Wealthfront Investment Overview

FWR has established an account with Wealthfront, an automated investment management service with over $800 million in client assets under management, to manage and invest the balance of the WMRC Endowment Fund (the "Endowment"). Wealthfront manages a continually rebalanced portfolio of exchange-traded funds (ETFs) on behalf of FWR at very low costs.

The FWR Board of Directors believes that it is appropriate to invest the balance of the WMRC Endowment Fund in stocks and bonds due to the length of time these funds will be invested. The Endowment is currently being built up to the Phase I goal of $50,000 at which point FWR will reassess the Endowment investments and finalize a Phase II goal and plan. No distributions from the Endowment will be made prior to achieving the Phase I goal. As of March 31, 2014, the Endowment balance was $7,293. Endowment contributions were $3,817 and $1,846 in 2013 and 2014, respectively. Based on 2013 contributions of $3,817, the Endowment will require 11.2 additional years to reach the Phase I goal. FWR expects the goal to be reached sooner than 11.2 years, but this is indicative of how long it could take to reach our current goal. By investing the Endowment balance, we will protect the Endowment from inflation and any positive, real returns will shorten the amount of time to the Phase I goal.

After reaching the Phase I goal, the Endowment will be a pool of perpetually invested funds which will provide a stable income stream to support the activities of WMRC. FWR believes the investment in ETFs through Wealthfront as outlined below is both consistent with the current Phase I goal and the ultimate goal of providing a stable income stream for WMRC.

Wealthfront proposes a portfolio based on a risk rating which is calculated based on responses to a questionnaire about the amount of risk the organization is willing to bear. The questionnaire recommended a risk rating of 8.0; however, FWR has selected a risk rating of 7.0 in order to take slightly less risk and shift our portfolio more towards bond ETFs which have more predictable performance and income streams when compared to stocks. FWR's initial investment allocation mix based on this risk rating of 7.0 is shown below:

Asset Class	Investment	Allocation %	Benefits
US Stocks	Vanguard VTI ETF	20.0%	Capital growth, long-run inflation protection, tax efficiency
Foreign Stocks	Vanguard VEA ETF	17.0%	Capital growth, long-run inflation protection, tax efficiency
Emerging Markets	Vanguard VWO ETF	14.0%	Capital growth, long-run inflation protection, tax efficiency
Dividend Stocks	Vanguard VIG ETF	15.0%	Capital growth, income, long-run inflation protection, tax efficiency
Real Estate	Vanguard VNQ ETF	13.0%	Income, diversification, inflation protection
Corporate Bonds	iShares LQD ETF	13.0%	Income, low historical volatility, diversification
Emerging Market Bonds	iShares EMB ETF	8.0%	Income, diversification
Municipal Bonds	iShares MUB ETF	0.0%	Income, low historical volatility, diversification, tax efficiency
Treasury Inflation-Protected Securities (TIPS)	Schwab SCHP	0.0%	Income, low historical volatility, diversification, inflation protection
Natural Resources	iPath DJP ETF	0.0%	Diversification, inflation protection, tax efficiency
Total		**100.0%**	

Wealthfront continually rebalances the portfolio to maintain the target percentages outlined above and requires no updates or management by FWR to maintain an optimally diverse portfolio.

One of the most compelling aspects of the Wealthfront service is the low overall fees. **Wealthfront provides its services to charitable organizations for FREE** up to an account balance of $1 million. This means that all FWR pays on these investments is the cost of the ETFs themselves, which typically average 0.17% annually[1]. ETFs themselves are a low-cost solution for investing compared to mutual funds which can have expense ratios of 1.3-1.5% for the average equity mutual fund[2].

Wealthfront has published a comprehensive investment methodology whitepaper at the link below. FWR's approval of maintaining an investment account with Wealthfront is based on the approval of this investment methodology for our own purposes.

https://www.wealthfront.com/whitepapers/investment-methodology

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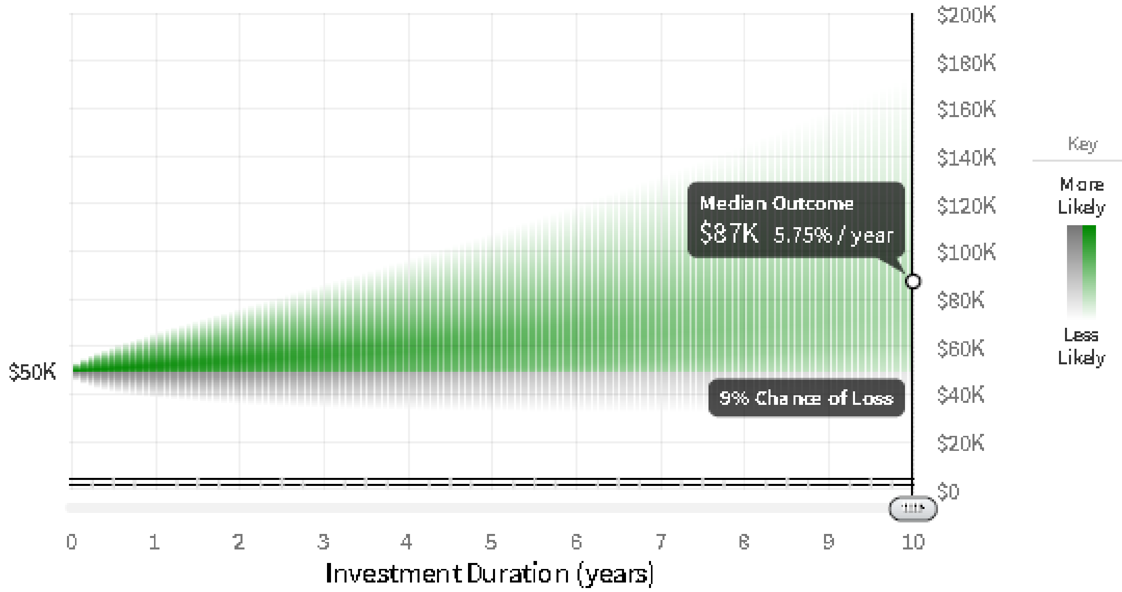
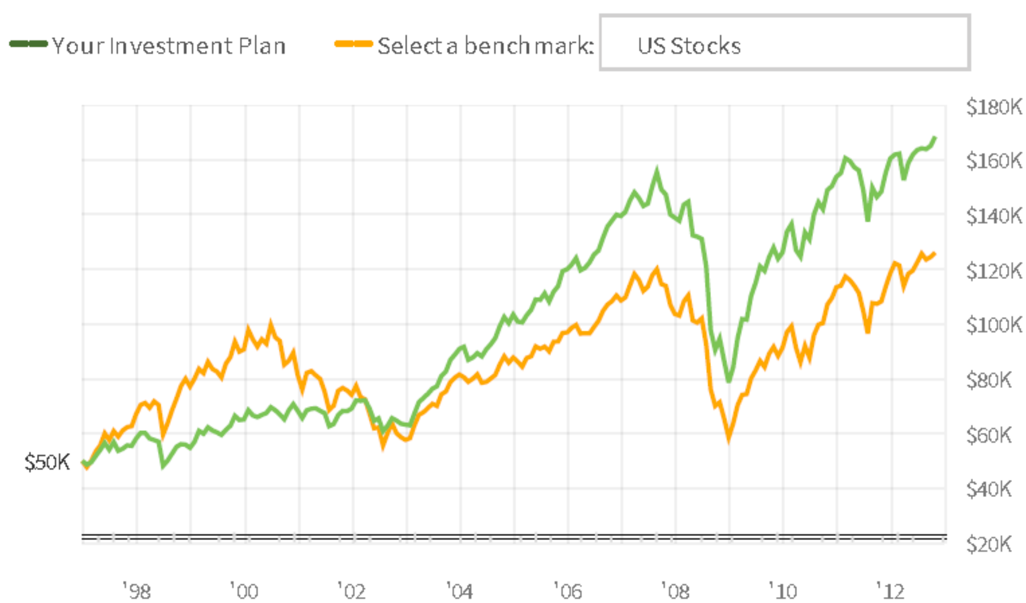
[1] www.wealthfront.com

[2] www.investopedia.com/university/mutualfunds/mutualfunds2.asp

Wealthfront projects that the median return expected over a 10-year investment period will be 5.75%. If a $50,000 investment was made today and all investment gains were reinvested, the investment would grow to approximately $87,000 over this 10-year period. Supplemental information on the annual returns of the Endowment for selected balances and rate of returns is shown on the following page.



Historical performance for the selected Wealthfront portfolio compared to a benchmark of US Stocks is shown below.



While the Endowment balance is invested with Wealthfront (or any other investment management service), FWR will regularly compare achieved returns with those of the investments and investment benchmarks of the College of William & Mary's endowment. Supplemental information on the College of William & Mary's endowment is provided on the following page.

FWR will revisit the risk rating and investment allocation periodically and will perform a thorough update of the investment allocation in conjunction with determining the Phase II Endowment goals and strategies after reaching the Phase I goal. At that time, the use of Wealthfront as an investment management service will be evaluated against other options including investing through the College of William & Mary's Endowment Fund.

Supplemental Information on the College of William & Mary's Endowment[3]

The most recent investment allocation for the William & Mary Investment Trust ("WAMIT") is shown opposite. This represents the actual allocation of assets as of June 30, 2013 however; the College's target allocations may be different. WAMIT represents only 68% of the total endowment resources that benefit the College of William & Mary. FWR's chosen allocation through Wealthfront is based on allocations recommended by Wealthfront given our selected risk rating and excludes certain asset classes such as Private Equity which are not readily available to retail investors.

THE WILLIAM & MARY INVESTMENT TRUST: ASSET ALLOCATION OF POLICY PORTFOLIO

Fiscal year 2013	JUNE 30, 2013 ALLOCATION
Domestic Equities	22.9%
Foreign Equities	12.9%
Emerging Market Equities	7.3%
Fixed Income	7.7%
Special Situations	9.6%
Absolute Return	16.9%
Real Assets	7.9%
Private Equity	10.6%
Cash	4.1%
Distributed Securities	0.1%

As of June 30, 2013, the WAMIT included approximately $472 million of assets. As a percentage, FWR's Phase I goal would be approximately 0.01% of WAMIT assets if invested alongside the College's endowment investments.

Investment results for the WAMIT as of June 30, 2013 are shown below. These returns are presented on a net basis and exclude investment management and other fees. FWR will consider these data points to be a benchmark for the investment through Wealthfront.

INVESTMENT RESULTS
As of June 30, 2013—Net of fees

	1 YEAR	3 YEARS	5 YEARS	10 YEARS
The William & Mary Investment Trust (WAMIT)	10.7%	7.8%	3.6%	7.9%
Blended Benchmark	9.9%	10.9%	3.9%	6.6%
Value Added	+0.8%	-3.1%	-0.3%	+1.3%

Supplemental Information on Potential Endowment Returns

The table below presents a summary of potential returns on the Endowment for a given balance and rate of return. Based on the Phase I Endowment goal of $50,000 and a 6.0% annual return (which approximates the 5.75% median return projected by Wealthfront for a 10-year period), the Endowment would generate $3,000 in investment returns on an annual basis which would be available to support the activities of WMRC.

	Expected Annual Return at the following rates:						
Endowment Balance	**3.0%**	**4.0%**	**5.0%**	**6.0%**	**7.0%**	**8.0%**	**9.0%**
10,000	300	400	500	600	700	800	900
25,000	750	1,000	1,250	1,500	1,750	2,000	2,250
50,000	1,500	2,000	2,500	3,000	3,500	4,000	4,500
75,000	2,250	3,000	3,750	4,500	5,250	6,000	6,750
100,000	3,000	4,000	5,000	6,000	7,000	8,000	9,000
125,000	3,750	5,000	6,250	7,500	8,750	10,000	11,250
150,000	4,500	6,000	7,500	9,000	10,500	12,000	13,500
175,000	5,250	7,000	8,750	10,500	12,250	14,000	15,750
200,000	6,000	8,000	10,000	12,000	14,000	16,000	18,000
225,000	6,750	9,000	11,250	13,500	15,750	18,000	20,250
250,000	7,500	10,000	12,500	15,000	17,500	20,000	22,500

Phase I Goal highlighted in green above.

[3] www.wm.edu

Supplemental Information from Wealthfront.com

- An exchange-traded fund (ETF) is an investment fund that is traded on stock exchanges throughout the trading day, much like stocks and unlike mutual funds. An ETF holds assets such as stocks, commodities, or bonds, and trades close to its net asset value over the course of the trading day. Most ETFs track an index, such as the S&P 500 or MSCI EAFE. Wealthfront evaluates thousands of ETFs for attractive investments based on their low cost, tax efficiency, and stock-like features.

- Wealthfront accounts are insured by the Securities Investor Protection Corporation (SIPC) up to $500,000 in total value per entity, but limits insurance on cash to $250,000 per entity. As with all securities firms, this coverage provides protection against failure of a broker-dealer, not against loss of market value of securities. Money market funds are considered a security. Cash is defined as funds not invested in a money market fund.

- **U.S. Stocks** represent an ownership share in U.S.-based corporations. The U.S. has the largest economy and stock market in the world. Although the U.S. economy was hit hard in the 2008-2009 Financial Crisis and its pace of growth in the future is expected to slow compared with its historical growth rate, the U.S. economy is still one of the most resilient and active in the world, powered as it is by a remarkable innovation engine.

- **Foreign Developed Market Stocks** represent an ownership share in companies headquartered in developed economies like Europe, Australia and Japan. Although the economies of Europe and Japan have experienced many struggles in the last two decades, Foreign Developed Markets represent a significant part of the world economy.

- **Emerging Market Stocks** represent an ownership share in foreign companies in developing economies such as Brazil, China, India, South Africa and Taiwan. Compared with developed countries, developing countries have younger demographics, expanding middle classes and faster economic growth. They account for half of world GDP and that portion is likely to increase as the Emerging Markets develop. Emerging Market Stocks are more volatile, but we expect them to deliver higher returns than U.S. Stocks and Foreign Developed Markets Stocks for the long term.

- **Dividend Growth Stocks** represent an ownership share in U.S. companies that have increased their dividend payout each year for the last ten or more consecutive years. They tend to be large-cap well-run companies in less cyclical industries and thus are less volatile than stocks more generally. Many companies in this asset class have higher dividend yields than their corporate bond yields and the yields on U.S. government bonds. In the current low interest rate environment, Dividend Growth Stocks emerge as an asset class that offers an income stream and capital growth potential.

- **Real Estate** is accessed through publicly traded U.S. real estate investment trusts (REITs) that own commercial properties, apartment complexes and retail space. They pay out their rents as dividends to investors. REITs provide income, inflation protection and diversification benefits.

- **Corporate Bonds** are debt issued by U.S. corporations with investment-grade credit ratings to fund business activities. They offer higher yields than U.S. Government Bonds due to higher credit risk, illiquidity and callability. In contrast to the U.S. government, most U.S. companies have gone through a deleveraging process and strengthened their balance sheets over the last few years.

- **Emerging Market Bonds** are debt issued by governments and quasi-government organizations from emerging market countries. They offer higher yields than developed market bonds. Emerging Market Bonds had serial defaults in the 1980s, 1990s and even 2000s. However, the world has changed. Investors today worry more about potential defaults from developed market bonds rather than emerging market bonds. Emerging market countries, with younger demographics, stronger economic growth, healthier balance sheets and lower debt-to-GDP ratios, have less risk than most investors realize with respect to borrowing money.