KAR Investment Management
A VIRTUS INVESTMENT PARTNER

Third Quarter 2026
Managed Accounts

Small Cap Quality Value Portfolio

Investment Process: Discovering Quality

Development of KAR High-Quality Universe

Quantitative Screens
- High return on capital over a full economic cycle
- Long and resilient earnings history
- High return on net operating assets
- Minimal debt

Other Resources
- Research on existing portfolio holdings
- Meetings with companies
- Industry reviews
- Investment conferences
- Third-party research

Proprietary Fundamental Research

Qualitative Analysis
- Evaluate sustainability of business model and assess management's ability to direct capital where it can create further control of its market

Financial Analysis
- Evaluate basis for profitability, long-term growth potential, and ability to allocate capital appropriately

Valuation Analysis
- Determine the current and potential value of the business

Portfolio Construction

Position Weights
- Maximum initial position size is 5% (at cost)
- Maximum position size is 10% (at market)

Sector Tolerances
- Seek broad diversification, but no sector constraints

Non-U.S. Holdings
- Up to 20%

Holding Period
- Typically 3-to-5 years, but is often longer
- Portfolio turnover is typically 25% to 35%

Cash Levels
- Typically will not exceed 10% once a portfolio is fully invested; review by CIO triggered if over 10%

Sell Discipline

- Extended Valuation
- Portfolio Upgrade
- Acquisition Activity
- Negative Company or Industry Changes

Portfolio Highlights

Style: Small Cap
Sub-Style: Value
Index: Russell 2000® Value
Portfolio Inception: 1998
Portfolio Assets: $3,655.6 M*
Portfolio Turnover: 25%–35%

Investment Management Team

Name	Research Start Date
Julie Kutasov Portfolio Manager + Senior Research Analyst	2001
Craig Stone Portfolio Manager + Senior Research Analyst	1990
Todd Beiley, CFA Senior Research Analyst	1999
Julie Biel, CFA Senior Research Analyst	2004
Jon Christensen, CFA Senior Research Analyst	1995
Chris Wright, CFA Senior Research Analyst	2012
Adam Xiao, CFA Senior Research Analyst	2013
Sean Dixon Research Analyst	2008
Yan Fang, CFA Research Analyst	2017
Luke Longinotti, CFA Governance & Sustainability Analyst	2020
Clarissa Ayzenberg Associate Research Analyst	2023

*Figures in USD.

This report is based on the assumptions and analysis made and believed to be reasonable by Advisor. However, no assurance can be given that Advisor's opinions or expectations will be correct. This report is intended for informational purposes only and should not be considered a recommendation or solicitation to purchase securities.

This strategy may not be suitable or appropriate for all investors depending on their specific investment objectives and financial situation. Potential investors should consult with their own financial professional before determining whether to invest in a particular investment or investment strategy.

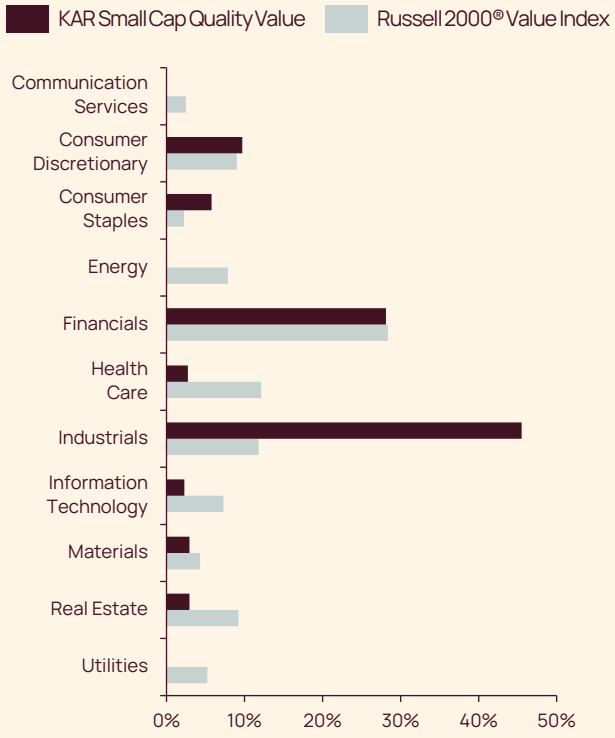
KAR Investment Management
A VIRTUS INVESTMENT PARTNER

Third Quarter 2026

Seeking Higher Quality | Seeking Stronger, More Consistent Growth | Seeking Better Value

Sector Diversification

As of September 30, 2026



Portfolio Characteristics

As of September 30, 2026

	KAR Small Cap Quality Value	Russell 2000® Value Index
Quality		
Return on Equity—Past 5 Years	20.7%	7.7%
Debt/EBITDA*	1.6 x	3.3 x
Earnings Variability—Past 10 Years	38.5%	80.4%
Growth		
Earnings Per Share Growth—Past 5 Years	7.9%	2.1%
Earnings Per Share Growth—Past 10 Years	8.9%	7.4%
Dividend Per Share Growth—Past 5 Years	7.8%	6.2%
Dividend Per Share Growth—Past 10 Years	10.1%	5.2%
Capital Generation—{ROE x (1-Payout)}	14.2%	5.8%
Value		
P/E Ratio—Trailing 12 Months	22.1 x	28.7 x
Dividend Yield†	1.4%	2.1%
Free Cash Flow Yield‡	5.7%	2.7%
Market Characteristics		
$ Weighted Average Market Cap—3-Year Avg.	$5.6 B	$3.1 B
Largest Market Cap—3-Year Avg.	$16.1 B	$13.4 B
Annualized Standard Deviation—Since Incep.§	18.6%	21.0%

Top Five Holdings

As of September 30, 2026

Company	Percent of equity (%)
RBC Bearings	5.7
Cheesecake Factory	5.2
Construction Partners	5.0
Primerica	4.9
Armstrong World Industries	4.7
Total	**25.6**

*KAR utilizes the interquartile method when calculating Debt/EBITDA. The interquartile method excludes outliers from an aggregate statistic such as weighted average. The interquartile method does not assume that data from the top or bottom of the distribution are outliers—only the extreme ends are excluded—and that it can be applied consistently as a quantitative method for most fundamental characteristics. Debt/EBITDA utilizes net debt for the calculation.

†Dividend yield is a financial ratio that shows how much companies have paid out in dividends in the most recent year relative to their stock price at the end of such year. Dividend yield is being shown here as a characteristic of the stocks held in the portfolio and not to infer how the stocks have or will perform, as dividends are not the only component of the portfolio's performance. Dividends are subject to change from year-to-year, and the portfolio's dividend yield could be lower or higher in future years.

‡Free cash flow data is as of June 30, 2026. Prices are as of September 30, 2026. Excludes financials.

§Actual inception date is June 1, 1998. July 1, 1998 is used for calculation purposes of quarterly information. Standard deviation for the KAR strategy is based on net-of-fee returns.

Source: SS&C GWP™, FactSet Research Systems, and BNY Mellon. This material is deemed supplemental and complements the performance and disclosure at the end of this presentation. Other principal consultant firms may use different algorithms to calculate selected statistics. Estimates are based on certain assumptions and historical information. Holdings are subject to change. Holdings and weightings are based on a representative portfolio. Individual Investors' holdings may differ slightly. Numbers may not always add up due to rounding. The sector information represented above is based on GICS sector classifications. Returns may be affected by currency fluctuations. **Past performance is no guarantee of future results.**

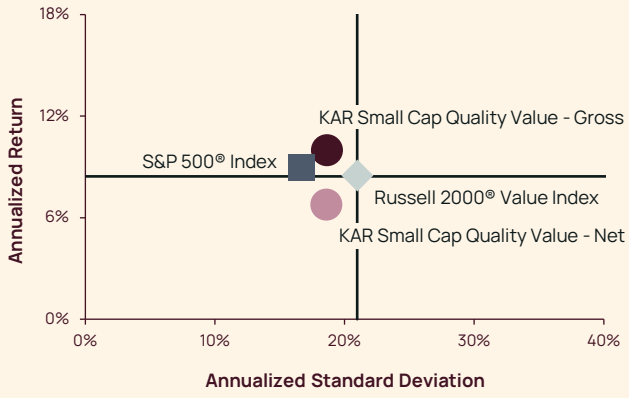
KAR Investment Management
A VIRTUS INVESTMENT PARTNER

Historical Returns

	KAR Small Cap Quality Value (gross)	KAR Small Cap Quality Value (net)	Russell 2000® Value Index
Annualized Returns (%) As of September 30, 2026			
3rd Quarter	(8.04)	(8.75)	(4.91)
Year to Date	(0.93)	(3.14)	16.96
One Year	(3.58)	(6.45)	20.77
Three Years	6.51	3.38	17.93
Five Years	0.59	(2.39)	7.80
Seven Years	6.70	3.55	10.65
Ten Years	7.98	4.80	9.40
Inception†	10.04	6.82	8.44
Annual Returns (%)			
2025	(4.05)	(6.90)	12.59
2024	10.70	7.45	8.05
2023	19.64	16.15	14.65
2022	(23.47)	(25.79)	(14.48)
2021	19.71	16.22	28.27
2020	28.88	25.13	4.63
2019	25.09	21.45	22.39
2018	(14.14)	(16.72)	(12.86)
2017	20.66	17.14	7.84
2016	26.17	22.50	31.74
2015	(0.27)	(3.22)	(7.47)
2014	2.51	(0.52)	4.22
2013	40.00	35.97	34.52
2012	10.01	6.77	18.05
2011	6.73	3.58	(5.50)
2010	24.75	21.12	24.50
2009	27.82	24.21	20.58
2008	(28.62)	(30.93)	(28.92)
2007	1.93	(1.08)	(9.78)
2006	23.72	20.23	23.48
2005	8.53	5.37	4.71
2004	27.59	24.03	22.25
2003	22.12	18.65	46.03
2002	0.48	(2.51)	(11.43)
2001	19.42	16.00	14.02
2000	24.92	21.40	22.83
1999	(7.69)	(10.49)	(1.49)
1998‡	9.61	7.76	(10.93)

Risk-Return Analysis

Inception* to September 30, 2026



Performance Statistics

Inception* to September 30, 2026

	KAR Small Cap Quality Value (gross)	KAR Small Cap Quality Value (net)	Russell 2000® Value Index
Alpha	2.61	(0.43)	0.00
Sharpe Ratio	0.42	0.25	0.30
Information Ratio	0.16	(0.18)	N/A
Beta	0.79	0.79	1.00
Downside Capture	74.29	82.54	100.00
Tracking Error	9.53	9.53	N/A

*Actual inception date is June 1, 1998. July 1, 1998 is used for calculation purposes of quarterly information.
†June 1, 1998
‡Performance calculations are for the seven months ended December 31, 1998.
Source: SS&C GWP™ and FactSet Research Systems. Returns for the Kayne Anderson Rudnick ("KAR") composite are preliminary, based on unaudited calculations as of the period shown, subject to change, and may differ from final performance due to reconciliation, timing, or valuation adjustments. All periods less than one year are total returns and are not annualized. Composite performance does not represent the performance of any individual client account, which can differ based on factors such as cash flows and different fee arrangements. Attribution results are based on a representative client account using an external returns methodology and may differ from composite performance or the performance of any individual client account. KAR may update preliminary performance information as it deems appropriate. Final performance information for existing client accounts is reflected in account statements, where applicable. Net of fee returns reflect an assumed maximum fee of 3.00% as further described on the Disclosure page. Returns may be affected by currency fluctuations. **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, medium, or large-sized companies may enhance that risk. **Industrial Concentration**: Because the portfolio is presently heavily weighted in the industrial sector, it will be impacted by that sector's performance more than a portfolio with broader sector diversification. **Sector Focused Investing:** Events negatively affecting a particular industry or market sector in which the portfolio focuses its investments may cause the value of the portfolio to decrease. **Limited Number of Investments**: Because the portfolio has a limited number of securities, it may be more susceptible to factors adversely affecting its securities than a portfolio with a greater number of securities. **Market Volatility**: The value of the securities in the portfolio may go up or down in response to the prospects of individual companies and/or general economic conditions. Local, regional, or global events such as war or military conflict, terrorism, pandemic, or recession could impact the portfolio, including hampering the ability of the portfolio's manager(s) to invest its assets as intended.

KAR Investment Management
A VIRTUS INVESTMENT PARTNER

Small Cap Quality Value (Wrap) Composite Disclosure

Year	Composite Pure 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)
2015	(0.27)	(3.22)	(7.47)	13.64	13.65	24	0.32	624	8,095
2016	26.17	22.50	31.74	14.09	15.72	26	0.55	641	9,989
2017	20.66	17.14	7.84	12.17	14.17	28	0.22	803	14,609
2018	(14.14)	(16.72)	(12.86)	14.39	15.98	30	0.19	644	17,840
2019	25.09	21.45	22.39	14.54	15.90	32	0.15	779	25,685
2020	28.88	25.13	4.63	22.10	26.49	29	0.20	945	39,582
2021	19.71	16.22	28.27	19.98	25.35	29	0.15	1,373	47,269
2022	(23.47)	(25.79)	(14.48)	23.17	27.66	29	0.10	894	33,531
2023	19.64	16.15	14.65	19.91	22.06	25	0.26	864	41,186
2024	10.70	7.45	8.05	22.26	23.77	23	0.12	890	45,494

*Pure gross returns are supplemental to net returns.
The Russell 2000® Value 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, 2024.

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 Value Wrap Composite has had a performance examination for the period from January 1, 1999 through December 31, 2024. 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 Small Cap Quality Value Wrap Portfolios. All portfolios included in this composite for all periods are wrap portfolios. Small Cap Quality Value Wrap Portfolios are invested in equity securities with capitalizations consistent with the Russell 2000® Value 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 2000® Value Index. The Russell 2000® Value Index is a market capitalization-weighted index of value-oriented stocks 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 June 1998. The composite was created in January 2002. 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.

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 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. Performance results include the reinvestment of all income. Pure gross returns do not reflect the deduction of any expenses, including trading costs. 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 measures the variability of the composite (using pure gross returns) and the benchmark for the 36-month period.

GLOSSARY

Standard Deviation: Measures variability of returns around the average return for an investment portfolio. Higher standard deviation suggests greater risk. Alpha: A risk-adjusted measure of an investment's excess return relative to a benchmark. Sharpe Ratio: A risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. Information Ratio: The information ratio (IR) is a measurement of portfolio returns beyond the returns of a benchmark, usually an index, compared to the volatility of those returns. Beta: A quantitative measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. Downside Capture Ratio: A statistical measure of an investment manager's overall performance in down-markets. It is used to evaluate how well an investment manager performed relative to an index during periods when that index has dropped. Tracking Error: The divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark. It is reported as a standard deviation percentage difference, which reports the difference between the return an investor receives and that of the benchmark they were attempting to imitate.