

## IDEA Plus

Investment Performance as of 9/30/2020



	Pure Gross (Before Fees)	Net* (After Fees)	Benchmark (75SP500/25BXM)
<b>Inception</b>	10.8%	7.5%	12.1%
<b>5-year</b>	10.4%	7.1%	11.7%
<b>3-year</b>	6.8%	3.6%	9.4%
<b>1-year</b>	1.5%	(1.5%)	9.7%
<b>YTD</b>	(3.6%)	(5.7%)	1.7%
<b>QTD</b>	5.2%	4.4%	8.4%

Calendar Year	Pure Gross (Before Fees)	Net* (After Fees)	Benchmark (75SP500/25BXM)	Difference (Gross-Custom)	No. of Portfolios	Composite Assets (000s)	Total Firm Assets (000s)	Composite 3yr Std Dev	Benchmark 3yr Std Dev	Composite Dispersion
<b>2011**</b>	2.0%	1.8%	1.6%	0.5%	1	\$106	\$937,487	N/A	N/A	N/A
<b>2012</b>	9.2%	6.0%	13.2%	(4.1%)	10	\$1,175	\$1,272,265	N/A	N/A	N/A
<b>2013</b>	26.5%	22.7%	27.4%	(0.9%)	12	\$2,086	\$1,955,915	N/A	N/A	0.3%
<b>2014</b>	10.4%	7.1%	11.7%	(1.3%)	20	\$4,239	\$2,589,024	7.0%	8.0%	0.2%
<b>2015</b>	3.0%	(0.1%)	2.4%	0.6%	25	\$5,883	\$3,175,419	8.3%	9.2%	0.3%
<b>2016</b>	14.5%	11.1%	10.8%	3.7%	32	\$8,631	\$4,413,659	8.0%	9.3%	0.3%
<b>2017</b>	17.5%	14.0%	19.6%	(2.1%)	36	\$10,696	\$5,944,479	7.3%	8.7%	0.4%
<b>2018</b>	(4.8%)	(7.7%)	(4.5%)	(0.4%)	43	\$10,923	\$5,486,737	8.9%	9.8%	0.3%
<b>2019</b>	25.5%	21.7%	27.4%	(1.9%)	60	\$16,595	\$7,044,708	9.8%	10.8%	0.7%

See disclosures on next page

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**Confluence claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards.**

**Confluence has been independently verified for the periods of 8/1/2008 through 12/31/2019. A copy of the verification report is available upon request.**

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. Verification does not ensure the accuracy of any specific composite presentation.

The Increasing Dividend Equity Account (IDEA) Plus strategy was inceptioned on December 1, 2011, and the current IDEA Plus Composite was created on February 1, 2012. 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. Gross returns are shown as supplemental information.

\*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: 1.00% on the first \$500,000; 0.90% on the next \$500,000; and 0.75% 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. Prior to February 1, 2012, bundled fee accounts make up 0% of the composite. Subsequent to this date, bundled fee accounts make up 100% of the composite. 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.

Performance prior to February 1, 2012, is based on the IDEA Plus–Direct Composite which was created on December 1, 2011. This composite includes accounts that pursue the IDEA Plus strategy, but have a different fee structure. Gross returns from the IDEA Plus–Direct Composite include transaction costs and net-of-fee performance was calculated using the highest applicable annual bundled fee of 3.00% applied quarterly.

A complete list of composite descriptions is available upon request. Additional information regarding policies for valuing portfolios, calculating performance, and preparing compliant presentations 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 IDEA Plus Composite contains fully discretionary IDEA Plus wrap accounts. IDEA Plus is a dividend-based equity strategy combined with a covered call option strategy on the S&P 500 Index. Approximately 75% of the portfolio is comprised of the IDEA portfolio which invests in high-quality companies that have paid and increased dividends over the last 10 years. The remaining 25% consists of an ETF position in the S&P 500 Index with a corresponding covered call position, although this allocation can range, at times, from 15% to 40% of the portfolio.

The benchmark is calculated monthly and consists of a blend of 75% S&P 500 and 25% CBOE S&P 500 BuyWrite Index [BXM] (Source: Bloomberg). The BXM is a passive total return index based on buying an S&P 500 stock index portfolio, and then writing (or selling) the near-term S&P 500 Index covered call option every month with an exercise price just above the prevailing index level (i.e., slightly out of the money) (Source: CBOE).

\*\*Results shown for the year 2011 represent partial period performance from December 1, 2011, through December 31, 2011.

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.