Nuance Mid Cap Value Perspectives Discussion

December 31, 2014

from Montage Investments

Commentary with President and Chief Investment Officer Scott Moore, CFA

The Nuance Mid Cap Value Composite is a classic value separate account investment product investing primarily in the equity or equity-linked securities of United States based companies. The product will typically maintain 50-90 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 Midcap® Value Index. Clients may also compare the product to the S&P MidCap 400 Value Index and the S&P 500 Index.

Performance Update

Since its inception on November 3, 2008, the Nuance Mid Cap Value Composite (through December 31, 2014) is up 18.89 percent (annualized and net of fees) versus the Russell Midcap Value Index up 18.37 percent, the S&P MidCap 400 Value Index up 17.76 percent, and the S&P 500 Index up 15.57 percent.

For the year of 2014 (ending December 31, 2014), the Nuance Mid Cap Value Composite was up 9.14 percent (net of fees) versus the Russell Midcap Value Index up 14.73 percent, the S&P MidCap 400 Value Index up 12.04 percent, and the S&P 500 Index up 13.68 percent.

Comparing our product to peers also displays excellent results since our inception. On a total return basis, we ranked 172th out of 446 (39th percentile) peer group members in the Morningstar Mid-Cap Cap Value universe. Versus the Lipper Mid-Cap Value Funds Peer Group we ranked 43rd out of 109 (39th percentile).

As compared to these same peer groups on a risk-adjusted return basis (as measured by Sharpe Ratio), the Nuance Mid Cap Value Composite also faired quite well. The product ranked 17th out of 446 (4th percentile) peers in the Morningstar Mid-Cap Value universe. Versus the Lipper Mid-Cap Value Funds Peer Group, we ranked 3rd out of 109 (2nd 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.

Risk-Adjusted Returns Rankings[1]

4TH AND 2ND PERCENTILE

Morningstar
Category: **Mid-Cap Value**
Ranking vs. Peers: 17th of 446

Lipper
Category: **Mid-Cap Value**
Ranking vs. Peers: 3rd of 109

Scott Moore, CFA

President and Chief Investment Officer

- 22+ years of investment analyst experience
- 20+ years of classic value investment experience
- 14+ years of portfolio management experience using a classic value approach
- Lead Portfolio manager of the Morningstar 5-Star rated[2] Nuance Concentrated Value Separate Account product
- Lead Portfolio manager of the Morningstar 5-Star rated[2] Nuance Mid Cap Value Separate Account product
- Former Sr. Portfolio Manager at American Century Investments managing over $10 billion

11/03/2008 - 12/31/2014	YTD 2014	1 Year	3 Years APR	5 Years APR	Since Inception APR	Since Inception TR	Since Inception Standard Deviation (A)	Since Inception Sharpe Ratio (A)
Nuance Mid Cap Value Composite (Gross)	9.79	9.79	21.95	17.97	19.77	203.74	14.92	1.32
Nuance Mid Cap Value Composite (Net)	9.14	9.14	20.87	16.98	18.89	190.26	14.97	1.25
Russell Midcap Value Index	14.73	14.73	22.00	17.43	18.37	182.70	18.07	1.01
S&P MidCap 400 Value Index	12.04	12.04	21.19	16.35	17.76	173.77	18.40	0.97
S&P 500 Index	13.68	13.68	20.38	15.44	15.57	143.87	16.17	0.82

	11/03/08 - 12/31/08	2009	2010	2011	2012	2013	2014
Nuance Mid Cap Value Composite (Gross)	(4.13)	38.69	21.08	4.04	22.02	35.45	9.79
Nuance Mid Cap Value Composite (Net)	(4.13)	38.20	20.01	3.38	20.61	34.24	9.14
Russell Midcap Value Index	(5.60)	34.20	24.75	(1.38)	18.50	33.57	14.73
S&P MidCap 400 Value Index	(3.92)	33.77	22.79	(2.39)	19.10	34.25	12.04
S&P 500 Index	(5.95)	26.47	15.06	2.11	16.00	32.38	13.68

Peer Group Analysis 11/30/2008 - 12/31/2014

	Since Inception APR[1]	Standard Deviation (A)[1]	Sharpe Ratio (A)[1]
Nuance Mid Cap Value Composite (Gross)	19.76	14.92	1.32
Nuance Mid Cap Value Composite (Net)	18.88	14.97	1.25
Morningstar Mid-Cap Value Peer Group (median)	19.10	17.39	1.08
Peer Group Percentile	39th	7th	4th
Peer Group Ranking	172 of 446	32 of 446	17 of 446
Lipper Mid-Cap Value Funds Peer Group (median)	19.19	17.38	1.11
Peer Group Percentile	39th	1st	2nd
Peer Group Ranking	43 of 109	2 of 109	3 of 109

Portfolio Attribution and Investment Strategy Review:

The bright spots in your portfolio during 2014 included the Materials, Consumer Staples and Healthcare sectors. Patterson Cos. Inc. (PDCO), one of our largest holdings during the year, H.B Fuller Co. (FUL), Goldcorp Inc. (GG) and Compass Minerals International (CMP) were significant contributors.

The biggest detractors to performance were the Finance sector, the Energy sector and the Information Technology sector. Our cash position also contributed to underperformance during the period.

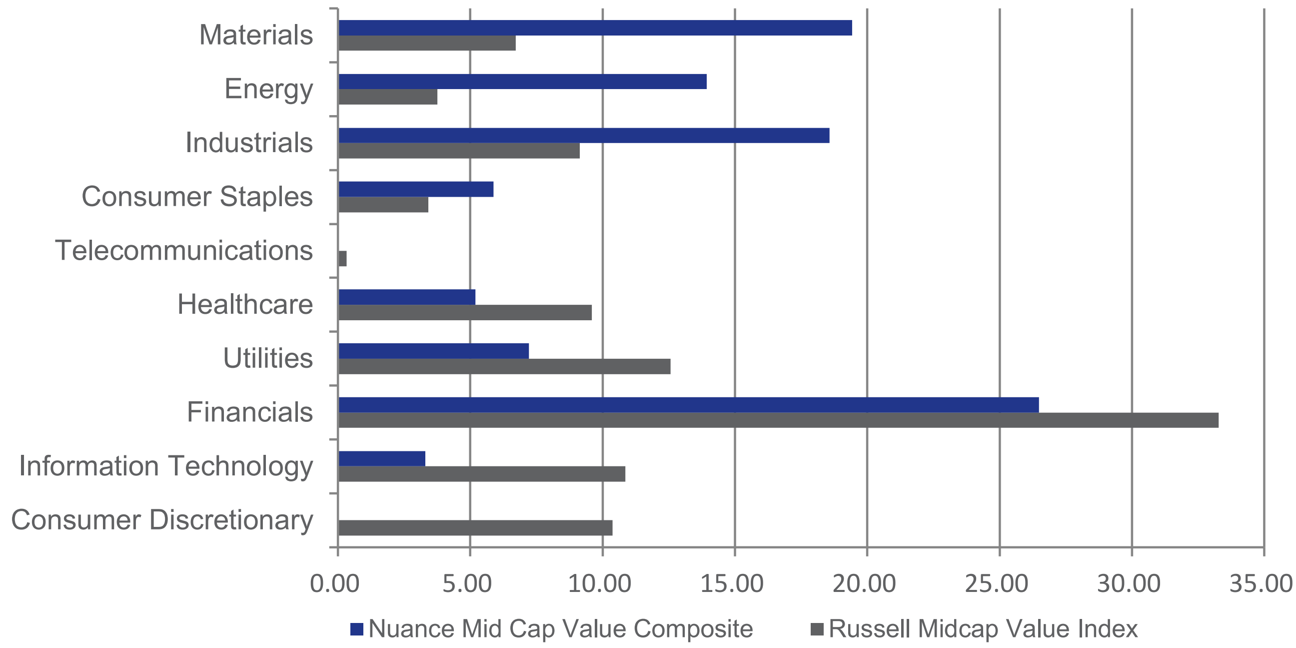
Our worst performing sector was the Finance sector (approximately 240 bps). This was largely due to our significant underweight in the Real Estate Investment Trust (REIT) industry which we continue to view as significantly overvalued. We also were also a bit early in building up our weighting in BOK Financial (BOKF). BOKF is a leading market share positioned regional bank based in Oklahoma that is under-earning its potential due to low interest rates, which have hurt net interest margins, as well as an over capitalized balance sheet. We are adding to BOKF on weakness as it approaches what we believe to be excellent valuation support levels.

Energy also underperformed and hurt performance by approximately 150 bps and was primarily the result of our position in Frank's International NV's (FI). FI is one of the two leading manufacturers of highly engineered tubular systems for both land and offshore drilling activities. Considered the highest quality operator in the space with the best engineering and team of service providers, FI has long been considered a top-tier business within the energy equipment and services peer group. Recently, the stock has come under significant pressure as a classic multi-year spending cycle in the offshore drilling business segment created a period of over earnings at both FI and other equipment and services providers. This, coupled with the sharp declines in oil and natural gas prices, has resulted in a significant valuation shift from undervalued to significantly undervalued in our opinion. As we have seen time and time again, over earnings and excess spending periods result in excess capacity which then leads to a period of under earnings and below average returns on capital. This is happening at FI and is resulting in an earnings estimate reductions, negative sentiment and most importantly, what we believe is a significant valuation opportunity for our clients. With net cash on the balance sheet and an approximately 3.7% dividend yield, we are being paid a reasonable sum to wait on improved fundamentals and improving valuations into the future.

Lastly, we underperformed in the Information Technology sector (70 bps) as Knowles Corporation hurt performance and masked what was otherwise a reasonably good year for our team in this sector. KN is a provider of advanced acoustic components from microphones and hearings aids to electronic devices around the world. The positive case for KN centers around their current leading market share position, theoretically growing markets and the potential for margin expansion as the company becomes more focused outside of a large entity. (The company was a spin-off from Dover Corporation- DOV.) However, our recent internal research suggests that the sustainability of that leadership is in question. One of their core customers appears to have easily swapped out of KN products (implying lower switching costs than we anticipated) into a competitor product without quality or logistical issues. The apparent ease at which the customer did this was very concerning to us here at Nuance. The result was an earnings disappointment that hurt the stock. In this case, the fundamental and competitive analysis did not live up to our expectations and the competitive position does not appear to be what our original analysis believed. As such, we chose to capture a tax loss on KN and use the proceeds to purchase other situations during the recent market sell-off.

Overall, we are adding weighting to the Energy, Finance and Industrial sectors on the recent underperformance. We are also finding opportunities in the Materials sector on a one-off basis with stocks that have issues surrounding their own individual company or sub industry. We continue to be underweight the Consumer Discretionary sector as the combination of fully to overvalued stocks and evolving competitive positions make it difficult to find ideas that fit our process. We are also underweight the REIT industry and the Utility sector. Those two spaces are not showing opportunities and continue to appear fully valued or overvalued driven by what we have termed the chase for yield.

Nuance Mid Cap Value Composite vs Russell Midcap Value Index
Sector Diversification as of 12/31/2014



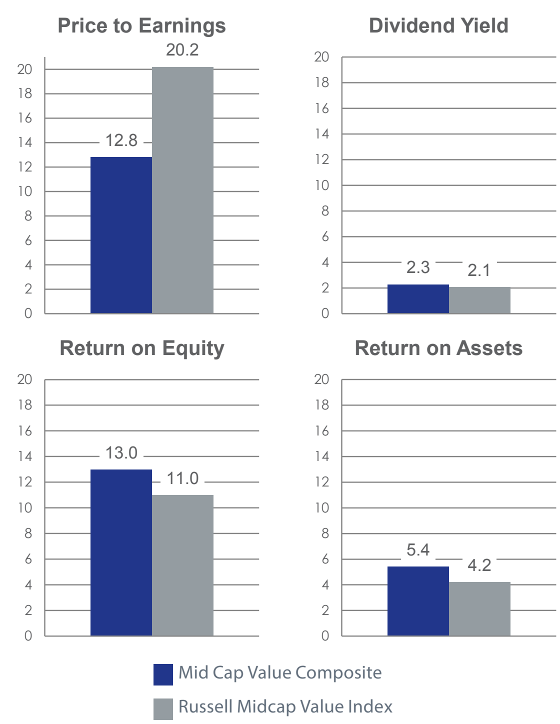
Composition of the Portfolio

We continue to be pleased with the overall composition of the portfolio. Remember that we are seeking 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 12.8x versus the Russell Midcap Value Index of 20.2x. We are achieving this ratio with a portfolio of companies that have returns on assets of 5.4 percent versus the Russell 3000 Value Index of 4.2 percent. This dichotomy of above average companies selling at below average multiples is a recipe for outperformance over the long term in our opinion.

Characteristics as of 12/31/2014	Nuance Mid Cap Value Composite	Russell Midcap Value Index
Weighted Average Market Cap	7.8b	12.1b
Median Market Cap	4.8b	5.8b
Price to Earnings (internal & ttm)*	12.8x	20.2x
Forward Price to Earnings	16.6x	16.8x
Dividend Yield	2.3%	2.1%
Return on Equity	13.0%	11.0%
Return on Assets	5.4%	4.2%
Number of Securities	50	578

*Based on Nuance internal estimates and benchmarked against the above noted Russell index.

Composite & Index statistics provided by Bloomberg & Russell, respectively: Weighted Average Market Cap, Median Market Cap, Dividend Yield & Number of Securities. Return on Equity & Return on Asset statistics are internally calculated using Bloomberg data. The P/E statistics are a Nuance internal



2015 Outlook

Our outlook for 2015 starts with our team's disappointing year in 2014. While certainly not a year that we want to replicate, there are certain traits that come with an underperforming year that create optimism within the walls of our Kansas City, Missouri office. First, we continue to execute on the investment process that has served us very well since the inception of the firm. That process begins and ends with our team finding what we believe are leading business franchises that have sustainable competitive positions and are trading at levels that allow us to purchase their stocks when the downside is less than that of the market alternatives and the upside is greater than the market alternatives. This provides our clients with a portfolio of leading business franchises with what we believe have significantly better risk rewards than the market. Following a disappointing period, almost by definition our team believes that the risk reward profile of our product has improved and that is the case as we look to 2015.

Given the sharp dislocation of the Energy sector during the 4th quarter, we believe that leading business franchises within the Energy sector have now become the best opportunity in the market. Given our contrarian nature I am guessing this is not a surprise to our clients and loyal readers. As recently as June of this year, we were actually underweight the space. But the recent oil and natural gas price declines have been substantial and are nearing what we believe trough prices for those commodities. Energy as a sector is a classic example of a cyclical area of the economy where company selection and risk reward analyses are critical to long term value creation. Our process is designed to distinguish the winners from the losers over time and begins with historical studies of the sub industries within the Energy sector to find the leaders where sustainable competitive advantages exist. Companies like FI have been leaders for decades, having above average returns on capital over time versus their peers and the sector as well as top-tier balance sheets versus their peers and the sector in general. Those traits are critical to our process here at Nuance and historically, the best time to own these stocks is when oil and natural gas prices are below our internal view of normal and business activity is slowing. That is the case today and as the 4th quarter progressed the degree of the dislocation and price declines have led to what appears to be an outsized opportunity in what we believe to be the leaders in this sector.

Another topic to address for 2015 is interest rates and interest rate sensitive stocks. In particular, certain industries have significant interest rate sensitivity as they payout greater than half of their earnings in dividends over time and are often used as bond surrogates due to their dividend yields. REITS, Utilities and some Consumer Staples companies fit that mold. Due to the 10 year treasury yields falling from approximately 3.0 percent to 2.0 percent throughout 2014, there has been yet another chase for yield that has resulted in interest sensitive stocks (in general) becoming significantly overvalued on all valuation measures that we use here at Nuance. From this point in time, the risk reward of not owning these groups during 2015 is better than a year ago and, in our view, it is downright attractive to be void in these spaces.

I would be remiss if I did not remind our clients that one-off stock ideas are always in vogue here at Nuance and they continue to present themselves. One example is H.B Fuller Co. (FUL), a company that we have followed for a long time and just visited this past month following a difficult period for the company. FUL is the #2 player in the world's landscape of sealants and adhesives behind Henkel Corporation, a German based conglomerate. FUL is under-earning its potential due to three different transitorily negative issues. Above-average capital spending to increase efficiency in Europe, an SAP system implementation and a commodity based cost of goods sold spike all hurt the company at the same time and the company lowered their earnings guidance significantly from the low $3.00 range to the low $2.00 range. This caused the stock to underperform significantly and provided an attractive entry point. Critically, we believe that each issue is transitory and is masking what we believe to be underlying business improvement occurring at FUL including share gains and potential margin improvement that will likely surprise over the next 3-5 years. This is an excellent example of how we spend our time at Nuance and how we study one stock at a time, determine that the competitive position of your holding is sound and sustainable for years to come, normalize the entire array of financial statements to determine mid cycle and sustainable earnings and cash flows and then perform a valuation study emphasizing not only the fair value but also the potential downside value of each stock we own for our clients. All of that work suggest an excellent long term investment in FUL.

We will close this letter by stating that we continue to be pleased with our long term performance of Nuance Mid Cap Value but clearly we are not pleased with our 2014 performance. As we always do, we remind our readers that outperformance versus our primary and secondary benchmarks is not a given nor should it be an expectation for any single year or quarter. There will be times that the market and our team will simply disagree and the result will be underperformance. In 2014 the market and Nuance disagreed.

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 (RMV Index)	Benchmark Return (MIDV Index)	Composite Dispersion (Full Period)	Number of Separate Accounts (End of Period)	Total Compos-ite Assets (End of Period)	Total Firm Assets (End of Period)	% of Non-Fee paying accounts	3 Year Annualized Standard Deviation (Composite Gross)	3 Year Annualized Standard Deviation (RMV Index)
YTD 2008 (11/03/08-12/31/08)	(4.13)	(4.13)	(5.60)	(3.92)	N/A	1	$9,531,045	$18,657,997	0.00%	-	-
2009	38.69	38.20	34.20	33.77	-	4	$50,600,141	$137,943,058	1.12%	-	-
2010	21.08	20.01	24.75	22.79	0.20	4	$60,702,099	$181,201,036	1.13%	-	-
2011	4.04	3.38	(1.38)	(2.39)	0.13	4	$55,186,800	$152,976,943	0.86%	18.19	23.08
2012	22.02	20.61	18.50	19.10	0.06	4	$58,463,905	$214,936,666	1.00%	14.55	16.98
2013	35.45	34.24	33.57	34.25	N/A	8	$80,358,264	$507,569,897	0.99%	13.14	13.88
YTD 2014 (12/31/2014)	9.79	9.14	14.73	12.04	0.14	13	$130,238,086	$1,071,186,382	7.69%	10.71	9.94

Compliance Statement

Nuance claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Nuance has been independently verified for the periods 11/03/08 – 03/31/14 by Absolute Performance Verification. The verification reports are 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. Nuance is an investment adviser registered with the Securities and Exchange Commission. The firm maintains a complete list and description of composites, which is available upon request. Results are based on fully discretionary separate accounts under management, including those accounts no longer with the firm. The U.S. Dollar is the currency used to express performance returns and assets. Performance results are presented both net and gross of management fees and include the reinvestment of income. Both gross and net of fee returns are reduced by trading expenses. Net of fee returns are reduced by Actual investment advisory fees and other expenses that may be incurred in the management of the account. The firm does not currently assess any Performace Based Fees. From the inception of each composite until 12/31/10, Time Weighted Return was compounded on a monthly basis. Beginning 01/01/11 through present, Time Weighted Return was compounded on a daily basis. Dispersion is calculated from gross of fee returns using an asset-weighted standard deviation methodology. Only those accounts included for the full calculation period are part of the dispersion calculation. The 3-year Ex-post annualized standard deviation value is calculated using 36 consecutive monthly gross of fee returns to the end calculation period. Since Inception, Nuance has adopted the following Significant Cash Flow Policy for both composites. An account will be removed from a composite if a client has given specific instructions that prevent full investment of the cash flow(s) in a timely manner (defined as 5 business days or greater), or cumulative cash flow(s) are equal or greater than 3 percent of the total composite market value based on the end of month market value, or if cumulative cash flow(s) are equal or greater than 20 percent of the total account value based on the end of month market value. If these circumstances exist, the account will be removed from the composite and added back to the composite on the first day of the month following the date that the account is fully invested (defined as being within ten percent of the model portfolios cash target).

Our Core offerings are the Nuance Mid Cap Value Strategy and the Nuance Concentrated Value Strategy Nuance. More information regarding Composite descriptions and policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request by contacting client.services@nuanceinvestments.com or 816-743-7080.

Important Disclaimer

Nuance Investments, LLC (the "Firm") is a Registered Investment Advisor. The Firm's Nuance Mid Cap Value Composite (the "Composite") is a composite of actual accounts invested in the Nuance Mid Cap Value investment strategy. The inception date for the Composite is 11/03/2008. 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 Midcap Value Index. The Russell Midcap Value Index measures the performance of the mid-cap value segment of the U.S. equity universe. It includes those Russell Midcap Index companies with lower price-to-book ratios and lower forecasted growth values. The Secondary Benchmarks for the Composite are the S&P MidCap 400 Value Index and the S&P 500 Index TR. The S&P MidCap 400 Value Index measures value in separate dimensions across six risk factors. The Value factors include book value to price ratio, sales to price ratio and dividend yield. The S&P 500 Index TR 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. 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.

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 September 1, 2010 Nuance operated under the name Mariner Value Strategies, LLC.

The P/E Statistics are a Nuance internal calculation. The dollar-weighted harmonic mean of individual company P/E ratios is used. This approach first considers holdings' E/P, which are then summed on a dollar-weighted basis across the entire portfolio to achieve a portfolio E/P ratio. Finally, the inverse of this ratio is taken to arrive at the Portfolio P/E ratio. The Dividend Yield is calculated based on how much an investment pays in dividends each year relative to its share price. The Return on Equity is calculated by dividing net income by shareholder equity. The Return on Equity is calculated by taking the net income divided by shareholder equity.

The Return on Assets is calculated based on net income divided by average total assets. The Growth of $100 chart is calculated by Zephyr Style Advisor assuming the same cash value at inception and the variance of the investment using monthly return data for each strategy

(1) Risk-Adjusted Return (Sharpe Ratio) calculations and Standard Deviation for the Composite and indices provided by Zephyr Style Advisor. The Composite has been compared to various peer groups defined by investment style. The Composite is a mid market capitalization value investment style. The Morningstar Mid-Cap Value Peer Group (as selected by Morningstar) and the Lipper Mid-Cap Value Funds 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 Zephyr Style Advisor based upon strategies with monthly return data from December 2008 to 12/31/2014. Zephyr reports on month end returns only. For the purposes of peer group comparisons Since Inception returns are shown beginning 11/30/2008. 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.

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.