Mid Cap Quarterly Commentary
2023: First Quarter

Argent

Performance Summary

In the first quarter of 2023, the Argent Mid Cap strategy returned 5.98% versus the Russell Midcap Index 4.06% return, outperforming the benchmark by 192 basis points net of fees.

Performance Summary as of March 31, 2023						
	%	1Q23	1 Year	3 Year*	5 Year*	Since Inception*
Argent Mid Cap	Net	5.98	-6.43	23.21	9.95	10.44
Russell Midcap		4.06	-8.78	19.20	8.05	8.65
Excess Return		**1.92**	**2.35**	**4.01**	**1.90**	**1.79**

* Annualized for periods longer than one (1) year.
For comparison purposes, the strategy is measured against the Russell MidCap® Index. Past performance is no guarantee of future results. Data is as of 3/31/23 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. This presentation was prepared by Argent Capital Management and may contain confidential information. Unauthorized use, disclosure, copying, dissemination or redistribution of this presentation is strictly prohibited.

Argent's Mid Cap strategy utilizes a proprietary blend of quantitative and fundamental analysis to uncover the right companies, in the right sectors, at the right time. We invest in enduring businesses that show alignment between a quantitative score and company fundamentals. Relative outperformance in the quarter was driven by both stock selection and sector allocation.

The Russell Mid Cap Information Technology sector posted strong performance in the first quarter, up nearly 15%. Information Technology was the second-best performing sector in the Russell Mid Cap Index. Argent Midcap has a significant technology overweight and generated returns better than the benchmark technology sector on positive stock selection. Cybersecurity software provider Fortinet (FTNT) led the gains on better-than-expected billings growth despite a generally slowing IT spending environment. Fortinet is a market share gainer exposed to an industry that remains a top spending priority. The company is reinvesting in both its core and adjacent end markets to drive product revenue and subscription acceleration. The company's strong execution supports continuing margin expansion.

The impact of the Federal Reserve discount rate increases and monetary tightening program on the economy has recession concerns top of mind for investors. Even with that headwind, the Russell Midcap Industrial sector outperformed the benchmark index returns in the first quarter. Argent Mid Cap stock selection and a large overweight in the Industrial sector contributed positively to outperformance. The rapid increase in mortgage rates has weighed heavily on the Housing market but housing related stocks have continued to exhibit relative strength. Home affordability and lack of supply are real issues, but demand is resilient and traffic trends of potential buyers remain buoyant. Building products manufacturer and distributor Builders FirstSource (BLDR) led the gainers on a combination of better pricing and a full backlog of projects helping to offset the declines in new home sales. As the housing markets recover, the company stands to benefit from accelerated free cash flow and margin expansion on the merger synergies from the BMC Holdings (BMCH) acquisition and operational improvements.

The liquidity issues leading to the failure of Silicon Valley Bank and Signature Bank weighed on the Russell Mid Cap Financial sector in general, and the banking industry in particular, in the first quarter. The Argent Mid Cap strategy has had no exposure to Banks for some time, well before the recent turmoil, and thus selection in the financial sector was a positive contributor to performance. Argent Mid Cap does invest in diversified financials and those companies have done well. OneMain Holdings (OMF) is a consumer finance company focused on the low-end borrower and led the gains in the first quarter. Management has executed well through the economic slowdown and contrary to expectations, credit conditions have not deteriorated at the rate expected, while loan growth has remained stable despite tighter lending standards. The company has a solid balance sheet and ample liquidity allowing for favorable capital allocation split between reinvesting in growth initiatives, share repurchases, and dividends.

The Russell Mid Cap Energy Sector led the downside during the quarter. Negative stock selection was an additional headwind for the Argent Mid Cap strategy. Oilfield service providers have continued to outperform exploration and production companies due to the impact of inflation that benefits the former but weighs on the latter. Argent Mid Cap holding Antero Resources (AR) is an exploration and production company that felt pressure from higher costs and lower natural gas prices. Commodity price impact is unavoidable, but Antero is committed to the type of capital stewardship we look for and eliminated nearly one billion dollars in debt last year as a testament to its balance sheet discipline. In addition, the company plans on distributing 50% of free cash flow back to shareholders via share repurchases in the coming years.

The Russell Mid Cap Communication Services sector was the best performing sector for the quarter, up nearly 16%. Argent Mid Cap does not hold any communication services companies and the lack of exposure had a negative impact on performance.

Argent Mid Cap Healthcare exposure was the largest detractor in the first quarter. Stock selection weighed negatively led by medical device holding Globus Medical (GMED). Globus announced a large acquisition that raised investor concerns regarding the strategic and cultural fit of the deal. The risks associated with integration, product overlap and culture differences transition the company away from our original investment thesis and we elected to sell Globus in the first quarter.

Quarterly Attribution Analysis, March 31, 2023
Argent Mid Cap Strategy vs. Russell MidCap Index*

	Argent Mid Cap			Russell MidCap			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	--	--	--	3.66	15.74	0.54	-3.66	-15.74	-0.54	-0.40	--	-0.40
Cons. Discretionary	13.97	9.04	1.17	11.81	8.21	0.94	2.16	0.83	0.23	0.07	0.10	0.17
Consumer Staples	--	--	--	3.88	3.32	0.15	-3.88	-3.32	-0.15	0.03	--	0.03
Energy	5.16	-10.51	-0.56	4.89	-7.89	-0.38	0.27	-2.62	-0.18	-0.05	-0.16	-0.21
Financials	12.94	0.34	-0.17	14.49	-5.48	-0.80	-1.55	5.82	0.63	0.02	0.90	0.92
Health Care	14.80	-7.66	-1.01	10.78	3.42	0.42	4.02	-11.09	-1.43	-0.13	-1.75	-1.88
Industrials	27.01	10.89	2.92	16.87	7.67	1.18	10.14	3.23	1.74	0.38	0.82	1.20
Technology	23.02	16.70	3.39	14.18	14.46	1.89	8.84	2.24	1.50	0.94	0.42	1.36
Materials	0.84	18.30	0.37	6.36	4.10	0.27	-5.53	14.20	0.10	0.04	0.15	0.19
Real Estate	1.34	-6.14	-0.09	7.43	0.13	0.02	-6.09	-6.27	-0.12	0.15	-0.00	0.15
Utilities	--	--	--	5.64	-1.71	-0.06	-5.64	1.71	0.06	0.35	--	0.35
Cash	0.91	1.09	0.01	--	--	--	0.91	1.09	0.01	-0.02	--	-0.02
Total	**100.00**	**6.04**	**6.04**	**100.00**	**4.17**	**4.17**	--	**1.86**	**1.86**	**1.40**	**0.46**	**1.86**

* This analysis is based on the holdings history of a representative portfolio of the Argent Mid 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.

Market Commentary

The investing world is very quickly being reminded of the power of interest rates. While investors were already grappling with conflicting opinions about the current state of the economy, the failure of Silicon Valley Bank (SIVB) and contagion concerns at several other financial institutions rightfully grabbed the headlines. Sometimes in the stock market risk happens fast, but the seeds for the current Banking sector issues were sown a long-time ago.

Market prognosticators spent much of the first quarter hypothesizing on the future path of Federal Reserve's interest rate decisions. The impact of continued increases, a pause, or even interest rate cuts were being considered. The stock market response was expected to be pronounced in each circumstance. Clearly, Fed decisions on interest rates are important.

For the last forty years investment management has operated under an environment of low to declining interest rates. The Zero Interest Rate Policy (ZIRP) implemented in response to the Great Financial Crisis accelerated the trend. COVID and the subsequent monetary and fiscal responses represented the nadir for interest rates. It is clearly going to take time for many companies to adjust their operating models to a higher rate world.

Interest rates have been moving higher since March 2020 during the height of pandemic worry. The rate on the 10-year US Treasury is now near its median of the last thirty years. Assumptions that had become accepted wisdom – including permanently low and declining interest rates – are now being fundamentally challenged. We have gone from TINA – there is no alternative – to TARA – there is a reasonable alternative in the deposit and investment world. A clear example of this is what occurred at Silicon Valley Bank, where depositors pulled their money, seeking higher interest rates, thus creating a classic run on the bank.

Predicting where interest rates might be at any given time in the future is a fool's errand. What we do know is interest rates are now higher than they have been for many years. As a result, access to low-cost funding and cheap credit has morphed into something more traditional and discerning. While painful in the short-term, there are benefits, as easier is not always better, and can lead to inefficient and unproductive capital allocation decisions.
The Argent approach to stock selection should benefit from a more stringent interest rate environment. Our investment team looks for high quality, enduring businesses. High quality for us is defined by several key tenets: It is a business that has growing cash flows, has a durable competitive advantage and allocates capital wisely led by a shareholder friendly management team. An additional defining characteristic of Argent portfolios is that our companies generate returns above their cost of capital.

In a declining interest rate world, the cost of capital (borrowing) declines as well. When interest on debt declines, the returns needed to justify business investments in plants, people and equipment also go down. In a low interest environment, lower quality business can appear attractive because the cost required to generate a positive return is so low. Thus, low interest rates can distort the evaluation of the characteristics of truly high-quality businesses. At its most extreme a low interest rate environment allows for the proliferation of business models that work only with depressed interest rates and siphons capital from more worthy enterprises.

The unintended consequences of artificially suppressed interest rates, such as those ultimately leading to the demise of Silicon Valley Bank, are unfortunate. However, business casualties should not be unexpected on the path to normalization. Rising rates have forced enormous change and are transformational to the previous investment landscape of the last four decades. This seismic shift will not be pain free.

In a world of monetary tightening, truly exceptional businesses can more readily distinguish themselves by earning high returns on invested capital. There are elements to the ZIRP unwind that make for a more stable and healthy investment environment in the future.

Top Contributors

Builders FirstSource Inc (BLDR) manufactures and distributes building products to professional homebuilders. Although housing data including single-family starts has declined precipitously, the overall residential construction market has been more favorable than many expected in the fall. For Builders FirstSource, pricing is helping offset volume declines while resilient home completions and a significant backlog of multifamily projects speaks to a better forward outlook for single-family construction in the out years.

Fortinet, Inc (FTNT) provides network security solutions. Cybersecurity spending is proving resilient even amidst a slowing economy and weaker overall IT spending environment. Fortinet product revenue growth has defied increasingly negative sentiment and management recently reiterated its 2022-2025 long-term targets of billings and revenue compound annual growth rate of 22% and mid- to high-30s FCF margin (compared to 33% in 2022).

Atkore Inc (ATKR) is a manufacturer and distributor of electrical equipment. Electrification and grid-hardening are secular trends and Atkore is benefitting from both. The business continues to generate better-than-expected organic growth on a mix of resilient pricing and volume. In addition, strong free cash flow and a solid balance sheet support continued acquisitions and share repurchases.

NVR, Inc (NVR) builds and markets homes in addition to providing mortgage banking and title services. Although housing data including single-family starts has declined precipitously, the overall residential construction market has been more favorable than many expected in the Fall. NVR's net new home orders have declined but less than peers and gross margins have held up better than expected. The strong balance sheet and healthy cash levels support continued capital return in the form of share repurchases.

TopBuild Corp (BLD) is a leading installer and distributor of insulation products to the U.S. construction industry. TopBuild has diversified its exposure away from the single-family market to include more multi-family and commercial & industrial work. The backlog of projects in those new end markets is helping buffer the impact from the weaker new single-family home construction market. Pricing has remained firm and the company has an active mergers & acquisition pipeline across all three segments.

Top Detractors

Booz Allen Hamilton Holding Co (BAH) provides management and portfolio consulting services to the U.S. government in the defense, intelligence, and civil markets. Geopolitical events contributed to significant outperformance for defense stocks in 2022. Booz Allen benefitted but entered the year at decade highs across valuation metrics while the Defense budget and the impact to forward growth came under scrutiny. Sentiment on defense stocks has shifted rapidly but the company remains exposed to favorable growth segments still experiencing strong demand.

Medpace Holdings, Inc (MEDP) is a clinical research organization serving a fast-growing segment of the drug development industry. The clinical research industry was pressured by decelerating Request for Proposals (RFPs) and higher cancellation rates in addition to negative investor sentiment over a peer's ongoing investigation related to the import of non-human primates (NHPs). However, management is notoriously cautious and the company's ability to drive organic growth is stellar.

Antero Resources Corp (AR) explores, develops, and produces natural gas liquids (NGL). The decline in natural gas pricing and concerns regarding Antero's lack of any fiscal year 2023 notable hedges on its book weighed on the stock. However, the company is demonstrating above peer group well productivity. In addition, improving natural gas liquids fundamentals support a free cash flow inflection that provides optionality for deleveraging and share repurchases.

Molina Healthcare, Inc (MOH) operates as a managed care organization. Recent headlines affecting Pharmacy Benefit Managers (PBMs) and risk associated with the Medicare Advantage Advanced Notice have weighed on the industry and sparked margin concerns for Molina specifically. However, Molina retains multiple drivers for premium growth including new RFP contract wins and acquisitions despite Medicaid redetermination risk.

Globus Medical Inc (GMED) is a medical device company focused on products that promote healing in spinal disorders. While Globus has continued to execute its fundamental growth strategy, the company announced a merger with spinal medical products peer NuVasive (NUVA) that was met with significant investor skepticism.

Buys

Asbury Automotive Group, Inc (ABG) is one of the largest automotive retailers in the US. The company is considered a best-in-class due to its track record of effective cost management and conservative asset allocation. Asbury has traditionally balanced organic growth, inorganic growth and returning capital to shareholders while maintaining a very attractive profitability profile. More recently, the leadership team shifted its capital allocation strategy towards M&A, all while maintaining a low-risk approach that reduces the probability of damaging its industry-leading margin profile.

Colliers International (CIGI) operates globally in the real estate services sector. The company is led by an impressive capital allocator operating in an attractive industry that is very large, highly fragmented, and likely to provide a nice runway for growth well into the future. Colliers runs an asset-light business model that generates substantial free cash flow. In addition, Colliers began to change its business mix with the mid-2018 acquisition of Harrison Street which gave it a nice sized entry into the high margin, investment management piece of the industry. Despite a record year for mergers & acquisitions in 2022, the balance sheet remains in excellent shape and the opportunity set for future deals remains strong.

Descartes Systems Group (DSGX) provides technology platforms and data aggregation supporting businesses to manage its global logistics network for the execution of supply chain management. It is a market leader in logistics technology. With over twenty thousand customers and processing over eighteen billion transactions annually, the company can drive organic growth through adding new customers, cross selling services that are increasingly in demand, and acquiring additional capabilities providing further client penetration opportunities. Margins have pushed higher as its subscription model builds and there is an opportunity for additional scale to move margins higher over time. Plus, the attractive free cash flow profile combined with its unlevered balance sheet provides a lot of flexibility and dry powder for capital allocation.

Exponent Inc. (EXPO) is a science and engineering consulting firm intent on solving complicated issues for a broad range of industries and governments. The unique service offering, and secular growth opportunities of the business are further supported by industry leading margins and a strong balance sheet. Given the mission-critical nature of its projects there is less cyclicality in the earnings profile while supporting top and bottom-line growth over the long-term.

Ferguson plc (FERG) is a leading distributor of plumbing, HVAC, and other construction products primarily serving professional contractors in the U.S. Ferguson’s competitive advantage stems from a number one or number two market share position in most of its product verticals as well as a fully scaled branch and distribution network. Ferguson’s peer-leading organic growth is complemented by a well-executed bolt-on acquisition strategy which should support long-term revenue growth and margin expansion. In addition, Ferguson has a conservatively positioned balance sheet and management track record of shareholder-friendly capital allocation which has included consistent dividend per share growth over time.

FirstService Corp (FSV) is a leader in residential property management and other essential property services to both residential and commercial customers. The company has two operating segments: Residential and Brands, that have similar highly attractive financial profiles characterized by a high proportion of recurring revenue streams, low capital needs, high free cash flow generation, and significant financial strength to grow both organically and through consolidation of highly fragmented end markets.

The Carlyle Group Inc. (CG) is an American multinational private equity, alternative asset management and financial services corporation. It specializes in private equity, real assets, and private credit. The company has a long track record of strong investment performance above that of its peers and management is focused on reinvesting that huge profit stream into growing its Fee-Related-Earnings (FRE) businesses going forward. Finally, there is clarity in executive leadership with the announcement of a new, highly regarded CEO.

Sells

Ally Financial Inc. offers automotive financial services. Positive trends in retail auto credit began to normalize with the correction in the used-car market. At the same time, expenses have increased causing a significant impact given the company's slowing revenue growth.

Amedisys, Inc. offers home health care nursing and home infusion therapy. The company also owns ambulatory surgery centers. The business is facing multiple headwinds. Labor costs continue to rise and worker availability is a constraint on growth. The Centers for Medicare & Medicare Services are trying to control Medicare costs and the home health industry has been in the crosshairs as they believe an excessive amount of Medicare dollars are allocated to this service. Additionally, Amedisys acquired Contessa, a business that is losing money, hoping to put together an offering that doesn't exist in the market today.

Avantor, Inc. manufactures and distributes chemicals, reagents and laboratory supplies predominantly to the healthcare industry. Avantor is facing multiple macro headwinds including exposure to a weak Europe (35% of sales) as well as cyclical exposure from its industrial segment and balance sheet limitations.

Lithia Motors, Inc. sells, finances and services new and used vehicles. As conditions in the new and used auto market have deteriorated, Lithia has continued its aggressive acquisition strategy including expansion in Europe calling into question the risk profile of the business.

Argent Mid Cap Strategy Top Contributors and Detractors for Quarter Ending March 31, 2023*					
Top Contributors	Avg. Weight	Total Effect	Top Detractors	Avg. Weight	Total Effect
Builders FirstSource, Inc.	3.74	0.97	Booz Allen Hamilton	2.24	-0.37
Fortinet, Inc.	2.94	0.75	Medpace Holdings, Inc.	2.45	-0.42
Atkore Inc	2.51	0.51	Antero Resources	1.47	-0.51
NVR, Inc.	3.30	0.50	Molina Healthcare, Inc.	2.03	-0.52
TopBuild Corp.	1.93	0.46	Globus Medical Inc Class A	1.16	-0.59

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Portfolio Positioning

The Argent Mid Cap team builds a high conviction, low turnover portfolio of better and enduring businesses. To us, a good business generates exceptional profitability and cash flow, compounds returns above its cost of capital and is run by a management team that has proven itself a capable steward of capital.

We focus on finding investments that show alignment between their Argent Alpha Model score and company fundamentals. The diligent, bottom up research process applied to the mid cap universe scoring in the top third of the Alpha Model drives high conviction candidates for portfolio consideration. Low portfolio turnover is intentional and creates a high barrier to entry. Pipeline activity is focused on filling out the bench across sectors with potential contenders. We will continue to seek to add value for our clients by uncovering and investing in the right companies, in the right sector, at the right time.

Limiting a further increase in portfolio beta has been a priority. The businesses we added to the portfolio during the first quarter reflect factor and fundamental driven exposure to lower beta, higher quality, and moderate growth.

The Argent Mid Cap team continues to identify excellent investment opportunities.

Sincerely,
Argent Mid Cap Team

Argent Capital Management, LLC

ARGENT MID CAP COMPOSITE

March 31, 2014 through March 31, 2023

For the period ending December 31,	Composite Return % Gross-of-Fees	Composite Return % Net-of-Fees	Russell Mid Cap Return (%)	Composite 3-Yr St. Dev (%)	Russell Mid Cap 3-Yr St. Dev (%)	Number of Composite Accounts	Composite Assets ($ millions)	Firm Assets ($ millions)	Internal Dispersion (%)
2022	-22.73	-22.97	-17.32	25.90	23.62	38	132	2,828	0.31
2021	35.98	35.64	22.58	21.55	20.55	68	162	3,517	0.31
2020	21.24	20.97	17.10	23.36	21.82	45	102	2,874	0.84
2019	34.33	34.02	30.54	14.40	12.89	31	57	3,019	0.61
2018	-11.37	-11.58	-9.06	13.40	11.98	25	41	2,542	0.40
2017	25.55	25.22	18.52	11.24	10.36	19	27	2,898	0.27
2016	13.12	12.85	13.80	N/A	N/A	17	20	2,604	0.70
2015	-0.79	-0.94	-2.44	N/A	N/A	11	14	2,357	0.00
2014 (3-31-14 to 12-31-14)	9.98	9.98	9.36	N/A	N/A	1	1	2,817	N/A
Three -Year Annualized	8.40	8.12	5.88						
Five -Year Annualized	8.69	8.41	7.10						
Information for period(s) March 31, 2023									
1st Quarter 2023	6.06	5.98	4.06	22.49	20.13	39	140	3,113	
Rolling 1 – Year	-6.14	-6.43	-8.78						
Rolling 3 – Year	23.54	23.21	19.20						
Rolling 5 - Year	10.23	9.95	8.05						
Since Inception Annualized	10.68	10.44	8.65						

Disclosures:

1. Argent Capital Management, LLC ("Argent") is a registered investment adviser with United States Securities and Exchange Commission in accordance with the Investment Advisers Act of 1940. As of October 2022, Argent was redefined to include the wrap division. Argent claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Argent has been independently verified for the periods January 1, 2003 through December 31, 2022. 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 and pooled fund maintenance, 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 Argent Mid Cap Composite has had a performance examination for the periods March 31, 2014 through December 31, 2022. 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.

2. This composite represents investment performance for portfolios in U.S. equities with strong earnings and mid-capitalization, for which Argent has sole investment discretion. Portfolios typically include 40-50 equity holdings and cash targeted to be less than 10% of total portfolio value. This composite inception date is March 2014 and was created in April 2016. A list of composite descriptions and broad distribution pooled funds are available upon request.

3. The benchmark is the Russell Mid Cap® Index which measures the performance of the mid-cap segment of the U.S. equity universe. It includes approximately 800 of the smallest securities in the Russell 1000 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, including but not limited to dividends received). Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Past performance is no guarantee of future results. There is no guarantee that strategies, systems, indicators, or signals will result in profits or that they will not result in a full loss or losses. All investors are advised to fully understand all risks associated with any kind of investing they choose to do.

5. Gross-of-fee returns are presented 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 included accounts with asset-based-pricing fees which represented approx. 4% (2016, 2017), 2% (2018), 1% (2019), and <1% (2020) of composite assets. The composite included portfolios where commissions were waived representing approx. 17% (2019), 18% (2020), 30% (2021), and 14% (2022) of composite assets.

6. Standard annual advisory fees are calculated as a percentage of assets under management according to the following spresented 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 included accounts with asset-based-pricing fees which represented approx. 4% (2016, 2017), 2% (2018), 1% (2019), and <1% (2020) of composite assets. The composite included portfolios where commissions were waived representing approx. 17% (2019), 18% (2020), 30% (2021), and 14% (2022) of composite assets.

7. Internal dispersion is calculated using the asset-weighted standard deviation of all portfolios that were included in the composite for an entire year, net of fees. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The external deviation is based on the 36-month gross-of-fees returns of the composite and the benchmark.