Kayne Anderson Rudnick
Investment Management

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

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Disciplined Investment Approach

Investment Philosophy & Objectives

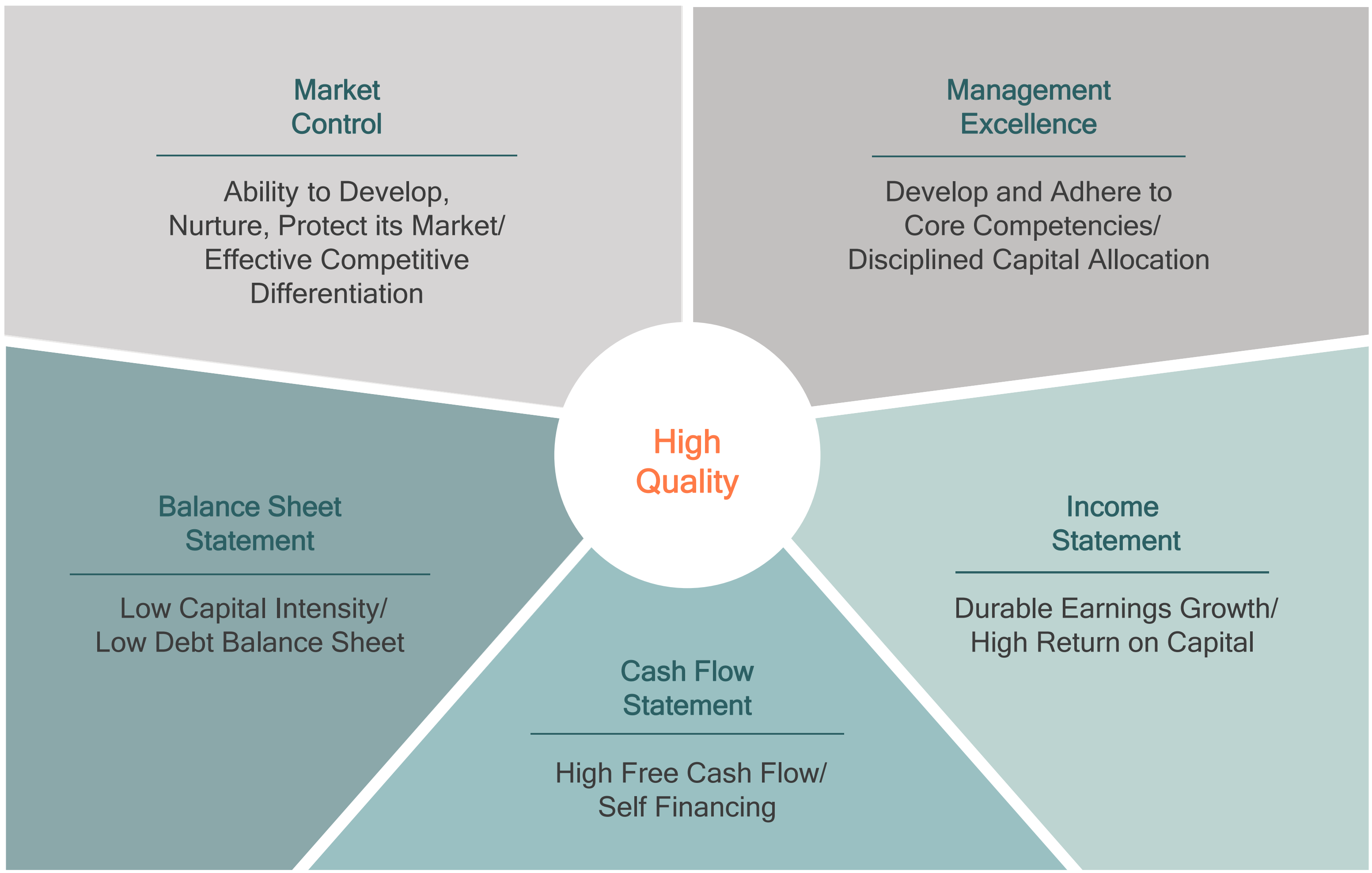
Investment Philosophy

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



Small-Mid Cap Core Team

Kayne Anderson Rudnick Investment Management

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	6 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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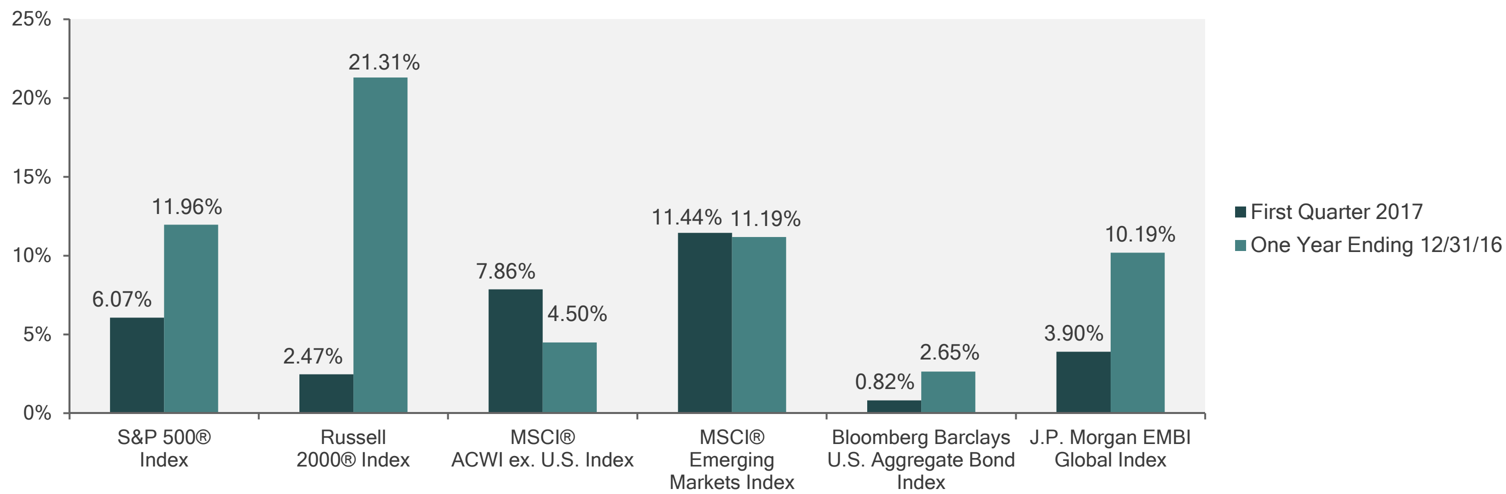
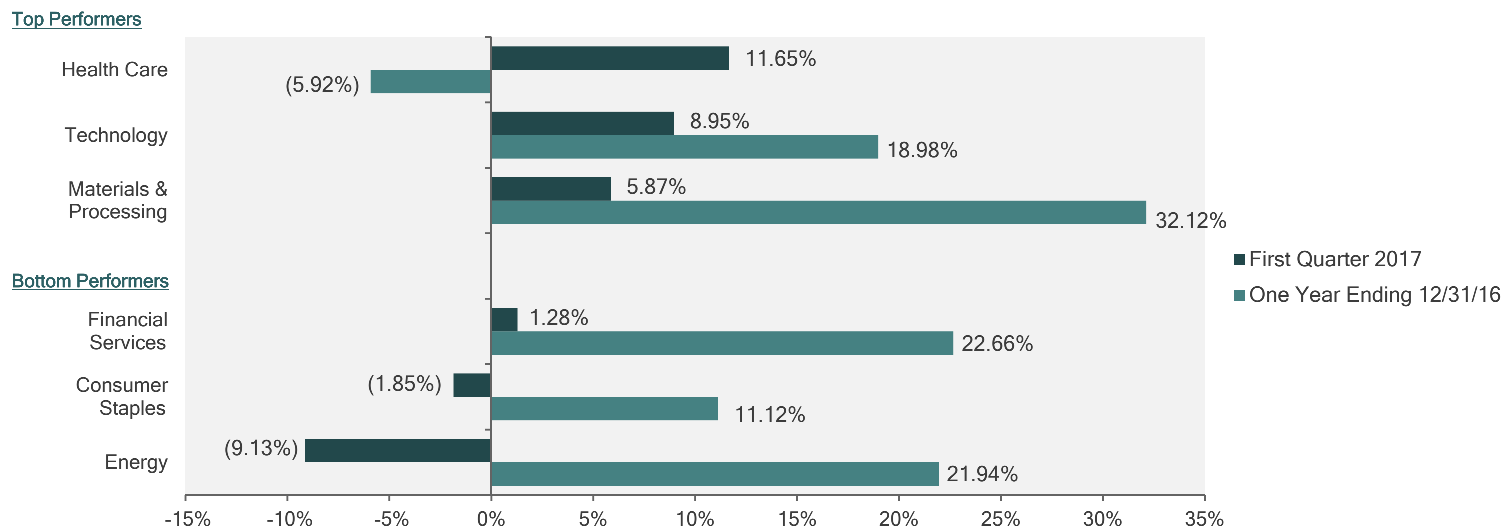
Index Performance



Sector Performance
Russell 2500™ Index



This material is deemed supplemental and complements the performance and disclosure at the end of this presentation.
Data is obtained from FactSet Research Systems and is assumed to be reliable. Past performance is no guarantee of future results.

Market Review

Frequent Style Rotation

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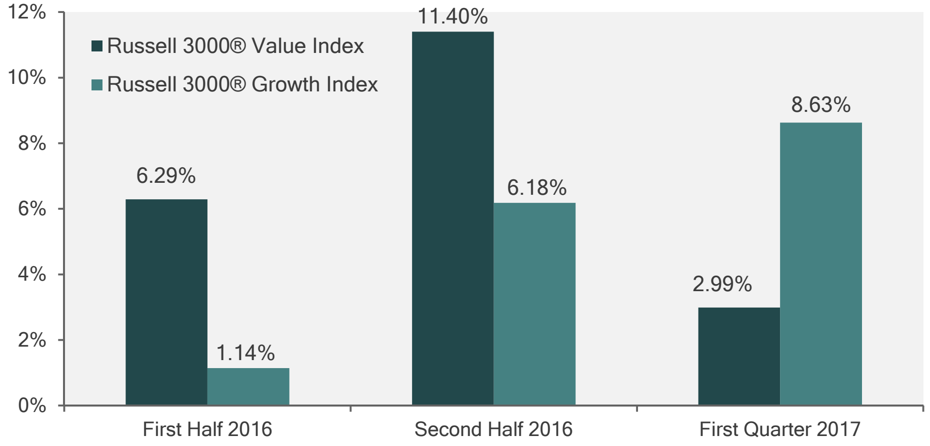
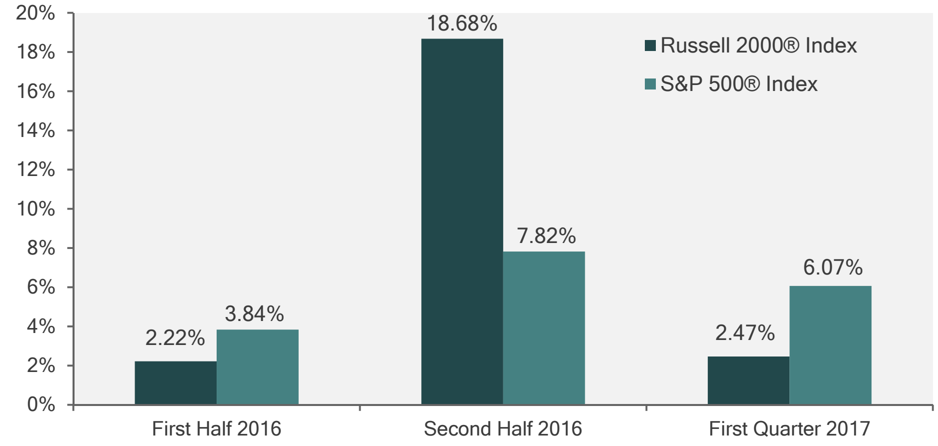
Performance by Style

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



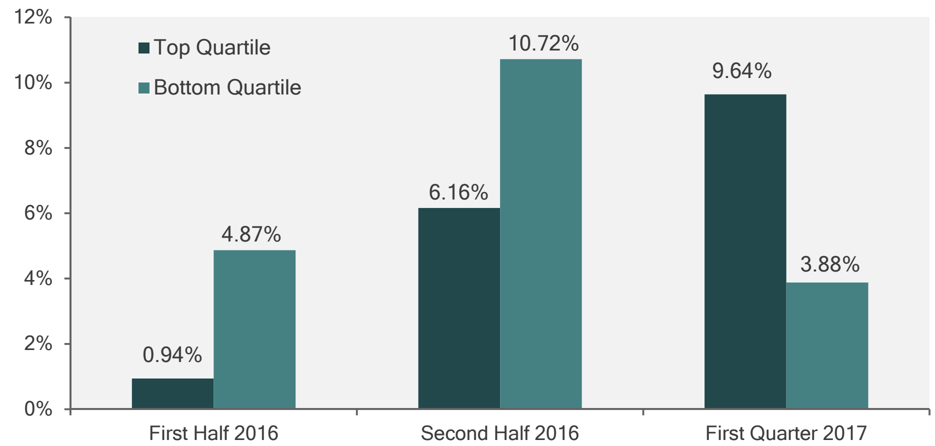
Performance by Market Cap

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



Performance by Sales Growth

Russell 3000® Index



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Quarterly Performance Overview
Small-Mid Cap Core Portfolio
Periods Ending March 31, 2017

Kayne Anderson Rudnick Investment Management

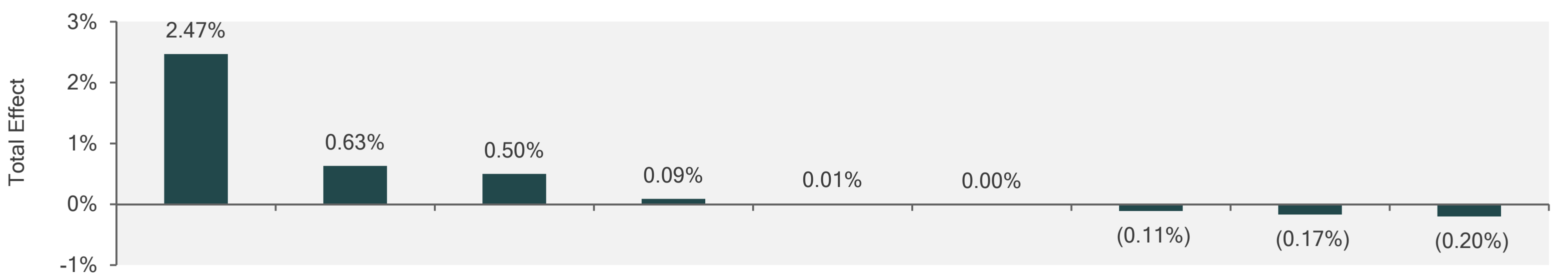
Monthly and Quarterly Performance

	Gross (%)	Net (%)	Index (%)	Excess Returns (bps)
January	2.01	1.76	1.39	62
February	3.19	2.94	2.41	78
March	1.08	0.83	(0.07)	115
First Quarter	6.40	5.62	3.76	264

Contributors

Highest	Contribution
MSCI	+1.05%
Wynn Resorts	+1.01%
Equifax	+0.71%
Lowest	**Contribution**
Winmark	(0.26%)
Dril-Quip	(0.24%)
Carlisle Companies	(0.11%)

Attribution by Sector
Quarter Ending March 31, 2017



	Financial Services	Consumer Discretionary	Consumer Staples	Energy	Utilities	Producer Durables	Materials & Processing	Technology	Health Care	Total Effect
Russell 2500™ Returns	1.28%	4.06%	(1.85%)	(9.13%)	3.76%	2.96%	5.87%	8.95%	11.65%	3.76%
KAR Returns	10.02%	9.55%	13.29%	(6.26%)	0.00%	3.19%	4.11%	6.26%	12.37%	6.40%
KAR Selection Effect	2.45%	0.63%	0.48%	0.20%	0.00%	0.01%	(0.15%)	(0.47%)	0.03%	3.19%
KAR Allocation Effect	0.02%	(0.00%)	0.01%	(0.11%)	0.01%	(0.01%)	0.04%	0.29%	(0.23%)	0.03%

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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.

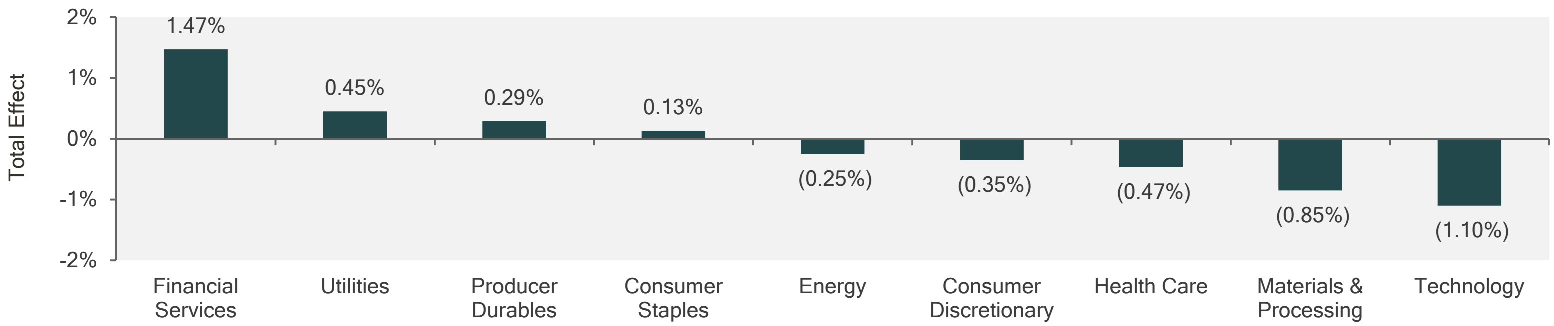
Annual Performance Overview

Small-Mid Cap Core Portfolio
Periods Ending March 31, 2017

Quarterly and Annual Performance

	Gross (%)	Net (%)	Index (%)	Excess Returns (bps)
Second Quarter 2016	3.19	2.42	3.57	(39)
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
1 Year Ending 3/31/17	19.47	15.98	21.53	(206)

Attribution by Sector
One Year Ending March 31, 2017



	Financial Services	Utilities	Producer Durables	Consumer Staples	Energy	Consumer Discretionary	Health Care	Materials & Processing	Technology	Total Effect
Russell 2500™ Returns	23.84%	12.55%	24.24%	5.00%	16.20%	10.67%	21.87%	31.56%	31.65%	21.53%
KAR Returns	29.74%	0.00%	25.52%	9.85%	2.10%	8.18%	16.75%	20.34%	21.16%	19.47%
KAR Selection Effect	1.45%	0.00%	0.18%	0.10%	(0.43%)	(0.44%)	(0.69%)	(0.95%)	(1.53%)	(2.31%)
KAR Allocation Effect	0.01%	0.45%	0.11%	0.03%	0.18%	0.09%	0.22%	0.09%	0.43%	1.64%

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Highest Contributors

Small-Mid Cap Core Portfolio
One Year Ending March 31, 2017

Kayne Anderson Rudnick
Investment Management

Security	Contribution	Comments
Primerica	+3.10%	Primerica's shares were under pressure due to concern over how the Department of Labor's Fiduciary Standard Rule would impact the retirement investment account industry. While the final language of the rule was less onerous than feared, some questions had remained over the ultimate cost of implementation. The Trump administration has delayed implementation of the rule and there is a good chance it may never be enacted. With this overhang now removed from the stock, investors have refocused on the fundamentals of the business.
Aspen Technology	+2.39%	With the relative stabilization in oil markets, investors have become more confident in Aspen's long-term prospects. For its part, Aspen's financial results weathered the downturn in oil prices quite well, thanks to its long-term contracts and mission-critical nature of its software. Over the last few quarters, the company has established a new product roadmap to tackle equipment maintenance for customers. This greenfield opportunity would be entirely incremental for Aspen's business and is a natural extension of its existing product suite.
Nordson	+2.22%	Nordson's continued double-digit organic growth, led by its Advanced Technology Systems segment selling into the mobile electronic industry participants, led to stock price appreciation. We believe that additional growth opportunities in the medical segment—which should help lessen the overall cyclicality of the business—and still strong growth in electronics, should lead to continued good results, albeit at a slightly slower pace.

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A complete list of portfolio holdings and specific securities transactions for the preceding 12 months is available upon request. Holdings are subject to change. All information is provided for informational purposes only and should not be deemed as a recommendation to purchase the securities mentioned. Kayne Anderson Rudnick has chosen to review the securities in this document based upon objective criteria. It should not be assumed that securities recommended in the future will be profitable. Data is obtained from FactSet Research Systems and is assumed to be reliable. Past performance is no guarantee of future results.

Lowest Contributors

Small-Mid Cap Core Portfolio
One Year Ending March 31, 2017

Kayne Anderson Rudnick
Investment Management

Security	Contribution	Comments
TripAdvisor	(1.00%)	TripAdvisor's shares have been under pressure for several years as margins have continued to decline due to increased marketing spend. In addition, the recent rollout of Instant Book has negatively impacted revenue growth, which created additional pressure on margins. While uncertainty remains regarding TripAdvisor's ability to get consumers to adopt Instant Book, the franchise value of their core travel review site appears to be intact. As Instant Book matures, it should allow TripAdvisor to further monetize the vast amount of traffic that visits its sites, which will sustain long-term revenue and profit growth.
Monotype Imaging Holdings	(0.57%)	Monotype Imaging Holdings announced the acquisition of Olapic, a user-generated content company. Many view this expensive acquisition as being outside Monotype's core competency. It will also have a dilutive impact on margins in the near-term, in addition to margin declines we have already seen as the company invests in its creative professional business. Longer-term, the acquisition could make sense depending on how much the company invests to support its growth. For now, the company's business should be supported by solid HTML5 demand and potential stability in its printer business.
Manhattan Associates	(0.28%)	Although Manhattan Associates continues to execute very well in its core business, its retail customer business is under severe pressure, particularly following a weak holiday season. Although many of these customers need to invest in order to improve their competitive position vis-a-vis online threats, it is challenging to do so when their financial results have been under so much pressure. We believe the company is very well-positioned to weather this storm and drive continued penetration into existing customers, as well as add new customers over time.

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Purchases

Small-Mid Cap Core Portfolio
Quarter Ending March 31, 2017

Kayne Anderson Rudnick
Investment Management

Purchases	Descriptions/Reasons
Cotiviti Holdings–Initiated Position	Cotiviti provides analytics-driven payment accuracy solutions primarily for the health-care sector. It operates through two segments: Health Care (roughly 90% of revenues) and Retail (10%).
Lennox International–Initiated Position	Lennox manufactures a wide variety of heating, ventilation, air conditioning (HVAC) and refrigeration products. The company consists of three segments: Residential, Commercial and Refrigeration.

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Cotiviti Holdings (COTV)

- Cotiviti offers prospective claims accuracy solutions that enable health-care clients to identify and address claim discrepancies immediately following claim adjudication and before a claim is paid to a health-care provider; and retrospective claims accuracy solutions that enable health insurers to identify and resolve payment inaccuracies after a claim has been paid to a health-care provider.

- Cotiviti is the only end-to-end provider of both prospective and retrospective claims accuracy solutions in the health-care and retail space. The years of experience and trust that clients have in Cotiviti comes from having over 65% of enrolled health plan members in the U.S. with the company serving 40 of the 100 largest health plans. The turning over of data to a third party is daunting for many health-care providers, and Cotiviti's solid industry reputation eases those concerns.

- Cotiviti analyzes more claims than peers by multiples which helps build and enhance its robust algorithms over time, further strengthening the company's competitive moat.

- Cotiviti's cross-selling opportunity is substantial, with a typical company being 10% to 15% penetrated with their products. Only 14 (out of 40) clients have both the company's prospective and retrospective claims products. The cross-selling opportunity should lead to further organic growth and margin expansion.

Lennox International (LII)

- Lennox has an established brand that is recognized by both HVAC contractors and end-market consumers. Consumers of residential HVAC equipment largely rely on HVAC contractor recommendations as contractors are legally required to install all equipment. The contractor has little incentive to use an off-brand product as their reputation is crucial. Selling a respected brand, such as Lennox, minimizes career risk. Additionally, it enables the contractor to associate their business with a national brand, become well versed in Lennox's product line to enhance their sales capabilities and speed up repair times due to product familiarity.

- Being the second-largest residential HVAC manufacturer enables Lennox to leverage fixed costs, obtain purchase discounts and benefit from nationwide marketing campaigns. Another important benefit to scale is the rollout of company owned distribution via Parts Plus stores. HVAC contractors are more willing to support a brand if those products are in close proximity and can be easily obtained. Parts Plus stores, in combination with multiple technology investments, provide an advantage for HVAC contractors.

Sales

Small-Mid Cap Core Portfolio
Quarter Ending March 31, 2017

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Sales	Reasons
Watsco–Sold Entire Position	We sold Watsco and purchased Lennox. These two companies compete in the HVAC industry and Lennox's larger market cap is a more appropriate fit for the Small-Mid Cap Core portfolio.
Aspen Technology–Trimmed Position	We continue to believe that Aspen represents one of the more protected businesses in application software. The company's customer base relies on Aspen's software to run daily business operations and can continue to benefit from further use of Aspen's technology to drive better profitability and efficiency. With the shares trading attractively, we took the opportunity to reduce our position in the company.
Church & Dwight–Trimmed Position	We trimmed our position in Church & Dwight to help fund a new purchase. The company reported solid results in the fourth quarter of 2016, driven by strong volume growth in the consumer domestic category. We believe that Church & Dwight will continue to benefit from being a strong player in the value categories in which it participates.
MSCI–Trimmed Position	MSCI's leading position as a global index provider, entrance into the portfolio risk and performance analytics products, and leading position in the rapidly expanding exchange-traded fund segment helped the company achieve a superior growth and profitability profile. The company also–with ValueAct's urging–restructured its capital allocation towards share repurchases, with outstanding number of shares down nearly 25% over the last three years. Though the company has also taken on additional debt as a result, the strong free-cash-flow generation of the business model helps support the additional debt. However, with the stock having appreciated strongly versus the Russell 2500 Index since our last trim in April 2015, we decided to trim our position again due to valuation.

Portfolio Characteristics

Higher Quality, Stronger, More Consistent Growth, & Better Value
Small-Mid Cap Core Portfolio – As of March 31, 2017

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	KAR Small-Mid Cap Core	Russell 2500™ Index
Quality		
Return on Equity–Past 5 Years	21.5%	11.7%
Total Debt/EBITDA	2.1 x	4.7 x
Earnings Variance–Past 10 Years	31.6%	77.2%
S&P Stock Ranking (A+, A, A-, B+)	64.9%	30.4%
Growth		
Earnings Per Share Growth–Past 5 Years	9.9%	9.8%
Earnings Per Share Growth–Past 10 Years	13.6%	7.8%
Dividend Per Share Growth–Past 5 Years	14.1%	10.7%
Dividend Per Share Growth–Past 10 Years	14.6%	5.4%
Capital Generation–{ROE x (1-Payout)}	16.3%	8.6%
Value		
P/E Ratio–Trailing 12 Months	27.3 x	33.6 x
Dividend Yield	0.8%	1.5%
Free Cash Flow Yield†	4.0%	3.0%
Market Characteristics		
$ Weighted Average Market Cap–4 Qtr. Average	$7.3 B	$4.2 B
Largest Market Cap–4 Qtr. Average	$19.7 B	$15.0 B
Annualized Standard Deviation–Since Inception*	14.9%	18.8%

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 December 31, 2016. Prices are as of March 31, 2017. Excludes financials.

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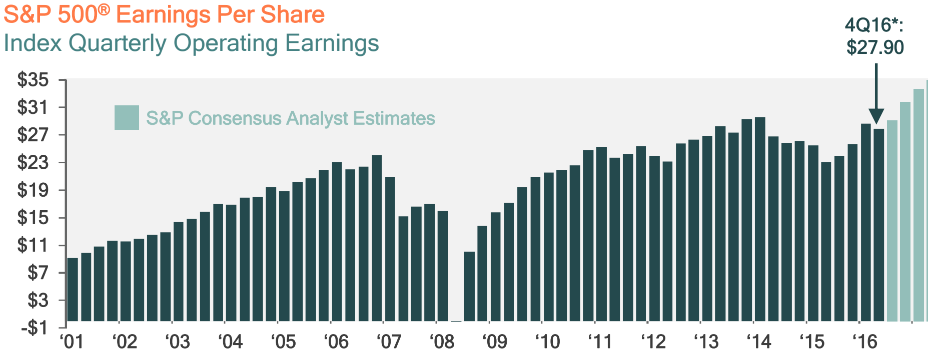
Data is obtained from FactSet Research Systems and BNY Mellon and is assumed to be reliable. Other principal consultant firms may use different algorithms to calculate selected statistics. Estimates are based on certain assumptions and historical information. Past performance is no guarantee of future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

Market Outlook
U.S. Economy

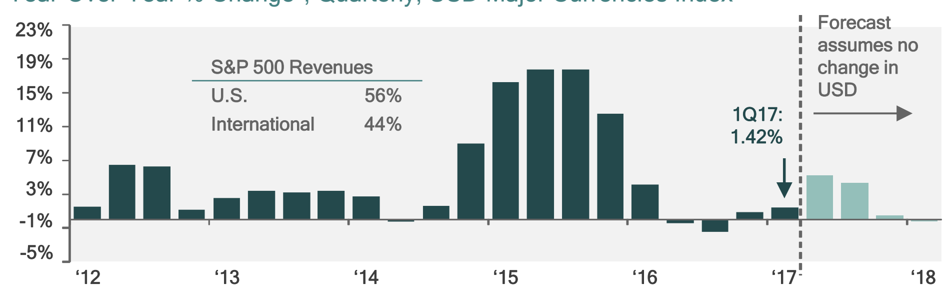
The U.S. economy continues to grow modestly. International economies have started to stabilize, improving the outlook for global economic growth rates.

- Corporate earnings and revenue continue to grow in constant currency and companies are maintaining historically high operating margins. However, the strength in the U.S. dollar and the decline in energy earnings have been hurting reported earnings of the S&P 500 over the last two years, but this is abating. S&P 500 EPS should improve from low single-digit to mid-to-high single-digit growth over the next 12 to 18 months.
- 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 or perhaps even in a gridlock political environment.
- 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, 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.
- 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.

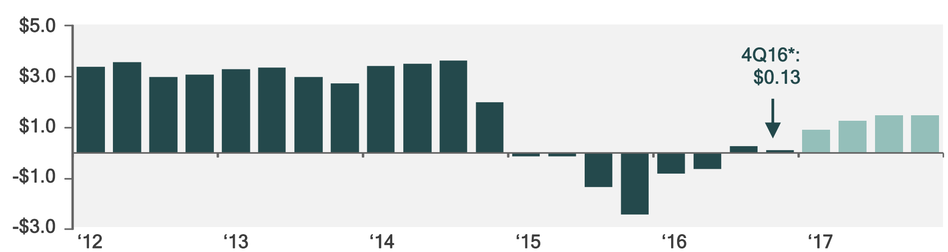
S&P 500® Earnings Per Share
Index Quarterly Operating Earnings



U.S. Dollar
Year-Over-Year % Change†, Quarterly, USD Major Currencies Index



Energy Sector Earnings
Energy Sector Contribution to S&P 500® EPS, Quarterly



Data as of March 31, 2017.

**4Q16 earnings are calculated using actual earnings for 98.2% S&P 500 market cap and earnings estimates for the remaining companies.*

†Year-over-year change is calculated using the quarterly average for each period. USD forecast assumes no changes in the U.S. dollar from its March 31, 2017 level.

EPS levels are based on operating earnings per share. Earnings estimates are Standard & Poor's consensus analyst expectations. Currencies in the Trade Weighted U.S. Dollar Major Currencies Index are: British pound, euro, Swedish krona, Australian dollar, Canadian dollar, Japanese yen and Swiss franc. Data is obtained from FactSet Research Systems, J.P. Morgan Asset Management, Compustat, Standard & Poor's, Federal Reserve, S&P 500 individual company 10k filings and S&P Index Alert. Past performance is no guarantee of future results.

Market Outlook
International Economy

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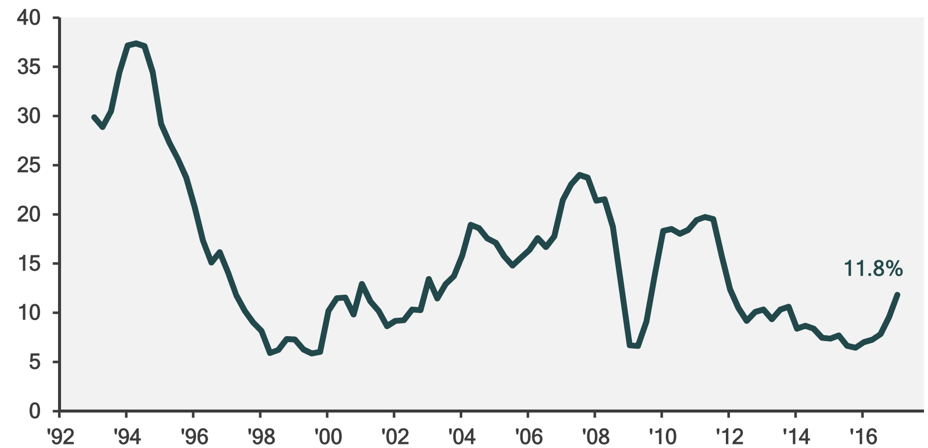
Investment Management

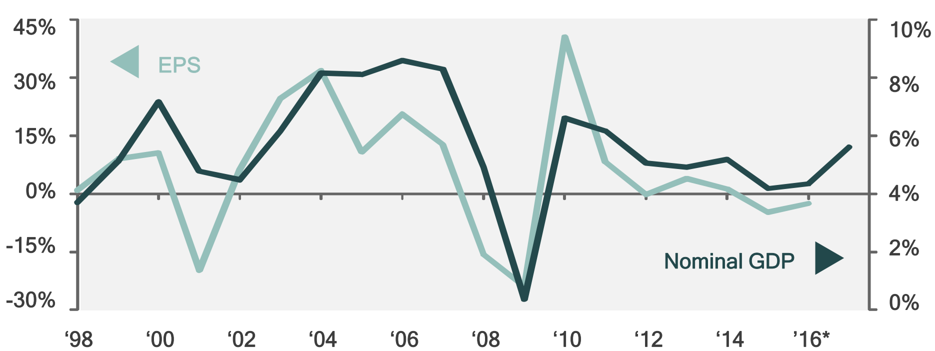
Global growth prospects are solid in Q1, providing support for risk-based assets abroad.

- At a 2.39% 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 been starting to improve due to a steepening yield curve.
- 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 stability over the last couple of quarters. Uncertainty about U.S. trade policies may slow down the recovery in progress, but initial negotiations appear better than expected.

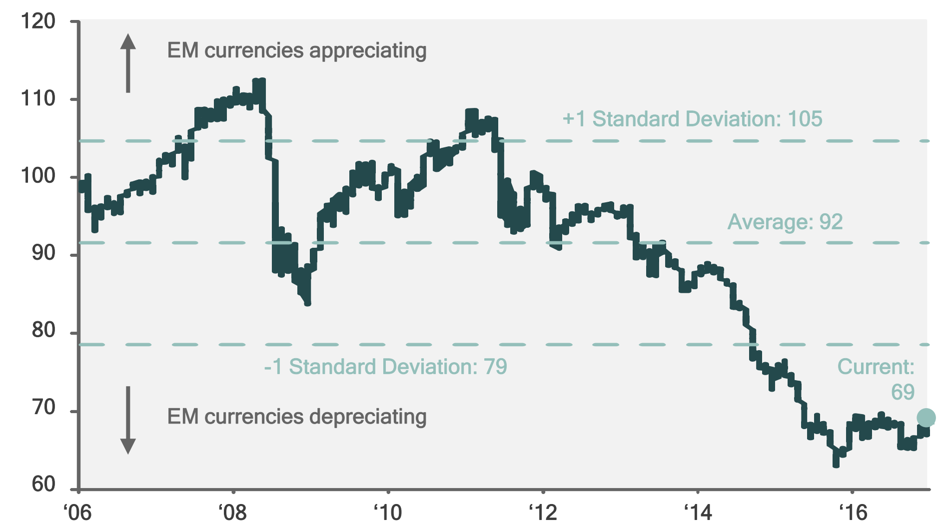
China Nominal GDP
Y/Y%, NSA



Global GDP Growth and Corporate Profits
Year-Over-Year Growth, Nominal GDP, MSCI AC World Trailing EPS



EM FX vs. U.S. Dollar
Index Level



Data as of March 31, 2017.

**2016 are IMF estimates.*

Data is obtained from FactSet Research Systems, J.P. Morgan Asset Management, J.P. Morgan Global Economic Research, IMF, MSCI and Strategas and is assumed to be reliable. Past performance is no guarantee of future results.

Market Outlook

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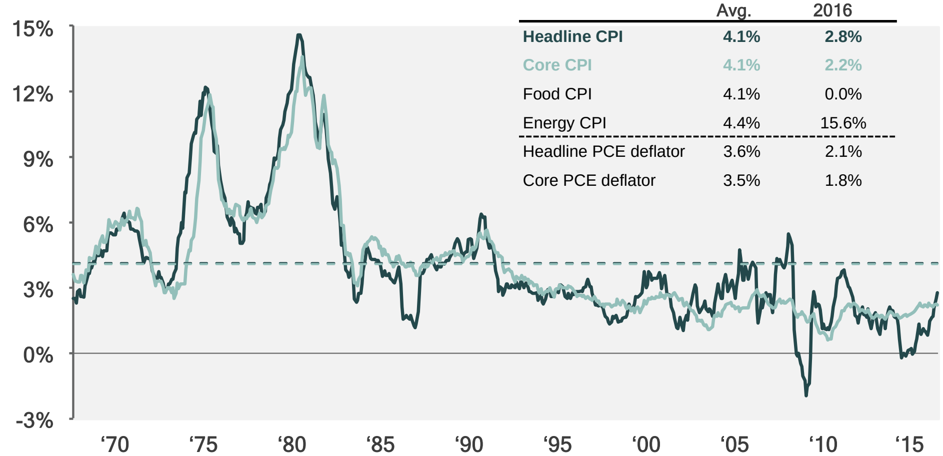
Potential Economic Risks:

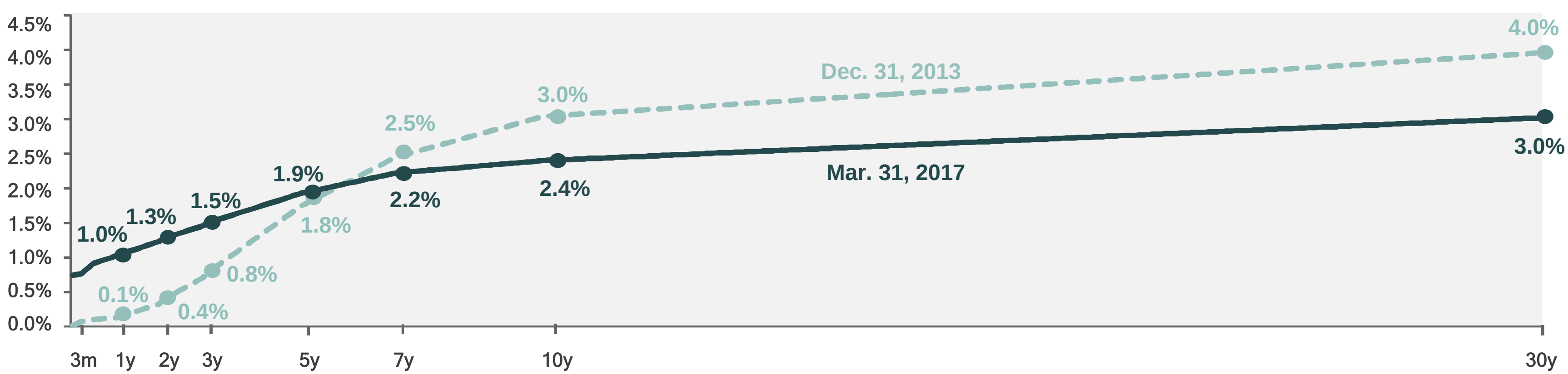
- How will the long end of the bond market continue to react to the Fed's desire to raise short-term rates further into 2017?
- A hard landing in China could slow global GDP materially. It is still a risk.
- Europe goes into another recession despite QE efforts by the ECB due to Brexit effects.
- Does the EU unravel as referendums occur into 2017/18 (France, Italy, etc.)?
- Global deflation, not inflation, continues to be principal risk, but inflation expectations are finally rising.
- Renewed energy price weakness could continue to erode capital spending and business confidence.
- Continued uncertainty surrounding global trade and immigration policy in the U.S.

CPI and Core CPI
% Change vs. Prior Year, Seasonally Adjusted



	50-Yr. Avg.	November 2016
Headline CPI	4.1%	2.8%
Core CPI	4.1%	2.2%
Food CPI	4.1%	0.0%
Energy CPI	4.4%	15.6%
Headline PCE deflator	3.6%	2.1%
Core PCE deflator	3.5%	1.8%

Yield Curve
U.S. Treasury Yield Curve



Data as of March 31, 2017.

CPI used is CPI-U and values shown are % change versus one year ago and reflect February 2017 CPI data. Core CPI is defined as CPI excluding food and energy prices. The Personal Consumption Expenditure (PCE) deflator employs an evolving chain-weighted basket of consumer expenditures instead of the fixed-weight basket used in CPI calculations.

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Market Outlook

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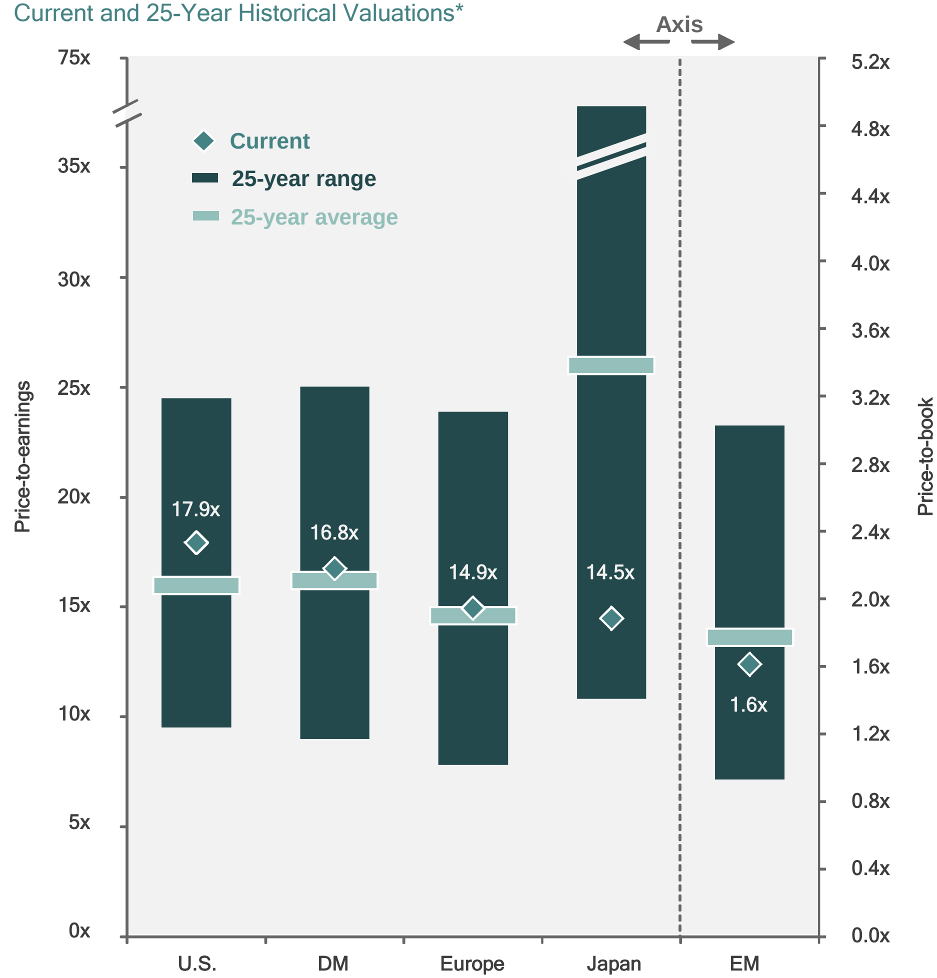
We continue to believe that the risk/reward ratio for equities over the long term is favorable on an absolute basis and particularly relative to fixed income.

- 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 March 31, 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

Kayne Anderson Rudnick
Investment Management

- Portfolio Data
- Disclosure

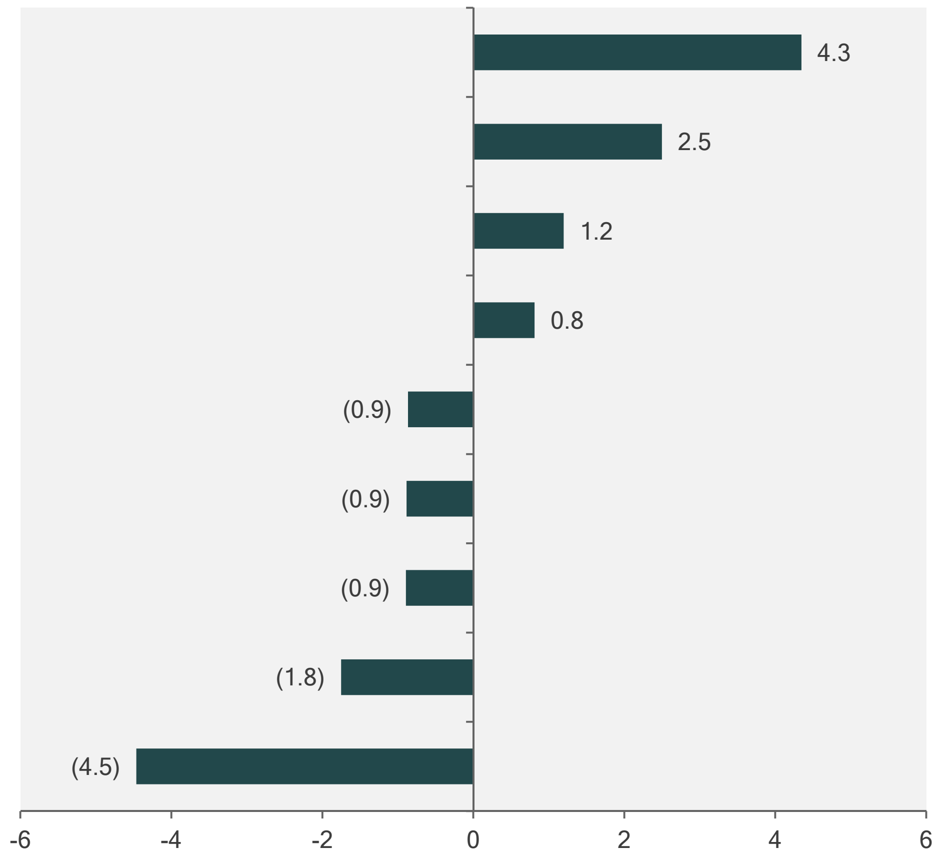
Sector Weights

Small-Mid Cap Core Portfolio
As of March 31, 2017

Kayne Anderson Rudnick Investment Management

Sectors	KAR Small-Mid Cap Core (%)	Russell 2500™ Index (%)
Technology	16.4	12.1
Producer Durables	17.3	14.8
Materials & Processing	9.3	8.1
Energy	5.2	4.4
Financial Services	27.4	28.3
Health Care	10.5	11.3
Consumer Staples	2.0	2.9
Consumer Discretionary	12.0	13.7
Utilities	–	4.5

Underweight/Overweight (%)



This material is deemed supplemental and complements the performance and disclosure at the end of this presentation.

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 March 31, 2017

Kayne Anderson Rudnick Investment Management

Top 10 Holdings	Russell Sector	% of Portfolio
Equifax	Financial Services	5.2
RBC Bearings	Materials & Processing	5.0
Nordson	Producer Durables	4.7
WABCO Holdings	Consumer Discretionary	4.4
Cooper Companies	Health Care	4.3
CDW	Technology	4.3
Aspen Technology	Technology	4.2
Dentsply Sirona	Health Care	4.0
Jack Henry & Associates	Financial Services	4.0
Wynn Resorts	Consumer Discretionary	3.9
Total		**44.0**

Research confidence leads to large active weights

	KAR Small -Mid Cap Core	Russell 2500™ Index
# of Holdings	31	2,440
Average Position Size (%)	3.2	0.04
Weight of Top Ten Holdings (%)	44.0	2.8
Active Share (%)	97.1	–

The strategy benefits from diversification while still taking significant active positions

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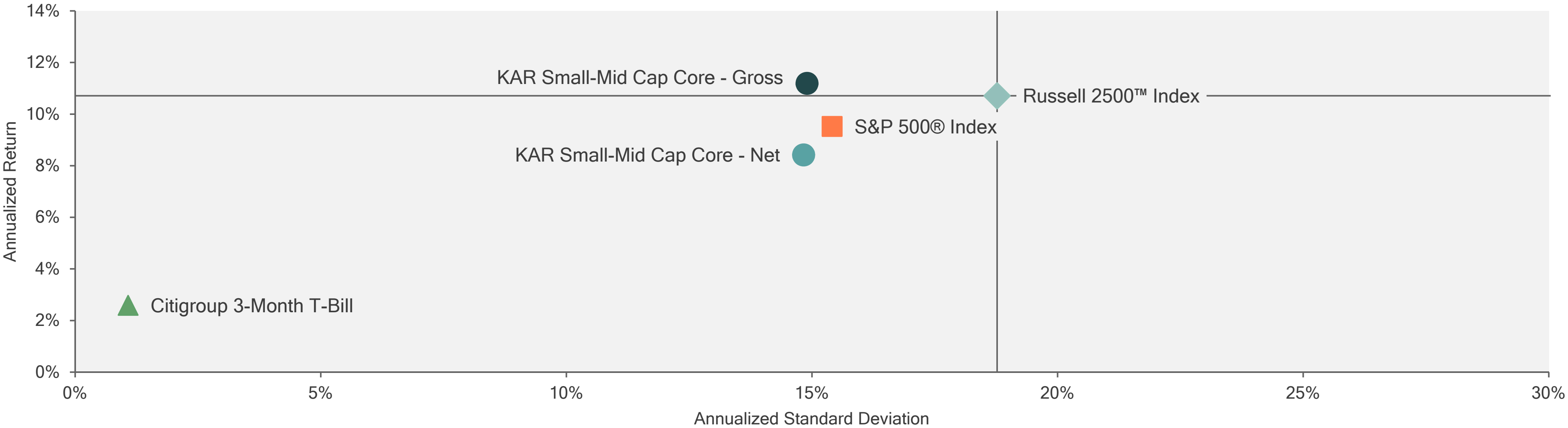
Strong Risk-Adjusted Returns

Small-Mid Cap Core Portfolio
Inception* to March 31, 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	2.62	0.58	14.90	11.15	0.70	8.88
Russell 2500™ Index	0.00	0.44	18.77	14.01	1.00	0.00

**April 1, 1992*

This material is deemed supplemental and complements the performance and disclosure at the end of this presentation.

Returns for the Kayne Anderson Rudnick composite are preliminary and are gross of fees unless otherwise specified. 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. Past performance is no guarantee of future results.

Returns

Small-Mid Cap Core Portfolio

Kayne Anderson Rudnick Investment Management

Annualized Performance

Periods Ending 3/31/17	Gross (%)	Net (%)	Index (%)	Excess Return (bps)
First Quarter	6.40	5.62	3.76	264
1 Year	19.47	15.98	21.53	(206)
3 Years	13.67	11.18	7.43	623
5 Years	13.53	11.35	12.60	93
7 Years	13.96	11.71	12.73	123
10 Years	9.05	6.95	7.71	135
Since Inception*	11.19	8.42	10.71	48

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)

**April 1, 1992*

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

This material is deemed supplemental and complements the performance and disclosure at the end of this presentation.

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.

*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.*

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, 2014.

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, 2014. The verification and performance examination reports are available upon request.

Kayne Anderson Rudnick Investment Management, LLC, a wholly owned subsidiary of Virtus Investment Partners, Ltd., 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. 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	12.16	15.85
2014	10.13	11.84
2015	12.17	12.59

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
2006	6,523	1,006	100%	139	14.04	11.75	16.17	0.16
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

**Beginning October 1, 1995, 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.