

### Performance Summary

The Argent Small Cap strategy underperformed the Russell 2000® Index for the third quarter of 2020 returning 4.2% gross and 4.0% net, versus the benchmark return of 4.9%.

Performance Summary as of September 30, 2020								
	%	3Q20	YTD	1 Year	3 Year*	5 Year*	10 Year*	Since Inception*
Argent Small	Gross	4.15	-17.01	-8.51	-4.64	4.95	8.36	6.40
Cap Core	Net	3.97	-17.47	-9.18	-5.42	4.03	7.34	5.39
Russell 2000		4.93	-8.69	0.39	1.77	8.00	9.85	6.94

\*Annualized

For comparison purposes, the strategy is measured against the Russell 2000® Index. Past performance is no guarantee of future results. Data is as of 09/30/20 and is supplied as supplemental information to the composite disclosures presented later in this document. Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a presentation of Argent.

Stock selection was a negative contributor to relative performance in the third quarter. Sector allocation was positive. The lack of exposure to Energy, the overweight to the Industrials and Consumer Discretionary sectors, and the underweight to the Real Estate and Utilities sectors benefited performance. The overweight in Information Technology detracted, as the sector lagged the benchmark by a wide margin during the quarter.

Stock selection was most positive in the Financials, Real Estate and Health Care sectors. Within Financials, OneMain Holdings, Inc. saw a nice rebound in its share price after a meaningful decline earlier in the year. The company relayed that credit trends were relatively benign and originations, while down, are showing improvement. Real Estate benefited from investments in FirstService Corporation and Colliers International Group, Inc. Both of FirstService's business segments- residential property management and housing-related brands- held up much better than anticipated. The company experienced top-line growth and margin expansion. Colliers International experienced a similar outcome as volumes in its transaction-oriented business lines declined, but less than expected. Also, results in the company's highly profitable investment management segment boosted overall results. Health Care saw strong performance from Select Medical Holdings Corporation and Medpace Holdings, Inc. While Select Medical's volumes were severely impacted by the onslaught of COVID-19 related shutdowns earlier in the spring, the company reported that volumes had improved and grew through the summer months. Medpace reported excellent quarterly operating results and offered a positive outlook. The contact research company is exhibiting a faster than anticipated recovery from the pandemic-related downturn. As of quarter end, Medpace was the Small Cap strategy's largest holding.

Stock selection was most negative in the Consumer Discretionary, Information Technology and Industrials sectors. Consumer Discretionary was hurt by weaker than expected stock performance from Johnson Outdoors Inc. and Ollie's Bargain Outlet Holdings, Inc. Johnson Outdoors experienced timing-related issues to its revenue and earnings trajectory that impacted the share price during the quarter. We continue to believe the company offers great products to people that are looking to take advantage of outdoor adventure. Ollie's was a meaningful contributor in the second quarter of this year, but its share price took a bit of a breather in the third quarter. Information Technology was negatively impacted by a broad sell-off in certain parts of the sector, but specifically from declines in Fortinet, Inc. and Lumentum Holdings, Inc. Fortinet, similar to Ollie's, was a large positive contributor to second quarter performance, but sold off with the rest of the software group during the third quarter. Lumentum was impacted by negative comments from an industry competitor that caused some apprehension for the optical group. Industrials was one of the better performing areas of the Russell 2000 Index in the third quarter and the investments in ASGN Incorporated and Applied Industrial Technologies, Inc. lagged. ASGN offers information technology consulting and staffing services to the federal government as well as Fortune 1000 companies across the United States. The stock pulled back in the third quarter even after producing excellent operating results. We opportunistically added

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to our position. Applied Industrial Technologies is an economically sensitive distributor of fluid power and bearings products. While its business has been negatively impacted by COVID-19 related shutdowns, we believe the business will recover as the general industrial and manufacturing segments of the economy improve.

### Quarterly Attribution Analysis, September 30, 2020 Argent Small Cap Core Strategy vs. Russell 2000 Index\*

	Argent Small Cap Core			Russell 2000			Variation			Attribution Analysis		
	Average Weight	Total Return	Contribution to Return	Average Weight	Total Return	Contribution to Return	Average Weight	Total Return	Contribution to Return	Allocation Effect	Selection + Interaction	Total Effect
Comm. Services	--	--	--	2.67	1.30	0.04	-2.67	-1.30	-0.04	0.09	--	0.09
Cons. Discretionary	14.14	2.28	0.34	13.06	19.26	2.25	1.08	-16.98	-1.91	0.17	-2.14	-1.97
Consumer Staples	0.85	-7.17	-0.06	3.38	8.62	0.28	-2.54	-15.79	-0.33	-0.08	-0.15	-0.23
Energy	--	--	--	1.89	-10.49	-0.18	-1.89	10.49	0.18	0.26	--	0.26
Financials	14.33	6.60	0.88	15.51	-1.60	-0.28	-1.17	8.20	1.16	0.07	1.12	1.20
Health Care	15.95	7.33	1.22	19.85	4.55	0.91	-3.90	2.78	0.31	0.03	0.41	0.44
Industrials	22.05	5.68	1.26	14.60	8.95	1.26	7.44	-3.27	0.00	0.28	-0.65	-0.37
Technology	23.29	-1.00	-0.11	13.68	2.50	0.41	9.62	-3.50	-0.52	-0.20	-0.77	-0.97
Materials	1.93	-5.99	-0.08	4.40	7.04	0.32	-2.47	-13.03	-0.40	-0.06	-0.23	-0.29
Real Estate	5.11	19.86	0.86	7.65	0.42	0.02	-2.54	19.45	0.85	0.14	0.87	1.00
Utilities	1.50	-3.77	-0.05	3.32	-3.72	-0.09	-1.81	-0.05	0.04	0.15	-0.01	0.14
Cash	0.85	0.04	0.00	--	--	--	0.85	0.04	0.00	0.04	--	0.04
Total	100.00	4.26	4.26	100.00	4.93	4.93	--	-0.67	-0.67	0.88	-1.55	-0.67

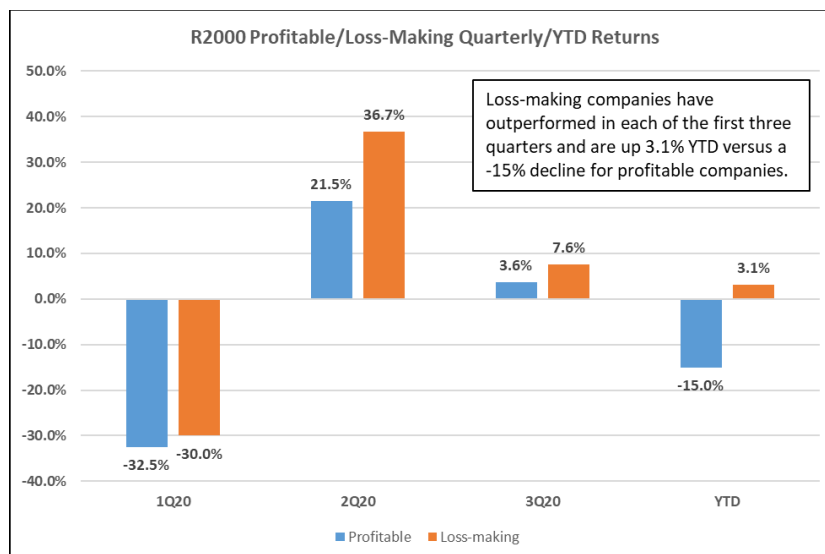
\* This is based on the holding history of a representative portfolio of the Argent Small Cap Core Strategy. The information provided in this report should not be considered a recommendation to purchase or sell any particular security. You should not assume that investments in any securities within these sectors were or will be profitable. A list of stocks recommended by Argent in the past year is available upon request. Past performance is no guarantee of future results.

## Market Commentary

While not quite the returns witnessed in the prior quarter, small capitalization companies saw steady gains in the third quarter. Nevertheless, the Russell 2000® Index still shows a substantial negative return for the year, while large cap indices such as the S&P 500® and NASDAQ® are well into positive territory in 2020. July produced modest gains in the Russell 2000 Index as quality and high return on equity led the market. August saw returns pick up even more, but was a month characterized by a reversal of the trends seen in July. Energy gained over 11% in August. September saw the Russell 2000 hit a speed bump, with each sector posting negative absolute returns.

Loss leaders continued to buoy the Russell 2000 Index in the third quarter. The companies with the highest leverage and lowest returns on invested capital outperformed. These are characteristics of a market that is being driven by something other than fundamentals. We focus on uncovering companies that exhibit high and improving rates of return on invested capital, the ability to generate meaningful, growing profits while maintaining conservatively positioned balance sheets. The market did not favor quality companies for the quarter. Consumer Discretionary was the best performing sector during the third quarter. Consumer Discretionary has been the best performing sector since the market bottomed in late March. Industrials, Materials and Consumer Staples also outperformed in the quarter. Health Care and Information Technology posted absolute gains for the quarter, but trailed the benchmark on a relative basis. Energy continued its slow spiral towards oblivion, and Utilities also continued its downward

trend. Once again the Russell 2000 Growth® Index (+9%) notably outperformed the Russell 2000 Value® Index (+2.5%) during the third quarter.



Source: Furey Research Partners and FactSet

To state the obvious, there is a lot that has been different and somewhat unprecedented about 2020, and events that took place in the third quarter certainly added to that theme. The unemployment rate at the end of July was near 10% and that was considered impressive, given that metric was approximately 15% just a few months earlier. We continued to see consumers reap the benefits of massive fiscal and monetary stimulus. The housing market is once again on fire as interest rates are at all-time lows and inventory is low. After falling almost 50% in April to 8.6 million units, auto sales climbed all the way back to 16.3 million units in September. How long can these trends resonate without further fiscal stimulus? Will the Federal Reserve be successful in its attempt to kick start inflation? And to top it off, there is a presidential election that will take place on November 3<sup>rd</sup>.

### Top Contributors

**OneMain Holdings, Inc.** is a consumer finance company that provides personal loans primarily to non-prime customers. It operates a network of over 1,600 branches in 44 states across the United States. OneMain delivers a very valuable set of products to consumers who have limited access to credit from banks, credit card companies and other traditional lenders. During the quarter, the company announced much better than anticipated earnings results and also declared a large special dividend, actions that investors cheered.

**Gibraltar Industries, Inc.** manufactures products that cater to the residential, industrial, infrastructure and renewable energy markets. Management focuses on product sets and end markets that offer the opportunity for growing and sustaining high margins and returns on invested capital. Gibraltar offered operating results during the quarter that showcased several of its businesses exhibiting accelerating growth rates in the face of COVID-19 disruptions.

**Select Medical Holdings Corporation** operates critical illness recovery hospitals, rehab hospitals and clinics, and occupational health centers across the U.S. The company focuses its efforts on providing high-quality care and service, and specialized inpatient and outpatient services. While parts of Select Medical's business were negatively

impacted by COVID-19, its exposure to critical illness recovery hospitals was a benefit. The company should continue to benefit from positive trends impacting its outpatient rehab segment longer term, as well as several referral partnerships with acute care hospitals.

**FirstService Corporation** offers residential property services throughout North America and also operates several franchise and company-owned brand concepts that cater to residential and commercial customers. It provides services such as property management, facility maintenance and engineering, client budget, and development consulting to homeowner associations, master planned communities, condominiums and co-operatives. On the brand side, FirstService offers essential services through Global Restoration Holdings, Paul Davis, Century Fire Protection, and California Closets, to name a few. The company reported much better than anticipated operating results in the most recent quarter.

**Installed Building Products, Inc.** is the second-largest residential insulation installer in the United States. Insulation is a very small piece of the overall cost of building a home, and while very important from a performance standpoint, isn't top of mind for builders or buyers when constructing or purchasing a new home. The insulation market is highly fragmented and Installed Building Products has pursued an acquisition strategy over the past twenty years that has seen the company purchase over 150 businesses during that time period. The company reported record operating results in its most recent quarter that investors cheered.

### Top Detractors

**PetIQ, Inc.** provides services and products to the companion animal market. The company manufactures and distributes pet health and wellness products through an omnichannel approach, and also offers veterinary services via a clinic offering that partners with mass retailers. PetIQ has made a number of accretive acquisitions in its products segment over the past several years. During the quarter it reported better than anticipated operating results, but offered a softer outlook for the next quarter as its partners work through some inventory that was built up during the pandemic. We continue to view PetIQ as an attractive investment in the expanding animal health market.

**Alarm.com Holdings, Inc.** provides wireless and web-enabled security system technology. It operates in the smart home security market, and is expanding its reach to cater to the needs of commercial customers. Alarm.com reported better than expected top and bottom line results during the quarter, as its business recovered from the COVID-19 impacted slowdown much quicker than initially anticipated. The stock pulled back during the quarter on the news that Google was partnering with ADT to offer home security products and services.

**Johnson Outdoors Inc.** manufactures outdoor recreational products that cater to the fishing, camping, watercraft and diving markets. The company, founded by Sam Johnson almost 50 years ago, has been run by his daughter, Helen for the past twenty years. Capital allocation has been centered on investing organically in the business and small acquisitions that target enhanced technology and innovation. Stay at home orders that came about during the heart of its selling season due to COVID-19 negatively impacted quarterly results. Nevertheless, we believe that Johnson Outdoors is well-positioned to take advantage of the growing interest in outdoor activities.

**Lumentum Holdings, Inc.** provides optical and photonic products. It designs and sells components that go into products that are manufactured by Apple, Cisco Systems, Amazon, Ciena, and Alphabet to name a few. The end markets that Lumentum operates within, particularly the telecommunication services industry, are experiencing growth tailwinds as companies are bringing capacity online and investing in equipment. The company has reported several quarters in a row of better than expected operating results, but industry competitor Ciena offered softer than anticipated guidance late in the quarter causing the group, including Lumentum, to underperform.

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**Fortinet, Inc.** is a cybersecurity solutions business that caters to the enterprise and small and medium-sized business markets. The addressable market for its products is north of \$100 billion and a substantial amount of Fortinet's revenue is recurring. Spending patterns on cybersecurity are well-positioned for further growth as it is viewed as critical in nature in an environment that continues to become more complex and rife with security threats. Fortinet reported impressive operating results during the quarter but saw its stock price decline as investors shifted their focus to billings which grew double-digits, but disappointed some. Fortinet remains a top five position in the Small Cap strategy.

Argent Small Cap Core Strategy Top Contributors and Detractors for Quarter Ending September 30, 2020*					
Top Contributors	Avg. Weight	Total Effect	Top Detractors	Avg. Weight	Total Effect
OneMain Holdings, Inc.	2.57	0.68	PetIQ, Inc. Class A	2.86	-0.27
Gibraltar Industries, Inc.	2.60	0.62	Alarm.com Holdings, Inc.	1.61	-0.28
Select Medical Holdings	2.00	0.55	Johnson Outdoors Inc.	2.00	-0.29
FirstService Corp	2.32	0.51	Lumentum Holdings, Inc.	2.41	-0.33
Installed Building Products, Inc.	1.36	0.45	Fortinet, Inc.	3.37	-0.67

\* This is based on the holding history of a representative portfolio of the Argent Small Cap Strategy. The information provided in this report should not be considered a recommendation to purchase or sell any particular security. You should not assume that investments in any securities within these sectors were or will be profitable. A list of stocks recommended by Argent in the past year is available upon request. Past performance is no guarantee of future results.

### Portfolio Positioning

We added a handful of new investments to the portfolio during the third quarter. We added two new names in Health Care, one in Consumer Discretionary and one in Consumer Staples. Health Care has been an area of interest for the last several quarters. We made an investment in Halozyne Therapeutics, Inc. during the third quarter. Halozyne has developed a drug delivery technology that allows drug material to be injected into the human body via a single subcutaneous injection instead of through intravenous infusion. A subcutaneous injection can be administered with a single injection in just a few minutes, while intravenous infusion must be done by a health care provider in a health care facility and it takes more than a half-hour in most instances. Many large, global drug companies have partnered with Halozyne to enhance their product lines. Partnership with Halozyne allows companies to introduce product differentiation that does not directly compete with existing commercial drug portfolios.

The portfolio remained well overweight Technology and Industrials, with a small overweight in Consumer Discretionary as the third quarter came to an end. Portfolio exposure to Financial Services moved to an equal weight from an overweight during the quarter. Health Care remains our largest underweight. The Small Cap strategy maintains an underweight in Materials, Real Estate, and Financials and has a small allocation to Consumer Staples and Utilities. The portfolio has no exposure to the Energy or Communications Services sectors. We continue to seek good businesses that are priced at attractive valuations for the portfolio. As a reminder, to us a good business is one that generates substantial cash flow and growing earnings, requires opportunistic, yet minimal, capital investment, and has a conservatively positioned balance sheet. We also prefer management teams that have a track record of producing returns above their cost of capital and that have proven their wherewithal over an economic cycle.

Sincerely,

Argent Small Cap Team



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For the period ending December 31,	Gross-of-Fees (%)	Net-of-Fees (%)	Russell 2000 Return (%)	Composite 3-Yr St. Dev (%)	Russell 2000 3-Yr St Dev (%)	Number of Composite Accounts	Composite Assets (\$ millions)	Principal Business Assets (\$ millions)	Internal Dispersion (%)
2019	24.27	23.4	25.53	16.35	15.71	7	199	3,019	1.84
2018	-19.43	-20.19	-11.01	16.45	15.79	7	184	2,542	0.38
2017	18.39	17.24	14.65	14.51	13.91	7	227	2,898	0.47
2016	25.73	24.48	21.31	16.19	15.76	7	207	2,604	0.09
2015	-5.48	-6.42	-4.41	13.5	13.96	6	169	2,357	0.04
2014	7.44	6.37	4.89	12.17	13.12	7	186	2,817	0.11
2013	28.74	27.48	38.82	17.04	16.45	6	178	2,478	0.18
2012	19.68	18.49	16.35	19.84	20.2	7	139	1,782	0.22
2011	-1.95	-2.93	-4.18	23.38	24.99	7	109	1,247	0.33
2010	25.39	24.15	26.85	26.99	27.69	6	95	1,145	NA
Three Year*	5.83	4.91	8.59						
Five Year*	7.09	6.11	8.23						
Ten Year*	11.11	10.05	11.83						
Information for period(s) ending September 30, 2020									
Sep-20	-5.01	-5.07	-3.34	24.48	22.68	3	67	2,663	
Year-to-Date	-17.01	-17.47	-8.69						
1 Year*	-8.51	-9.18	0.39						
3 Year*	-4.64	-5.42	1.77						
5 Year*	4.95	4.03	8						
10 Year*	8.36	7.34	9.85						
Since Inception*	6.4	5.39	6.94						

\*Annualized

1. Argent Capital Management, LLC ("Argent") is an independent investment management firm comprised of two distinct business entities: the Non-Wrap Fee/SMA Business of Argent Capital Management, LLC ("Principal Business"), which does not include wrap fee/SMA clients; and the Wrap Fee/SMA Business of Argent Capital Management, LLC ("Wrap Business"), which includes only wrap fee/SMA clients. The Principal Business claims compliance with the Global Investment Performance Standards (GIPS) and has prepared and presented this report in compliance with the GIPS standards. The Principal Business has been independently verified for the period January 1, 2003 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 Argent Small Cap Core Equity Composite has been examined for the periods January 1, 2008 through December 31, 2019. The verification and performance examination reports are available upon request.

2. This composite represents investment performance for portfolios invested in equities with small capitalization containing both growth and value characteristics for which Argent has sole investment discretion. Portfolios will include small cap equity holdings, with zero fixed investments and cash targeted to be less than 10% of total portfolio value. The creation date of the Argent Small Cap Core Equity Composite is January 1, 2008. A complete list and description of composites is available upon request.

3. The benchmark is the Russell 2000® Index which measures the performance of the small-cap segment of the U.S. equity universe. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index. Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a presentation of Argent. Russell Investment Group is not responsible for the formatting or configuration of this material or for any inaccuracy in Argent's presentation thereof.

4. Valuations are computed and performance reported in U.S. currency. Performance results are total return, (i.e. include the reinvestment of all income). Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Past performance is no guarantee of future results.

5. Gross-of-fees performance returns are presented before management and certain custodial fees, but after all trading expenses except where commissions have been waived or for accounts with asset-based-pricing fees. Net of fee performance is calculated by reducing gross performance by actual management fees incurred and any asset-based-pricing fees for applicable portfolios as asset-based-pricing fees are considered a trading expense. The composite includes portfolios that pay a fee based on a percentage of assets under management. The composite includes accounts with asset-based-pricing fees which represent less than 1% of composite assets during the years 2016 and 2017. During 2018 and 2019, the composite included portfolios where commissions were waived representing less than 1% of composite assets.

6. Standard annual advisory fees for the Small Cap Core Equity product are calculated as a percentage of assets under management according to the following schedule: 0.80% on the first \$25M, 0.75% on the next \$25M, 0.70% on the next \$50M, 0.65% on the balance thereafter, although fees may be negotiated or waived in certain circumstances.

7. Internal dispersion is calculated using the asset-weighted standard deviation of all portfolios that were included in the composite for the entire calendar month, quarter, or year - net of fees. For calendar year 2008 & 2010 internal dispersion is not available (NA) since no portfolio was in the composite for the entire calendar year.

8. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The standard deviation is not presented for 2008 and 2009 since the composite inception date of 1/1/2008 does not provide historical data to calculate a 3-year formula.