

Portfolio Objective: The All Cap Value portfolio is focused on companies that range in market capitalization to create a diversified portfolio of businesses with capital appreciation potential.

Portfolio Overview

The All Cap Value portfolio is focused on companies that range in market capitalization. Stocks are selected through our own independent research, evaluating the fundamentals of individual companies. The portfolio positions include companies with sustainable competitive advantages, often derived from unique products and services in niche industries. Stocks are purchased when trading at discounts to our estimates of intrinsic value. The portfolio typically is comprised of 30-35 holdings and is expected to result in low to moderate turnover. The All Cap Value portfolio is suitable for clients whose primary objective is capital appreciation and whose secondary objective is dividend income.

Investment Process

Confluence's investment philosophy seeks to identify companies that have the ability to generate high levels of cash flow through a business model that maintains a competitive advantage over time. These advantages may include strong brand names, highly differentiated services or products, dominant market share, flexible pricing power, protected technology or specialized industrial skills sets. Confluence looks for management teams with proven track records of value-enhancing capital allocation decisions.

Confluence defines risk as the probability of a permanent loss of capital. To protect against this risk, we invest in quality businesses at attractive valuations diversified across a variety of market sectors. This discipline helps to protect against losses, while enhancing upside potential. Over time, we believe that this approach positions the portfolio to deliver superior risk-adjusted returns.

Security Selection – “Great Companies”

- Suitable companies possess substantial competitive advantages which are reflected in their ability to maintain pricing power and generate high returns on capital.
- These companies generate more cash than needed to sustain their market-dominant position.
- The businesses are led by management teams that have proven ability to allocate capital and whose interests are aligned with shareholders via inside ownership.
- These businesses are purchased only when trading at significant discounts to our estimates of fair value. This “buy limit” discipline may at times result in higher than usual cash balances at the inception of a new account.

Sell Discipline

To help preserve capital, portfolio positions are continually reviewed. A company's stock may be sold if:

- The share price reaches or exceeds our estimate of full valuation.
- More attractive opportunities are identified.
- The company's fundamentals deteriorate.

About Confluence Investment Management LLC

Confluence Investment Management LLC is an independent Registered Investment Advisor located in St. Louis, Missouri that was founded in 2007. Confluence provides professional portfolio management and advisory services to institutional and individual clients. Our investment philosophy is based upon independent, fundamental research that integrates our evaluation of market cycles, macroeconomics and geopolitical analysis with our value-driven, fundamental company-specific approach. Confluence's portfolio management philosophy begins by assessing risk, and follows through by positioning clients to achieve their income and growth objectives. The Confluence team has more than 400 years of combined financial experience and 200 years of portfolio management experience.

Portfolio Characteristics¹

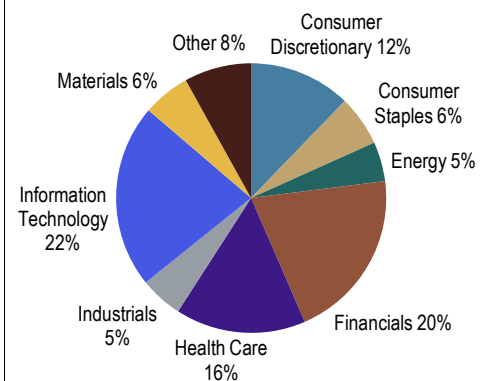
| | Portfolio | S&P 500 |
|-----------------------------|-----------|---------|
| Wtd. Avg. Market Cap. (\$B) | 114.4 | 199.0 |
| Median Market Cap. (\$B) | 51.6 | 20.7 |
| Dividend Yield | 1.4% | 1.9% |
| Number of Securities | 30-35 | 505 |
| Annual Turnover | 20-30% | |

Ten Largest Holdings¹

- Mastercard Inc.
- Thermo Fisher Scientific Inc.
- Berkshire Hathaway Inc. (Class B)
- Black Knight, Inc.
- Markel Corporation
- Morningstar, Inc.
- Diageo plc
- The TJX Companies, Inc.
- W.R. Berkley Corporation
- Stryker Corporation

The listing of “Ten Largest Holdings” is not a complete list of all stocks in the portfolio or which Confluence may be currently recommending. Furthermore, application of the investment strategy as of a later date will likely result in changes to the listing. Contact Confluence for a complete list of holdings.

Sector Allocation¹



There can be no assurance that a purchase of the stocks in this portfolio will be profitable, either individually or in the aggregate, or that such purchase will be more profitable than alternative investments.

¹This information is presented as supplemental information to the disclosures required by the GIPS® standards.

For more information contact one of our sales team members:

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Composite Returns
For Periods Ending 3/31/18

| | Pure Gross-of-Fees ¹ | Net-of-Fees ² | S&P 500 | R3000 Value |
|--------------------------------|---------------------------------|--------------------------|---------|-------------|
| QTD | (0.9%) | (1.6%) | (0.8%) | (2.8%) |
| YTD | (0.9%) | (1.6%) | (0.8%) | (2.8%) |
| 1-Year | 8.5% | 5.3% | 14.0% | 6.8% |
| 3-Year Annualized | 8.7% | 5.5% | 10.8% | 7.9% |
| 5-Year Annualized | 12.5% | 9.2% | 13.3% | 10.7% |
| 10-Year Annualized | 10.1% | 6.8% | 9.5% | 7.9% |
| Since Inception* Annualized | 8.9% | 5.8% | 8.3% | 7.2% |

| | Pure Gross-of-Fees ¹ | Net-of-Fees ² | S&P 500 | R3000 Value |
|-------|---------------------------------|--------------------------|---------|-------------|
| 2017 | 15.7% | 12.3% | 21.8% | 13.2% |
| 2016 | 14.2% | 10.8% | 12.0% | 18.4% |
| 2015 | 0.1% | (2.9%) | 1.4% | (4.1%) |
| 2014 | 14.7% | 11.3% | 13.7% | 12.7% |
| 2013 | 35.3% | 31.3% | 32.4% | 32.7% |
| 2012 | 18.0% | 14.5% | 16.0% | 17.6% |
| 2011 | 3.6% | 0.5% | 2.1% | (0.1%) |
| 2010 | 9.7% | 6.4% | 15.1% | 16.3% |
| 2009 | 26.8% | 23.0% | 26.5% | 19.8% |
| 2008 | (26.9%) | (28.9%) | (37.0%) | (36.2%) |
| 2007 | 4.6% | 1.8% | 5.5% | (1.0%) |
| 2006 | 14.4% | 11.3% | 15.8% | 22.3% |
| 2005* | 2.4% | (0.4%) | 4.9% | 6.9% |

Statistical Analysis¹
Since Inception*

| | Pure Gross-of-Fees ¹ | Net-of-Fees ² | S&P 500 |
|-------------------------------|---------------------------------|--------------------------|---------|
| Annualized Standard Deviation | 13.1% | 13.0% | 14.4% |
| Sharpe Ratio | 0.58 | 0.34 | 0.48 |
| Beta | 0.87 | 0.87 | 1.00 |
| R-Squared | 91.65 | 91.85 | 100.00 |

*Inception is 1/1/05

Prior to August 1, 2008 the composite was named the All Cap Global Composite. Effective August 1, 2008, the composite definition was changed to no longer emphasize global ADRs but the underlying portfolio and strategy did not change.

Portfolio Benchmark

S&P 500 Index – A capitalization-weighted index of 500 stocks. The Index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

Russell 3000® Value Index – A capitalization-weighted index designed to measure performance of those Russell 3000® Index companies with lower price-to-book ratios and lower forecasted growth values.

Financial Terms

Standard Deviation – A measure of price variability (risk) over a period of time. A higher Standard Deviation indicates more variability in returns from month to month.

Sharpe Ratio – Quantifies risk-adjusted performance by measuring the excess return per unit of risk. A higher Sharpe Ratio suggests better risk-adjusted performance.

Beta – A measure of a stock or portfolio's volatility (systematic risk) compared to an appropriate benchmark index. A Beta of 1.1 indicates the investment has approximately 10% more volatility in returns than the benchmark index.

R-Squared – Indicates whether the comparison index is an appropriate benchmark based on correlation. Generally an R-Squared above 70 is desirable.

Firm Overview
The Confluence Team

| | |
|---------------------|---------------------|
| Mark Keller, CFA | Dustin Hausladen |
| Brian Hansen | Chris Stein |
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| Gregory Ellston | Brett Mawhiney, CFA |
| | John Laux |

The Confluence Mission

Our mission is to provide our clients with superior investment solutions and exceptional client service with the highest standards of ethics and integrity. Our team of investment professionals is committed to delivering innovative products and sound, practical advice to enable investors to achieve their investment objectives.

Confluence claims compliance with the Global Investment Performance Standards (GIPS®).

¹This information is presented as supplemental information to the disclosures required by the GIPS® standards.

The All Cap Strategy was inceptioned January 1, 2005 and the current All Cap Value Composite was created on August 1, 2008. Performance presented prior to August 1, 2008 occurred while the Portfolio Management Team was affiliated with a prior firm and the Portfolio Management Team were the primary individuals responsible for selecting the securities to buy and sell. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results. The U.S. dollar is the currency used to express performance. Returns are presented gross-of-fees and net-of-fees and include the reinvestment of all income. Pure gross-of-fees returns are shown as supplemental information.

² Net-of-fees performance was calculated using the highest applicable annual bundled fee of 3.00% applied quarterly (2.75% prior to 7/1/08). This fee includes brokerage commissions, portfolio management, consulting services and custodial services. The Confluence fee schedule for this composite is as follows: 0.60% on the first \$500,000; 0.55% on the next \$500,000; and 0.50% over \$1,000,000. There are no incentive fees. Clients pay an all-inclusive fee based on a percentage of assets under management. The collection of fees produces a compounding effect on the total rate of return net-of-fees. Bundled fee accounts make up 100% of the composite for all periods. Actual investment advisory fees incurred by clients may vary. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor.

A complete list and description of composites and/or fully compliant GIPS® presentations are available upon request. Additional information regarding policies for calculating and reporting returns is available upon request. The All Cap Value Composite contains fully discretionary All Cap Value accounts. Yield data source: FactSet. Weighted average dividend yield of holdings in the portfolio, calculated based on annualized current dividends.

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