

## Small Cap Quality Select Portfolio

Second Quarter 2022

### Peer Comparison Chart

Inception\* to June 30, 2022

● KAR Small Cap Quality Select ● Russell 2000® Index



### Historical Returns

	KAR Small Cap Quality Select (gross)	KAR Small Cap Quality Select (net) <sup>§</sup>	Russell 2000® Index	MSCI® ACWI Small Cap Index
<b>Annualized Returns (%) †</b>				
As of June 30, 2022				
2 <sup>nd</sup> Quarter	(13.24)	(13.53)	(17.20)	(17.09)
Year to Date	(41.64)	(42.04)	(23.43)	(22.27)
One Year	(45.02)	(45.74)	(25.20)	(21.82)
Three Years	(9.40)	(10.54)	4.21	4.40
Five Years	6.47	5.15	5.17	4.68
Seven Years	6.80	5.48	5.91	5.37
Ten Years	10.46	9.08	9.35	8.33
Inception*	11.02	9.65	6.68	6.17
<b>Annual Returns (%)</b>				
2021	(0.62)	(1.86)	14.82	16.09
2020	31.76	30.15	19.96	16.33
2019	3.75	2.46	25.52	24.65
2018	25.23	23.70	(11.01)	(14.39)
2017	65.76	63.78	14.65	23.81
2016	9.38	8.02	21.31	11.59
2015	(15.85)	(16.95)	(4.41)	(1.04)
2014	7.34	5.99	4.89	1.78
2013	50.52	48.73	38.82	28.66
2012	23.44	21.92	16.35	18.06
2011	5.67	4.37	(4.18)	(11.30)
2010	32.62	30.54	26.85	26.28
2009	68.54	66.67	27.17	50.67
2008	(39.41)	(40.05)	(33.79)	(43.68)
2007	15.46	14.18	(1.57)	6.83
2006 <sup>¶</sup>	3.03	2.87	2.97	6.26

\*November 1, 2006.

†Out of 108 Managers as of June 30, 2022.

‡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. Fees presented on the Disclosure page could vary from the assumed fee in the net-of-fee calculation, as actual fees paid by a particular client account differ depending on a variety of factors including, but not limited to, business unit and size of mandate. The fee used on the Disclosure page utilizes an assumed maximum fee across the firm's business units, which is further detailed on that page.

¶Performance statistics are based on gross of fee returns.

‡Performance calculations are for the two months ended December 31, 2006.

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.** Returns could be reduced, or losses incurred, due to currency fluctuations.

### Portfolio Highlights

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

### Portfolio Strategy

Our goal is to provide favorable long-term investment results by owning a focused selection of businesses with enduring competitive protections and appealing long-term prospects purchased at attractive prices.

### Investment Management Team

Name	Years of research experience
<b>Douglas S. Foreman, CFA</b> Chief Investment Officer	36
<b>Todd Bailey, CFA</b> Portfolio Manager + Senior Research Analyst	23
<b>Julie Biel, CFA</b> Senior Research Analyst	14
<b>Jon Christensen, CFA</b> Senior Research Analyst	27
<b>Julie Kutasov</b> Senior Research Analyst	21
<b>Craig Stone</b> Senior Research Analyst	33
<b>Chris Wright, CFA</b> Senior Research Analyst	10
<b>Sean Dixon</b> Research Analyst	14
<b>Arthur Su, CFA</b> Research Analyst	7
<b>Adam Xiao, CFA</b> Research Analyst	9

### Performance Statistics

Inception\* to June 30, 2022

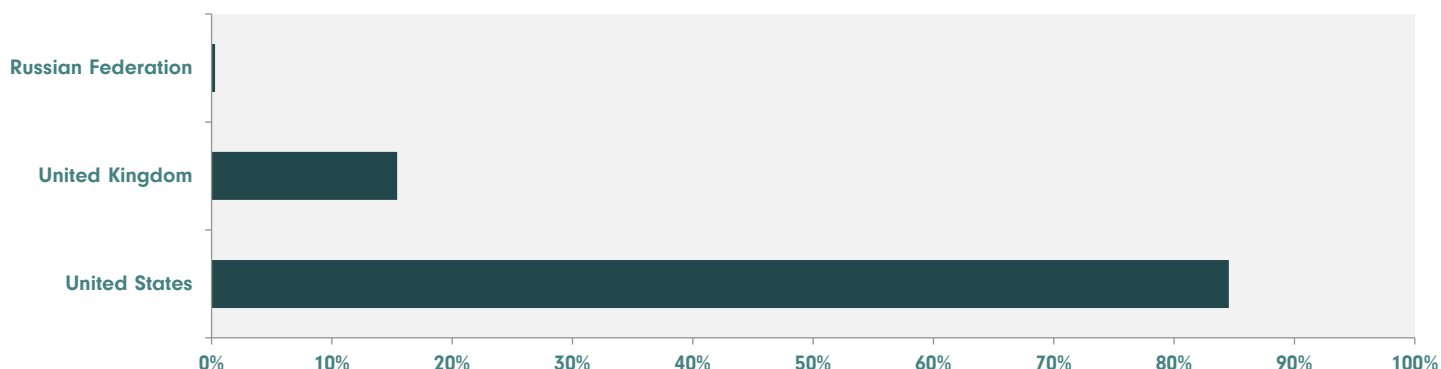
	KAR Small Cap Quality Select <sup>¶</sup>	Russell 2000® Index
Annualized Standard Deviation	24.02	20.31
Alpha	6.76	0.00
Beta	0.79	1.00
Upside Capture %	86.80	100.00
Downside Capture %	67.30	100.00
R-Squared	44.45	100.00
Information Ratio	0.24	N/A

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Second Quarter 2022

## Geographical Exposure

As of June 30, 2022



This material is deemed supplemental and complements the performance and disclosure below. For further details on the composite, please see the disclosure statement below. **Past performance is no guarantee of future results.**

## Disclosure

Year	Composite Gross Return (%)	Composite Net Return (%)	Russell 2000® Index Return (%)	Composite 3-Yr Std Dev (%)	Benchmark 3-Yr Std Dev (%)	Number of Accounts	Internal Dispersion (%)	Composite Assets (\$ Millions)	Firm Assets (\$ Millions)
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	8.03	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
2020	31.76	30.15	19.96	24.99	25.63	34	0.47	22	39,582

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, 2020.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis.

The Small Cap Quality Select Composite has had a performance examination for the period from January 1, 2014 through December 31, 2020. The verification and performance examination reports are available upon request.

GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

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 inception date of the composite is November 2006. The composite was created in November 2006. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. The firm's list of composite descriptions, list of broad distribution pooled fund and the list of limited distribution pooled funds descriptions 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.

The model management fee used for the net returns in this table is 1.25% for all periods presented. The standard Institutional management fee schedule currently in effect is as follows: 1.25% on all assets. The

maximum Wealth Advisory Services Fee in effect is 1.30% for all assets, which breaks out as follows: 1.00% for the first \$3 million; 0.80% on the next \$2 million; 0.70% on the next \$5 million; 0.60% on the balance; with an additional 0.30% for any assets invested in separately managed accounts strategies. The standard investment advisory fee schedule currently in effect for clients not engaging in Wealth Advisory Services is 1.00%. 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.