Focused Small Cap Quarterly Commentary
2024: Second Quarter

Argent

Performance Summary

In the second quarter of 2024, the Argent Focused Small Cap strategy returned -2.25% versus the benchmark Russell 2000 Index -3.28% return, outperforming by 103 basis points, net of fees.

Performance Summary as of June 30, 2024*		2Q24	YTD	1 Year	Since Inception*
Argent Focused Small Cap	Net (%)	-2.25	5.10	15.92	14.85
Russell 2000		-3.28	1.73	10.06	6.96
Excess Return		**1.03**	**3.37**	**5.86**	**7.89**

*Annualized for periods longer than one year. Strategy inception date is 11/30/2022.
For comparison purposes, the strategy is measured against the Russell 2000 Index. Past performance is no guarantee of future results. Data is as of 06/30/2024 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 and may contain confidential information. Unauthorized use, disclosure, copying, dissemination or redistribution of this presentation is strictly prohibited.

Stock selection drove most of the quarter's performance, though allocation also contributed positively. Focused Small Cap returns were led by positive stock selection and allocation in the healthcare and financials sectors. Stock selection in the real estate and industrials sectors detracted from performance.

The repeated new record highs in the S&P 500 Index masked much more muted returns outside large-cap growth. Value and smaller-cap stocks were lower by mid-single digits in the second quarter. This has been a consistent pattern for the last several years, with quarterly returns concentrated at the top and fading in perfect alignment down the market cap range. The disparity increased substantially in the second quarter, and the Russell 2000 has experienced one of its worst-ever six-month performance gaps versus large caps.

Concentration has been the defining characteristic of returns, driven by mega-cap technology stocks exposed to AI-related demand. Five stocks—Alphabet, Amazon, Meta, Microsoft, and Nvidia—have driven 60% of the year-to-date gains in the S&P 500. Nvidia alone is responsible for 30% of the gains. Similarly, the Russell 2000 is up 1.7% year-to-date, and Super Micro Computer is responsible for half of it.

Nine of eleven Russell 2000 sectors finished lower in the second quarter, and only the consumer staples and utilities sectors were positive. Banks were one of the worst-performing industries, which helps explain the weakness in small-cap value that typically outperforms small-cap growth when quarterly returns are negative.

Profitable small-cap companies with higher-quality characteristics continued the recent trend of outperforming their unprofitable counterparts. The higher-for-longer interest rate environment adds to the appeal of stocks with resilient cash flows, low debt, and higher returns, which are hallmarks of the Argent Focused Small Cap portfolio investing style.

Attribution Commentary

The Russell 2000 healthcare sector underperformed the benchmark in the second quarter, but Argent Focused Small Cap outperformed substantially on stock selection. All healthcare holdings contributed positively. Home health services provider Addus HomeCare and hospital and rehab clinic operator Select Medical were the top contributors. The final Medicaid Access Rule established by CMS was received favorably by Addus investors. Several adjustments were made, and implementation was extended from 4 to 6 years. The conclusion was that Addus could navigate the margin headwinds and maintain its growth trajectory. Select Medical benefitted from exceptional performance in its two hospital segments, Critical Illness Recovery Hospitals (CIRH) and Rebab. The closely watched salary, benefits, and wage (SWB) ratio that has been a thorn in Select Medical's fundamental performance since the end of the pandemic showed significant improvement.

The Russell 2000 financials sector underperformed the benchmark in the second quarter, led lower by the Bank industry. Argent Focused Small Cap is underweight banks and outperformed substantially on stock selection. Boutique investment manager Victory Capital benefits from the organic assets under management growth generated from positive market returns, and the gains thus far in 2024 are a tailwind. On top of that, its strategies consistently generate outperformance, which attracts better-than-industry money flows. A crucial part of Victory's strategic growth strategy is acquisitions, and the market responded favorably to the deal with leading European asset manager Amundi. It will create added scale, expand its global base, and add investment diversification to the existing Victory investment product offering.

The Russell 2000 industrials sector underperformed the benchmark, but stock selection in the Argent Focused Small Cap portfolio created additional negative attribution. Small-cap industrials have significantly outperformed the benchmark since early 2021, but there have been instances of mean reversion throughout. Despite the mixed data, investors grew more fearful of an economic slowdown, and companies with more economic sensitivity were under pressure, including equipment rental company Herc Holdings, industrial equipment manufacturer Alamo Group, and electrical equipment manufacturer Atkore. In each case, a short-term hiccup had added weight, given the more cautious sentiment on the industrial economy. Herc felt some margin pressure from acquisitions and greenfield costs that are not being absorbed as quickly as they were during the "hyper-demand" pandemic environment. Alamo was negatively affected by weakness in its agricultural vegetation management segment. Atkore lowered guidance on de-stocking from its telecom customers, and startup costs were higher than expected at its Hobart plant.

The Russell 2000 real estate sector was in line with the benchmark in the second quarter. Argent Focused Small Cap underperformed on stock selection. Benchmark performance was led by traditional real-estate investment trusts (REITs) in the residential and healthcare industries. The Focused Small Cap portfolio is rarely invested in a REIT due to the consistent lack of characteristics we seek in our enduring business framework. FirstService provides property management services for residential and commercial buildings. Company results have been solid, supported by strong organic growth from the residential segment, acquisitions, strong free cash flow, and margin expansion. Still, more cautious investor sentiment on the residential and building materials industries weighed.

Quarterly Attribution Analysis, June 30, 2024
Argent Focused Small Cap Strategy vs. Russell 2000 Index*

	Argent Focused Small Cap			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	1.36	1.96	0.03	2.15	-0.55	-0.01	-0.80	2.51	0.03	-0.02	0.03	0.01
Cons. Discretionary	12.93	-5.91	-0.83	10.56	-6.01	-0.64	2.37	0.10	-0.19	-0.08	0.02	-0.05
Consumer Staples	2.44	-3.20	-0.08	3.40	2.25	0.09	-0.95	-5.45	-0.17	-0.06	-0.13	-0.19
Energy	2.65	-1.86	-0.06	7.45	-2.81	-0.23	-4.80	0.95	0.18	-0.02	0.02	0.01
Financials	21.90	1.98	0.53	15.85	-1.80	-0.19	6.04	3.77	0.73	0.10	0.77	0.88
Health Care	11.86	10.53	1.22	15.10	-4.33	-0.67	-3.24	14.86	1.89	0.06	1.67	1.73
Industrials	19.82	-8.88	-1.89	17.46	-4.17	-0.75	2.36	-4.71	-1.14	-0.00	-0.98	-0.99
Technology	16.14	-2.79	-0.43	15.09	-2.90	-0.51	1.05	0.10	0.07	0.09	-0.14	-0.05
Materials	2.13	-0.65	-0.02	4.75	-4.22	-0.20	-2.62	3.58	0.19	0.02	0.08	0.10
Real Estate	6.20	-8.23	-0.57	5.58	-3.29	-0.18	0.61	-4.95	-0.39	0.01	-0.34	-0.33
Utilities	1.32	-0.42	0.00	2.60	0.13	0.02	-1.28	-0.55	-0.02	-0.04	-0.01	-0.05
Cash	1.26	1.28	0.02	--	--	--	1.26	1.28	0.02	0.11	--	0.11
Total	**100.00**	**-2.09**	**-2.09**	**100.00**	**-3.28**	**-3.28**	**--**	**1.19**	**1.19**	**0.19**	**1.00**	**1.19**

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

Market Commentary

The underperformance of small-cap stocks compared to large-cap stocks has been well documented. Since the current bull market began in October 2022, the S&P 500 has surged by more than 50%, while the Russell 2000 has only increased by 23%. The performance gap widened further in the second quarter and is now at the widest disparity since 1998. Narrow leadership from the largest market-cap companies masked broad deterioration down the market-cap range. The Russell 2000 was down 3.3%, while the S&P 500 gained 4.4%.

Investors have eagerly anticipated interest rate cuts from the Federal Reserve, contingent on inflation data confirming that the 2% target is met. In mid-2024, inflation has remained more persistent than expected, while the economic expansion has shown resilience to tighter financial conditions.

In the current environment, demand for lower-quality, more highly leveraged companies—a substantial portion of the Russell 2000—remains low without significant rate cuts. This scenario significantly impacts passive money flows and allocation-driven models, encouraging underweight positions in small-cap stocks. With 40% of the Russell 2000 constituents being unprofitable, the prospect of higher-for-longer interest rates continues to dampen the appeal of the small-cap index.

Investors have favored large-cap stocks, particularly mega-cap stocks, due to their perceived dual appeal. These stocks are seen as a winning bet in a strong economy, driven by demand for artificial intelligence, and a relative win if the economy weakens, driven by better-than-index earnings growth. A handful of large-cap technology stocks have driven most of the S&P 500 gains year-to-date, with Nvidia alone accounting for nearly 30% of the total.

The concentration of gains accelerated in the second quarter. The S&P 500 performance was driven almost exclusively by the 14% gain in the Technology sector. Russell 2000 Technology was down 3%. Smaller, consumer-related stocks were under pressure. Retail goods, housing, auto, and building-related industries suffered double-digit declines, reflecting increased fears of a slowdown.

However, contrary to the belief that large-cap stocks are the only avenue for performance in 2024, investors have rewarded higher-quality businesses with positive momentum down the market cap range. High returns on equity (ROE) have been particularly appealing as the cost of doing business increases, and balance sheet strength remains an attractive characteristic. In contrast, the quality of the Russell 2000 index has deteriorated for various reasons. One is that private markets have become an increasing source of capital for emerging companies, reducing the need to go public for funding at the earliest stages.

As higher-quality investments become more favored and more challenging to find, opportunities exist to generate alpha through stock selection. Stock correlation levels near historic lows support this view. It is a favorable environment for the Argent Focused Small Cap strategy. Despite the broad challenges, there is cause for optimism in the small-cap universe. An expected inflection in earnings and valuation levels relative to large caps at historical extremes presents a potential upside.

In the first half of 2024, the earnings growth of the "Magnificent 7" large-cap tech companies was around 50%, an impressive figure for companies of their size. However, this growth will slow to below 20% in the second half of the year. Meanwhile, S&P 500 earnings grew by more than 8% in the first half and are expected to increase by 15% in the second half as the remaining 493 companies in the index accelerate. Small-cap earnings lagged behind large-caps in the first quarter but are expected to improve from a high-single-digit decline to 15% growth in the second half. In 2025, S&P 500 earnings are estimated to grow by 14%, while Russell 2000 earnings are expected to increase by more than 30%.

The persistent underperformance of small-cap stocks over the past three years has been frustrating. The performance disparity and valuation premium of large-cap to small-cap stocks remain historically wide. Historically, such gaps have eventually closed, suggesting potential for future convergence.

It is reasonable to expect an increase in volatility as the presidential election draws nearer. That includes the fixed-income market, which is poised to face increasing deficits regardless of the outcome. Since 1950, the average stock market correction in an election year has been more than 13%. Thus far, the deepest peak-to-trough decline is not even half the typical figure.

Regardless, history has shown making investment decisions based on election outcomes is a losing proposition. More importantly, the tenants of the "no-landing" glide path remain intact. Credit markets are functioning smoothly, with no signs of stress. A firm but slower economy and labor market, resilient corporate profits, and increasing productivity continue to give the Federal Reserve time to assess the inflation data. While the last mile to achieve the 2% target has been a slog, more discerning consumers are limiting businesses' ability to raise prices, while costs are normalizing as wage growth deflates.

Unemployment claims and the unemployment rate have increased, and adverse economic surprises have reached an extreme. The market expects the Federal Reserve to commence easing at the September meeting, and current conditions support the presumption.

Argent Focused Small Cap Strategy Top Contributors and Detractors for Quarter Ending June 30, 2024*					
Top Contributors	Avg. Weight	Total Effect	Top Detractors	Avg. Weight	Total Effect
Victory Capital Holdings, Inc.	4.05	0.56	Atkore Inc	1.29	-0.31
Addus HomeCare Corporation	3.37	0.49	Alamo Group Inc.	1.46	-0.33
Select Medical Holdings	2.54	0.45	ASGN Incorporated	2.69	-0.34
Murphy USA, Inc.	2.83	0.41	Herc Holdings, Inc.	2.49	-0.44
Hamilton Lane Incorporated	3.06	0.36	Skyline Champion Corp.	3.07	-0.55

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Top Contributors

Victory Capital Holdings, Inc. (VCTR) is a boutique investment management firm featuring ten investment franchises supported by centralized administration, distribution, and technology. The positive market environment is a boon to the existing investment franchises under the Victory banner. Assets under management (AUM) grew 8.5% year-over-year, and longer-term performance figures are above industry peers. The more significant driver was the transaction announced with Amundi, the European asset manager. In addition to combining Amundi US with Victory, Amundi will become a strategic shareholder in Victory and establish a 15-year global distribution agreement. The deal comes with expense synergy potential and will notably increase Victory's scale and AUM.

Addus HomeCare Corp. (ADUS) is a home health services provider. Organic growth trends are favorable in the Personal Care and Hospice segments primarily due to increased pricing and profitability rather than volumes. Operational results were solid, but the final CMS ruling on Medicaid Access took center stage. Management's messaging was confidence in their ability to grow market share, potentially do large deals in new geographies, and mitigate margin headwinds through internal cost management and contract structure. Further, even though the rule is considered "final," there is a high likelihood it is not what ultimately takes effect. Management did not quantify potential impacts or remedies given the various moving parts and unknowns today. Instead, they doubled down on their scale focus in existing markets, will continue to push for value-based care arrangements, and will find ways to create operating leverage with technology, which small, marginal competitors may not be able to afford.

Select Medical Holdings Corp (SEM) operates one of the largest networks of critical illness recovery (CIRH) and rehab hospitals, outpatient rehab clinics, and occupational health centers in the US. Fears of reimbursement headwinds in its hospital segments proved overblown, and performance in CIRH and inpatient rehab was better than expected. Patient days grew high single-digits, and margins expanded on the mix and lower salaries, wages, and benefits (SWB) costs. The shortage and higher rates required for nurses post-COVID are normalizing faster than initially guided by management. The spin-off of the Concentra segment is on track to be completed by year-end.

Murphy USA, Inc (MUSA) is a low-price, high-volume gasoline and convenience store retailer. Higher structural fuel margins versus pre-pandemic levels are an industry tailwind and catalyst for continued earnings growth. Fuel margins are also highly volatile week-to-week and thus quarter-to-quarter. Though fuel margins missed expectations at 24.8 cents per gallon, the guidance for the full year, 30.0-34.0 cents per gallon, is more than 2x where it was in 2019. In addition, Murphy's price leadership strategy resonates with customers during higher gas prices and general inflation in a more challenging macro environment. Enviable free cash flow conversion supports store growth, dividends, and a healthy share repurchase plan.

Hamilton Lane, Inc. (HLNE) is a global private markets asset manager. Management had stated that most early-year headwinds were a matter of timing, which proved accurate. Fundraising accelerated sequentially, incentive fees increased meaningfully across fund types, fee rates increased, and margins expanded. The favorable mix shift into higher-fee evergreen products provides an additional runway for fee-related earnings margins to move higher over time. Management sees several pathways supporting future growth, including the private wealth channel. The dividend was increased by 10%, and valuation metrics are near the 5-year median, slightly above public alternative management peers.

Top Detractors

Atkore, Inc. (ATKR) manufactures and distributes electrical equipment. It has benefitted from several domestic megatrends, including electrification and infrastructure buildout. After the pandemic, supply chain bottlenecks limited the availability of products needed to meet stimulus-related demand, and the effect on returns for companies like Atkore was dramatic. Earnings and valuation expanded but also raised the bar of expectations. The normalization of pricing is a known variable. Still, de-stocking by its telecom customers and unexpected solar torque tube production costs at its Hobart facility led management to lower guidance. Longer-term earnings targets were affirmed.

Alamo Group, Inc. (ALG) designs and manufactures agriculture and infrastructure maintenance equipment for government and industrial markets. Management highlighted solid performance with record sales and strong demand, calling out strengths in vacuum trucks, sweepers, debris collectors, and snow removal equipment. However, the agriculture segment experienced some of the same weaknesses across the peer group. The combination of lower crop prices and higher interest rates has constrained agriculture and other outdoor power equipment sales, leading to fewer new orders. Still, material and component costs stabilized in the quarter, and skilled labor availability improved, boosting operating margins. Total debt net of cash is at its lowest level since the Morbark acquisition in 2019, and management expects 2024 to be a more active year for acquisitions.

ASGN, Inc. (ASGN) provides information technology and professional staffing services in the technology, digital, creative, engineering, and life sciences industries across both commercial and government sectors. The slow macro environment and its negative effect on project spending remained in force. Organic revenue declined, led lower by the commercial segment, which remains in the doldrums. Management does not view the current market for acquisitions as appealing. If the tepid spending environment persists, the company will focus capital allocation on share repurchase. Management anticipates stronger bookings in the second half of 2024.

Herc Holdings, Inc. (HRI) is North America's third-largest equipment rental company. With investors more cautious about the macro environment, there was little room for adverse surprises. Lower margins were unexpected, though owed to the ongoing normalization from the unusual dynamics during the pandemic. Rental revenue was better than expected, and pricing and volume contributed to growth. Management remains confident in the demand environment. Local markets are expected to grow mid-single-digits this year with continued mega-project contributions. There have been some delays in the larger projects, but it is expected considering how many are underway or being considered.

Skyline Champion Corp. (SKY) is a factory-built housing company. Investor sentiment weighed negatively on the housing and building products industry. Sales were lower than expected due to weaker demand in Canada, adverse weather in the U.S., and some inventory overhang. Margins declined but were better than estimates due to improved capacity utilization. The industry is now returning to growth. Valuation is toward the high end of the historical range but on what should be trough earnings. Management is guiding sales to grow low-double-digits sequentially with backlog building while orders continue to improve.

Portfolio Positioning

Argent Focused Small Cap sold one position in the second quarter: healthcare services provider AMN Healthcare. We added to the position in biotechnology holding Halozyme Therapeutics and established one new position: industrial manufacturer Novanta, Inc.

Our approach includes intentional patience. If the enduring business framework supports our long-term thesis, we will accept cyclical or other short-term headwinds. Still, our risk management process consists of a full fundamental review once a threshold of underperformance has been surpassed.

AMN Healthcare is a leading staffing company serving the healthcare industry, and it has experienced a persistent worker shortage. Many medical facilities struggled to keep a complete workforce, which worsened during the "Great Resignation," which hit healthcare service providers harder than others. Coming out of the pandemic, medical facilities were quickly tasked with realigning their costs to account for higher wages and costs of debt, leading to weaker demand. We bought the stock assuming estimates reflected the decline in activity and management was painting a smoother landing picture. Instead, there was a more severe bill rate and volume decline. Volumes were particularly slow to reverse, and evidence of a bottom was fleeting.

Novanta is a high-quality technology solutions provider in high-growth end markets, including industrial robotics and minimally invasive surgery. It is a diversified business exposed to forty different end markets with entrenched relationships selling to original equipment manufacturers (OEMs). Its customized solutions are entrenched into OEM systems with typically 10-year life cycles that facilitate the sale of additional content for newer models with little threat of competitors' reverse engineering products. The competitive moat has led to a #1 or #2 position in most of its end markets. The weak demand environment has weighed on sales in the first half 2024, but management expects accelerating momentum in the second half. A record number of new product launches are expected to generate more than $50 million in incremental revenue in 2025 and continued growth for the next several years.

Halozyme Therapeutics is a biopharmaceutical company developing products for diabetes, cancer, and drug delivery markets. Product sales were slightly lower than expected, but royalty revenue was up more than 20%. Key drug Darzalex that accounts for most of Halozyme's current royalty revenues) grew 21%, with subcutaneous (SC) share in the US reaching 93%. Phesgo, a more minor contributor, continues to grow at +70% year-over-year with global conversion up to 41%. The CEO spoke to further conversations with potential partners for new deals with ENHANZE. Specifically, she noted several conversations moving to terms discussions, the final stage before an agreement. Finally, the usual status updates were given on Wave 3 drugs with multiple PDUFAs and related action dates coming through the year. The company is executing on its strategic priorities and we added to the position.

Argent Focused Small Cap turnover was less than 1% in the second quarter of 2024. Trailing twelve-month portfolio turnover was 6%.

Sincerely,
Argent Focused Small Cap Team

Argent Capital Management, LLC

ARGENT FOCUSED SMALL CAP COMPOSITE

November 30, 2022 through June 30, 2024

For the period ending December 31,	Composite Return (%) Gross-of-Fees	Composite Return (%) Net-of-Fees	Russell 2000 Return (%)	Composite 3-Yr St. Dev (%)	Russell 2000 3-Yr St. Dev (%)	Number of Composite Accounts	Composite Assets ($ millions)	Firm Assets ($ millions)	Internal Dispersion (%)
2023	25.12	24.25	16.93	NA	NA	39	13	3,269	0.22
2022 (11-30-22 to 12-31-22)	-4.63	-4.66	-6.49	NA	NA	4	1	2,828	0.02
Information for period(s) June 30, 2024									
2nd Quarter 2024	-2.17	-2.25	-3.28	18.93	21.51	64	21	3,526	
Rolling 1 – Year	16.52	15.92	10.06						
Since Inception Annualized	15.51	14.85	6.96						

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 exclude 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 Focused Small Cap Composite has had a performance examination for the period 11/30/22 to 12/31/22. 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 invested in equities within the Russell 2000 index for which Argent has sole investment discretion. Portfolios will include approximately 35 – 45 small cap equity holdings, with zero fixed investments and cash targeted to be less than 10% of total portfolio value. The composite inception and creation date is November 2022. A list of composite descriptions and broad distribution pooled funds are 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, 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 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 fees returns are calculated by applying a model fee of 0.0875% on a quarterly basis. This equates to a model fee of 0.35% which is the standard fee schedule for this strategy. The composite included portfolios where commissions were waived representing 100% (2022) and approx. 94% (2023) of composite assets.

6. Standard annual advisory fees are calculated as a percentage of assets under management according to the following schedule; 0.35% on the balance of the account, although fees may be negotiated or waived in certain circumstances. Focused Small Cap Portfolios are also available under a performance based fee which include a Hurdle Rate of 10% (Blended), Carried Interest of 10.0% with an annual Fee Cap of 0.70% . Additional performance fee schedule information is located in our ADV Disclosure Brochure.

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. The standard deviation is not presented since the composite inception date of 11/30/22 does not provide historical data to calculate a 3-year formula.