

Small Cap Quality Select Portfolio

First Quarter 2021

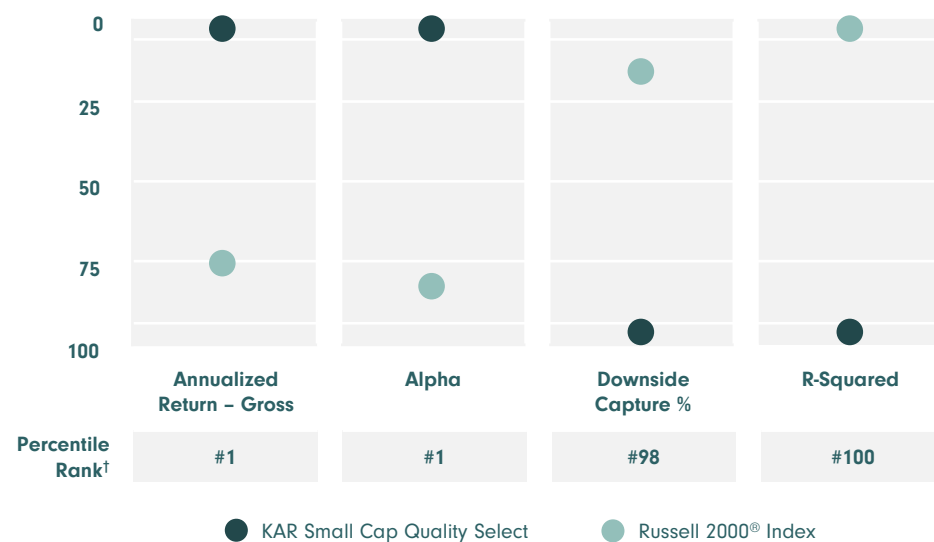


Portfolio Strategy

Our goal is to provide exceptional long-term investment results by owning a focused portfolio of businesses with enduring competitive protections and favorable long-term prospects purchased at attractive prices. We utilize our firm's extensive knowledge of high-quality companies to construct a portfolio of what we feel are the best opportunities chosen from across our investment universe without consideration of style or sector weight restrictions. We do not attempt to forecast the market, but instead try to understand individual companies and their worth so that we are in a position to recognize attractive prices when they arise. We do not use leverage.

Peer Comparison Chart

Inception* to March 31, 2021



Portfolio Highlights

Style: Small Cap
Index: Russell 2000®
Portfolio Inception: 2006
Number of Holdings: 6-12

Investment Management Team

Name	Years of research experience
Douglas S. Foreman, CFA Chief Investment Officer	35
Todd Beiley, CFA Portfolio Manager + Senior Research Analyst	22
Julie Biel, CFA Senior Research Analyst	13
Jon Christensen, CFA Senior Research Analyst	26
Julie Kutasov Senior Research Analyst	20
Craig Stone Senior Research Analyst	32
Chris Wright, CFA Senior Research Analyst	9
Sean Dixon Research Analyst	12
Adam Xiao, CFA Research Analyst	6

Historical Returns

	KAR Small Cap Quality Select (gross)	KAR Small Cap Quality Select (net) [§]	Russell 2000® Index
Annualized Returns (%)[‡]			
As of March 31, 2021			
1 st Quarter	7.52	7.19	12.70
One Year	68.55	66.54	94.85
Three Years	17.76	16.31	14.76
Five Years	26.59	25.04	16.35
Seven Years	18.45	16.99	11.05
Ten Years	18.94	17.48	11.68
Inception*	16.93	15.50	9.14

Performance Statistics

Inception* to March 31, 2021

	KAR Small Cap Quality Select	Russell 2000® Index
Annualized Standard Deviation	22.96	20.54
Alpha	10.03	0.00
Beta	0.79	1.00
Upside Capture %	96.55	100.00
Downside Capture %	66.02	100.00
R-Squared	50.12	100.00
Information Ratio	0.47	N/A

*November 1, 2006.

[‡]Out of 110 Managers as of March 31, 2021.

[§]All periods less than one year are total returns and are not annualized. Returns are preliminary.

^{||}Net of all fees and expenses. Assumes a 1.25% annual fee.

^{||}Performance statistics are based on gross of fee returns.

This material is deemed supplemental and complements the performance and disclosure at the end of this presentation. For further details on the composite, please see the disclosure statement in this presentation. The Small Cap Core Universe includes all managers categorized in the small cap core asset class by eVestment. Data is obtained from FactSet Research Systems and is assumed to be reliable. **Past performance is no guarantee of future results.**

Small Cap Quality Select Portfolio

First Quarter 2021

Historical Returns

	KAR Small Cap Quality Select (gross)	KAR Small Cap Quality Select (net) [§]	Russell 2000® Index
Annual Returns (%)			
2020	31.76	30.15	19.96
2019	3.75	2.46	25.52
2018	25.23	23.70	(11.01)
2017	65.76	63.78	14.65
2016	9.38	8.02	21.31
2015	(15.85)	(16.95)	(4.41)
2014	7.34	5.99	4.89
2013	50.52	48.73	38.82
2012	23.44	21.92	16.35
2011	5.67	4.37	(4.18)
2010	32.62	30.54	26.85
2009	68.54	66.67	27.17
2008	(39.41)	(40.05)	(33.79)
2007	15.46	14.18	(1.57)
2006 [†]	3.03	2.87	2.97

[§]Net of all fees and expenses. Assumes a 1.25% annual fee.

[†]Performance calculations are for the two months ended December 31, 2006.

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Disclosure

Year	Composite Gross Return (%)	Composite Net Return (%)	Russell 2000® Value Index Return (%)	Composite 3-Yr Std Dev (%)	Benchmark 3-Yr Std Dev (%)	Number of Accounts	Internal Dispersion (%)	Composite Assets (\$ Millions)	Firm Assets (\$ Millions)
2010	32.62	30.54	26.85	30.76	28.08	9	N/A	3	4,729
2011	5.67	4.37	(4.18)	20.11	25.34	26	0.26	8	5,232
2012	23.44	21.92	16.35	17.12	20.48	34	0.48	14	6,545
2013	50.52	48.73	38.82	12.93	16.68	45	0.82	34	7,841
2014	7.34	5.99	4.89	15.37	13.31	23	1.12	23	7,989
2015	(15.85)	(16.95)	(4.41)	19.82	14.16	33	0.26	37	8,095
2016	9.38	8.02	21.31	24.96	15.99	27	0.34	26	9,989
2017	65.76	63.78	14.65	24.93	14.11	26	1.01	39	14,609
2018	25.23	23.70	(11.01)	23.59	16.01	28	0.35	18	17,840
2019	3.75	2.46	25.52	22.90	15.93	37	0.41	19	25,685

The Russell 2000® Index is a trademark/service mark of Frank Russell Company. Russell® is a trademark of Frank Russell Company.

KAR (as defined below) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. KAR has been independently verified for the period from January 1, 1999 through December 31, 2019.

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 Cap Quality Select Composite has been examined for the period from January 1, 2014 through December 31, 2019. The verification and performance examination reports are available upon request.

Kayne Anderson Rudnick Investment Management, LLC ("KAR"), 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. KAR 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 tax-exempt institutional and pooled Small Cap Quality Select Portfolios. Small Cap Quality Select Portfolios are invested in equity securities with market capitalizations consistent with the Russell 2000® Index, that have market control,

rising free cash flow, shareholder-oriented management, strong consistent profit growth, and low-debt balance sheets. Small Cap Quality Select Portfolios are highly concentrated portfolios, generally consisting of less than 12 securities. For comparison purposes, the composite is measured against the Russell 2000® Index. The Russell 2000® Index is a market capitalization-weighted index of the 2,000 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 November 2006. A list of composite descriptions and policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

As of October 1, 2014, the composite was redefined to include only tax-exempt portfolios. Previously, both taxable and tax-exempt portfolios were included. Prior to January 1, 2011, the composite minimum was \$250,000, and 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.

Non-fee-paying portfolios represent 16% of the composite assets at year-end 2013, 1.5% at year-end 2014, 1.2% at year-end 2015, 2.1% at year-end 2016, 2.6% at year-end 2017, 7.2% at year-end 2018, and 8.6% at year-end 2019.

The standard management fee schedule currently in effect is as follows: 1.25% on all 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 2A 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. Returns are presented net of transaction fees and include the reinvestment of all income. Gross returns will be reduced by investment management fees and other expenses that may be incurred in the management of the account. Model net returns have been calculated by deducting 1/12th of the highest tier of the standard management fee schedule in effect for the respective period from the gross composite returns on a monthly basis.

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 measures the variability of the composite (using gross returns) and the benchmark for the 36-month period.