



Kayne Anderson Rudnick
Investment Management

A VIRTUS INVESTMENT PARTNER

Small Cap Growth Portfolio
Managed Accounts
Second Quarter 2024 Review



1984 - 2024

Celebrating 40 Years
of Quality

[kayne.com](https://www.kayne.com)

2000 Avenue of the Stars, Suite 1110 Los Angeles, CA 90067 T 800.231.7414

Firm Overview

As of June 30, 2024



Kayne Anderson Rudnick
Investment Management

Profile

- Originally established to manage founder capital
- Over three decades of experience
- A differentiated “business analyst” investment approach focusing on high-quality businesses†
- A disciplined and repeatable investment process that produces high-conviction portfolios
- A wholly owned, independent subsidiary of Virtus Investment Partners

At a Glance

Year Founded	1984
Headquarters	Los Angeles, CA
AUM	\$62.9 billion*
Number of Equity Investment Professionals	22
Average Investment Experience	16 Years

*Figures in USD.

†Please refer to the “Tenets of Quality: Our Quality Business Assessment” slide later in this presentation for KAR’s definition of high-quality businesses.

Investment Philosophy

We believe that purchasing high-quality businesses with competitive protections at attractive valuations will achieve excess returns over a complete market cycle

Investment Objectives

- To achieve a return meaningfully above that of the Russell 2000® Growth Index
- To achieve this return objective with a portfolio that exhibits lower overall risk characteristics*



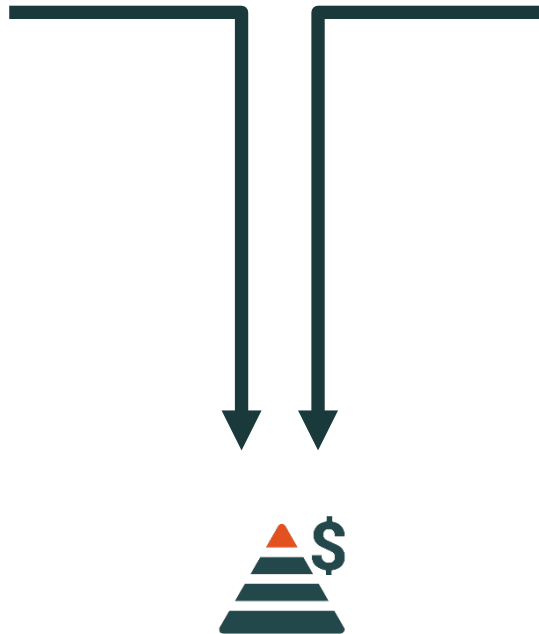
Competitive Protection

- Brand/Reputation
- Network Effect
- Scale/Cost Advantage
- Benchmarking Standard
- High Customer Switching Costs
- Barriers to Entry/Unique Asset
- Low Obsolescence Risk



Owner-Oriented Management

- Cultivates Competitive Advantage
- Rational Capital Allocation
- Considers Stakeholder Interests



HIGH QUALITY BUSINESS

- Protect and Grow Market Share
- High Economic Return on Capital
- Business Returns → Shareholder Returns

Small Cap Growth Team



Kayne Anderson Rudnick
Investment Management

Portfolio Manager/Analysts	Responsibility	Research Start Date	KAR Start Date
Todd Beiley, CFA	Portfolio Manager and Senior Research Analyst Sector Coverage: Financials (Insurance Industry) and Information Technology	1999	2002
Jon Christensen, CFA	Portfolio Manager and Senior Research Analyst Sector Coverage: Health Care and Industrials	1995	2001
Julie Biel, CFA	Senior Research Analyst Sector Coverage: Information Technology and Health Care	2004	2013
Julie Kutasov	Senior Research Analyst Sector Coverage: Materials, Industrials and Utilities	2001	2001
Craig Stone	Senior Research Analyst Sector Coverage: Real Estate and Consumer Staples	1990	2000
Chris Wright, CFA	Senior Research Analyst Sector Coverage: Financials, Information Technology, Energy and Industrials	2012	2012
Adam Xiao, CFA	Senior Research Analyst Sector Coverage: Financials, Consumer Discretionary, Information Technology and Industrials	2013	2018
Tyler Cantarano	Research Analyst Sector Coverage: Information Technology, Consumer Discretionary and Communication Services	2017	2024
Sean Dixon	Research Analyst Sector Coverage: Consumer Discretionary and Industrials	2008	2018
Luke Longinotti, CFA	ESG Research Analyst	2020	2023
Arthur Su, CFA	Research Analyst Sector Coverage: Information Technology and Industrials	2015	2022
Clarissa Ali	Associate Research Analyst	2023	2018

Client Services	Responsibility	Industry Start Date	KAR Start Date
Jason Pomatto	Managing Director - Senior Client Portfolio Manager	1994	2021
Ben Falcone, CFA	Managing Director - Client Portfolio Manager	1996	2023
James May, CFA	Managing Director - Client Portfolio Manager	1989	2019
Ben Corser	Portfolio Specialist	2006	2018

Market Review

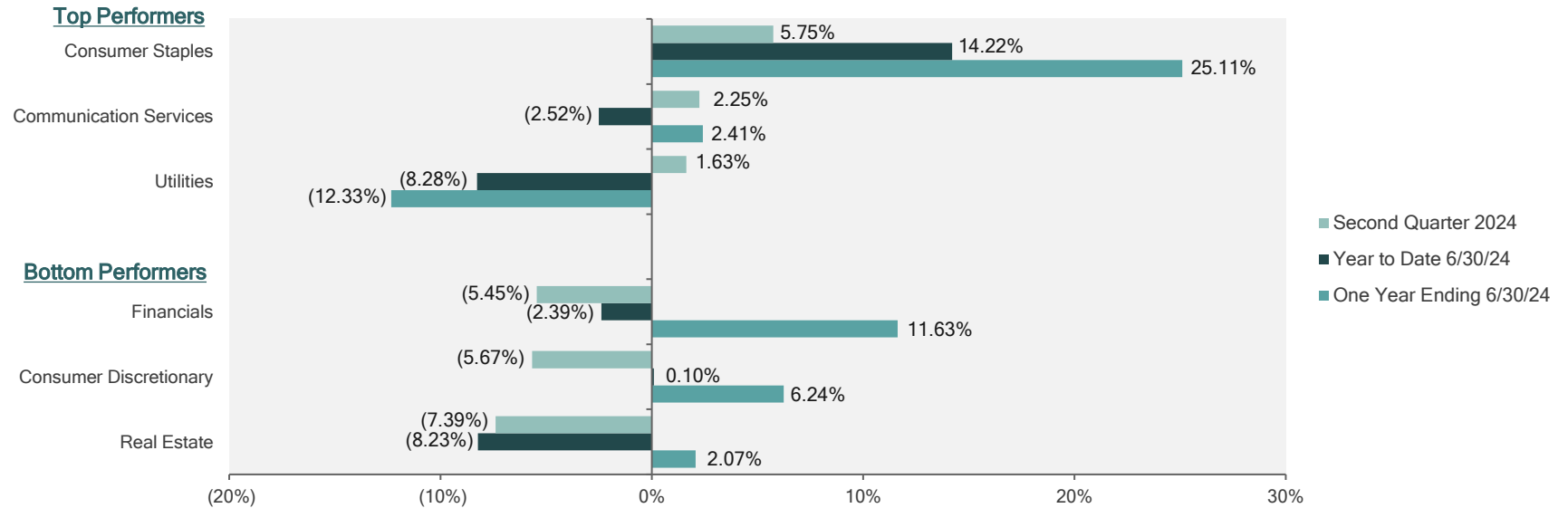
Performance by Sector and Style



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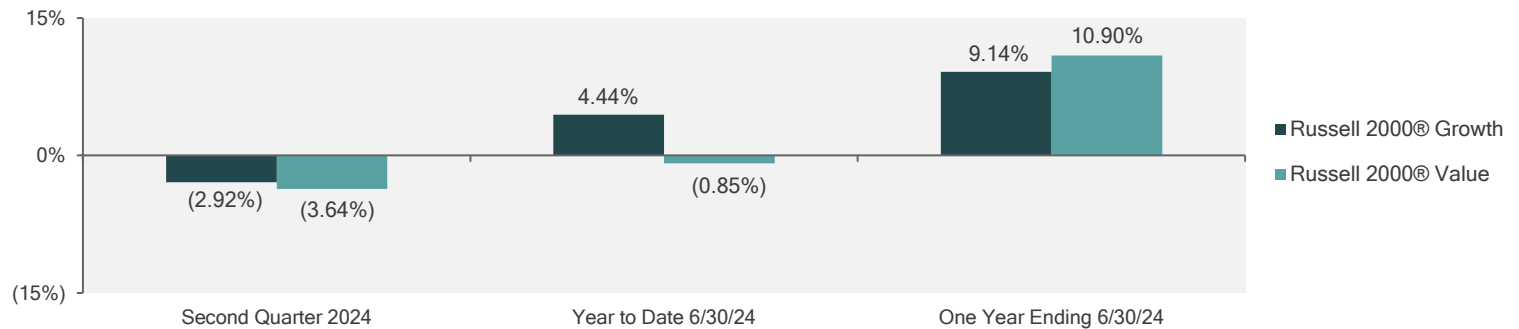
Sector Performance

Russell 2000® Growth Index



Performance by Style

Russell 2000® Growth Index vs. Russell 2000® Value Index



This material is deemed supplemental and complements the performance and disclosure at the end of this presentation.

Data is obtained from FactSet Research Systems and is assumed to be reliable. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and it is not available for direct investment. Past performance is no guarantee of future results.

Market Review

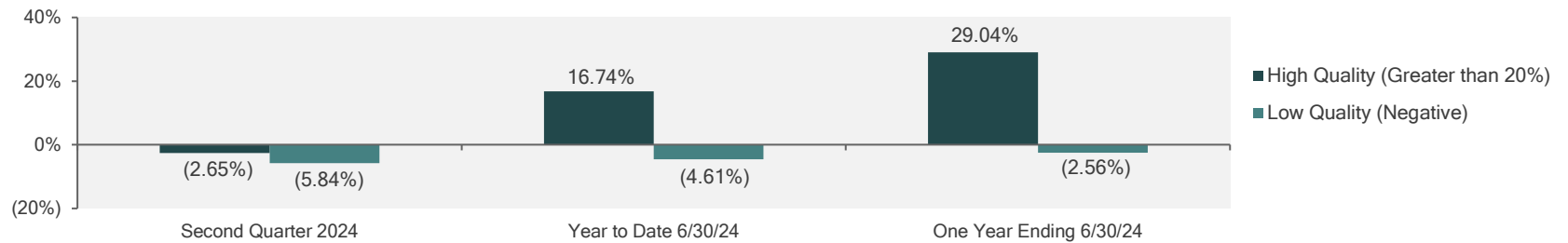
Performance by Financial Metric



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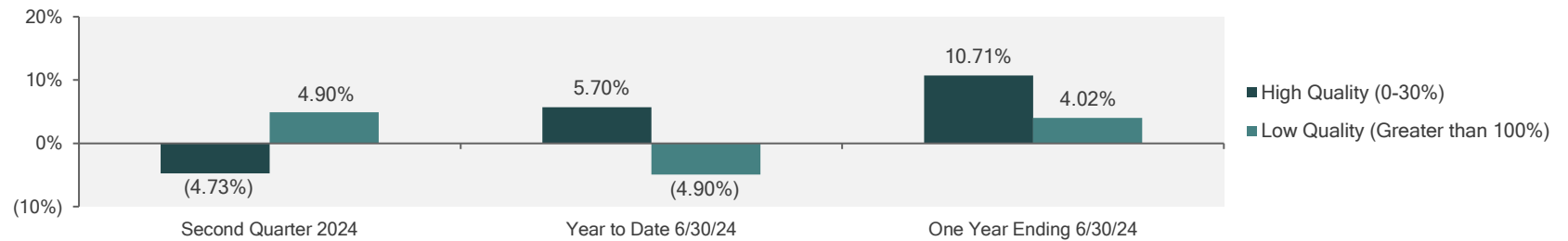
Performance by Return on Equity

Russell 2000® Growth Index



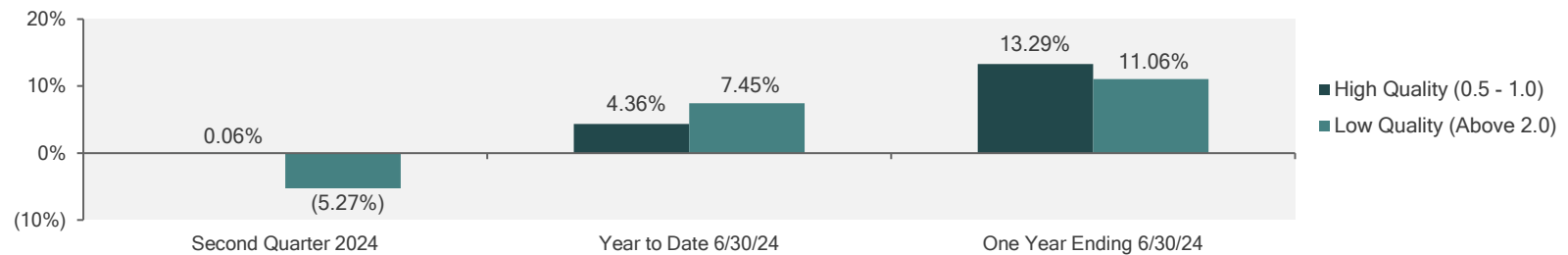
Performance by Debt/Capital Ratio

Russell 2000® Growth Index



Performance by Beta

Russell 2000® Growth Index



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Quarterly Performance Overview

Small Cap Growth Portfolio
Periods Ending June 30, 2024



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Monthly, Quarterly and Year to Date Performance

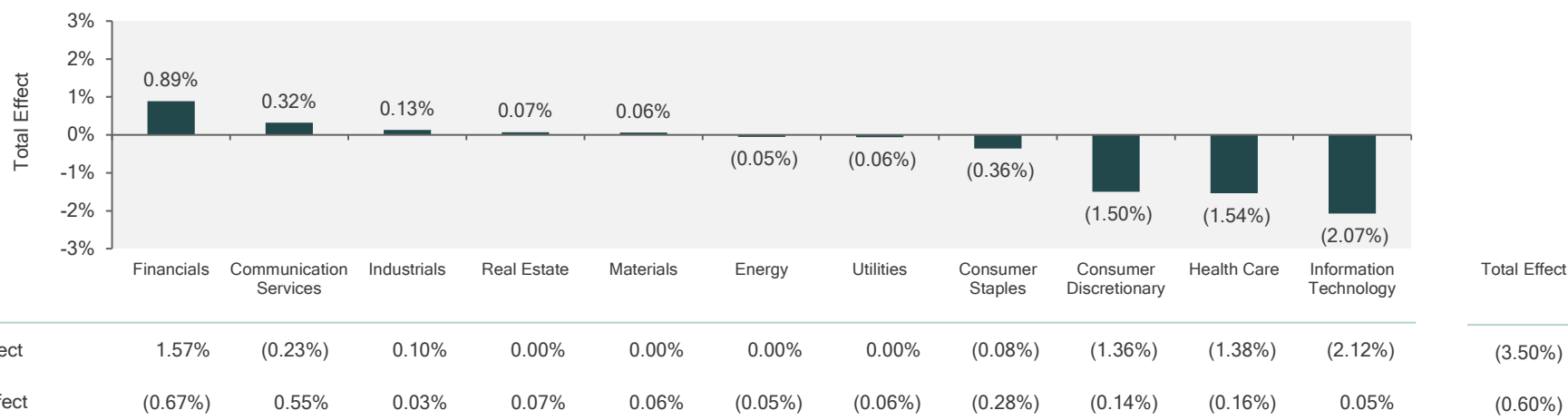
	Gross (%)	Net (%)	Index (%)	Excess Returns - Net (bps)
April	(8.49)	(8.74)	(7.70)	(104)
May	1.18	0.93	5.36	(442)
June	0.58	0.33	(0.17)	50
Second Quarter	(6.87)	(7.58)	(2.92)	(466)
Year to Date	(3.42)	(4.86)	4.44	(931)

Annualized Performance

Periods Ending 6/30/24	Gross (%)	Net (%)	Index (%)
1 Year	3.81	0.74	9.14
5 Years	5.07	1.97	6.17
10 Years	14.06	10.72	7.39

Attribution by Sector

Quarter Ending June 30, 2024



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Highest Contributors

Small Cap Growth Portfolio

Quarter Ending June 30, 2024



Kayne Anderson Rudnick
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Security	Contribution	Comments
Auto Trader Group	+0.96%	Auto Trader had a strong finish to its fiscal year, reporting accelerating growth in its core business driven by pricing, product uptake, and a resilient used car market in the U.K. The company continued to strengthen its competitive position, attracting a record number of buyers and sellers while expanding its data and digital retailing offerings with customers.
Ollie's Bargain Outlet	+0.87%	Ollie's Bargain Outlet reported another quarter of strong growth in store count, sales, and profits as the company continues to expand its retail footprint and benefit from consumer trade down. We believe the company's unique business model of offering excellent value on brand-name products is resonating well with cost-conscious consumers, driving increases in both comparable store sales and new customer acquisition.
Ryan Specialty	+0.48%	Ryan Specialty's business benefited from healthy insurance premium increases within the excess and surplus insurance segment as well as market share gains due in part to scale advantages.
Triumph Financial	+0.47%	Triumph Financial's shares appreciated at the end of the quarter after the company announced that the largest freight broker in the U.S. would be joining its payment network. Following this announcement, four out of the five largest freight brokers in the U.S. will be on Triumph's network, which we believe should drive further adoption by other industry participants.
Interactive Brokers Group	+0.19%	In its latest quarter, Interactive Brokers Group reported continued growth in revenues and profits, as well as growth in customer accounts and customer equity.

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Lowest Contributors

Small Cap Growth Portfolio

Quarter Ending June 30, 2024



Kayne Anderson Rudnick
Investment Management

Security	Contribution	Comments
Dream Finders Homes	(1.71%)	Dream Finders Homes' underperformance is likely driven by the swift ramp up in mortgage rates and the expectation that mortgage rates are likely to stay higher for longer as the Federal Reserve continues to attempt to tame inflation.
National Research	(0.99%)	National Research's shares were lower in the quarter as revenues were hurt by customers (hospitals) delaying decisions on implementing the company's products.
nCino	(0.86%)	nCino's shares have been under pressure despite the company maintaining its full-year guidance and reporting strong bookings. We believe investors have likely been disappointed that a much-anticipated pickup in revenue growth may take longer to materialize.
MediaAlpha	(0.81%)	A research report published by a short seller pointed to misleading marketing practices by MediaAlpha in their health segment.
Endava	(0.78%)	Endava reported continued headwinds in verticals and geographies it has outsized exposure to including Payments, Banking & Capital Markets, the U.K., and the European region. These headwinds were exacerbated by a near-term pause in broad client decision-making towards internal roadmaps as clients attempt to figure out how to implement generative artificial intelligence. These factors resulted in a decline in revenues for the quarter.

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Annual Performance Overview

Small Cap Growth Portfolio

Periods Ending June 30, 2024



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Quarterly and Annual Performance

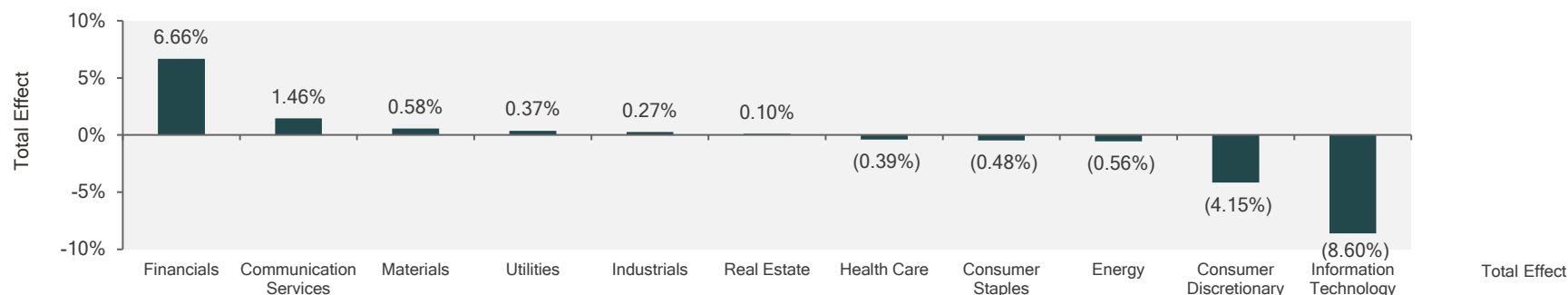
	Gross (%)	Net (%)	Index (%)	Excess Returns - Net (bps)
Third Quarter 2023	0.66	(0.10)	(7.32)	722
Fourth Quarter 2023	6.77	5.99	12.75	(676)
First Quarter 2024	3.71	2.94	7.58	(464)
Second Quarter 2024	(6.87)	(7.58)	(2.92)	(466)
1 Year Ending 6/30/24	3.81	0.74	9.14	(840)

Annualized Performance

Periods Ending 6/30/24	Gross (%)	Net (%)	Index (%)
1 Year	3.81	0.74	9.14
5 Years	5.07	1.97	6.17
10 Years	14.06	10.72	7.39

Attribution by Sector

One Year Ending June 30, 2024



	Financials	Communication Services	Materials	Utilities	Industrials	Real Estate	Health Care	Consumer Staples	Energy	Consumer Discretionary	Information Technology	Total Effect
KAR Selection Effect	5.80%	2.27%	0.00%	0.00%	0.56%	0.00%	(2.03%)	(0.01%)	0.00%	(3.99%)	(8.80%)	(6.19%)
KAR Allocation Effect	0.86%	(0.82%)	0.58%	0.37%	(0.29%)	0.10%	1.64%	(0.47%)	(0.56%)	(0.16%)	0.20%	1.45%

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Highest Contributors

Small Cap Growth Portfolio

One Year Ending June 30, 2024



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Security	Contribution	Comments
Morningstar	+3.17%	Morningstar navigated through a period of capital markets volatility with both growing subscription revenue and improving operating margins due to cost discipline.
AAON	+2.42%	Shares outperformed over the last twelve months on solid revenue growth and increasing profitability due to market share gains in the applied HVAC market and better operational efficiency. Additionally, we believe the company has benefited from a demand pull-forward in cooling equipment for datacenters.
Ryan Specialty	+2.42%	Ryan Specialty's business benefited from healthy insurance premium increases within the excess and surplus insurance segment as well as market share gains due in part to its scale advantages.
Auto Trader Group	+2.08%	Auto Trader is experiencing strong growth in its core business driven by pricing, product uptake, and a resilient used car market in the U.K. The company continued to strengthen its competitive position, attracting a record number of buyers and sellers while expanding its data and digital retailing offerings with customers.
Ollie's Bargain Outlet	+1.85%	Ollie's Bargain Outlet saw continued strong growth in store count, sales, and profits as the company expands its retail footprint and benefits from consumer trade down. We believe the company's unique business model of offering exceptional value on brand-name products is resonating well with cost-conscious consumers, driving increases in both comparable store sales and new customer acquisition.

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Lowest Contributors

Small Cap Growth Portfolio

One Year Ending June 30, 2024



Kayne Anderson Rudnick
Investment Management

Security	Contribution	Comments
Fox Factory	(4.87%)	Fox Factory continued to suffer from a downdraft in its Specialty Sports business. Additionally, in the recent quarter, the Powered Vehicle Group also experienced a decline in revenue in part due to a labor strike at a customer's facility.
BILL Holdings	(2.02%)	We exited BILL in the first quarter of 2024. For the portion of the trailing twelve months we owned the stock, the company underperformed and faced headwinds in its payment take rate, broad small-medium business customer spending slowdown, and competitive concerns from a competitor.
Endava	(1.67%)	Endava reported headwinds in verticals and geographies it has outsized exposure to including Payments, Banking & Capital Markets, the U.K., and the European region. These headwinds were exacerbated by a near-term pause in broad client decision-making towards internal roadmaps as clients attempt to figure out how to implement generative Artificial Intelligence.
Omega Flex	(1.11%)	Omega Flex's shares lagged due to weaker-than-expected operating results primarily driven by a decline in housing starts as high mortgage rates continued to hamper housing affordability.
National Research	(1.07%)	National Research's shares were lower in the past year as revenues were pressured by customers (hospitals) delaying decisions on implementing the company's products.

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Purchases

Small Cap Growth Portfolio
Quarter Ending June 30, 2024



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Purchases	Descriptions/Reasons
Triumph Financial—Initiated Position	Triumph Financial is a holding company that engages in offering traditional banking and financial solutions. It operates through the following segments: Banking, Factoring, Payments, and Corporate. The Banking segment offers traditional banking services. The Factoring segment includes the operations of Triumph Business Capital, which provides factoring services. The Payments segment offers a payment network for the over-the-road trucking industry. The Corporate segment refers to the financing, investment activities, management, and administrative expenses.
Goosehead Insurance—Increased Position	We believe Goosehead’s recent results have been weak in part due to more limited product availability as carriers pull back from rising underwriting losses and higher customer churn as higher premiums prompt customers to shop their renewals. However, from our perspective the company’s differentiated business model should give it a long-term edge over its captive and independent brokerage peers. Important metrics, such as sales force productivity, written premium growth, and in-force policy expansion remain healthy. Near-term challenges have pressured the stock, but we maintain our favorable long-term view so we increased our position as we believe the shares are attractively valued.
nCino—Increased Position	In our view, nCino’s business has been resilient over the recent past despite industry challenges, including turmoil in the regional banking industry and a broad deceleration in enterprise software demand following heavy investment immediately after the pandemic. Profitability is also steadily improving. These results reinforce our positive view of the company’s competitive position and sizeable market opportunity. The company’s stock became more attractively valued so we increased our position.

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Triumph Financial (TFIN)

- Aaron Graft, the founder and CEO, moved Triumph into Factoring via an acquisition which we believe has been a significant investment for the company. He has now moved the company into Payments, which appears to be on the cusp of gaining widespread adoption in the trucking industry. Graft values shareholder capital like it is his own, and appears to have installed a solid management team and healthy operating culture at the company.
- The company has spent the past several years and \$300 million of its own capital to build a payments network for the trucking company (“TPAY”). TPAY now has three of the top five and six of the top 10 freight brokers on its network. For factors and brokers on the network, these structured digital transactions result in improved working capital (payments on time) and cost savings (fewer human interventions so less headcount).
- Because TPAY becomes the de facto A/R department for a factor and the A/P department for a broker, a critical mass of participants is needed on the network before widespread adoption. Like the fuel card business, there are enough nuances to trucking invoices that we believe a specialized payments network is required, which helps explain why other B2B payments companies have not gone after this vertical.

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Sales

Small Cap Growth Portfolio
Quarter Ending June 30, 2024



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Sales	Reasons
Interactive Brokers Group—Sold Entire Position	We sold our position based on the company’s large (company level) market capitalization of just under \$50 billion. The company’s scale advantages, low-cost position, and excellent profitability remain in place.
Ryan Specialty—Trimmed Position	We reduced our position in Ryan Specialty to remain within our portfolio guideline of a maximum position size of 10%. We believe the company’s scale advantage and cultural differentiation remain in place while sales and profitability have also benefited from favorable trends in the excess and surplus insurance lines segment.

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Portfolio Characteristics

Small Cap Growth Portfolio

As of June 30, 2024



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	KAR Small Cap Growth	Russell 2000® Growth Index
Quality		
Return on Equity—Past 5 Years	16.4%	11.0%
Debt/EBITDA*	0.9 x	1.5 x
Earnings Variability—Past 10 Years	46.9%	78.7%
Growth		
Earnings Per Share Growth—Past 10 Years	14.3%	13.7%
Capital Generation—{ROE x (1-Payout)}	13.1%	9.8%
Value		
P/E Ratio—Trailing 12 Months	42.2 x	65.4 x
Free Cash Flow Yield†	4.7%	2.0%
Market Characteristics		
\$ Weighted Average Market Cap—3-Year Average	\$6.3 B	\$3.7 B
Largest Market Cap—3-Year Average	\$19.4 B	\$17.5 B
Annualized Standard Deviation—Since Inception‡ (Net of Fees)	20.3%	24.6%

*KAR utilizes the interquartile method when calculating Debt/EBITDA. The interquartile method excludes outliers from an aggregate statistic such as weighted average. The interquartile method does not assume that data from the top or bottom of the distribution are outliers—only the extreme ends are excluded—and that it can be applied consistently as a quantitative method for most fundamental characteristics. Debt/EBITDA utilizes net debt for the calculation.

†Free cash flow data is as of March 31, 2024. Prices are as of June 30, 2024. Excludes financials.

‡January 1, 1998

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Market Commentary

Continued Strong Earnings Growth in Technology



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- We see earnings growth in the S&P in technology, communication services (which is benefiting from election spending), and utilities (which is seeing earnings grow on the back of high AI spending).
- We can argue that most sectors in the S&P 500 saw earnings bottom in 2023. That has not been the case for small and mid-cap companies which are expected to see earnings growth in the upcoming second quarter earnings season.
- Seven of 11 mid-cap sectors reported improved earnings in the first quarter of 2024. Only two sectors in small cap (health care and utilities) experienced earnings per share improvement in the first quarter. An additional four sectors are expected to show growth this upcoming earnings season.
- That is not to say we would avoid small cap, but rather focus on quality businesses that have more resilient earnings. We believe these durable businesses have performed better than the benchmarks would suggest.

GICS Sector Contribution to S&P 500® Index Earnings

	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Communication Services	Utilities	Real Estate	Full Year
2020	\$10.60	\$12.68	(\$7.33)	\$29.12	\$23.69	\$7.23	\$32.73	\$4.24	\$19.68	\$6.24	\$3.50	\$142.38
2021	\$16.85	\$12.31	\$9.40	\$46.96	\$29.94	\$13.47	\$42.57	\$6.62	\$22.91	\$5.06	\$3.29	\$209.38
2022	\$14.95	\$13.27	\$26.08	\$29.96	\$31.64	\$18.01	\$42.93	\$7.74	\$25.47	\$6.51	\$5.01	\$221.59
2023P	\$18.86	\$15.10	\$17.22	\$44.14	\$25.88	\$20.31	\$41.33	\$5.47	\$23.95	\$6.99	\$3.69	\$222.94
2024E	\$21.25	\$18.50	\$16.25	\$46.50	\$27.75	\$21.50	\$46.75	\$5.00	\$25.75	\$8.25	\$3.25	\$240.75

Data as of June 30, 2024. Source: Strategas. Data is based on Strategas estimates per share and is assumed to be reliable. This information is being provided by Kayne Anderson Rudnick Investment Management, LLC ("KAR") for illustrative purposes only. **Past performance is no guarantee of future results.** Returns could be reduced, or losses incurred, due to currency fluctuations.

Market Commentary

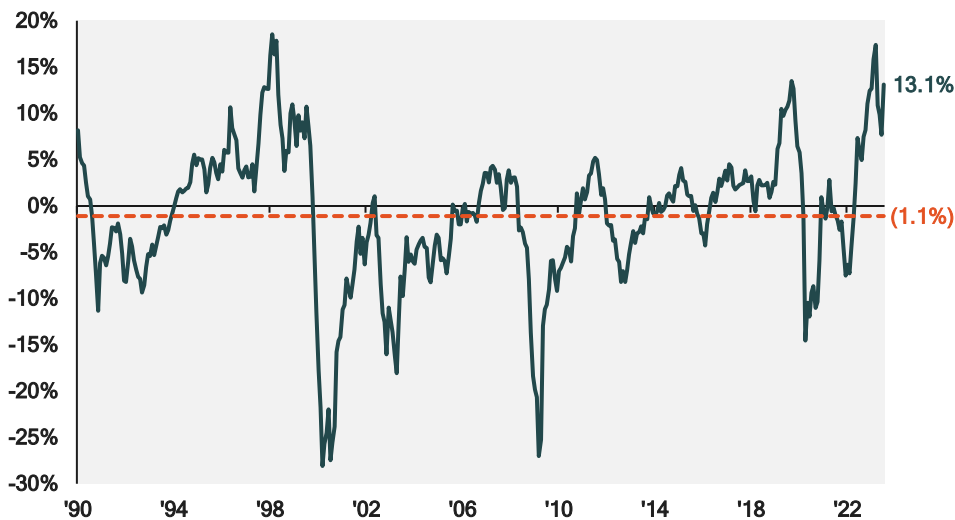
Continuation of Very Narrow U.S. Large Cap Market



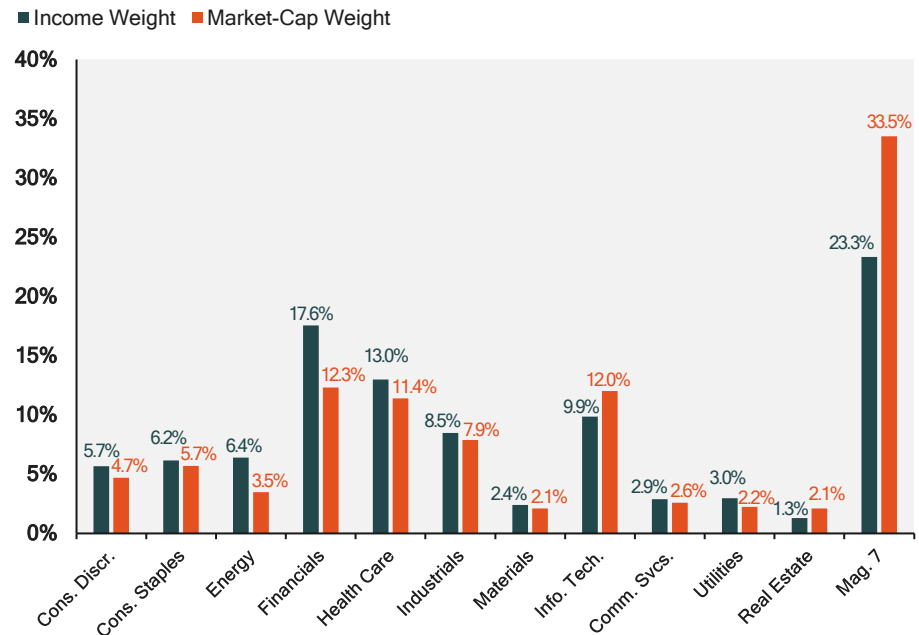
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- From a historical perspective, we have seen two periods where the gap between the market-cap weighted versus equal weighted indices has been this wide (the late 1990s and the late 2010s) and would note that while the gap can persist for some time, the reversals can be sudden.
- The Mag 7 accounts for 32% of the S&P by composite weight but only 23% by earnings. So while we understand investor positioning to go where there is growth, valuations could be a bit full here.
- While many investors seek index investing as a way to diversify, there is less safety in that diversification than in previous periods.

S&P 500® vs. S&P 500® Equal-Weighted Index
Rolling 12-Month Return Differential



S&P 500® Net Income Weight vs. Sector Weight



Data as of June 30, 2024. Data for the chart to the left is obtained from Strategas and Bloomberg and is assumed to be reliable. Data for the chart to the right is obtained from Strategas and Factset and is assumed to be reliable. The Magnificent 7 is its own sector and is excluded from the other sectors. The information provided in this chart is for illustrative purposes only. **Past performance is no guarantee of future results.**

Market Commentary

A More Normalized Interest Rate Environment Should Allow Quality Companies to Better Differentiate Themselves

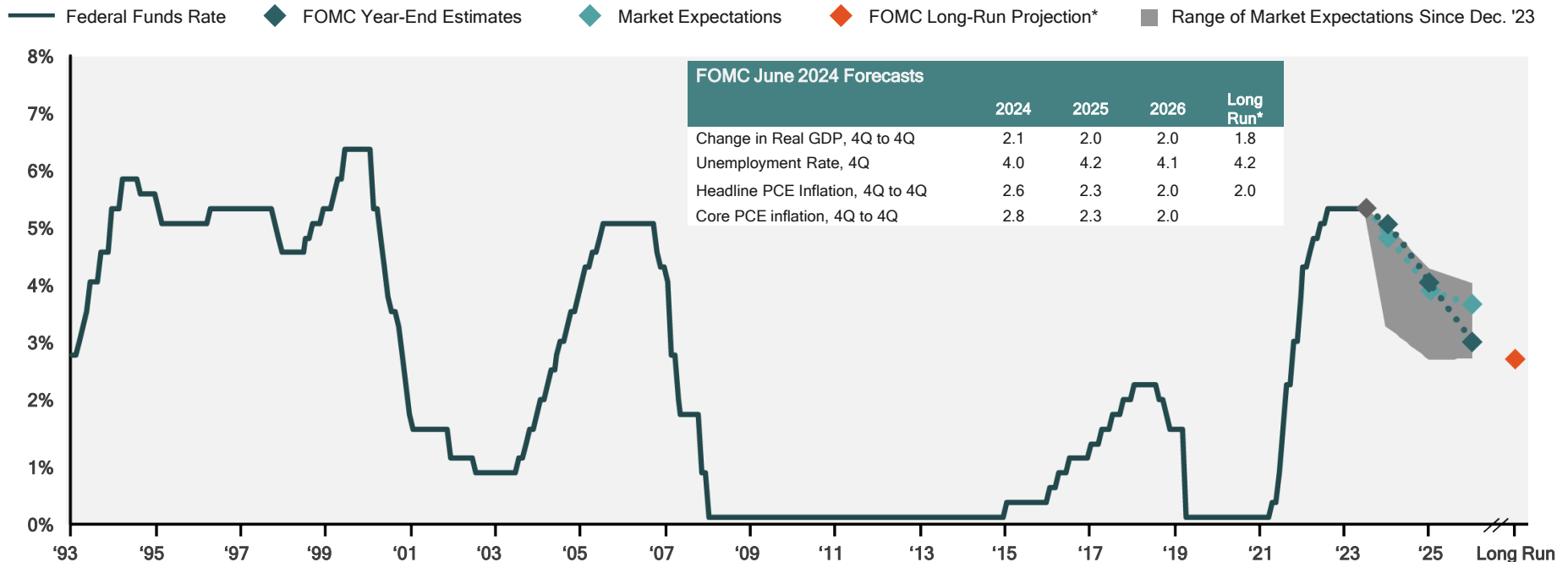


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- While we do expect the Fed to eventually cut interest rates, we do not expect interest rates to return to 0%. The last 13 years are the anomaly, not the current 5.25-5.50%, which is less than 100 basis points above the long-run average.
- Assuming a more normalized or neutral rate of 3-4% could have a profound impact on how companies operate and how assets are priced.
- We believe this should allow for quality companies with low leverage to be better-positioned to weather a more capital-constrained environment by generating all their capital needs internally and finding opportunities to reinvest without relying on free outside financing to do so.

Federal Funds Rate Expectations

FOMC and Market Expectations for the Federal Funds Rate



Data as of June 30, 2024. Data is obtained from the Bloomberg, FactSet, Federal Reserve and J.P. Morgan Asset Management and is assumed to be reliable. Market expectations are based off of USD Overnight Index Swaps. *Long-run projections are the rates of growth, unemployment and inflation to which a policymaker expects the economy to converge over the next five to six years in absence of further shocks and under appropriate monetary policy. Forecasts are not a reliable indicator of future performance. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward-looking statements, actual events, results or performance may differ materially from those reflected or contemplated.

Market Commentary

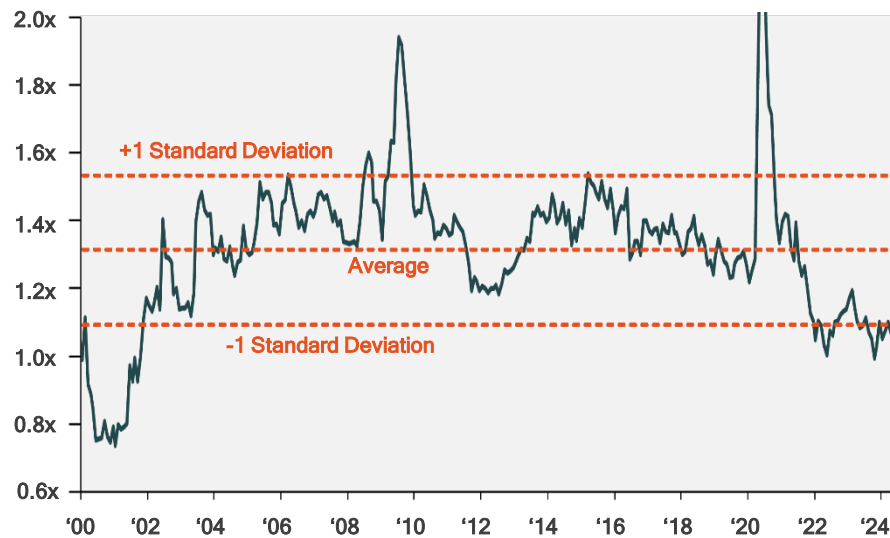
Large Differential in Valuations Between Large and Small Stocks



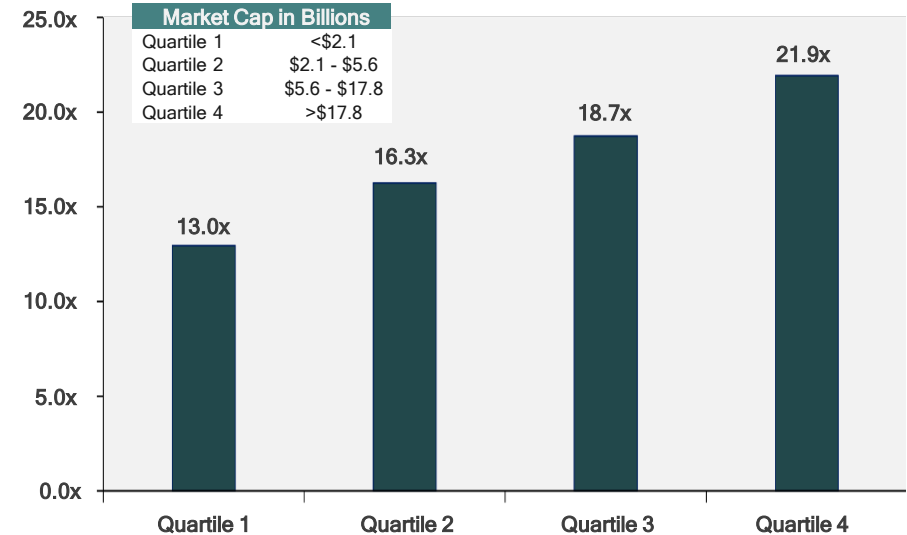
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Investment Management

- Given the disparity in performance between large and small-cap stocks, the differential in large cap and small-cap P/Es are now one standard deviation from their average.
- We also see a direct linear relationship between market cap and P/E multiples.

Russell 2000® Index P/E Ratio Relative to S&P 500® Index P/E Ratio
Next 12 Months



S&P 1500® Median P/E by Market Cap Quartile
Last 12 Months



Data for the chart to the left is as of May 31, 2024. Data for the chart to the right is as of June 18, 2024. Data is obtained from Strategas and Factset and is assumed to be reliable. The information provided in this chart is for illustrative purposes only. **Past performance is no guarantee of future results.**

- **Portfolio Data**
- **Disclosure**

Sector Weights

Small Cap Growth Portfolio

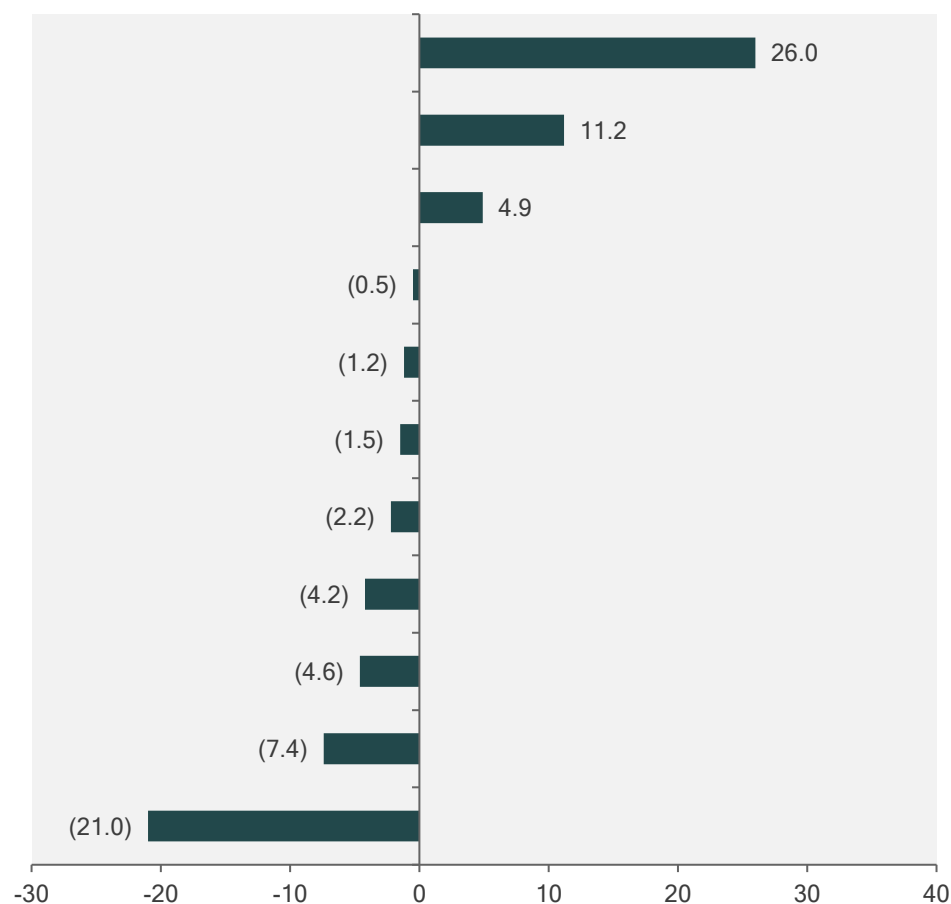
As of June 30, 2024



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Sectors	KAR Small Cap Growth (%)	Russell 2000® Growth Index (%)
Financials	33.8	7.8
Communication Services	13.3	2.1
Consumer Discretionary	14.8	9.9
Utilities	--	0.5
Information Technology	19.1	20.3
Real Estate	--	1.5
Consumer Staples	1.0	3.3
Energy	--	4.2
Materials	--	4.2
Industrials	13.9	21.3
Health Care	4.1	25.1

Underweight/Overweight (%)



This material is deemed supplemental and complements the performance and disclosure at the end of this presentation.

Holdings are subject to change. Holdings and weightings are based on a representative portfolio. Individual investors' holdings may differ slightly. The sector information represented above is based on GICS sector classifications. Data is obtained from FactSet Research Systems and is assumed to be reliable. Numbers may not always add up due to rounding.

Top Ten Holdings

Small Cap Growth Portfolio

As of June 30, 2024



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Top 10 Holdings	GICS Sector	% of Portfolio
Ryan Specialty	Financials	9.9
AAON	Industrials	8.3
Morningstar	Financials	8.2
Auto Trader	Communication Services	7.4
nCino	Information Technology	5.0
ServisFirst Bancshares	Financials	4.8
Triumph Financial	Financials	4.8
Rightmove	Communication Services	4.4
Fox Factory	Consumer Discretionary	4.3
Ollie's Bargain Outlet	Consumer Discretionary	4.2
Total		61.3

Research confidence leads to large active weights

	KAR Small Cap Growth	Russell 2000® Growth Index
# of Holdings	29	1,116
Average Position Size (%)	3.3	0.1
Weight of Top Ten Holdings (%)	61.3	6.8
Active Share (%)	97.4	—

The strategy benefits from diversification while still taking significant active positions

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Returns

Small Cap Growth Portfolio



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Annualized Performance

Periods Ending 6/30/24	Gross (%)	Net (%)	Index (%)	Excess Return - Net (bps)
Second Quarter	(6.87)	(7.58)	(2.92)	(466)
Year to Date	(3.42)	(4.86)	4.44	(931)
1 Year	3.81	0.74	9.14	(840)
3 Years	(5.68)	(8.49)	(4.86)	(363)
5 Years	5.07	1.97	6.17	(420)
7 Years	12.47	9.17	7.28	189
10 Years	14.06	10.72	7.39	333
Since Inception*	10.75	7.49	6.58	91

*January 1, 1998

This material is deemed supplemental and complements the performance and disclosure at the end of this presentation.

Returns for the Kayne Anderson Rudnick composite are final. All periods less than one year are total returns and are not annualized. For further details on the composite, please see the disclosure statement in this presentation. Data is obtained from FactSet Research Systems and is assumed to be reliable. Numbers may not always add up due to rounding. **Past**

performance is no guarantee of future results. Returns could be reduced, or losses incurred, due to currency fluctuations.

IMPORTANT RISK CONSIDERATIONS: Equity Securities: The market price of equity securities may be adversely affected by financial market, industry, or issuer-specific events. Focus on a particular style or on small, medium, or large-sized companies may enhance that risk. **Sector Focused Investing:** Events negatively affecting a particular industry or market sector in which the portfolio focuses its investments may cause the value of the portfolio to decrease. **Foreign Investing:** Investing in foreign securities subjects the portfolio to additional risks such as increased volatility; currency fluctuations; less liquidity; less publicly available information about the foreign investment; and political, regulatory, economic, and market risk. **Limited Number of Investments:** Because the portfolio has a limited number of securities, it may be more susceptible to factors adversely affecting its securities than a portfolio with a greater number of securities.

Calendar Year Performance

Periods Ending 12/31	Gross (%)	Net (%)	Index (%)	Excess Return - Net (bps)
2023	20.87	17.34	18.66	(132)
2022	(30.08)	(32.21)	(26.36)	(585)
2021	5.69	2.58	2.83	(26)
2020	39.37	35.35	34.63	72
2019	39.46	35.45	28.48	696
2018	12.53	9.23	(9.31)	1,854
2017	41.79	37.72	22.17	1,555
2016	26.59	22.92	11.32	1,160
2015	1.91	(1.11)	(1.38)	27
2014	5.16	2.06	5.60	(354)
2013	40.55	36.50	43.30	(680)
2012	12.38	9.08	14.59	(550)
2011	18.59	15.13	(2.91)	1,803
2010	15.44	12.06	29.09	(1,703)
2009	39.32	35.50	34.47	103
2008	(33.73)	(35.92)	(38.54)	262
2007	(0.61)	(3.56)	7.05	(1,061)
2006	15.47	12.16	13.35	(118)
2005	2.71	(0.32)	4.15	(447)
2004	13.42	10.15	14.31	(416)
2003	39.90	36.06	48.54	(1,249)
2002	(23.82)	(26.25)	(30.26)	401
2001	0.48	(2.56)	(9.23)	667
2000	6.28	3.17	(22.43)	2,560
1999	31.19	27.54	43.09	(1,555)
1998	3.33	0.27	1.23	(96)

Risk-Return Analysis

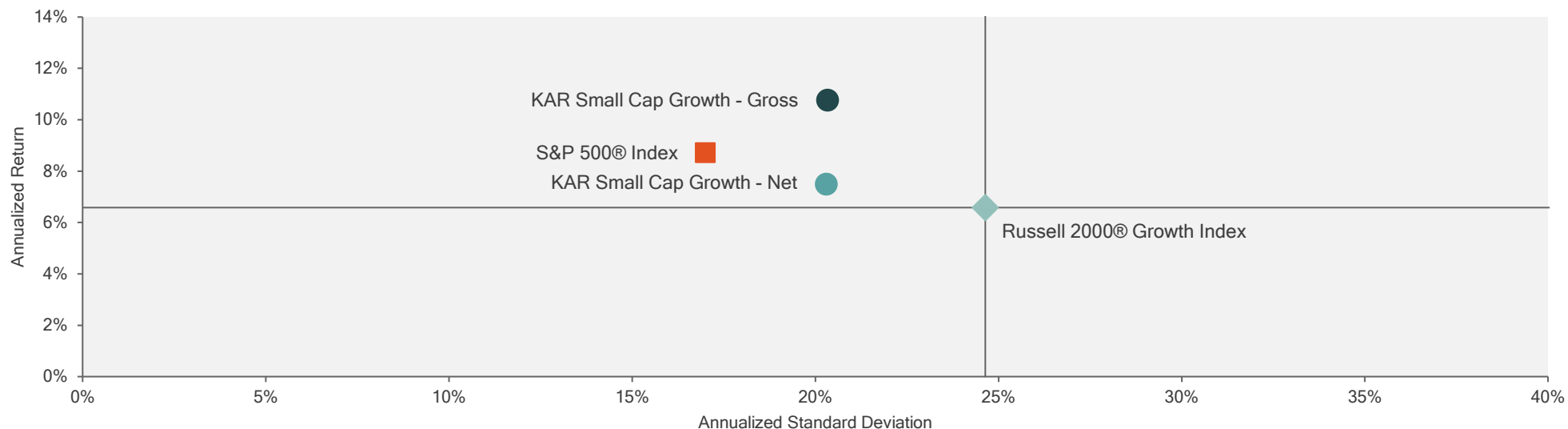
Small Cap Growth Portfolio
Inception* to June 30, 2024



Kayne Anderson Rudnick
Investment Management

Meaningful Excess Return with Lower Volatility

Annualized Since Inception*



Performance Statistics

Annualized Since Inception*

	Annualized Return (%)	Alpha (%)	Sharpe Ratio	Information Ratio	Tracking Error	Standard Deviation (%)	Beta	Downside Capture
KAR Small Cap Growth - Gross	10.75	5.00	0.43	0.36	11.51	20.34	0.73	59.45
KAR Small Cap Growth - Net	7.49	1.89	0.27	0.08	11.51	20.30	0.73	66.17
Russell 2000® Growth Index	6.58	0.00	0.18	N/A	N/A	24.64	1.00	100.00

*January 1, 1998

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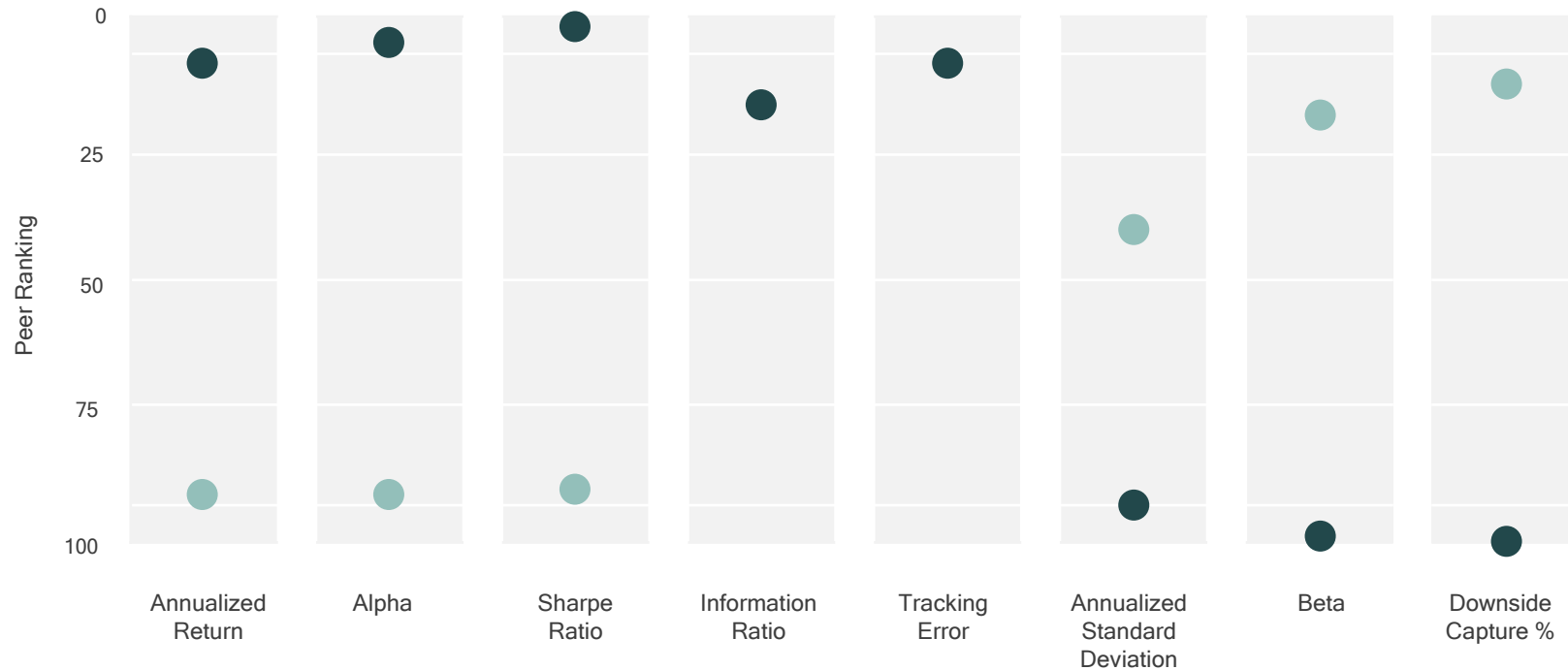
Peer Comparison

Small Cap Growth Portfolio

Ten Years Ending June 30, 2024



Kayne Anderson Rudnick
Investment Management



● KAR Small Cap Growth ● Russell 2000® Growth Index ■ Small Cap Growth Universe

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*The eVestment Small Cap Growth Universe includes 114 managers categorized in the small cap growth asset class by eVestment. KAR does not pay any fees to be included in the eVestment Small Cap Growth Universe or for the ranking itself. KAR does pay fees for the use of certain products and services provided by eVestment. eVestment rankings are based on gross of fee returns. Gross of fee returns will be reduced by investment managements fees and other expenses that may be incurred in the management of the account. Management fees are described in KAR's Form ADV Part 2A, which is available upon request and can also be found at <https://kayne.com/wp-content/uploads/ADV-Part-2A.pdf>. Returns could be reduced or losses incurred due to currency fluctuations. **Past performance is no guarantee of future results.***

Disclosure

Small Cap Growth (Wrap) Composite



Kayne Anderson Rudnick
Investment Management

Year	Composite Pure Gross Return* (%)	Composite Net Return (%)	Russell 2000® Growth Index Return (%)	Composite 3-Yr Std Dev (%)	Benchmark 3-Yr Std Dev (%)	Number of Accounts	Internal Dispersion (%)	Composite Assets (\$ Millions)	Firm Assets (\$ Millions)
2014	5.16	2.06	5.60	11.97	14.02	23	0.30	20	7,989
2015	1.91	(1.11)	(1.38)	13.80	15.16	24	0.25	36	8,095
2016	26.59	22.92	11.32	14.67	16.91	24	0.38	53	9,989
2017	41.79	37.72	22.17	12.94	14.80	26	0.41	119	14,609
2018	12.53	9.23	(9.31)	14.68	16.69	48	0.52	269	17,840
2019	39.46	35.45	28.48	15.20	16.60	81	0.26	370	25,685
2020	39.37	35.35	34.63	20.75	25.46	89	0.52	532	39,582
2021	5.69	2.58	2.83	18.36	23.40	95	0.21	552	47,269
2022	(30.08)	(32.21)	(26.36)	21.92	26.57	79	0.17	318	33,531
2023	20.87	17.34	18.66	20.75	22.10	82	0.34	348	41,186

*Pure gross returns are supplemental to net returns.

The Russell 2000® Growth Index is a trademark/service mark of Frank Russell Company. Russell® is a trademark of Frank Russell Company.

KAR (as defined below) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. KAR has been independently verified for the period from January 1, 1999 through December 31, 2023.

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, 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 Small Cap Growth Wrap Composite has had a performance examination for the period from January 1, 1999 through December 31, 2023. The verification and performance examination reports are available upon request.

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Kayne Anderson Rudnick Investment Management, LLC ("KAR"), a wholly owned subsidiary of Virtus Investment Partners, Inc., is a registered investment advisor under the Investment Advisers Act of 1940. Registration of an Investment Advisor does not imply any level of skill or training. KAR manages a variety of equity and fixed-income strategies focusing exclusively on securities the firm defines as high quality.

The composite includes all fully discretionary Small Cap Growth Wrap Portfolios. Small Cap Growth Wrap Portfolios are invested in equity securities with market capitalizations in line with the Russell 2000® Growth Index, that have market control, rising free cash flow, shareholder-oriented management, strong consistent profit growth and low-debt balance sheets. For comparison purposes, the composite is measured against the Russell 2000® Growth Index. The Russell 2000® Growth Index is a market capitalization-weighted index of growth-oriented stocks of the 2,000 smallest companies in the Russell Universe, which comprises the 3,000 largest U.S. companies. The index is calculated on a total-return basis with dividends reinvested. Benchmark returns are not covered by the report of the independent verifiers. The inception date of the composite is January 1998. The composite was created in July 2003. Prior to April 2024, the name of the composite was the Small Cap Sustainable Growth Wrap Composite. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. The firm's list of composite descriptions, list of broad distribution pooled fund and the list of limited distribution pooled funds descriptions are available upon request.

Beginning on January 1, 2006, sub-advisory wrap fee portfolios are also included in composite results. Each sub-advisory relationship is included in the composite as one account. All portfolios included in this composite for all periods are wrap portfolios.

The standard wrap fee schedule in effect is 3.00% on total assets. Actual management fees charged may vary depending on applicable fee schedules and portfolio size, among other things. Additional information may be found in Part 2A of Form ADV, which is available on request. The performance information is supplied for reference. Past performance is no guarantee of future results. Results will vary among accounts. The U.S. dollar is the currency used to express performance. Performance results include the reinvestment of all income. Pure gross returns do not reflect the deduction of any expenses, including trading costs. Net annual returns are calculated by deducting 1/12th of an assumed maximum annual wrap fee of 3% on a monthly basis. Wrap fees include all charges for trading costs, portfolio management, custody and other administrative expenses.

Internal dispersion is calculated using the asset-weighted standard deviation of annual gross returns for accounts in the composite for the entire year. For those years when less than five accounts were included for the full year, no dispersion measure is presented. The three-year annualized ex-post standard deviation measures the variability of the composite (using pure gross returns) and the benchmark for the 36-month period.