Growth Portfolio

Fourth Quarter 2018

Portfolio Objective

The Growth portfolio is primarily focused on capital appreciation. The profile of this portfolio is similar to that of a diversified all-equity portfolio.

Investment Philosophy

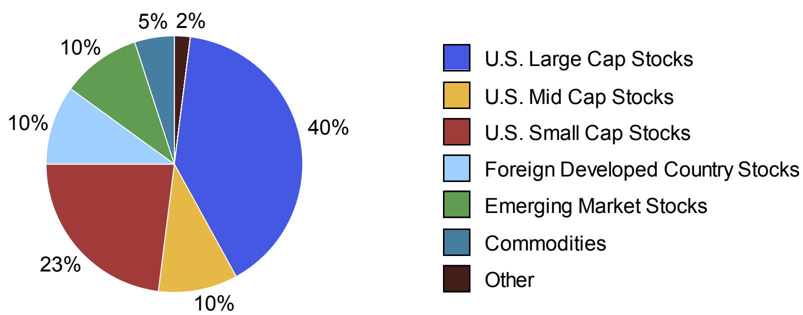
Asset allocation is a portfolio management process where various asset classes are combined in one portfolio. Properly implemented, asset allocation is a time-tested approach that addresses risk through diversification. The Confluence approach to asset allocation is different than traditional asset allocation approaches which rely on long-term historical averages for strategic capital market assumptions. Confluence recognizes that risk levels and return potential rise and fall over market and economic cycles. Therefore, we apply a dynamic process in which the Confluence team estimates the performance of 12 different asset classes in terms of risk, return and yield looking forward 3 years. This cyclical approach is not market *timing*. Rather, the intention is to remain within an acceptable risk profile, while changing the asset class mix to optimize return potential. We may adjust allocations in much shorter time frames, depending upon changing views of the marketplace and economy. Alternately, we may abstain from making significant allocation adjustments if we believe the existing posture remains optimal. The process may involve somewhat higher turnover than a more static strategic program, but usually involves less trading relative to tactical approaches.

The asset allocation portfolios utilize exchange-traded funds (ETFs). We may use ETFs that allow us to focus on or avoid particular industry sectors, bond maturities, commodities or countries.

Portfolio Overview

- ♦ Portfolio positioned to pursue capital appreciation
- ♦ Allocation may include equity asset classes ranging from small cap to large cap
- ♦ International allocations may include both developed and emerging markets
- ♦ Commodities, real estate and fixed income may be utilized for total return and diversification
- ♦ Profile is similar to that of a diversified all-equity portfolio
- ♦ Suitable for equity-oriented investors with an average risk tolerance

Asset Allocation[1]



Characteristics[1]

(As of September 30, 2018)

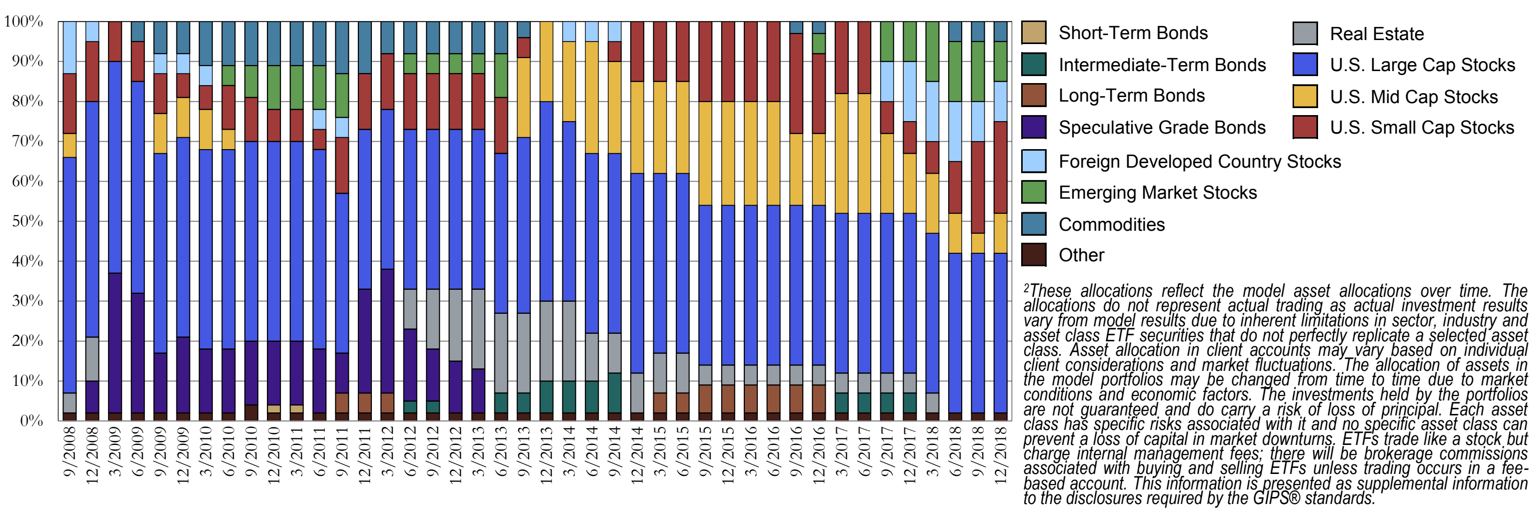
Dividend Yield	1.6%
Number of Securities	22-26
Annual Turnover	40-70%

5 Largest Holdings[1]

iShares S&P 500 Growth - IVW	21.6%
iShares S&P 500 Value - IVE	13.9%
iShares S&P Small Cap 600 Growth - IJT	13.8%
iShares S&P Small Cap 600 Value - IJS	9.2%
Vanguard FTSE Emerging Markets - VWO	7.0%

[1]This information is presented as supplemental information to the disclosures required by the GIPS® standards. Information presented reflects wrap account composites with "Plus" strategies & taxable income (if applicable). Asset allocations shown represent the individual ETFs used in the model portfolios as of 10/16/18 and do not represent the precise allocation of assets in an actual client account. Asset allocation in client accounts may vary based on individual client considerations and market fluctuations. The allocation of assets in the model portfolio may be changed from time to time due to market conditions and economic factors. The investments held by the portfolio are not guaranteed and do carry a risk of loss of principal. Each asset class has specific risks associated with it and no specific asset class can prevent a loss of capital in market downturns The listing of "5 Largest Holdings" is not a complete list of all ETFs 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. Yield data source: Morningstar. Model portfolio 30-day SEC yield.

Historical Model Allocations[2]



[2]These allocations reflect the model asset allocations over time. The allocations do not represent actual trading as actual investment results vary from model results due to inherent limitations in sector, industry and asset class ETF securities that do not perfectly replicate a selected asset class. Asset allocation in client accounts may vary based on individual client considerations and market fluctuations. The allocation of assets in the model portfolios may be changed from time to time due to market conditions and economic factors. The investments held by the portfolios are not guaranteed and do carry a risk of loss of principal. Each asset class has specific risks associated with it and no specific asset class can prevent a loss of capital in market downturns. ETFs trade like a stock but charge internal management fees; there will be brokerage commissions associated with buying and selling ETFs unless trading occurs in a fee-based account. This information is presented as supplemental information to the disclosures required by the GIPS® standards.

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. The firm's investment philosophy is based upon independent, fundamental research that integrates evaluation of market cycles, macroeconomics and geopolitical analysis with the firm's 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.

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Fourth Quarter 2018 Growth Market Observations

- The U.S. economy is stable and growing, with sentiment indicators remaining high. A recession is not included in our cyclical forecast.
- The Fed's tightening policy has thus far had modest effects. We expect a continuation of increases in the fed funds rate in tandem with a reduction of the Fed's balance sheet.
- Though unemployment is low, we find that the employment/population ratio indicates a continuance of slack in the labor force, thereby blunting the potential impact of wage growth on inflation.
- Midterm elections in the U.S. hold the potential for a divided government, which dims the prospect for new legislation to be enacted.
- The asset allocation portfolios retain their high relative weighting to equities given economic health and expectations for continued GDP growth. At this point in the economic cycle, our style bias remains in favor of growth at 60%/40%.

The single change to the Growth portfolio this quarter is a reduction in emerging market equities by 5% and a corresponding increase to U.S. mid-cap equities. This increase reflects not only our positive expectations for the U.S. economy but also the prospect for a continuation of elevated M&A activity. Across the capitalization spectrum for the U.S. is a 60% tilt toward growth in recognition of where we stand in the economic cycle, though in large caps the tilt is moderated by incremental exposure to the traditional value sectors of energy, financials and materials.

Equity exposure, inclusive of non-U.S., remains at a historically high level for this portfolio. With the shift of a portion of the emerging market exposure to U.S. mid-cap equities, the emerging market allocation equals that of developed markets. The emerging market exposure includes a portion dedicated to small cap emerging market equities and the developed market exposure has a concentration in Europe. We retain the 5% allocation to gold, which we believe holds the potential to reduce overall portfolio risk accruing from currency and geopolitical risks.

Confluence Asset Allocation Committee

Mark Keller, CFA | David Miyazaki, CFA
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Gregory Ellston | Kaisa Stucke, CFA

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.

Performance Composite Returns (For Periods Ending September 30, 2018)

	Pure Gross-of-Fees[1]	Net-of-Fees[2]	Benchmark (S&P 500)	Inflation
QTD	3.5%	2.7%	7.7%	0.5%
YTD	3.6%	1.3%	10.6%	1.5%
1-Year	8.9%	5.7%	17.9%	2.0%
3-Year*	12.5%	9.1%	17.3%	1.7%
5-Year*	10.6%	7.3%	13.9%	1.7%
Since Inception**	7.5%	4.3%	10.8%	1.6%

**Average annualized returns*
***Inception is 9/1/2008*

Confluence claims compliance with the Global Investment Performance Standards (GIPS®).
The Growth - Plus Composite was created on September 1, 2008. Confluence Investment Management LLC is an independent registered investment adviser. Confluence Investment Management LLC is an independent registered investment adviser. 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 and net of all fees and include the reinvestment of all income.
[1] Pure gross returns are shown as supplemental information to the disclosures required by the GIPS ® standards.
[2] Net of fee performance was calculated using the highest applicable annual bundled fee of 3.00% applied quarterly. This fee includes brokerage commissions, portfolio management, consulting services and custodial services. The Confluence fee schedule for this composite is as follows: 0.40% on the first $500,000; 0.35% on the next $500,000; and 0.30% 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 of composite descriptions and/or fully compliant GIPS® presentations are available upon request. Additional information regarding policies for calculating and reporting performance are available upon request. The annual composite dispersion is an equal weighted standard deviation calculated for accounts in the composite for the entire year. The Growth - Plus Composite contains fully discretionary Growth - Plus wrap accounts. The Growth strategy is implemented using ETFs and the investment objective is the pursuit of nominal returns (yield and growth) in excess of inflation, subject to the limitations of the risk constraint for the Growth strategy. The allocation may include equity asset classes ranging from small cap to large cap. International allocations may include both developed and emerging markets, while commodities, real estate and fixed income may be utilized for total return and diversification. This portfolio may be appropriate for equity-oriented investors with an average risk tolerance.

	Pure Gross-of-Fees[1]	Net-of-Fees[2]	Benchmark (S&P 500)	Inflation	Difference (Gross-Bchmk)	# of Portfolios	Composite Assets (000s)	Total Firm Assets (000s)	Composite 3yr Std Dev	Benchmark 3yr Std Dev	Composite Dispersion
2017	16.0%	12.5%	21.8%	1.8%	(5.8%)	76	$15,068	$5,944,479	9.2%	9.9%	0.1%
2016	13.1%	9.7%	12.0%	1.5%	1.1%	70	$24,178	$4,413,659	10.1%	10.6%	0.2%
2015	(0.4%)	(3.3%)	1.4%	1.4%	(1.8%)	133	$35,486	$3,175,419	9.5%	10.5%	0.1%
2014	14.6%	11.2%	13.7%	1.8%	0.9%	115	$38,771	$2,589,024	8.5%	9.0%	0.3%
2013	17.7%	14.2%	32.4%	2.0%	(14.7%)	119	$35,195	$1,955,915	11.2%	11.9%	0.2%
2012	11.0%	7.7%	16.0%	2.0%	(5.0%)	152	$36,374	$1,272,265	14.0%	15.1%	0.1%
2011	(1.5%)	(4.5%)	2.1%	1.9%	(3.7%)	155	$32,263	$937,487	17.8%	18.7%	0.2%
2010	14.5%	11.1%	15.1%	1.6%	(0.5%)	124	$18,719	$751,909	N/A	N/A	0.2%
2009	29.2%	25.4%	26.5%	1.1%	2.7%	73	$10,824	$533,832	N/A	N/A	0.0%
2008**	(29.8%)	(30.5%)	(28.9%)	(0.0%)	(0.9%)	2	$252	$291,644	N/A	N/A	N/A

**Results shown for the year 2008 represent partial period performance from September 1, 2008 through December 31, 2008. N/A- Composite Dispersion: Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year. N/A- 3yr Std Dev: Composite does not have 3 years of monthly performance history.

Portfolio Benchmark

The benchmark is the S&P 500 index. The benchmark was changed retroactively on 7/1/13 to be more simplified . The custom benchmark prior to 7/1/13 was calculated monthly and consisted of: S&P 500 48%, S&P 400 15%, Russell 2000 15%, ML US Corporate, Government, and Mortgage 10%, MSCI EAFE 10% (gross), and ML T-Bill 2%. Inflation is provided as additional information and is represented by the US 5 year TIP breakeven spread (Bloomberg: USGGBE05 Index), which had 3yr standard deviation as follows: 0.1% 2011, 0.1% 2012, 0.1% 2013, 0.1% 2014, 0.1% 2015, 0.1% 2016, 0.1% 2017.

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