

Dechert-Hampe & Company Employees' Savings and Profit Sharing Plan
Compensation & Capital's Financial Planning Commentary as of March 31, 2021
"Fast-Forward 12 Months: Who Would Have Thought We Would End Up Here?"

One year ago we were writing about the fastest EVER stock market decline amid a global economic shutdown that was being compared to The Great Depression. In just five weeks the stocks of the world's largest corporations had shed, on average, 30+% of their value. Stocks of smaller corporations, historically more volatile/risky than their huge multi-national counterparts, dropped an average of 40+%. The carnage to investors' portfolios was not only swift but broad-based. The bond markets, normally a safe-haven during stock market sell-offs, also suffered an initially swift decline amid fears that credit markets would "freeze" as they did during the 2008 capital crisis. Swift and massive central bank actions to stabilize the credit and money markets fortunately succeeded in a quick reversal of bond losses.

But at all levels of society and daily life itself uncertainty led to understandable, pervasive fear. Lockdowns, hospital crises, death tolls, business and job destructions that followed over the coming months made the five week stocks drop through mid-March look downright clairvoyant! And yet throughout the initial carnage and the following year of pervasive uncertainty and doubt, not a single participant in all the Plans we administer succumbed to fear by selling their stocks positions. Not one.

We would like to believe, humbly speaking of course, that that phenomenon – and its very fortunate outcome of record gains from those mid-March, 2020 lows twelve months hence – was at least in part precipitated by the teachings of our past 21+ years in our *Commentary* and *Action Points*. Our message has been clear and unwavering, as we restated in April, 2020:

"So after thorough study and contemplation, we concluded shortly after the emergence of this new version of "March Madness" that the path by which we have always determined our investment strategies should not yet be significantly altered by recent events. Time-proven tenets of our investing – accepting risk through diversification appropriate to a savings goal's time horizon, maintaining realistic expectations of future returns, and making regularly scheduled investments in spite of short-term market action – will continue to dictate the path of successful investors. We know this was true before the recent cracks in our perceived security, and we believe it remains true hereafter."

Hopefully we're all better investors after the lessons we've been afforded these past twelve months. No doubt it's been a sort of stress test for us all. For our investor sides, it reminded us of the importance of disciplined saving and investing by virtue of a rational plan that helps us stay on track through challenging conditions. Portfolios structured across well-diversified stocks, bonds and money market positions with their investment mix dictated primarily by your time horizon before reaching their spending goal – it worked for our portfolios. And it sustained our human sides through the 2020 maelstrom too. Our conversations with participants throughout the past year, and especially during the darkest periods of the pandemic, offered resounding and frequent validity to the fact that the performance of their Plan accounts had been a vivid source of psychological support against the pandemic's relentless stream of bad news. Paraphrasing this *Commentary's* title: Who'da thunk it!

We can't know the future any better now than we could a year ago. What we can know is – once again – the lessons learned over this most recent trial as well as through many other market shocks we've experienced over the past several decades have performed as they're intended. Finally, if you're a frequent reader of our *Commentary* you know we're never going to miss a teaching moment. And this being April, it's Financial Literacy Month - even more imperative to see what lesson gems lie buried in the market moves we've just lived through. Page 2's Retirement Saving and Investing "Action Points" dissects a few hows and whys of the past 12 month's impact on your Plan's funds. Stay strong!

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Compensation & Capital's March 31, 2021

Retirement Saving and Investing "Action Points"

As you review your Plan's mutual funds' performance statistics on the following pages it's understandable that your initial focus will zero in on "Total Return Performance for Past 12 Mos" in the 7th column – the column with the HUGE gains. And while it's okay to momentarily bask in that warmth, don't let that be your take-away! It's as vital as always that your overall perspective digest the longer term trailing periods' return statistics (that is each fund's average annualized total returns over the past 10 and 15 year periods) as well as the 4th column's Morningstar™ Category Percentile Ranking for the past 10 years.

In short, the longer period statistics demonstrate each fund's ability to generate appropriate and competitive returns for the risks they assume over actual market cycle (7-to-10 years) timeframes, and beyond. And longer timeframes are far more appropriate to your retirement savings time horizons than what's happened over the past quarter, twelve months or even five years because your investing time horizon is most likely multiple market cycles.

Expanding on this topic, these longer term returns are a significant, though not exclusive, criterion by which your Plan's Trustees evaluate continued inclusion or replacement of any of the funds available in your Plans. Shorter term returns, whether big losses or big gains, are mostly just noise in this ongoing evaluation process. More accurately, each fund's Morningstar™ 10-year Category Percentile Ranking (4th column) illustrates apples-to-apples comparisons with each fund manager's peer group competition. To use a baseball analogy, comparing your team's second-baseman to all other second-basemen in the pros. As Pages 3 and 4's notation (1) points out: A fund with a "2nd" Ranking outperformed 98% of its peers. So smaller numbers in these "Ranking" columns highlight better-performing funds.

That's not to say that a fund experiencing a sub-average ranking over a 10 or 15 year period should be abandoned out of hand. When the overall markets experience historic and violent swings as they have over the past 12 months, high-quality fund managers who formulate and hold their portfolio's stocks and bonds out of studied conviction for the strength of the individual securities in which they have invested can experience short-term underperformance – a headwind of sorts – that can eventually become a tailwind leading to validation of that manager's strategy. Therefore, it's vital to your investing success that all of your Plan's fund options be monitored by professionals who understand these dynamics as well as the structures and strategies upon which each of those funds are managed.

For example, Page 3's Selected Value Fund (VASVX) ranks 50th in its peer group for its past 3 year's performance – that is, in the middle of its Mid-Cap U.S. Value Stock Funds competitors. If this middling performance was its norm we would look for a better performing replacement from that peer group. But we know from experience that Vanguard's Selected Value Fund's managers prefer to hold their stock choices for longer-than-normal time periods, a practice that requires patience and conviction and can thereby result in shorter term underperformance relative to their peers. In fact, VASVX's 10 year ranking is 33rd and its 15 year ranking is 16th. Prior to last year's sell-off VASVX appeared to have lost its luster with short-term rankings in the bottom quartile. We considered replacement. But our patience in its managers paid off. Over the past 12 months it's regained its prominence to a ranking in the top 16% of its peers.

To be clear, as experienced investment professionals, we are by no means immune to the anxieties and elations of economic and financial market gyrations. We grapple with many of the same uncertainties as each of you during these troubled times. Yes: We admit to allowing our initial focus to fall upon glaring short-term numbers. It's only human. But after recovering from that initial shock, we quickly return to rationally managing investment risk as appropriate to specific retirement saving objectives – most often based upon time horizon for a particular bucket of money. We look for opportunities, for reasons behind the numbers. We review, reformulate and then continue to execute our plans. Overlaying all these facets of our job is the knowledge that we've never known a successful investor who's guided by pessimism.

Ben Franklin had it right: "An investment in knowledge pays the best interest." Of that there's no doubt.

Dechert-Hampe & Co Employees' Savings and Profit Sharing Plan Vanguard Funds Performance Specifics and Comparatives

(All for periods ended March 31, 2021)

(1) A fund with a 2nd Ranking outperformed 98% of its peers.

Remember: Past performance is absolutely NOT a guarantee of future performance!

(2) "OER" or Operating Expense Ratio: Annual % of fund assets paid for fund operations and mgmt.

NAME OF VANGUARD SELECT VENUE FUND <i>Morningstar Category Name</i>	Securities Type(s)	Morningstar™ Category Percentile ⁽¹⁾ Ranking Past		OER ⁽²⁾	Total Return Performance for		Average Annualized Total Return for:			
		3 Years	10 Years		Past Qtr	12 Mos	3 Yrs	5 Yrs	10 Yrs	15 Yrs
TREASURY MONEY MARKET - VUSXX	Money Market	2nd	2nd	0.09%	0.0%	0.1%	1.4%	1.1%	0.6%	1.1%
<i>Money Market Funds >></i>		<i>Category Average >></i>		0.33%	0.0%	0.1%	1.3%	1.0%	0.5%	1.1%
TOTAL BOND MARKET INDEX ADMIRAL - VBTXX	Bonds	45th	47th	0.05%	-3.6%	0.5%	4.6%	3.1%	3.4%	4.3%
<i>Intermediate Core Bond Funds >></i>		<i>Category Average >></i>		0.63%	-3.0%	2.8%	4.6%	3.1%	3.3%	4.2%
INFLATION PROTECTED SECURITIES ADM - VAIPX	Bonds	29th	17th	0.10%	-1.4%	7.5%	5.6%	3.8%	3.4%	4.2%
<i>Inflation-Protected Bond Funds >></i>		<i>Category Average >></i>		0.68%	-0.9%	9.0%	5.1%	3.6%	2.9%	3.9%
WELLINGTON ADMIRAL - VWENX	Bonds & Stocks	23rd	9th	0.17%	3.6%	33.0%	11.5%	11.2%	9.9%	8.6%
<i>US Allocation – 50% to 70% Equity Funds >></i>		<i>Category Average >></i>		1.07%	4.2%	36.9%	9.7%	9.7%	8.0%	6.7%
WINDSOR II ADMIRAL - VWNAX	Stocks	4th	7th	0.26%	11.3%	69.3%	15.8%	14.8%	12.2%	8.8%
<i>Large-Cap U.S. Value Stock Funds >></i>		<i>Category Average >></i>		1.11%	7.2%	49.4%	3.2%	7.0%	3.9%	3.1%
500 INDEX ADMIRAL - VFIAX	Stocks	26th	11th	0.04%	6.2%	56.3%	16.8%	16.3%	13.9%	10.0%
<i>Large-Cap U.S. Blend Stock Funds >></i>		<i>Category Average >></i>		0.99%	3.7%	48.1%	5.9%	8.8%	5.4%	4.3%
SELECTED VALUE - VASVX	Stocks	50th	33rd	0.31%	15.9%	96.8%	10.1%	11.9%	10.9%	9.0%
<i>Mid-Cap U.S. Value Stock Funds >></i>		<i>Category Average >></i>		1.09%	15.7%	78.5%	10.0%	11.1%	10.1%	7.9%
U.S GROWTH ADMIRAL – VWUAX	Stocks	8th	9th	0.30%	-1.3%	78.0%	26.4%	23.4%	17.8%	12.2%
<i>Large-Cap U.S. Growth Stock Funds >></i>		<i>Category Average >></i>		1.04%	2.2%	65.6%	20.4%	19.4%	14.7%	11.0%
MID-CAP GROWTH INVESTOR - VMGRX	Stocks	60th	62nd	0.34%	0.7%	69.7%	18.1%	16.7%	12.9%	10.3%
<i>Mid-Cap U.S. Growth Stock Funds >></i>		<i>Category Average >></i>		1.16%	4.0%	82.0%	20.3%	19.2%	13.4%	10.5%
EXPLORER ADMIRAL - VEXRX	Stocks	44th	36th	0.30%	6.6%	91.3%	20.0%	20.3%	14.0%	10.3%
<i>Small-Cap U.S. Growth Stock Funds >></i>		<i>Category Average >></i>		1.23%	6.9%	96.0%	20.5%	20.5%	13.4%	10.3%
INTERNATIONAL GROWTH ADMIRAL - VWILX	Foreign Stocks	3rd	5th	0.33%	-1.0%	87.1%	20.7%	22.0%	11.9%	9.4%
<i>Foreign Large Growth Stock Funds >></i>		<i>Category Average >></i>		1.10%	0.3%	54.2%	11.1%	12.3%	7.7%	5.7%
EMERGING MARKETS INDEX ADMIRAL - VEMAX	Foreign Stocks	45th	58th	0.14%	3.6%	58.2%	6.3%	11.3%	3.3%	5.6%
<i>Diversified Emerging Markets Stock Funds >></i>		<i>Category Average >></i>		1.30%	3.1%	62.4%	6.1%	11.5%	3.8%	5.8%
ENERGY ADMIRAL - VGELX	Energy Stocks	38th	30th	0.25%	11.0%	30.3%	-9.6%	-1.7%	-3.6%	0.4%
<i>Energy Sector Stock Funds >></i>		<i>Category Average >></i>		1.36%	24.7%	109.0%	-11.8%	-5.6%	-8.1%	-1.6%

Dechert-Hampe & Co Employees' Savings and Profit Sharing Plan Vanguard Funds Performance Specifics and Comparatives

(All for periods ended March 31, 2021)

(1) A fund with a 46th Ranking outperformed 54% of its peers.

Remember: Past performance is absolutely NOT a guarantee of future performance!

(2) "OER" or Operating Expense Ratio: Annual % of fund assets paid for fund operations and mgmt.

VANGUARD INDEXED AUTO-BALANCED FUND <i>Morningstar Category Name</i>	Securities Type(s)	Morningstar™ Category Percentile ⁽¹⁾ Ranking Past		OER ⁽²⁾	Total Return Performance for		Average Annualized Total Return for:			
		5 Years	10 Years		Past Qtr	12 Mos	3 Yrs	5 Yrs	10 Yrs	15 Yrs
TARGET RETIREMENT INCOME - VTINX	Target Date Retire Income	46th	16th	0.12%	0.1%	17.0%	7.1%	6.4%	5.7%	5.6%
<i>Retirement Income Funds >></i>		<i>Category Average >></i>		0.71%	0.3%	17.7%	6.6%	6.1%	4.8%	4.6%
TARGET RETIREMENT 2015 - VTXVX	Target Date 2015	75th	52nd	0.12%	0.3%	19.6%	7.4%	7.5%	6.7%	6.0%
<i>Target Date 2015 Funds >></i>		<i>Category Average >></i>		0.61%	1.3%	24.3%	7.9%	7.9%	6.6%	6.0%
TARGET RETIREMENT 2020 - VTWNX	Target Date 2020	34th	18th	0.13%	1.3%	27.2%	8.7%	8.9%	7.7%	N/A
<i>Target Date 2020 Funds >></i>		<i>Category Average >></i>		0.65%	1.5%	26.4%	8.2%	8.4%	7.0%	N/A
TARGET RETIREMENT 2025 - VTTVX	Target Date 2025	27th	16th	0.13%	1.9%	32.6%	9.6%	10.0%	8.3%	6.9%
<i>Target Date 2025 Funds >></i>		<i>Category Average >></i>		0.70%	1.9%	30.2%	8.8%	9.2%	7.4%	6.0%
TARGET RETIREMENT 2030 - VTHRX	Target Date 2030	35th	22nd	0.14%	2.5%	37.2%	10.3%	10.8%	8.8%	N/A
<i>Target Date 2030 Funds >></i>		<i>Category Average >></i>		0.71%	2.6%	36.0%	9.7%	10.3%	8.1%	N/A
TARGET RETIREMENT 2035 - VTTHX	Target Date 2035	41st	27th	0.14%	3.2%	41.9%	10.9%	11.6%	9.3%	7.4%
<i>Target Date 2035 Funds >></i>		<i>Category Average >></i>		0.72%	3.6%	42.2%	10.6%	11.3%	8.7%	6.8%
TARGET RETIREMENT 2040 - VFORX	Target Date 2040	38th	25th	0.14%	3.8%	46.6%	11.4%	12.4%	9.8%	N/A
<i>Target Date 2040 Funds >></i>		<i>Category Average >></i>		0.73%	4.9%	50.6%	11.6%	12.4%	9.3%	N/A
TARGET RETIREMENT 2045 - VTIVX	Target Date 2045	31st	21st	0.15%	4.5%	51.6%	12.0%	12.9%	10.0%	7.9%
<i>Target Date 2045 Funds >></i>		<i>Category Average >></i>		0.74%	5.1%	52.0%	11.7%	12.5%	9.4%	6.5%
TARGET RETIREMENT 2050 - VFIFX	Target Date 2050	40th	23rd	0.15%	4.5%	51.8%	12.1%	12.9%	10.1%	N/A
<i>Target Date 2050 Funds >></i>		<i>Category Average >></i>		0.74%	5.1%	52.0%	11.7%	12.5%	9.4%	N/A
TARGET RETIREMENT 2055 - VFFVX	Target Date 2055	42nd	25th	0.15%	4.5%	51.8%	12.1%	12.9%	10.1%	N/A
<i>Target Date 2055 Funds >></i>		<i>Category Average >></i>		0.73%	5.2%	52.9%	11.8%	12.7%	9.5%	N/A
TARGET RETIREMENT 2060 - VTTSX	Target Date 2060+	57th	n/a	0.15%	4.5%	51.8%	12.1%	12.9%	N/A	N/A
<i>Target Date 2060+ Funds >></i>		<i>Category Average >></i>		0.73%	5.3%	53.7%	11.9%	12.8%	N/A	N/A
LIFE STRATEGY CONSERVATIVE - VSCGX	Conservative Allocation	33rd	28th	0.12%	0.2%	21.4%	8.1%	7.6%	6.4%	5.7%
<i>Allocation – 30% to 50% Equity Funds >></i>		<i>Category Average >></i>		1.03%	1.9%	26.1%	7.2%	7.0%	5.9%	5.3%
LIFE STRATEGY GROWTH - VASGX	Aggressive Allocation	26th	25th	0.14%	3.7%	45.3%	11.3%	11.9%	9.3%	7.2%
<i>Allocation – 70% to 85% Equity Funds >></i>		<i>Category Average >></i>		1.08%	5.2%	46.5%	10.0%	10.6%	8.4%	6.7%