Kayne Anderson Rudnick
Investment Management

Small-Mid Cap Core Portfolio
Managed Accounts
Second Quarter 2017 Review

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Disciplined Investment Approach

Investment Philosophy & Objectives

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Investment Philosophy

We believe that purchasing high-quality businesses with competitive protections at attractive valuations will achieve excess returns over a complete market cycle

Investment Objectives

- To achieve a return meaningfully above that of the Russell 2500™ Index
- To achieve this return objective with a portfolio that exhibits lower overall risk characteristics

Tenets of Quality

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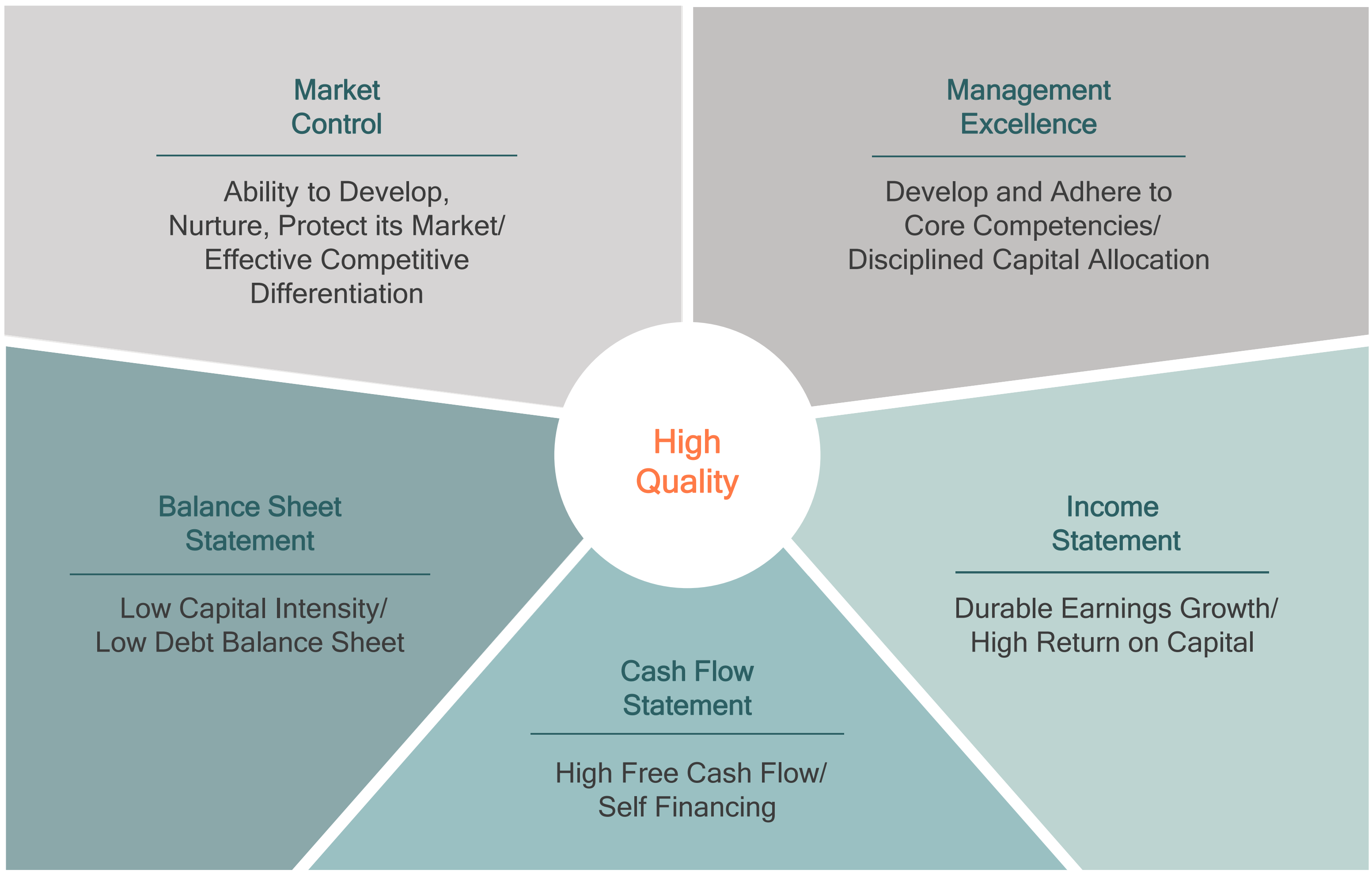

Small-Mid Cap Core Team

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Portfolio Manager/Analysts	Responsibility	Research Experience	Years with KAR
Douglas S. Foreman, CFA	Chief Investment Officer	31 Years	6 Years
Julie Kutasov	Portfolio Manager & Senior Research Analyst Sector Coverage: Energy and Financials	16 Years	16 Years
Craig Stone	Portfolio Manager & Senior Research Analyst Sector Coverage: Producer Durables	28 Years	17 Years
Todd Beiley, CFA	Senior Research Analyst Sector Coverage: Financials and Producer Durables	18 Years	15 Years
Jon Christensen, CFA	Senior Research Analyst Sector Coverage: Health Care	22 Years	16 Years
Chris Wright, CFA	Senior Research Analyst Sector Coverage: Consumer Discretionary, Consumer Staples, and Financials	7 Years	5 Years
Chris Benway, CFA	Research Analyst Sector Coverage: Materials and Processing and Producer Durables	8 Years	3 Years
Julie Biel, CFA	Research Analyst Sector Coverage: Technology and Consumer Discretionary	9 Years	4 Years
Jordan Greenhouse	Portfolio Specialist	20 Years*	1 Year

**Represents years of industry experience.*

Market Review

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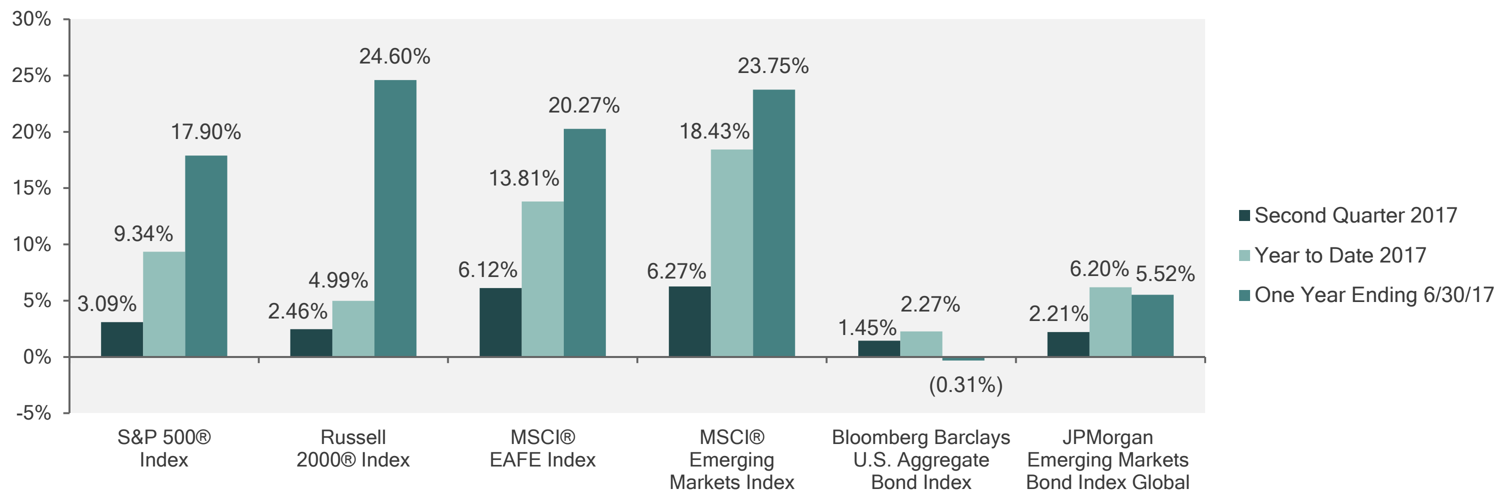
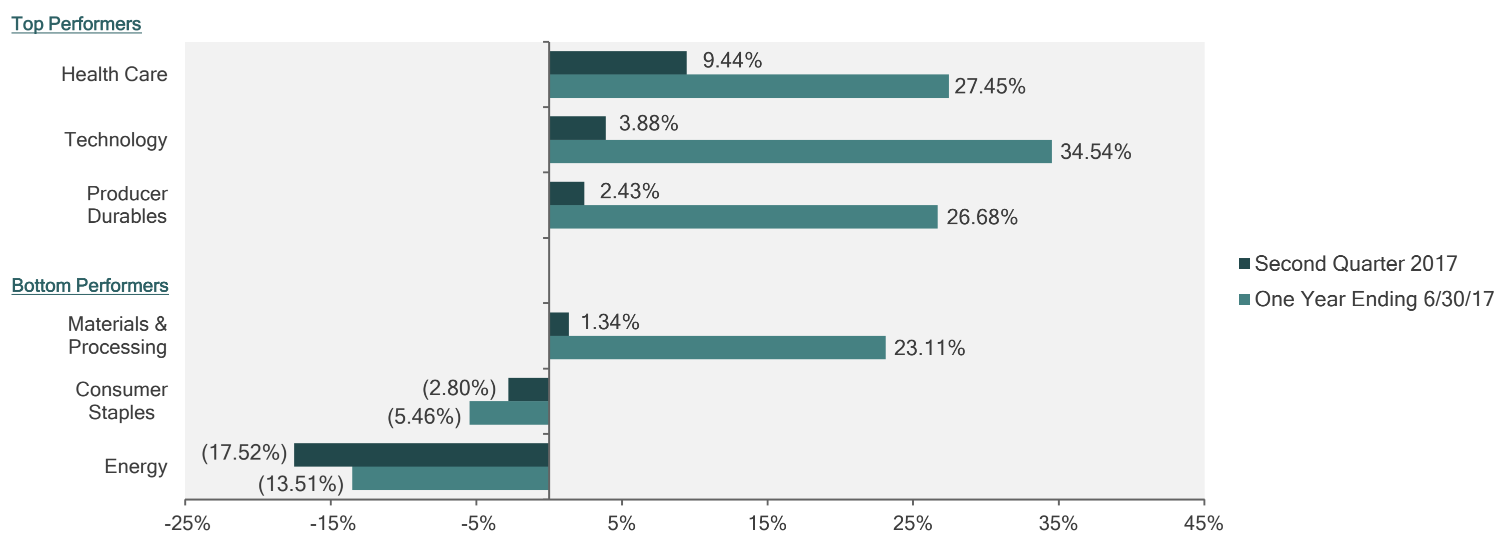
Index Performance



Sector Performance

Russell 2500™ Index



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Market Review

Frequent Style Rotation

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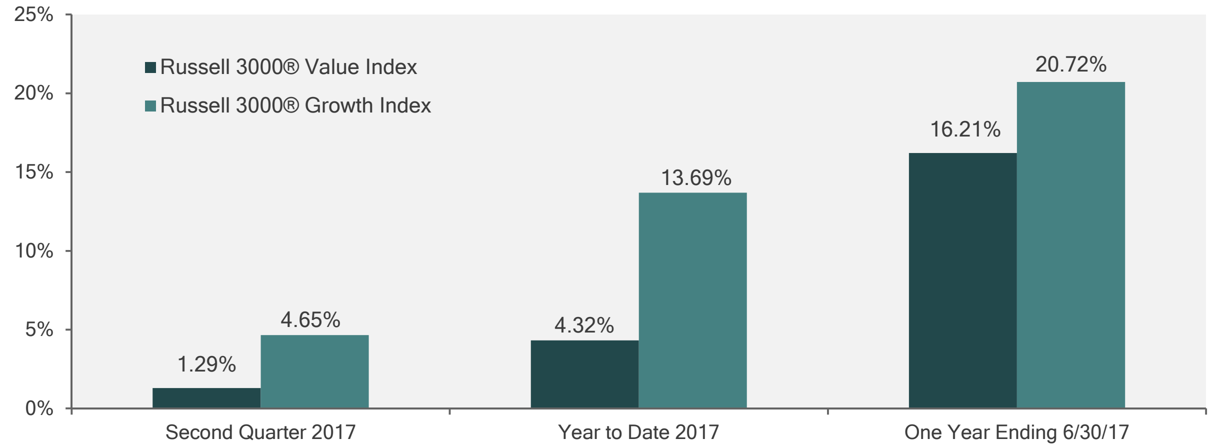
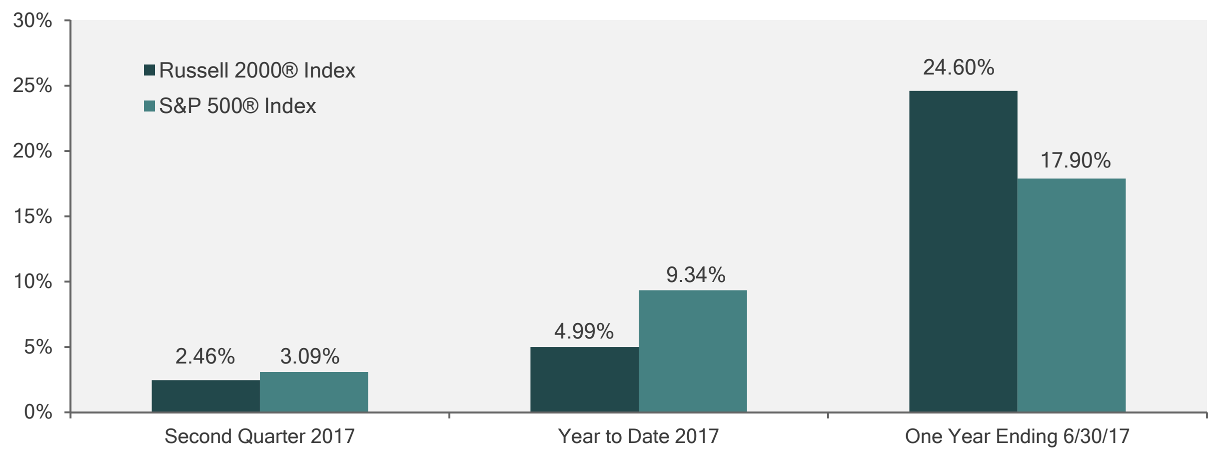
Performance by Style

Russell 3000® Value Index vs. Russell 3000® Growth Index



Performance by Market Cap

Russell 2000® Index vs. S&P 500® Index



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Quarterly Performance Overview

Small-Mid Cap Core Portfolio
Periods Ending June 30, 2017

Kayne Anderson Rudnick Investment Management

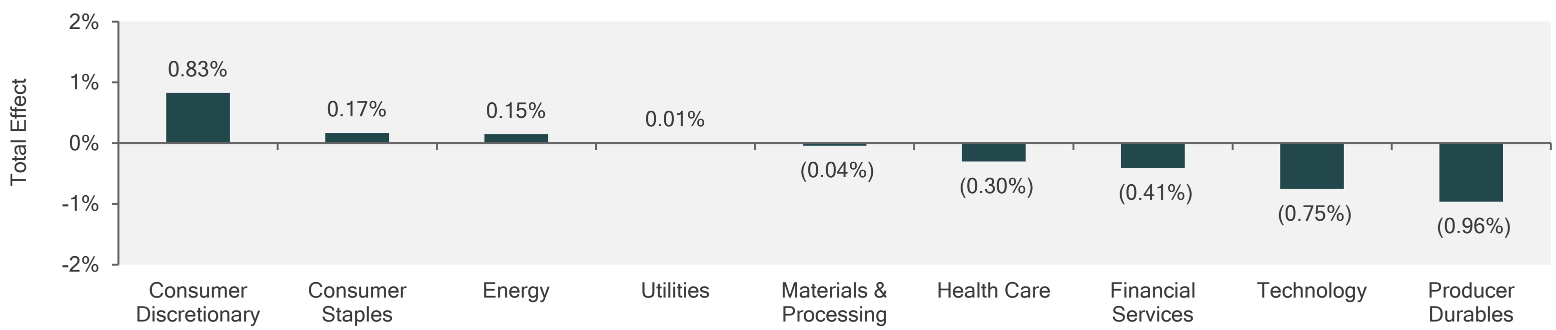
Monthly, Quarterly and Year to Date Performance

	Gross (%)	Net (%)	Index (%)	Excess Returns (bps)
April	(0.10)	(0.35)	0.77	(87)
May	(0.60)	(0.85)	(1.12)	52
June	0.89	0.64	2.50	(161)
Second Quarter	0.18	(0.56)	2.13	(195)
Year to Date	6.60	5.02	5.97	63

Contributors

Highest	Contribution
Cooper Companies	+0.84%
Wynn Resorts	+0.68%
Jack Henry & Associates	+0.49%
Lowest	**Contribution**
Fastenal *(Sold Q2 2017)*	(0.37%)
Core Laboratories	(0.33%)
Carlisle Companies	(0.30%)

Attribution by Sector
Quarter Ending June 30, 2017



	Consumer Discretionary	Consumer Staples	Energy	Utilities	Materials & Processing	Health Care	Financial Services	Technology	Producer Durables	Total Effect
Russell 2500™ Returns	2.16%	(2.80%)	(17.52%)	1.98%	1.34%	9.44%	1.97%	3.88%	2.43%	2.13%
KAR Returns	9.23%	4.42%	(11.25%)	0.00%	0.78%	7.39%	0.39%	(1.09%)	(3.12%)	0.18%
KAR Selection Effect	0.85%	0.15%	0.34%	0.00%	(0.01%)	(0.22%)	(0.43%)	(0.83%)	(1.00%)	(1.15%)
KAR Allocation Effect	(0.02%)	0.02%	(0.19%)	0.01%	(0.03%)	(0.08%)	0.01%	0.08%	0.03%	(0.16%)

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Returns for the Kayne Anderson Rudnick composite are preliminary. All periods less than one year are total returns and are not annualized. For further details on the composite, please see the disclosure statement in this presentation. Data is obtained from FactSet Research Systems and is assumed to be reliable. Numbers may not always add up due to rounding. Past performance is no guarantee of future results.

Annual Performance Overview

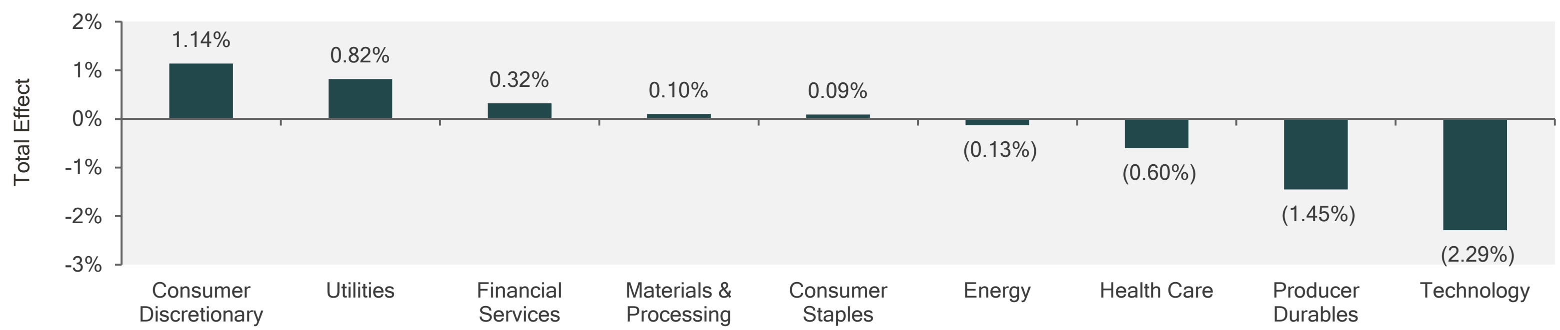
Small-Mid Cap Core Portfolio
Periods Ending June 30, 2017

Kayne Anderson Rudnick
Investment Management

Quarterly and Annual Performance

	Gross (%)	Net (%)	Index (%)	Excess Returns (bps)
Third Quarter 2016	3.03	2.27	6.56	(353)
Fourth Quarter 2016	5.61	4.84	6.12	(51)
First Quarter 2017	6.40	5.62	3.76	264
Second Quarter 2017	0.18	(0.56)	2.13	(195)
1 Year Ending 6/30/17	15.99	12.60	19.84	(385)

Attribution by Sector
One Year Ending June 30, 2017



	Consumer Discretionary	Utilities	Financial Services	Materials & Processing	Consumer Staples	Energy	Health Care	Producer Durables	Technology	Total Effect
Russell 2500™ Returns	15.18%	5.03%	20.56%	23.11%	(5.46%)	(13.51%)	27.45%	26.69%	34.54%	19.84%
KAR Returns	25.84%	0.00%	21.78%	23.38%	2.39%	(18.12%)	21.35%	16.10%	14.69%	15.99%
KAR Selection Effect	1.13%	0.00%	0.29%	0.09%	0.07%	(0.10%)	(0.71%)	(1.67%)	(2.89%)	(3.78%)
KAR Allocation Effect	0.01%	0.82%	0.03%	0.01%	0.02%	(0.03%)	0.11%	0.21%	0.60%	1.79%

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Highest Contributors

Small-Mid Cap Core Portfolio
One Year Ending June 30, 2017

Kayne Anderson Rudnick
Investment Management

Security	Contribution	Comments
CDW	+2.02%	CDW continues to execute at the very highest levels, benefiting from a diversified customer base and its investments in new technologies. As the company grows, these investments in knowledgeable tech experts becomes harder to compete against. Its mix may vacillate between services and hardware, but the company's competitive position is what allows it to drive above-average returns and cash flow. The company is an excellent steward of its capital, using its strong cash flow for dividends and share repurchase.
Nordson	+1.78%	Over the past year, Nordson has seen very strong organic sales growth, especially in its Advanced Technology segment's electronic industry customers. Along with strong organic growth, management has made multiple acquisitions in the past year. Margins in the medical businesses are higher than the corporate average and should help continue to drive higher overall margins long term. The medical business will also be less cyclical and have higher barriers over time.
RBC Bearings	+1.73%	RBC Bearings' stock outperformed over the past 12 months due to improved margins from manufacturing efficiencies and expanded product content on new commercial aircraft. We remain optimistic regarding RBC's competitive position in aerospace and defense as well as the long-term outlook for the business.

Lowest Contributors

Small-Mid Cap Core Portfolio
One Year Ending June 30, 2017

Kayne Anderson Rudnick
Investment Management

Security	Contribution	Comments
TripAdvisor *(Sold Q2 2017)*	(1.16%)	TripAdvisor's shares have been under pressure for several years as margins have continued declined due to increased marketing spend. In addition, the transition to Instant Book has negatively impacted revenue growth, which created additional pressure on margins. We expected to see some improvement in business fundamentals this year, but management is intent on ramping up marketing spend further to reignite revenue growth.
Monotype Imaging Holdings	(0.96%)	Monotype's stock continues to be negatively impacted by its Olapic acquisition. This expensive acquisition has pressured margins in the near term. The company is spending materially to support its salesforce, as well as investing in technology to improve the user experience. There is still concern among core investors if this acquisition is too far outside the company's core competency. Even without the problems around the acquisitions, the company's results in the core Create Professional digital commerce sales have been weak as well.
Manhattan Associates	(0.80%)	While Manhattan's results have been reasonably stable, its close alliance with retailers have certainly pressured the stock. We view license growth as the key predictor of a software company's growth prospects, and license growth at Manhattan has remained strong. Services have been hampered by delayed implementations as retailers hesitate before taking on large implementations. We believe Manhattan's competitive position remains strong and that the company should eventually benefit from the necessary supply chain investment that most retailers need to undertake in order to survive.

Purchases

Small-Mid Cap Core Portfolio
Quarter Ending June 30, 2017

Kayne Anderson Rudnick
Investment Management

Purchases	Descriptions/Reasons
Snap-on–Increased Position	We increased our position in Snap-on based upon an attractive valuation. The slowing sales for the Tools Group along with some concern surrounding the company's financing arm has kept the stock from participating in the recent equity rally. While we continue to monitor these issues, we are comfortable that the company is well positioned over the long term.

Sales

Small-Mid Cap Core Portfolio
Quarter Ending June 30, 2017

Kayne Anderson Rudnick
Investment Management

Sales	Reasons
Fastenal–Sold Entire Position	Fastenal has been weak due to concerns about competitive dynamics in the industry. We share these concerns, as enhanced competition could weigh on margins and returns for multiple years to come. Therefore, we sold our position during the quarter.
TripAdvisor–Sold Entire Position	Our initial investment in TripAdvisor was based on the company's network effect in driving consumers' usage of reviews to increase user engagement that could create a virtuous cycle and accelerate bookings over time. However, the company's lack of ability to transition the user experience into profitable growth has created a weakness in this network effect. In addition, the Instant Book feature has not been effective as users are utilizing the website for research, but are booking through other venues. Overall, our loss of confidence in management's ability to allocate resources effectively combined with the competitive environment evolving faster than TripAdvisor led us to sell our shares.

Portfolio Characteristics

Higher Quality, Stronger, More Consistent Growth, & Better Value
Small-Mid Cap Core Portfolio – As of June 30, 2017

Kayne Anderson Rudnick Investment Management

	KAR Small-Mid Cap Core	Russell 2500™ Index
Quality		
Return on Equity–Past 5 Years	20.7%	11.9%
Total Debt/EBITDA	2.2 x	4.8 x
Earnings Variance–Past 10 Years	30.4%	73.8%
S&P Stock Ranking (A+, A, A-, B+)	63.8%	29.0%
Growth		
Earnings Per Share Growth–Past 5 Years	9.2%	9.3%
Earnings Per Share Growth–Past 10 Years	14.7%	8.1%
Dividend Per Share Growth–Past 5 Years	13.1%	10.4%
Dividend Per Share Growth–Past 10 Years	13.6%	6.4%
Capital Generation–{ROE x (1-Payout)}	15.9%	8.8%
Value		
P/E Ratio–Trailing 12 Months	27.2 x	32.8 x
Dividend Yield	0.8%	1.5%
Free Cash Flow Yield†	4.0%	2.7%
Market Characteristics		
$ Weighted Average Market Cap–4 Qtr. Average	$7.4 B	$4.4 B
Largest Market Cap–4 Qtr. Average	$18.2 B	$15.3 B
Annualized Standard Deviation–Since Inception*	14.8%	18.7%

In a market of average businesses, we own protected proprietary businesses that generate exceptional returns on shareholders' capital without employing significant debt.

In a market of cyclical businesses requiring growth capital from fickle markets, we own companies producing self-funded strong, consistent growth sustainable into the future.

And we are able to achieve this high quality and strong growth at a discount valuation to the market.

**April 1, 1992*

†Free cash flow data is as of March 31, 2017. Prices are as of June 30, 2017. Excludes financials.

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Data is obtained from FactSet Research Systems and BNY Mellon and is assumed to be reliable. Other principal consultant firms may use different algorithms to calculate selected statistics. Estimates are based on certain assumptions and historical information. Past performance is no guarantee of future results.

Market Outlook
U.S. Economy

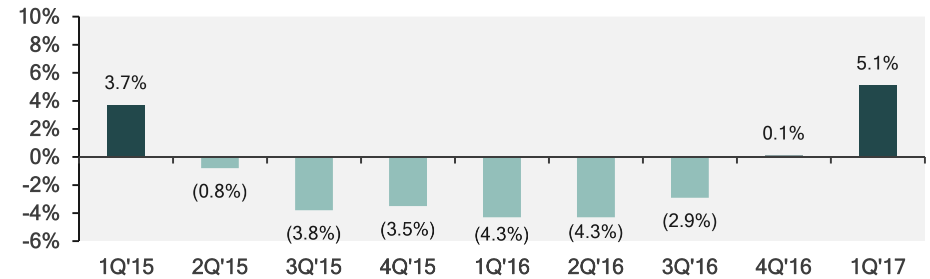
Kayne Anderson Rudnick
Investment Management

The U.S. economy continues to grow modestly. International economies have started to accelerate, improving the outlook for global economic growth rates.

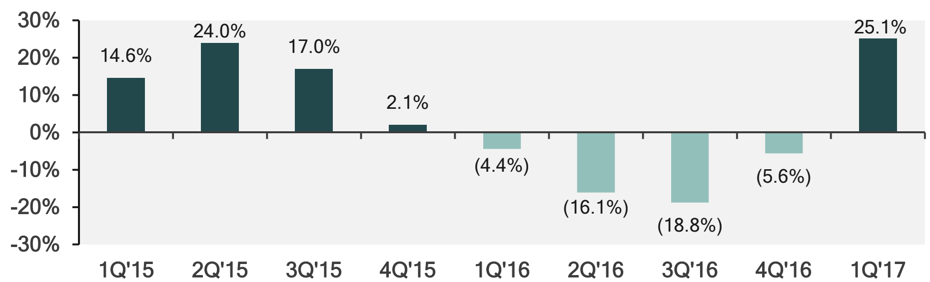
- Corporate earnings and revenue continue to grow in constant currency and companies are maintaining historically high operating margins. Q1 earning per share (EPS) for the S&P 500 was up 13.4%. S&P 500 EPS should improve from low single-digit to mid-to-high single-digit growth over the next 12 to 18 months. Additionally, international markets reported earnings are improving.
- Trump's election should accelerate U.S. GDP to the 2.5% to 3.5% range over the next two years if his agenda becomes a reality. The stock market is assuming little-to-no progress on his agenda currently.
- Corporate cash is at all-time highs, leading to share buybacks, dividend increases and acquisitions. Companies have become more disciplined about their capital allocation. M&A activity has slowed somewhat due to uncertainties about tax reform, but IPO activity is finally picking up.
- Household net wealth continues to hit a new high. Consumer confidence is back to 2007 levels. The labor market continues to improve meaningfully, however, this is a lagging indicator.
- Energy costs have declined significantly providing input cost relief for consumers and companies. However, many energy-related businesses are quickly recovering from recession conditions. Sustainability of the price of energy is an important issue over the next couple of years.
- Innovation is alive and well with the U.S. creating many investment opportunities in industries such as technology, health care and energy.
- Bond yields and mortgage rates have continued to stay fairly low by historical standards, which has helped real estate markets continue to recover.

Global Earnings Growth

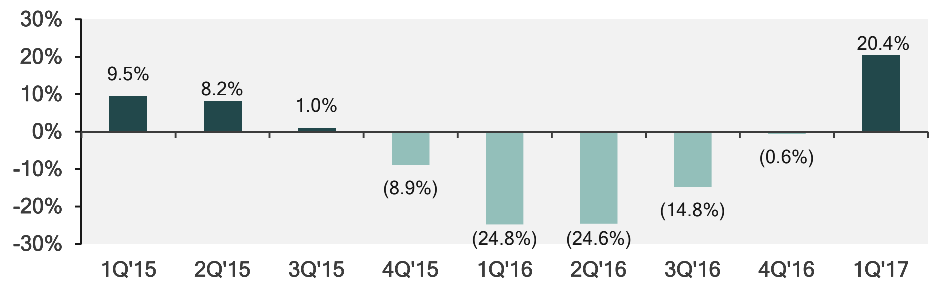
S&P 500® Trailing 12-Month Earnings Growth (Year Over Year)



Nikkei 225 Trailing 12-Month Earnings Growth (Year Over Year)



STOXX 600 Trailing12-Month Earnings Growth (Year Over Year)



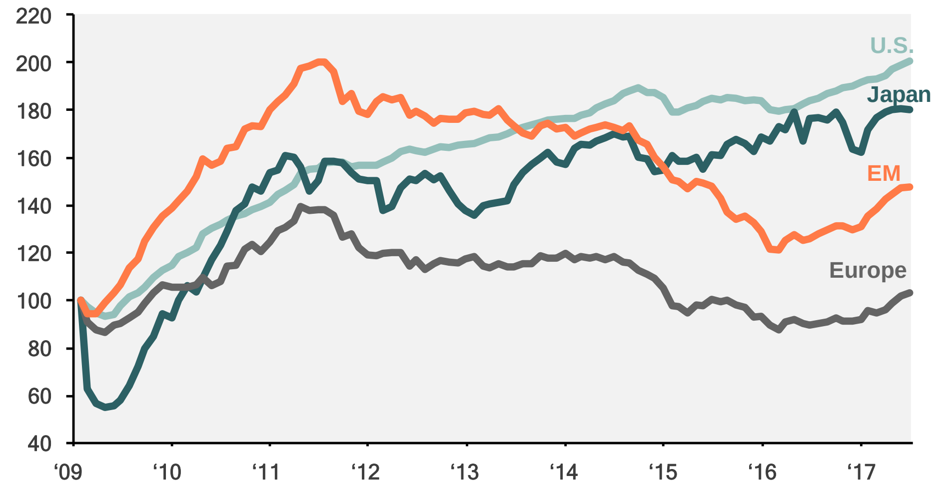
Data as of June 30, 2017.

Data is obtained from FactSet Research Systems, Strategas and Bloomberg and is assumed to be reliable. Past performance is no guarantee of future results.

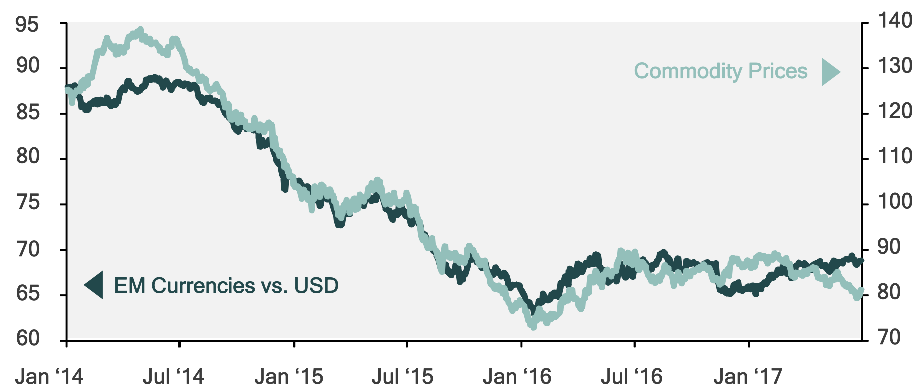
Global growth prospects are solid in Q2, providing support for risk-based assets abroad.

- At a 2.30% yield on the U.S. 10-year bond, a higher initial yield combined with a stable U.S. dollar makes the U.S. bond market very attractive to foreign investors.
- European sovereign debt rates continue to be fairly stable, business activity has improved, and European banks have started to recover due to a steepening yield curve. Italy is finally addressing some of their banking problems.
- European inflation is very benign but is reaching targets. Yields have risen this quarter, lifting many European countries out of a negative interest rate environment.
- Chinese economic growth rates have stabilized in 2016, albeit at lower rates than historically. The transition to a consumption-led economy will take time, but is clearly occurring.
- Weak commodity prices have pressured emerging market growth rates and currencies, but are showing signs of improvement over the last couple of quarters. Uncertainty about U.S. trade policies may slow down the recovery in progress, but initial negotiations appear much better than expected.

Global Earnings
EPS, U.S. Dollar, NTMA, Jan. 2009 = 100



Emerging Markets
Commodity Prices and FX



Data as of June 30, 2017.

EM currencies is the J.P. Morgan Emerging Market Currencies Index. Commodity prices is the Bloomberg Commodity Price Index. Data is obtained from FactSet Research Systems, J.P. Morgan Asset Management, MSCI, Standard & Poor's and Bloomberg and is assumed to be reliable. Past performance is no guarantee of future results.

Market Outlook

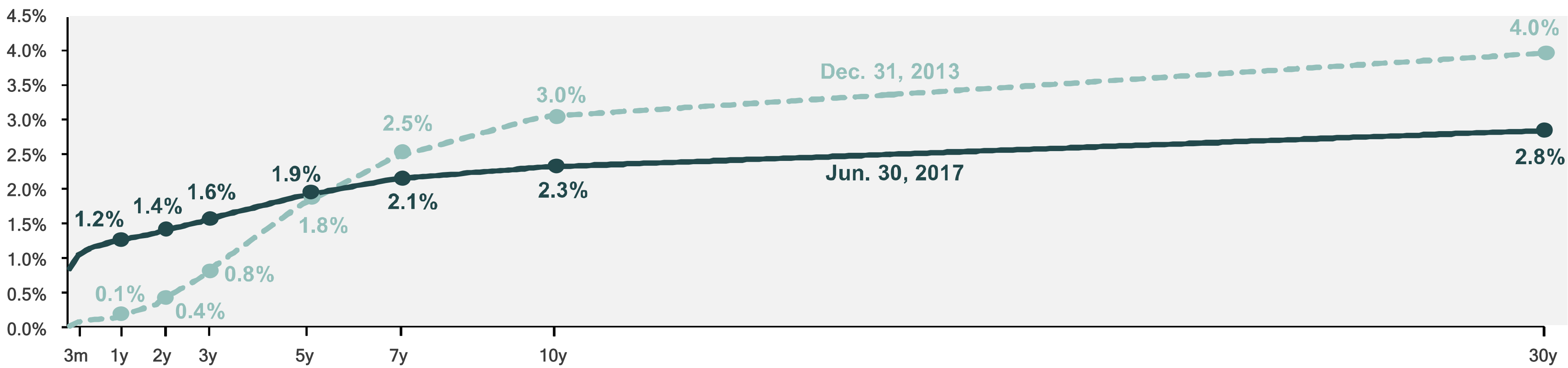
Kayne Anderson Rudnick
Investment Management

Potential Economic Risks:

- How will the long end of the bond market continue to react to the Fed's desire to raise short-term rates once more in 2017?
- Renewed energy price weakness could continue to erode capital spending and business confidence.
- A hard landing in China could slow global GDP materially. Although receding, it is still a risk.
- Does the EU unravel as referendums occur into 2017/18?
- Global deflation, not inflation, continues to be principal risk, but inflation expectations are finally rising somewhat, although still short of targets.
- Continued uncertainty surrounding global trade, travel and immigration policy in the U.S.

Price of Oil
Brent Crude, Nominal Prices, USD/Barrel

Yield Curve
U.S. Treasury Yield Curve



Data as of June 30, 2017.

Bent crude prices are monthly averages in USD using global spot ICE prices. Data is obtained from FactSet Research Systems and J.P. Morgan Asset Management and is assumed to be reliable. Past performance is no guarantee of future results.

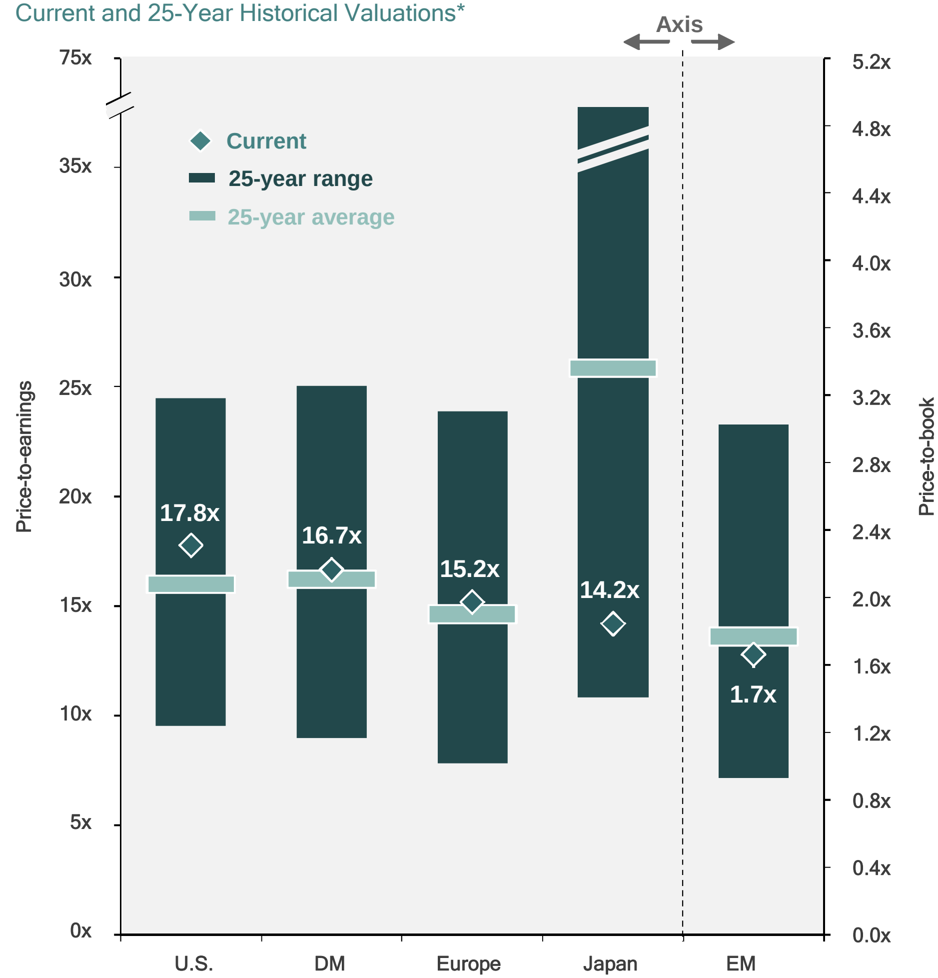
Market Outlook

Kayne Anderson Rudnick
Investment Management

We continue to believe that the risk/reward ratio for equities over the long term is favorable on an absolute basis and particularly relative to fixed income.

- As consumer confidence stays strong, there is potential for P/E ratios to improve slightly. Retail investors still are not engaged.
- Equity valuations remain reasonable by historic measures, both at absolute levels but particularly relative to interest rates.
- With favorable corporate cash flow, investors are being rewarded with increased share buybacks, dividends and occasional acquisitions.
- Corporate profit margins are still being maintained at very high levels even in an overall slower growth environment.
- In the modest growth economy and maturing economic cycle we foresee, we believe high-quality businesses with protected markets are a better place to invest than lower quality companies operating in more competitive markets.
- Investors should expect more modest equity returns going forward (6% to 8% range over time) based on the maturity of this economy and business cycle.

Global Valuations
Current and 25-Year Historical Valuations*



Data as of June 30, 2017.

**Valuations refer to NTMA P/E for Europe, U.S., Japan and developed markets, and P/B for emerging markets. Valuation and earnings charts use MSCI indices for all regions/countries, except for the U.S. which is the S&P 500. All indices use IBES aggregate earnings estimates, which may differ from earnings estimates used elsewhere in the book. Data is obtained from FactSet Research Systems, J.P. Morgan Asset Management, MSCI and Standard & Poor's and is assumed to be reliable. Past performance is no guarantee of future results.*

Appendix

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Investment Management

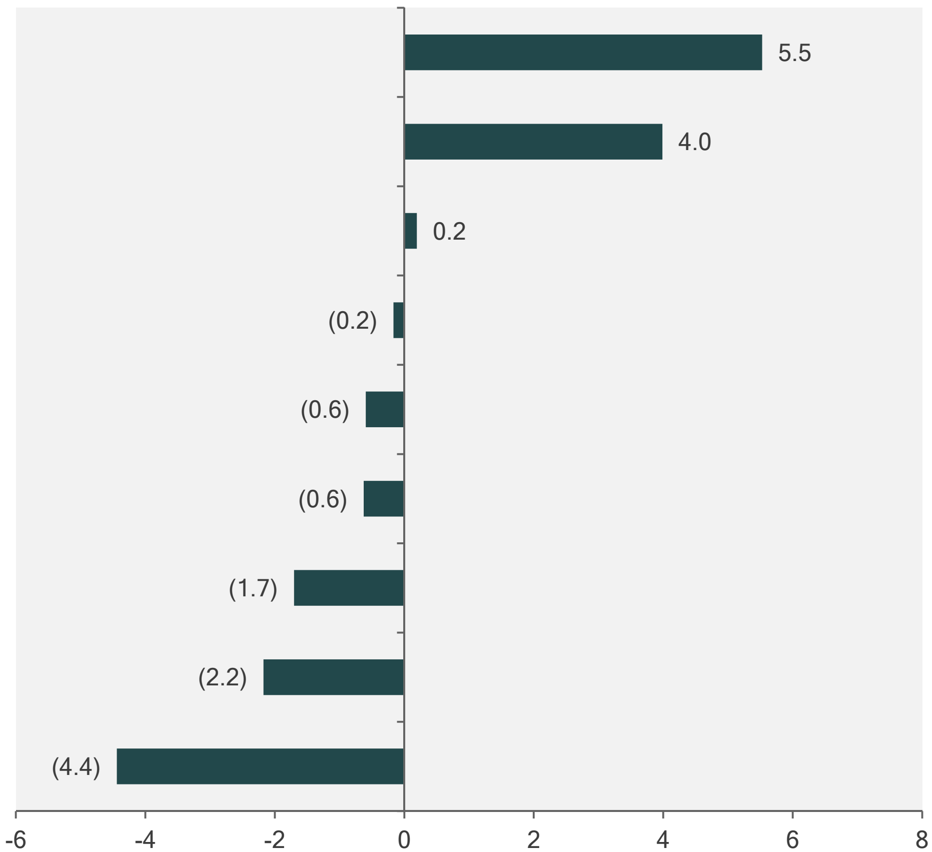
- Portfolio Data
- Disclosure

Sector Weights

Small-Mid Cap Core Portfolio
As of June 30, 2017

Sectors	KAR Small-Mid Cap Core (%)	Russell 2500™ Index (%)
Producer Durables	20.2	14.7
Technology	16.3	12.3
Energy	4.6	4.4
Materials & Processing	7.5	7.7
Health Care	11.3	11.9
Consumer Staples	2.1	2.8
Financial Services	26.1	27.8
Consumer Discretionary	11.8	14.0
Utilities	–	4.4

Underweight/Overweight (%)



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A complete list of portfolio holdings and specific security transactions for the preceding 12 months is available upon request. Holdings are subject to change. Holdings and weightings are based on a representative portfolio. Individual investors' holdings may differ slightly. The sector information represented above is based on Russell sector classifications. Data is obtained from FactSet Research Systems and is assumed to be reliable. Numbers may not always add up due to rounding.

Conviction-Driven Investing Provides Opportunities for Excess Return

Small-Mid Cap Core Portfolio
As of June 30, 2017

Kayne Anderson Rudnick Investment Management

Top 10 Holdings	Russell Sector	% of Portfolio
RBC Bearings	Materials & Processing	5.3
Equifax	Financial Services	5.2
Cooper Companies	Health Care	5.2
Signature Bank	Financial Services	5.0
WABCO Holdings	Consumer Discretionary	4.8
CDW	Technology	4.7
Nordson	Producer Durables	4.7
Wynn Resorts	Consumer Discretionary	4.6
Snap-on	Producer Durables	4.5
Dentsply Sirona	Health Care	4.2
Total		**48.1**

Research confidence leads to large active weights

	KAR Small -Mid Cap Core	Russell 2500™ Index
# of Holdings	29	2,509
Average Position Size (%)	3.4	0.04
Weight of Top Ten Holdings (%)	48.1	2.4
Active Share (%)	97.0	–

The strategy benefits from diversification while still taking significant active positions

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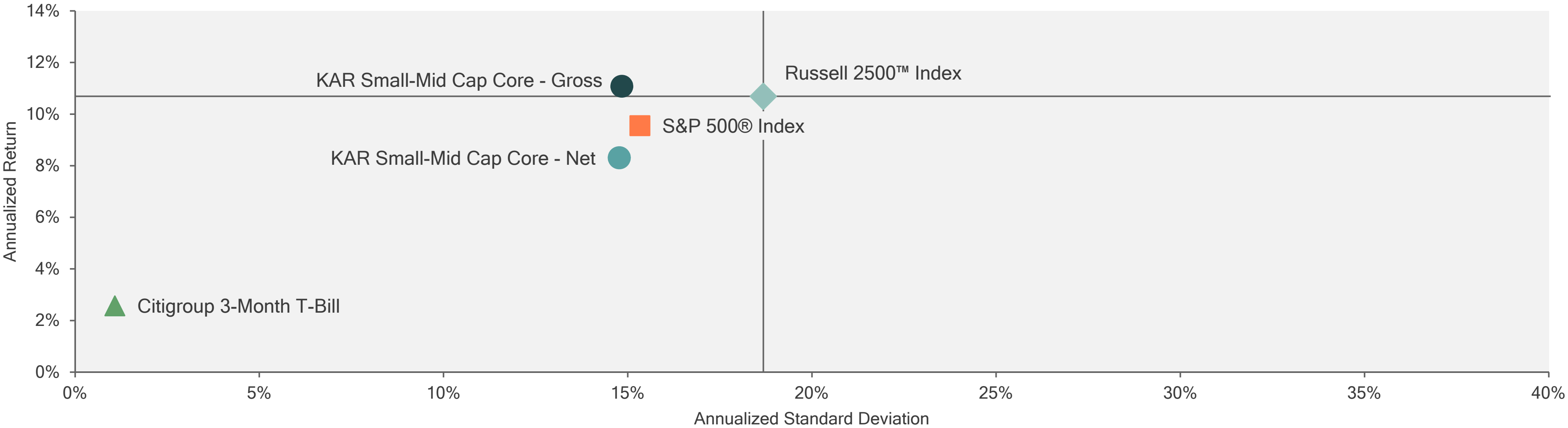
Strong Risk-Adjusted Returns

Small-Mid Cap Core Portfolio
Inception* to June 30, 2017

Kayne Anderson Rudnick Investment Management

Meaningful Excess Return with Lower Volatility
Annualized Since Inception*



Strong Risk-Adjusted Performance Metrics
Annualized Since Inception*

	Alpha	Sharpe Ratio	Standard Deviation	Semi-Standard Deviation	Beta	Tracking Error
KAR Small-Mid Cap Core	2.54	0.58	14.84	11.08	0.70	8.84
Russell 2500™ Index	0.00	0.44	18.68	13.93	1.00	0.00

**April 1, 1992*

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Returns

Small-Mid Cap Core Portfolio

KAR
Kayne Anderson Rudnick
Investment Management

Annualized Performance

Periods Ending 6/30/17	Gross (%)	Net (%)	Index (%)	Excess Return (bps)
Second Quarter	0.18	(0.56)	2.13	(195)
Year to Date	6.60	5.02	5.97	63
1 Year	15.99	12.60	19.84	(385)
3 Years	11.68	9.17	6.93	474
5 Years	14.83	12.54	14.04	79
7 Years	15.15	12.81	14.78	36
10 Years	8.95	6.81	7.42	154
Since Inception*	11.08	8.31	10.69	39

**April 1, 1992*

†Performance calculations are for the nine months ended December 31, 1992.

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*IMPORTANT RISK CONSIDERATIONS: **Equity Securities**: The market price of equity securities may be adversely affected by financial market, industry, or issuer specific events. Focus on a particular style or on small or medium-sized companies may enhance that risk. **Limited Number of Investments:** Because the fund has a limited number of securities, it may be more susceptible to factors adversely affecting its securities than a less concentrated fund. **Industry/Sector Concentration:** A fund that focuses its investments in a particular industry or sector will be more sensitive to conditions that affect that industry or sector than a non-concentrated fund.*

Calendar Year Performance

Periods Ending 12/31	Gross (%)	Net (%)	Index (%)	Excess Return (bps)
2016	17.21	13.78	17.59	(38)
2015	5.76	4.10	(2.90)	866
2014	9.25	7.37	7.07	218
2013	31.04	29.07	36.80	(576)
2012	9.25	7.55	17.88	(863)
2011	8.43	6.02	(2.51)	1094
2010	20.23	17.70	26.71	(647)
2009	31.12	28.86	34.39	(327)
2008	(29.90)	(31.33)	(36.79)	689
2007	0.26	(1.37)	1.38	(112)
2006	14.04	11.75	16.17	(213)
2005	3.24	0.14	8.11	(487)
2004	13.69	10.26	18.29	(460)
2003	25.54	21.91	45.51	(1997)
2002	(17.31)	(19.84)	(17.80)	48
2001	4.57	1.53	1.22	335
2000	23.47	19.85	4.27	1921
1999	7.02	3.93	24.14	(1712)
1998	20.98	17.42	0.38	2060
1997	21.00	17.45	24.36	(336)
1996	26.98	23.22	19.03	795
1995	18.57	15.07	31.70	(1313)
1994	2.75	(0.26)	(1.05)	379
1993	20.00	16.54	16.55	345
1992†	9.65	7.25	11.36	(170)

Disclosure

Small-Mid Cap Core Portfolio

Kayne Anderson Rudnick
Investment Management

Kayne Anderson Rudnick Investment Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Kayne Anderson Rudnick Investment Management, LLC has been independently verified for the period from January 1, 1999 through December 31, 2015.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS® standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS® standards. The Small-Mid Cap Core Wrap Composite has been examined for the period from January 1, 1999 through December 31, 2015. The verification and performance examination reports are available upon request.

Kayne Anderson Rudnick Investment Management, LLC, a wholly owned subsidiary of Virtus Investment Partners, Inc., is a registered investment advisor under the Investment Advisers Act of 1940. Registration of an Investment Advisor does not imply any level of skill or training. Kayne Anderson Rudnick Investment Management, LLC manages a variety of equity and fixed-income strategies focusing exclusively on securities the firm defines as high quality.

The composite includes all fully discretionary Small-Mid Cap Core Wrap Portfolios. Small-Mid Cap Core Wrap Portfolios are invested in equity securities with market capitalizations consistent with the Russell 2500™ Index, that have market control, rising free cash flow, shareholder-oriented management, strong consistent profit growth and low-debt balance sheets. For comparison purposes, the composite is measured against the Russell 2500™ Index. The Russell 2500™ Index is a market capitalization-weighted index of the 2,500 smallest companies in the Russell Universe, which comprises the 3,000 largest U.S. companies. The index is calculated on a total-return basis with dividends reinvested. Benchmark returns are not covered by the report of the independent verifiers. The composite was created in July 2000. A list of composite descriptions and policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.

Beginning on January 1, 2006, sub-advisory wrap fee portfolios are also included in composite results. Each sub-advisory relationship is included in the composite as one account. Prior to January 1, 2011, accounts that experienced a significant cash flow, defined as aggregate flows that exceeded 25% of the account's beginning of period market value, were temporarily removed from the composite. Prior to January 1, 2011, the composite minimum was $100,000.

The standard wrap fee schedule in effect is 3.00% on total assets. Actual management fees charged may vary depending on applicable fee schedules and portfolio size, among other things. Additional information may be found in Part IIA of Form ADV, which is available on request. The performance information is supplied for reference. Past performance is no guarantee of future results. Results will vary among accounts. The U.S. dollar is the currency used to express performance. Performance results include the reinvestment of all income. Prior to December 31, 2005, net annual returns are calculated by deducting 1/4th of an assumed maximum annual wrap fee of 3% from the gross returns on a quarterly basis. Beginning January 1, 2006, net annual returns are calculated using actual fees incurred. If no fee data is provided by wrap sponsors, the maximum annual wrap fee of 3% is used to calculate net of fee performance. Beginning January 1, 2016, net annual returns are calculated by deducting 1/12th of an assumed maximum annual wrap fee of 3% on a monthly basis. Wrap fees include all charges for trading costs, portfolio management, custody and other administrative expenses.

Internal dispersion is calculated using the asset-weighted standard deviation of annual gross returns for accounts in the composite for the entire year. For those years when less than five accounts were included for the full year, no dispersion measure is presented. The three-year annualized ex-post standard deviation of the composite is presented starting December 31, 2012 because prior to January 1, 2010, the composite return was calculated quarterly and 36 monthly returns are not available.

	3-Yr Annualized Standard Deviation (%)	
December 31	Composite	Benchmark
2012	15.22	19.24
2013	12.17	15.85
2014	10.13	11.84
2015	12.17	12.59
2016	12.60	13.86

Year	Total Firm Assets ($ millions)	Total Composite Assets ($ millions)	Wrap Accounts as % of Composite Assets	Accounts at Year End	Pure Gross Annual Return (%)*	Net Annual Return (%)	Russell 2500™ Index Annual Return (%)	Internal Dispersion
2007	5,392	738	100%	92	0.26	(1.37)	1.38	0.28
2008	3,445	309	100%	76	(29.90)	(31.33)	(36.79)	0.29
2009	4,010	342	100%	64	31.12	28.86	34.39	0.64
2010	4,729	316	100%	59	20.23	17.70	26.71	0.35
2011	5,232	337	100%	53	8.43	6.02	(2.51)	0.78
2012	6,545	422	100%	44	9.25	7.55	17.88	0.62
2013	7,841	362	100%	39	31.04	29.07	36.80	0.36
2014	7,989	373	100%	35	9.25	7.37	7.07	0.16
2015	8,095	378	100%	30	5.76	4.10	(2.90)	0.19
2016	9,989	369	100%	30	17.21	13.78	17.59	0.36

**Pure gross returns are supplemental to net returns.*

The Russell 2500™ Index is a trademark/service mark of Frank Russell Company. Russell® is a trademark of Frank Russell Company.