

Nuance Concentrated Value Perspectives Discussion



March 31, 2012

from

Montage Investments

Commentary with President and Chief Investment Officer Scott A. Moore, CFA

The Nuance Concentrated Value Composite is a classic value investment product investing primarily in the equity or equity-linked securities of United States based companies. The product will typically maintain 15-35 positions in the securities of companies that, in the opinion of the Nuance Investments Team, have leading and sustainable market share positions, above average financial strength, and are trading at prices materially below our internally derived view of intrinsic value. The product's primary benchmark is the Russell 3000 Value Index. Clients may also compare the product to the S&P 500 Index.

Performance Update

Since its inception on November 13, 2008, the Nuance Concentrated Value Composite (through March 31, 2012) is up 23.70 percent (annualized and net of fees) versus the Russell 3000 Value Index up 13.92 percent and the S&P 500 Index up 16.29 percent.

For the first quarter of 2012 (ending March 31, 2012), the Nuance Concentrated Value Composite was up 10.40 percent (net of fees) versus the Russell 3000 Value Index up 11.18 percent and the S&P 500 Index up 12.59 percent.

Comparing our product to peers also displays excellent results since our inception. On a total return basis, we now rank 15th of 1,229 members (1st percentile) in the Morningstar Large Value Peer Group. Versus the Lipper Multi-Cap Value Funds Peer Group we ranked 25th out of 254 members (10th percentile).

Comparing ourselves to these same peer groups on a risk-adjusted return basis (as measured by Sharpe Ratio), the Nuance Concentrated Value Composite also fared quite well. The product ranked 1st out of 1,229 members (1st percentile) in the Morningstar Large Value Peer Group. Versus the Lipper Multi-Cap Value Funds Peer Group we ranked 2nd out of 254 members (1st percentile). The Sharpe Ratio is calculated by subtracting the return of the risk-free index (Citigroup 3-month Treasury Bill) from the Composite return divided by the Standard Deviation of the Composite to get the risk-adjusted return.

Scott A. Moore, CFA



President and Chief Investment Officer

- 21+ years of investment analyst experience
- 19+ years of classic value investment experience

- 13+ years of portfolio management experience using a classic value approach
- Co-owner and founder of Nuance Investments, LLC
- Former Senior Portfolio Manager at American Century Investments managing over \$10 billion
- Former Lead portfolio manager of the 5-Star Morningstar rated American Century Mid Cap Value Fund (ACMVX) from 2004-2008
- Former Co-portfolio manager of the 5-Star Morningstar rated American Century Equity Income (TWEIX) and 4-Star Morningstar rated American Century Value Fund (TWWLX) from 1999-2008

¹© 2008 Morningstar. Mutual Fund star ratings provided by Morningstar on 10/31/2008. From 9/2/2008 to 10/31/2008, Mr. Moore was a consultant, rather than portfolio manager due to an employment agreement with American Century Investments. American Century Mid Cap Value received recognition while Mr. Moore was the Lead Portfolio Manager from 4/1/2004 to 10/31/2008. American Century Equity Income received recognition while Mr. Moore was a Co-portfolio manager from 2/1/1999 to 10/31/2008. American Century Value received recognition while Mr. Moore was a Co-portfolio manager from 2/1/1999 to 10/31/2008.

	11/13/2008 - 03/31/2012	YTD 2012	1 Year	3 Years APR	Since Inception APR	Since Inception Return	Since Inception Standard Deviation (A)	Since Inception Sharpe Ratio (A)
Nuance Concentrated Value Composite (Gross)		10.53	11.57	27.80	24.27	108.42	15.28	1.56
Nuance Concentrated Value Composite (Net)		10.40	11.06	27.16	23.70	105.23	15.24	1.53
Russell 3000 Value Index		11.18	4.35	23.06	13.92	55.31	20.12	0.68
S&P 500 Index		12.59	8.54	23.42	16.29	66.51	17.98	0.89

	11/13/2008 - 03/31/2012	11/13/08 - 12/31/08	2009	2010	2011
Nuance Concentrated Value Composite (Gross)		4.47	42.21	18.79	6.85
Nuance Concentrated Value Composite (Net)		4.47	41.72	18.13	6.29
Russell 3000 Value Index		0.38	19.78	16.26	(0.06)
S&P 500 Index		(0.47)	26.47	15.06	2.11

Peer Group Analysis 11/30/2008 - 03/31/2012

	Since Inception APR	Standard Deviation (A)	Sharpe Ratio (A)
Nuance Concentrated Value Composite (Gross)	23.29	15.44	1.50
Nuance Concentrated Value Composite (Net)	22.70	15.39	1.47
Morningstar Large Value Peer Group (median)	14.47	19.15	0.78
Peer Group Percentile	1st	7th	1st
Peer Group Ranking	15 of 1229	82 of 1229	1 of 1229
Lipper Multi-Cap Value Funds Peer Group (median)	16.97	20.22	0.80
Peer Group Percentile	10th	1st	1st
Peer Group Ranking	25 of 254	2 of 254	2 of 254

Portfolio Attribution and Investment Strategy Review:

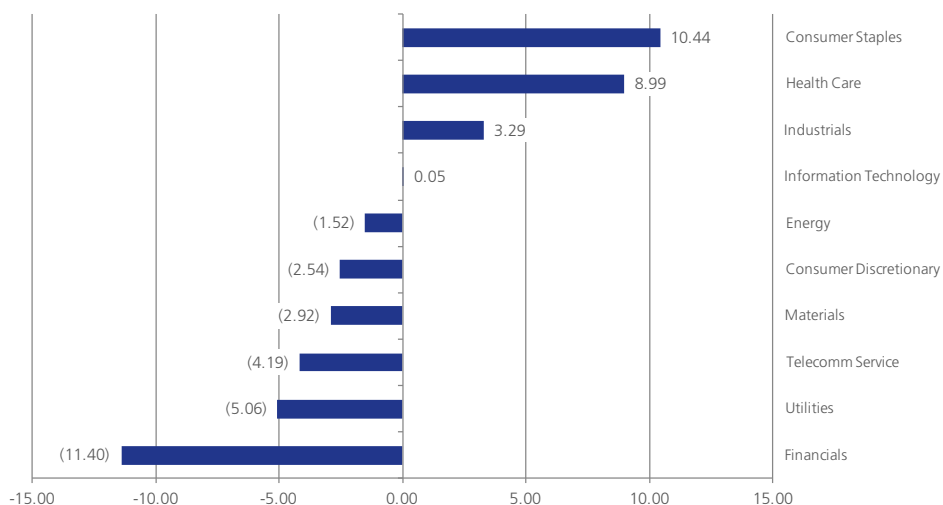
The bright spots in your portfolio for the first quarter of 2012 centered on the Industrial, Utility, and Energy sectors. Kaydon Corporation was an excellent performer as they paid out a \$10.50 cash dividend that surprised the Street in a positive way. The Utility sector was also positive for us as we were underweight in this underperforming sector. We have discussed our view of the risks of high dividend yielding stocks in earlier commentaries and continue to be concerned about these stocks. As such we continue our underweight stance in Utilities.

The biggest detractor of performance was the Financial sector as mega-cap banks finally made a sharp move upward and we did not have much exposure in this area. The Consumer Staples sector was also a drag on performance primarily due to the underperformance of Sysco Corporation. We continue to like this leading food distributor and have added to our positions on this weakness.

Going forward, we continue to find opportunities in the Healthcare, Industrial, and Technology sectors as they have been lagging within the marketplace over the last year. We continue to be underweight in the Utility sector and the Real Estate Investment Trust Industry. Those industries appear overvalued due to the market's current appetite for companies with a historically high dividend payout ratios and their subsequently high absolute dividend yield. We believe that while yield is a very important part of the total return equation, simply looking for high yielding stocks does not lead to outperformance.

Nuance Concentrated Value Composite vs Russell 3000 Value Index

Sector Diversification as of 03/31/2012

**Stocks added to your portfolio:**

Rexnord Corporation (RXN): RXN is a niche industrial conglomerate with leading market positions in the process and motion control business as well as the water management business. RXN was a recent initial public offering and we participated in the offering as well as followed up with after-market purchases for our clients. We purchased RXN for the same reasons we purchase all of our companies. We believed, after performing our internal research and valuation analyses, that RXN has leading business franchises across its core lines of business, excellent returns on capital, and a balance sheet that has the ability to strengthen over time. Today's balance sheet is not as strong as we would like, but management is focusing its capital allocation decisions on the reduction of debt. As such, we believe RXN will become financially strong over time and that the market will reward this improvement.

Stocks sold from your portfolio:

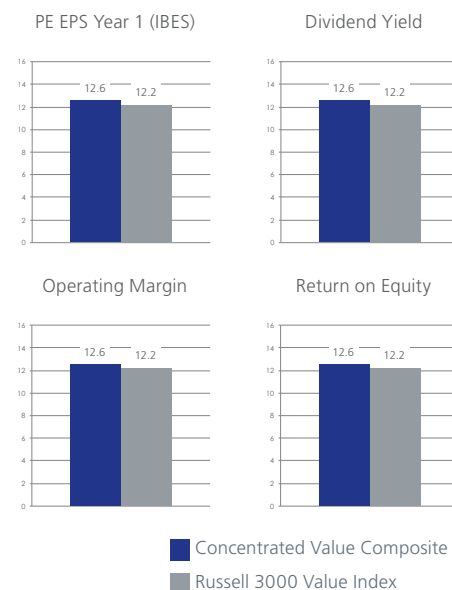
U.S. Ecology (ECOL): We sold ECOL as the stock had achieved our internal view of fair value and we captured a nice gain. Today we are simply finding better opportunities elsewhere. We continue to like ECOL as a business and will monitor going forward for opportunities when the risk versus reward profile is more attractive.

Composition of the Portfolio

We continue to be pleased with the overall composition of the portfolio. Remember that we are seeking to find investment opportunities in leading business franchises with better than average valuation support. Using the table below, you can see that the portfolio has a Price to Earnings ratio of 15.0 x versus the Russell 3000 Value Index of 16.4 x. We are achieving this ratio with a portfolio of companies that have returns on equity of 14.7 percent versus the Russell 3000 Value Index of 10.2 percent. This dichotomy of above average companies selling at below average multiples is a recipe for outperformance over the long term in our opinion.

Statistic	Nuance Concentrated Value Composite	Russell 3000 Value Index
Weighted Average Market Cap	35.5 b	70.7 b
Median Market Cap	16.2 b	0.9 b
PE Trailing 12 Months	15.0 x	16.4 xf
PE EPS Year 1 (IBES)	12.6 x	12.2 x
Dividend Yield	2.31 %	2.43 %
Operating Margin	15.5 x	11.8 x
Return on Equity	14.7 %	10.2 %
Number of Securities	29	2,017

Composite & Index statistics provided by Thomson Reuters. Characteristics calculations use holdings at market close on the date stated, including cash and cash equivalents.



Quarterly Review and Outlook

Time certainly flies when you are having fun and your Nuance team continues to enjoy the always changing and volatile stock market. Unlike some investments we embrace volatility and use it for our client's benefit. We believe that if we can consistently study and find leading business franchises with excellent financial health, that these companies are inherently lower risk investments for our clients. As such, price volatility provides opportunities to buy these great businesses at inexpensive prices and sell them at expensive prices.

As for the first quarter of 2012 specifically, we were pleased overall despite some modest underperformance. Obviously it was nice for our clients and our own assets that the market went up so much in three short months. However, during major up periods we also need to proceed with caution and remind ourselves that markets are two way streets. Despite some economic improvements in the United States, we continue to be operating at unemployment levels near eight percent and with debt levels that continue to be at historically high levels. Couple that with the economic difficulties in Europe and a slowing growth rate in China, and we observe that there are still considerable risks to the market and the economy. Those risks only get greater as asset prices go higher. That said, we should emphasize that there are always risks in the market. That is why we like to focus on buying one stock a time and insuring that a great deal of risk is already priced into the security when we buy it for you. That means when we buy a stock, we are buying it for you when its valuation is inexpensive and when negative sentiment is already priced into it. We do this to provide our clients with a lower risk portfolio of excellent companies. The old saying goes "buy low" and "sell high." At Nuance that is exactly what we strive to do. Buy leading business franchises when negative sentiment has created lower than normal valuations. We perform this consistent process each and every day regardless of the economic environment.

Again, our team appreciates your confidence and trust. Overall, we are gratified to have delivered above-average results for our clients with below-average risk since our inception almost three and a half years ago. We want to remind our clients that we will not outperform our benchmark each and every year or certainly each and every quarter. That is simply not a realistic assumption over time and frankly watching indexes is not what we spend our time doing. Rather, we continue to search the world for leading business franchises selling at discounts to what they are worth. By diligently focusing on this task day in and day out, we believe that outperformance will accrue to our clients over the long term.

Please visit our website at www.nuanceinvestments.com for more information about our team, our process, and value investing. You can also get real-time access to the Nuance Investment website updates and information via traditional mail or e-mail. Simply contact us at client.services@nuanceinvestments.com or call 816-743-7080 to sign-up.

Thank you for your continued confidence and support.

Scott A. Moore, CFA

GIPS Disclaimer

	Gross of Fees Return	Net of Fees Return	Benchmark Return (RAV Index)	Benchmark Return (SPX Index)	Composite Dispersion (Full Period)	Number of Separate Accounts (End of Period)	Total Composite Assets (End of Period)	Total Firm Assets (End of Period)	% of Non-Fee paying accounts	3 Year Annualized Standard Deviation (Composite Net)	3 Year Annualized Standard Deviation (RAV Index)
YTD 2008 (11/13/08-12/31/08)	4.47	4.47	0.38	(0.47)	N/A	7	\$9,126,951	\$18,657,997	4.57%	-	-
2009	42.21	41.72	19.78	26.47	1.34	79	\$87,342,803	\$137,943,058	0.60%	-	-
2010	18.79	18.13	16.26	15.06	0.44	145	\$119,543,453	\$181,201,036	0.46%	-	-
2011	6.85	6.29	(0.06)	2.11	0.59	181	\$96,831,359	\$152,976,943	0.85%	15.89	21.04
YTD 2012 (03/31/2012)	10.53	10.40	11.18	12.59	N/A	198	\$113,387,010	\$176,563,374	0.80%	13.93	17.50

Important Disclaimer

Please note: Nuance Investments, LLC (the "Firm") is a Registered Investment Advisor. The Firm's Nuance Concentrated Value Composite (the "Composite") is a composite of actual accounts invested in the Nuance Concentrated Value investment strategy. The inception date for the Composite is 11/13/2008. The Composite includes all accounts that have invested in the strategy; including accounts no longer managed by the Firm and are presented in US Dollars. The Primary Benchmark for the Composite is the Russell 3000 Value Index. The Russell 3000 Value Index measures the performance of the broad value segment of the U.S. equity universe. It includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values. The Secondary Benchmark for the Composite is the S&P 500 Index. The S&P 500 Index is a market-value weighted index representing the performance of 500 widely held publicly traded large-capitalization stocks. Individuals cannot invest directly in any index. These indices are used for comparison purposes only and are not meant to be indicative of a portfolio's performance, asset composition, or volatility. The performance of the Composite may differ markedly from that of compared indices due to varying degrees of diversification and/or other facts. Return calculations for the Composite are provided by Advent Portfolio Exchange. Return calculations for all indices are provided by Bloomberg. The Composite has been compared to various peer groups defined by investment style. The Composite is an all market capitalization value investment style. The Morningstar Large Value Peer Group (as selected by Morningstar), the Lipper Multi-Cap Value Funds Peer Group and the eVestment US All Cap Value Equity Peer Group have been presented as investment strategies with similar investment styles. For peer group comparisons all Returns, Standard Deviation and Sharpe Ratio calculations, including those of the Composite were calculated by the data provider as indicated based upon strategies with monthly return data from December 2008 to present. Data for the Morningstar and Lipper Peer Groups provided by Zephyr Style Advisor and for the eVestment Peer Group by eVestment Alliance. The Standard Deviation of a product measures the average deviations of a return series from its mean, and is often used as a measure of risk. A large standard deviation implies that there have been large swings in the return series of the manager. The Sharpe Ratio is a calculation of a product's risk-adjusted performance over time. The Ratio is calculated by taking a product's annualized excess return over a risk-free rate (The Firm uses the Citigroup 3-Month Treasury Bill as the risk-free rate) and dividing by its annualized standard deviation calculated using monthly returns. The Price-Earnings Ratio (P/E Ratio) is a valuation ratio of a company's current share price compared to its per-share earnings as calculated by the market value per share divided by earnings per share. The Dividend Yield is calculated based on how much an investment pays in dividends each year relative to its share price. The Price-To-Sales Ratio (Price to Sales) is a ratio for valuing a stock relative to its own past performance, other companies or the market itself as calculated by dividing a stock's current price by its revenue per share for the trailing 12 months. The Return on Assets is calculated by dividing net income by total assets. The Return on Equity is calculated by dividing net income by shareholder equity. A Cash Flow is a revenue or expense stream that changes an account over a given period. A full schedule of fees for all Firm products is available upon request. The collection of fees has a compounding effect on the total rate of return net of investment management fees. Net of fee performance is presented after all actual investment management fees and trading expenses.

The Composite's performance returns have been audited by Absolute Performance Verification through March 31, 2011. The verification report is available upon request by contacting Katie Carver at 816-743-7080 or katie.carver@nuanceinvestments.com. Verification assesses whether (1) The Firm has complied with all the composite requirements of the Global Investment Performance Standards (GIPS®) 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.

Past Performance is not a guarantee of future results. Any investment contains risk including the risk of total loss. There is no guarantee that an investment with the strategy will meet its investment objectives. Please request a copy of the Firm's Full General Disclosures for more information. All material presented is compiled from sources believed to be reliable and current, but accuracy cannot be guaranteed. The information contained herein should not be construed as personalized investment advice and should not be considered as a solicitation to buy or sell any security or engage in a particular investment strategy. Investing involves risk, including the possible loss of principal. Nuance Investments, LLC is majority owned by Montage Investments, LLC. Prior to June 1, 2010 Nuance operated under the name Mariner Value Strategies, LLC.