strategy will be realized. In addition to the ongoing market risk applicable to portfolio securities, bonds are subject to interest rate risk, credit risk

and inflation risk. When interest rates rise, bond prices fall; generally, the longer a bond’s maturity, the more sensitive it is to this risk. Credit risk is the possibility that the issuer of a security will be unable to make interest payments and repay the principal on its debt. Bonds may also be subject to call risk, which allows the issuer to retain the right to redeem the debt, fully or partially, before the scheduled maturity date. Proceeds from sales prior to maturity may be more or less than originally invested due to changes in market conditions or changes in the credit quality of the issuer.

Bond ratings are grades given to bonds that indicate their credit quality as determined by a private independent rating service such as (Standard & Poor’s or Moody’s, etc.) The firm evaluates a bond issuer’s financial strength, or its ability to pay a bond’s principal and interest in a timely fashion. Ratings are expressed as letters ranging from ‘AAA,’ which is the highest grade, to ‘D,’ which is the lowest grade.

Bond Spread: the difference between yields on differing debt instruments of varying maturities, credit ratings, and risk, calculated by deducting the yield of one instrument from another.

Duration: a measure of the sensitivity of the price of a bond or other debt instrument to a change in interest rates. Duration measures how long it takes, in years, for an investor to be repaid the bond’s price by the bond’s total cash flows.

Yield Curve: a line that plots yields (interest rates) of bonds having equal credit quality but differing maturity dates. The slope of the yield curve gives an idea of future interest rate changes and economic activity. There are three main types of yield curve shapes: normal (upward-sloping curve), inverted (downward-sloping curve), and flat. Yield curve strategies involve positioning a portfolio to capitalize on expected changes.

Indices are unmanaged. An investor cannot invest directly in an index. They are shown for illustrative purposes only, and do not represent the performance of any specific investment. Index returns do not include any expenses, fees or sales charges, which would lower performance.

Bloomberg US Intermediate Government Index: measures the performance of USD-denominated US Treasuries and government-related securities that have a remaining maturity of greater than or equal to one year and less than 10 years.

