

This document discloses information pertaining to the Brandywine Collective Investment Trust (the “Trust”). The Trust consists of a collective investment fund (the “Fund”). This investment option is provided to you by your employer through the company’s retirement plan by Alta Trust Company (“Alta Trust”). It is important that you review this information prior to investing.

## **Collective Investment Fund for Employee Benefit Plans**

### ***What is the Brandywine Collective Investment Trust Fund?***

The Fund is maintained by Alta Trust and is designed to serve the investment needs of tax-qualified employer sponsored retirement plans. The Fund is not a mutual fund registered under the Investment Company Act of 1940 (“1940 Act”), as amended, or other applicable law, and unit holders are not entitled to the protections of the 1940 Act. The regulations applicable to a collective investment fund are different from those applicable to a mutual fund. The Fund’s units are not securities registered under the Securities Act of 1933, as amended, or applicable securities laws of any state or other jurisdiction. In addition, the Fund’s units are not publicly traded on any exchange or over-the-counter market and, as a result, the unit values are not available for publication in newspapers.

The unit values of the Fund will fluctuate and the value of the Fund will decrease or increase in accordance with market conditions. There is no guarantee that the Fund will achieve its investment objective. Units in the Fund are not deposits or obligations of, or endorsed or guaranteed by, Alta Trust or its affiliates, and the units are not insured by the Federal Deposit Insurance Corporation or any other independent organization. The Fund is also subject to investment risks, including possible loss of the principal amount invested.

### ***Fund Trustee***

Alta Trust is a South Dakota state chartered trust company that provides retirement plan services to plan sponsors throughout the USA. In its capacity as Trustee, Alta Trust provides investment management, trust and custody services for the Fund.

### ***Investment Manager***

Brandywine Asset Management, Inc. is the “Investment Manager” as that term is defined in Section 3(38) of Employee Retirement Income Security Act of 1974 (“ERISA”), as amended, with respect to the Trust and any Plan investing in the Fund. All of the assets of the Fund will be invested according to the corresponding strategy and investment guidelines described below.

### ***Who May Want to Invest***

The Fund may be an appropriate investment for investors seeking professional management of their retirement account assets.

### ***Fund Description***

**Fund Name:** Brandywine Protected 500

#### **Objective**

The Fund seeks to match or exceed the return of the S&P 500 over a full market cycle, while also seeking to limit the downside risk to less than 1/3 that of the S&P 500 index.

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INVESTOR DISCLOSURE | IMPORTANT INFORMATION

Investment Products: Not FDIC Insured • No Bank Guarantee • May Lose Value

Alta Trust Company, Trustee



**Strategy**

The Fund seeks to maintain 100% exposure to the S&P 500 while protecting the Fund's downside using Brandywine's innovation of "Risk Replacement". Brandywine's Risk Replacement uses put options to offset the risk of holding the S&P 500 while seeking to pay for the cost of the put option protection by investing in a broadly diversified, systematic "Return Driver" based portfolio that does not contain additional equity exposure.

\*A Return Driver is the primary underlying condition that drives the price of any given market. Return Drivers may include: investor sentiment, corporate earnings, interest rates, seasonal effects, geopolitical and other events, arbitrage and other macro or micro opportunities.

**Investment Guidelines**

**Asset Classes:** US: Equities; Global: Fixed Income, Interest Rates, Commodities, Currencies, Alternatives

**Leverage:** Yes

**Security Type:** Equities, Options, Futures (Long and Short)

**Geography:** Global

**Liquidity:** The Investment Manager will retain an appropriate allocation to cash for liquidity purposes.

**Leverage Parameters**

Targeted Max VaR is 100% of the S&P 500.

Targeted Max Margin to Equity is 15%.

The Fund may invest in securities such as futures and options that may generate leverage. Leverage means obtaining investment exposure in excess of the Fund's net assets, which creates the potential for magnified gains or losses. The investment manager of the Fund seeks to employ a strategy that will hold a long position in S&P 500 futures at the notional value of the net assets of the fund. Risk Replacement overlay utilizes put options to mitigate loss exposure provided in the S&P 500 futures positions.

\*Investment leverage means that for every \$100 invested in the fund, the fund may (but is not guaranteed to) obtain an exposure to more than \$100 of underlying investments after long and short positions are netted against each other.

***Risk Factors***

The Fund may invest in Equities, Options (long only), and Futures (long and short). The Fund is subject to market risk, meaning that the value of the investments in the Fund may decline over time, causing a reduction in the value of the Fund.

**Principal Investment Risks:** As with all investment strategies, there is the risk that you could lose money through your investment in the Fund. Many factors affect the Fund's net asset value and performance. The following risks may apply to an investment in the Fund.

**Management and Strategy Risk:** The value of your investment depends on the judgment of the Fund's Investment Manager about the quality, relative yield, value or market trends affecting a particular security, industry, sector or region, which may prove to be incorrect. Investment strategies employed by the Fund's advisor in selecting investments for the Fund may not result in an increase in the value of your investment or in overall performance equal to other investments.

**Objective Risk:** There is no guarantee that the Fund will reach its stated objective.

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Investment Style Risk: There is the chance that returns from micro to large-capitalization stocks will trail returns from the overall stock market.

Limited History of Operations: The Brandywine Collective Investment Trust and its associated Fund is a new offering and there is a limited history of operations for investors to evaluate.

Expense Risk: Prior to making an investment in the Fund, investors should carefully consider the expenses and how those expenses may reduce overall investment performance.

Market Risk: The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions, throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. The market value of a security or instrument also may decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

Equity Risk: The value of the equity securities held by a Fund may fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate, or factors relating to specific companies in which the Fund invests.

Fixed Income Securities Risk: The prices of fixed income securities respond to economic developments, particularly interest rate changes, as well as to changes in an issuer's credit rating or market perceptions about the creditworthiness of an issuer. Generally fixed income securities decrease in value if interest rates rise and increase in value if interest rates fall, and longer-term and lower rated securities are more volatile than shorter term and higher rated securities.

Risk Replacement Strategy: Brandywine's Risk Replacement may involve some or all of the following investments: commodity options, forward contracts, physical or cash commodities, or exchange for physical or exchange for risk transactions. The purchase or sale of these types of investments may involve transactions that are speculative, and there is a high degree of risk that the Fund may not achieve its return objectives. The Fund is suitable only for investors that can assume the risk of loss in excess of their margin deposits or of their entire option premium. Price changes in such investments may result in significant losses, which losses, whether realized or unrealized, may substantially exceed a Fund's margin deposits and any other deposits a Fund may make. These risks are further explained in the following paragraphs with respect to various strategies that may be employed by Brandywine's Risk Replacement innovation.

Futures Risk: The value of a futures contract tends to increase and decrease in correlation with the value of the underlying instrument. Risks of futures contracts may arise from an imperfect correlation between movements in the price of the instruments and the price of the underlying securities. A Fund's use of futures contracts (and related options) exposes the Fund to leverage risk because of the small margin requirements relative to the value of the futures contract. A relatively small market movement will have a proportionately larger impact on the funds that the Fund has deposited or will have to deposit with a broker to maintain its futures position. Leverage can lead to large losses as well as gains. While futures contracts are generally liquid instruments, under certain market conditions they may become illiquid. Futures exchanges may impose daily or intraday price change limits and/or limit the volume of trading. Additionally, Government regulation may further reduce liquidity through similar trading restrictions. As a result, the Fund may be

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unable to close out its futures contracts at a time that is advantageous. The price of futures can be highly volatile; using them could lower total return, and the potential loss from futures could exceed the Fund's initial investment in such contracts.

**Leveraging Risk:** Certain Fund transactions, including entering into futures contracts and taking short positions in financial instruments, may give rise to a form of leverage. Leverage can magnify the effects of changes in the value of the Fund's investments and make the Fund more volatile. Leverage creates a risk of loss of value on a larger pool of assets than the Fund would otherwise have had, potentially resulting in the loss of all assets. The Fund may also have to sell assets at inopportune times to satisfy its obligations in connection with such transactions.

**Options Risk:** Before engaging in the selling or writing of options, investors should understand the nature and extent of their rights and obligations and be aware of the risks involved, including, without limitation, the risks pertaining to the business and financial condition of the issuer and the underlying security or instrument. Options investing, like other forms of investing, involves transaction costs that can significantly affect the profit and loss of selling and writing options. The transaction costs of option writing consist primarily of commissions (which are imposed in opening, closing, exercise and assignment transactions), but may also include interest costs in particular transactions. Transaction costs are especially significant in options strategies calling for multiple purchases and sales of options.

Option prices may move rapidly and unpredictably in a direction unanticipated by market participants resulting in potentially severe losses. All options contracts involve inherent leverage, which will magnify any loss as well as any gain. Any number of factors may contribute to illiquidity/restricted trading including, but not limited to, disruptions in trading of the underlying asset, insufficient number of market participants, or actions of courts or regulatory agencies, all of which may effectively restrict contract disposition resulting in potential loss. Option writers may incur opportunity costs by foregoing the opportunity to benefit from favorable movements in the underlying asset.

Written call options may limit a Fund's participation in equity market gains. The Fund's losses are potentially large in a call transaction. Written option positions may expose investments to potential losses many times the option premium received. Purchased options may expire worthless. Purchased options may have imperfect correlation to the hedged value of invested equities.

**Short Sales Risk:** In connection with a short sale of a security or other instrument, a Fund is subject to the risk that instead of declining, the price of the security or other instrument sold short will rise. If the price of the security or other instrument sold short increases between the date of the short sale and the date on which the Fund replaces the security or other instrument borrowed to make the short sale, the Fund will experience a loss, which is theoretically unlimited since there is a theoretically unlimited potential for the market price of a security or other instrument sold short to increase. Shorting options or futures may have an imperfect correlation to the assets held by the Fund and may not adequately protect against losses in or may result in greater losses for the Fund's portfolio.

**Long Short Strategy Risk:** Investing involves special risks including but not limited to currency fluctuations, illiquidity, and volatility. The strategy may use derivatives to hedge investments or seek to enhance returns. Derivatives entail risks relating to liquidity, leverage and credit that may reduce returns and increase volatility. A Fund may engage in active and frequent trading, resulting in short term capital gains or losses that could increase an investors tax liability. If a Fund makes short sales in securities that increase in value, the Fund will lose value. Long short strategies present the opportunity for significant losses, including the loss of your total investment. Long short strategy fees may be higher than traditional fees due to trading costs.



**Structured Products Risk:** Structured products are financial instruments whose performance or value is linked to that of an underlying asset, product, or index. These may include market indices, individual or baskets of stocks, bonds, and commodities, currencies, interest rates or a mix of these. A structured product may contain a complex payoff calculation that can make it difficult to accurately assess the value, risk and potential for growth through the terms of the product. Payoff can depend on participation rates, capped maximum returns, and knock-in features. Principal protection, if included, is subject to the credit risk of the issuing financial institution. Performance of the linked assets or index may cause loss of principal. The market risk may include changes in equity or commodity prices, changes in interest rates, changes in foreign exchange rates, or market volatility. The issuance price may be higher than the fair value on the date of issuance. A call provision may be above, below, or equal to the face value of the structure. Liquidity is limited and investors should prepare to hold a structured product to the maturity date or sell at a discount to its value. Tax treatment of structured products is complicated and may be uncertain.

**Non-U.S. investment Risk:** Securities of non-U.S. issuers (including ADRs and other securities that represent interests in a non-U.S. issuer's securities) may be more volatile, harder to value, and have lower overall liquidity than U.S. securities. Non-U.S. issuers may be subject to political, economic, or market instability, or unfavorable government action in their local jurisdictions or economic sanctions or other restrictions imposed by U.S. or foreign regulators. There may be less information publicly available about non-U.S. issuers and their securities and those issuers may be subject to lower levels of government regulation and oversight. These risks may be higher when investing in emerging market issuers. Certain of these elevated risks may also apply to securities of U.S. issuers with significant non-U.S. operations.

**Non-U.S. currency Risk:** Non-U.S. currencies may decline relative to the U.S. dollar, which reduces the unhedged value of securities denominated in or otherwise exposed to those currencies. The Investment Manager may not hedge or may not be successful in hedging the Fund's currency exposure. The Investment Manager may not be able to determine accurately the extent to which a security or its issuer is exposed to currency risk.

**Other Risks:** This list of risks is not comprehensive and the Fund may be subject to other risks not specified in this Investor Disclosure.

### Trustee and Management Fees

There are no sales commissions charged for purchases and sales of interests in the Fund.

#### Fees

| CUSIP     | Fund Name                                | Trustee Fee <sup>1</sup> | Management Fee <sup>2</sup> | Service Fee <sup>3</sup> | Fee Total <sup>4</sup> |
|-----------|--|--------------------------|-----------------------------|--------------------------|------------------------|
| 10532X103 | Brandywine Protected 500 Founders Class* | 0.08%                    | 0.72%                       | 0.00%                    | 0.80%                  |
| 10532X202 | Brandywine Protected 500 Class BE**      | 0.08%                    | 0.80%                       | 0.00%                    | 0.88%                  |
| 10532X301 | Brandywine Protected 500 Investor Class  | 0.08%                    | 0.88%                       | 0.00%                    | 0.96%                  |

\*The Founders Class is restricted to investors approved by the Investment Manager

\*\*Class BE is restricted to investors introduced to the Fund by Benetic



<sup>1</sup> The Trustee Fee for the Fund, if any, is paid to the Trustee out of the Fund's assets as compensation for its services and is in addition to the Management and Service Fees. The Trustee Fee tiers are as follows:

|                   | <b>Tier 1</b>   | <b>Tier 2</b> | <b>Tier 3</b>  | <b>Tier 4</b> |
|-------------------|-----------------|---------------|----------------|---------------|
|                   | First \$250 mil | Next \$50 mil | Next \$500 mil | Over \$1bil   |
| Trustee Fee       | .08%            | .06%          | .05%           | 0.04%         |
| Total Trustee Fee | .08%            | .06%          | .05%           | 0.04%         |

<sup>2</sup> The Management Fee for the Fund, if any, is paid to the Investment Manager out of the Fund's assets as compensation for its services and is in addition to the Trustee and Service Fees.

<sup>3</sup> The Service Fee for the Fund, if any, is paid to the custodian or recordkeeper or other eligible party as designated by the Plan Fiduciary out of the Fund's assets and is in addition to the Trustee and Management Fees.

<sup>4</sup> The Fee Total for the Fund includes all three fees indicated above. All fees are calculated based on the fair value of the assets held in the Fund as of the Valuation Date (as defined in the Declaration of Trust).

## Expenses

In addition to the Fees set forth above in this schedule, other applicable expenses may apply to the Fund for the administration and operation of the Fund as outlined in the Declaration of Trust, including but not limited to custody, audit, transfer agency, etc.

The Investment Manager may choose to invest the Fund's assets in mutual funds, exchange traded funds or other investments that have their own internal expenses ("Acquired Expenses"). The Fund will also be subject to Acquired Expenses, as applicable.

## Total Operating Expense

The total operating expense of the Fund is the total of all fees, expenses, and credits. The expenses of the Fund in the Brandywine Collective Investment Trust are as follows:

| <b>Fund Name</b>                         | <b>Fee Total (see above)</b> | <b>Estimated Acquired Expense</b> | <b>Estimated Administrative Expense</b> | <b>Total Operating Expense</b> | <b>Effect on \$1,000 Annually</b> |
|--|------------------------------|-----------------------------------|---|--------------------------------|-----------------------------------|
| Brandywine Protected 500 Founders Class* | 0.80%                        | 0.00%                             | 0.00%                                   | 0.80%                          | \$8.00                            |
| Brandywine Protected 500 Class BE**      | 0.88%                        | 0.00%                             | 0.00%                                   | 0.88%                          | \$8.80                            |
| Brandywine Protected 500 Investor Class  | 0.96%                        | 0.00%                             | 0.00%                                   | 0.96%                          | \$9.60                            |

\*The Founders Class is restricted to investors approved by the Investment Manager

\*\*Class BE is restricted to investors introduced to the Fund by Benetic

## Turnover Ratio

The estimated turnover ratio of the Fund in the Brandywine Collective Investment Trust is as follows:

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| Fund Name                | Estimated Turnover Ratio |
|--------------------------|--------------------------|
| Brandywine Protected 500 | 200%                     |

The turnover ratio is calculated on an annual basis and is as of the most recent calendar year end after inception. When sufficient Fund history isn't available, an estimated turnover ratio will be provided based on the strategy employed outside of the Fund.

**Participant Notice and Disclosure**

The Declaration of Trust for the Trust describes the procedures for admission to and withdrawal from the Fund. The Declaration of Trust should be read in conjunction with this information statement and is hereby incorporated by reference.

The information contained in this information statement is for informational purposes only and does not provide legal or tax advice. Any tax-related discussion contained in this information statement is not intended or written to be used, and cannot be used, for the purpose of (a) avoiding tax penalties or (b) promoting, marketing or recommending to any other party any transaction or matter addressed in this information statement.

Before investing in the Fund, please consider the Fund's investment objective, strategies, risks, fees and expenses, and consult with your financial, legal and professional tax advisers.

May 15, 2022

[www.trustalta.com/brandywine](http://www.trustalta.com/brandywine)

