Nuance Concentrated Value Long-Short Fund

Fourth Quarter 2023

Investment Objective

The Nuance Concentrated Value Long-Short Fund seeks long-term capital appreciation by taking long positions in securities priced below, and short positions in securities priced above, our internal view of their estimated intrinsic value.

Portfolio Constraints

- # of Long Holdings: 15 to 35
- # of Short Holdings: 0 to 50
- Long Exposure: 75% to 100%
- Short Exposure: 0% to 100%
- Max Gross Exposure: 200%

Fund Details

Class:	Institutional	Investor
Ticker:	NCLSX	NCLIX
Inception:	12/31/15	12/31/15
CUSIP:	56166Y255	56166Y263
Min Invest:	$10,000	$2,500
Invest Mgmt Fee:	1.00%	1.00%

Process Overview

On the long side of the Nuance Concentrated Value Long-Short Fund (the Fund) investment portfolio, the Nuance Investment Team is looking for industry leading businesses with strong and stable competitive positions. Generally, these businesses have leading market share within their various areas of expertise, have strong balance sheets and exhibit rational capital allocation policies. The Investment Team is seeking to buy these businesses when they are under-earning their long-term potential due to cyclical and/or transitory issues, and when security valuations offer what we believe to be meaningful upside potential and reasonable support on the downside.

On the short side of the Fund investment portfolio, the Investment Team is looking for large businesses with more commoditized or structurally challenged competitive positions. These businesses may or may not be industry leaders. The Investment Team is seeking to sell these businesses when they are over-earning their long-term potential due to cyclical and/or transitory issues, and when security valuations offer what we believe to be reasonable support on the upside and meaningful downside potential.

Portfolio Managers


Left to right: Jack Meurer, Darren Schryer, Scott Moore, & Chad Baumler

Name	Title	Experience
Scott Moore, CFA	President & Co-CIO	33 years
Chad Baumler, CFA	VP & Co-CIO	17 years
Darren Schryer, CFA, CPA	VP & Portfolio Manager	8 years
Jack Meurer, CFA	VP & Portfolio Manager	7 years

Performance as of December 31, 2023

As of 12/31/2023 Inception Date 12/31/15	Since Inception Return	7 Year	5 Year	3 Year	1 Year	YTD 2023	QTD	Gross Expense Ratio	Net Expense Ratio
Nuance Concentrated Value Long-Short Fund (NCLSX) - Institutional	2.67	0.72	0.38	-2.89	3.02	3.02	5.08	3.25%	-
Nuance Concentrated Value Long-Short Fund (NCLIX) - Investor	2.39	0.44	0.13	-3.13	2.78	2.78	5.00	3.51%	-
S&P 500® Index	13.23	13.42	15.69	10.00	26.29	26.29	11.69		
Morningstar Long/Short Equity	4.41	4.74	6.02	4.28	9.94	9.94	5.98		

Performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-855-682-6233. The Fund has contractually agreed to reduce its management fees, and may reimburse the Fund for its operating expenses, in order to ensure that Total Annual Fund Operating Expenses (Excluding acquired fund fees and expenses, leverage, interest, dividend and interest expense on short sales, taxes, brokerage commissions, and extraordinary expenses) do not exceed **1.55%** of the average daily net assets of the Investor Class and **1.30%** of the average daily net assets of the Institutional Class through at least 8/28/2024. Net expense ratios are as-of the Fund's most recent prospectus and are applicable to investors. Returns for periods greater than a year have been annualized.

General Market Commentary

	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23
Cash	16.2%	9.8%	6.2%	7.7%	6.6%	8.6%	2.2%	1.2%
Long Equities	83.8%	90.2%	93.8%	92.3%	93.4%	91.4%	97.8%	98.8%
Short Equities	93.0%	75.1%	86.3%	89.2%	87.5%	90.6%	88.1%	80.8%
Gross Exposure	176.8%	165.3%	180.1%	181.5%	180.9%	182.0%	186.0%	179.6%
Net Exposure	-9.2%	15.1%	7.6%	3.2%	5.8%	0.9%	9.7%	17.9%

At the end of the fourth quarter of 2023, the Investment Team believed the investing opportunity set looked attractive for both sides of the Fund's investment portfolio. As of December 31, 2023, the median company in the Nuance proprietary long universe, which consists of companies we view as sub-industry leaders, was trading at around a 20 percent premium to what we would consider fair value. Furthermore, from a downside perspective, according to our company-by-company valuation work the same universe had near 60 percent downside potential.

As shown in the table above, the portfolio ended the fourth quarter with a net 17.9 percent long equity exposure. On the long side of the portfolio, the Investment Team continues to be invested in what we consider to be attractive risk rewards despite a year-to-date rally in our benchmark, the S&P 500® Index. As of December 31, 2023, sub-industries that we believe were under-earning and undervalued included Household Products, Industrial Conglomerates, Life Sciences Tools & Services, and Water Utilities. On the short side of the portfolio, the Investment Team believes we have found attractive short investment opportunities in Oil & Gas Refining & Marketing, Auto Insurers, Automotive Retail, and Building Products.

Nuance Perspectives

2023 Performance

The year 2023 can best be described as a challenging year for the Nuance Concentrated Long-Short fund, with the strategy producing a 3.02 percent total return versus our benchmark, the S&P 500® Index, with a 26.29 percent total return. Given the magnitude of the underperformance, we thought it appropriate to describe to our clients the larger performance headwinds the strategy faced during the year.

The long portfolio lagged our benchmark, the S&P 500® Index, in 2023. At Nuance, we believe in Value (as a style of investing) and, as our clients are aware, our long portfolio has and will continue to have a Value style bias. When competing against a core benchmark like the S&P 500® Index, this Value bias can manifest itself into lumpier relative performance. Over a very long history, Value as an investment style has beaten Growth, but from year to year, the Value versus Growth performance results can be quite volatile. In 2023, the Russell 1000® Value Index produced an 11.46 percent total return while the Russell 1000® Growth Index produced a 42.68 percent total return. The Russell 1000® Value Index has underperformed the Russell 1000® Growth Index by more than 25 percentage points on a calendar year basis only three times in the last 30 years, including in 1999, 2020, and 2023. While we are trying to stock pick our way to outperformance versus the S&P 500® Index each and every year, this magnitude of a performance difference between Value and Growth can be very hard to overcome for a team that is dedicated to Value investing over cycles.

From a portfolio attribution perspective, the meaningful positives for the year included our void positioning in the Energy sector, as the sector was down on a total return basis for 2023. We continue to believe that the Energy sector is going through a competitive transition (which we discuss in more detail later on) as the global economy shifts away from fossil fuels broadly and that avoiding investments in the sector for the time being is warranted. Within the Life Sciences Tools & Services sub-industry, our recent investments in Waters Corporation (WAT) and Illumina, Inc. (ILMN) both outperformed the benchmark since our initial purchases in the fourth quarter of 2023. WAT is a specialty measurement company with leading market share positions in the Liquid Chromatography and Thermal Analysis end markets, and its products are used in a wide variety of industries primarily for research and development and quality assurance/quality control. ILMN is the global leader in next-generation sequencing technology used by researchers and clinicians for health research, drug development, and clinical diagnostics. These instruments and related consumables are used to read the genetic information in biological samples, helping experts gain valuable insights into the driving forces that influence disease, development, and overall health. We believe both companies are under-earning their long-term potential because of a cyclical low in biotech funding and capital expenditure spending. Late in the fourth quarter, leading indicators emerged that pointed to a bottoming in specialty instrument spending for the sub-industry, causing WAT and ILMN stock prices to move higher. Additionally, our investments within the Regional Banks sub-industry contributed to absolute and relative performance, including our holdings of TowneBank (TOWN) and Independent Bank Corp (INDB). Following the failure of Silicon Valley Bank in March of 2023 and the threat of a mass exodus of deposits from the banking system, banks experienced a meaningful decline in their stock prices. We added INDB and TOWN to the portfolio in the second and third quarter respectively, given what we believed at the time were attractive risk rewards. Banks rallied during the second half of the year as funding pressures abated and the perceived odds of an economic recession diminished, causing the stock prices of INDB and TOWN to head higher.

These positives were more than offset by our performance detractors. Our larger attribution detractors for the year included our underweight position in the Information Technology sector, with a sector weighting of around 28.9 percent of the benchmark at year end. The Information Technology sector led the S&P 500® with a more than 60 percent total return for the year. We have in excess of two dozen market share

[1]The securities identified and described do not represent all of the securities purchased, sold, or recommended for the portfolio. The reader should not assume that investments in the securities identified were or will be profitable.

leading technology companies framed up within our long investment universe but continue to be patient as we wait on valuations to become more compelling. Our investments in the Health Care Equipment sub-industry detracted from performance in 2023, including our investments in Baxter International, Inc. (BAX), Globus Medical Inc Class A (GMED), and Smith & Nephew plc (SNN). We believe certain members of this sub-industry are facing new levels of competitive uncertainty, which we comment on in the next section, and we exited our investments in a handful of companies and reinvested the proceeds primarily into other areas inside of the Health Care sector and the Water Utilities sub-industry, both with higher degrees of competitive certainty, in our opinion. Additionally, our investments within the Household Products sub-industry, while producing a positive total return for the year, lagged our benchmark. Our investments in Kimberly-Clark Corporation (KMB), Henkel AG & Co KGaA (HENKY) and Clorox Company (CLX) all underperformed. Our under-earning thesis remains intact for all three of these very high-quality Consumer Staples companies, driven by the improvement we expect to happen over the next year or two in their price/cost mix. This improvement could bring margins back to what we consider to be normal levels following a surge in inflationary cost pressures over the last roughly two years.

The short portfolio produced a negative absolute return in 2023. The goal of our short investments is to produce a positive absolute return over a full economic cycle. We had numerous short investments within the Consumer Staples sector with positive absolute returns, including General Mills, Inc. (GIS) which we highlighted during our semi-annual call in August 2023 and wrote about in our second quarter 2023 commentary. The other seven sectors where we held short investments during the year, including the Health Care, Materials, Financials, Real Estate, Energy, Consumer Discretionary, and Industrials sectors, were roughly neutral or negative from an absolute return perspective. The Industrials sector was our worst performing sector in the short portfolio for 2023. Our short positions within the Building Products (Trane Technologies plc (TT)), Environmental & Facilities Services (Waste Management, Inc. (WM), and Republic Services, Inc. (RSG)), and the Diversified Support Services (Cintas Corporation (CTAS)) sub-industries were all detractors from absolute performance as all four companies approached what we believe were peak valuation multiples. At the end of 2023, the short portfolio had a weighted average valuation of around 30.0 times our internal estimate of normalized earnings, a level we believe highlights the short opportunity that was present at year end 2023.

Competitive Transitions

As all of our investors are aware, the Nuance long investment process has been around for quite some time and has successfully navigated a variety of investing environments. While each element of our investment process is extremely important, we believe our team's focus on competitive positions is both differentiated versus peers and paramount to successful implementation of our process over cycles. The detailed study of each one of our companies' competitive positions is done both during an initial company review, but then also on an ongoing basis after a company has joined our investment universe. Our team is constantly focused on each one of our companies' leading market share positions. We are looking for potential market share shifts within each company's sub-industry, searching for improved products and services being offered by existing competitors, and looking for potential new entrants or new technologies that could disrupt the incumbents.

While most companies within our investment universe have very stable competitive positions over time, occasionally we will deem a company or sub-industry un-investable due to increased uncertainty regarding its competitive advantages and market share position in the future. It is important to note that in these situations we as an Investment Team do not try and predict a potentially less certain future. We have found, over the years, that those activities often result in what are generally considered to be classic value traps. Instead, we recognize the increased uncertainty and the possibility that the past historical financial results may no longer be relevant in the future. When this happens, we sell those investments with diminished levels of competitive certainty, sometimes at a gain and sometimes at a loss, and find other investment options for our clients that we believe have a more certain competitive backdrop in the coming years.

A recent example of this phenomenon occurred in the summer of 2017. After waiting for an earnings recovery that had yet to appear for more than two and a half years from two of our favorite Oil & Gas Equipment & Services companies Schlumberger N.V. (SLB) and Frank's International N.V., we initiated a full re-review of the Energy sector. Our conclusion was that the competitive positions of these leading energy service companies that provided a variety of very technical services to major oil and gas producers around the world had become significantly more uncertain. The primary drivers of this conclusion were two new possible risks to global crude oil demand: the potential for rising consumer adoption of electric vehicles, and various global governmental entities discussing the possibility of legislative bans on sales of internal combustion engines. Neither had occurred before and both, from our viewpoint, brought into question both the future demand outlook for crude oil and the future financial performance of energy service providers. As a result of this analysis, we exited our investments in SLB and Frank's International at a loss and redeployed the capital into other investments that had more competitive certainty and similar risk rewards, in our opinion. As we reflect on that decision roughly six and a half years later, we are grateful that this discipline around competitive certainty is part of our process. SLB's stock has been roughly flat since that decision was made while the S&P 500® Index is up more than 100 percent, and Frank's International was subsequently taken over in 2021 in an all-stock transaction at less than half of our exit price. Incidentally, neither one of these outcomes was part of our original thesis, which is of course the point. It has been our experience over the years that more often than not, when competitive transitions like this occur, the prior assumed range of outcomes and investment thesis become irrelevant.

In 2023 we were faced with one of these potential competitive transitions for a handful of Health Care companies in our portfolio. In this case, the instigator of the increased competitive uncertainty was the GLP-1 agonist class of drugs (GLP-1's). Over the years, some of our favorite companies to invest in have been found within the Health Care Equipment & Supplies GICS® industry, as these companies have long been a good fit for our process. Barriers to entry are generally high, market share positions have been consistent, and the industry has enjoyed a steady demand growth profile with multiple tailwinds. One of these demand growth tailwinds has been rising obesity rates. According to the U.S. Centers for Disease Control and Prevention (CDC), U.S. obesity rates increased from around 30 percent in 2000 to over 40 percent today. This is not just a U.S. phenomenon. Globally, India and China have also experienced rising obesity rates, and the World Health Organization has described obesity as an "epidemic" in Europe. Obesity is a risk factor that has been linked to many health problems including diabetes, heart disease, osteoarthritis, sleep apnea, and certain cancers.

GLP-1's as a drug class have been used to treat diabetes since 2005. They help the body regulate insulin levels and reduce blood glucose levels. In addition to being effective as a type 2 diabetes treatment, recent iterations of GLP-1s have shown to be highly effective in treating obesity, driven by the drugs' release of a hormone that stimulates the feeling of fullness for its users. Numerous studies have been done suggesting patients can lose around 15 percent to 20 percent of their body weight on average from taking GLP-1's. Popularity of these drugs has exploded over the last year with current users estimated to be in the millions and uptake believed to be occurring rapidly. Furthermore, recent clinical data has shown other health benefits from taking GLP-1s in addition to treating diabetes and obesity, including reduced risk of major cardiac events (heart attack, stroke, etc.). Many additional studies are in process with results expected over the next one to two years. Based on what we know today, the clinical use case for this class of drugs is likely to grow even broader in the coming years.

The new possibility of a material decrease in U.S. and global obesity rates could have wide-ranging impacts on global health care in general, and specifically creates uncertainty around the sales volumes for Health Care Equipment & Supplies companies, including Smith & Nephew plc (SNN), Zimmer Biomet Holdings, Inc. (ZBH), Medtronic Plc (MDT), Globus Medical Inc Class A (GMED), and ICU Medical, Inc. (ICUI), in our opinion. These five companies were all investments in our portfolio this year, all have products that we believe could be directly or indirectly negatively impacted by the rapid adoption of GLP-1 drugs, and all were positions we exited due to this increased competitive uncertainty. This was not a decision we took lightly, as these had been some of our favorite companies and some of our top investment ideas over the last few years. However, we judged that the going forward ability to reliably estimate peak, normal, and trough return on capital levels and fair value and downside value price targets had been diminished until we see the GLP-1 phenomena play out. As a matter of practice at Nuance, when these situations arise we do not dig in, but instead we act quickly and decisively with the goal that the portfolio has the best risk rewards for our clients each and every day. In this case, we were able to transition this capital into other opportunities that we believe had similar risk rewards, including investments within the Water Utilities and Life Science Tools & Services GICS® sub-industries. A summary of our thesis for one of those water utility investments can be found in the next section.

Featured Investment[1]

Long United Utilities Group, PLC (UUGRY): UUGRY manages the regulated water and wastewater infrastructure in Northwest England which includes Cumbria, Cheshire, Greater Manchester, Lancashire, and Merseyside. UUGRY serves a combined population of around seven million people, roughly equal to 13 percent of England's population. There are 11 regional water and wastewater companies in England and Wales and UUGRY is one of three that is publicly traded. In general water utilities' competitive positions are viewed favorably by the Investment Team due to both an expected increase in water infrastructure investment required over the coming decades and the fact that regulated water utilities are natural monopolies with 100 percent market share. Additionally, UUGRY's balance sheet leverage of around 60 percent debt to rate base, a common United Kingdom (U.K.) water utility metric, is among the lowest of the U.K. water companies. When UUGRY's strong competitive position in an attractive and growing end market is combined with its solid balance sheet, the Investment Team believes UUGRY's overall competitive position is excellent.

UUGRY is expected to earn around $1.30 per share next year, per Wall Street estimates, and the Investment Team believes it is under-earning its long-term potential. The first reason for the under-earnings is related to the low interest rates in England over the last decade. Regulators calculate the level of return on equity (ROE) that they allow water utilities to earn on several different factors, including the prevailing level of interest rates on U.K. government bonds. Given the low level of interest rates that persisted in the U.K. during the last decade, it is our belief that the base ROE for UUGRY currently allowed by regulators is around one to two percentage points below what we would consider normal compared to longer-term averages. UUGRY's allowed ROE could revert higher at the company's next price review which is scheduled for December 2024. We believe the second source of under-earnings is related to a concept called regulatory lag. Regulatory lag is the difference between the time when a utility's costs increase and when the utility is allowed to raise customer rates to offset the costs. Over the last 24 months, UUGRY has experienced significant cost inflation in both the cost of electricity and the cost of chemicals for water treatment. They have spent extra operating cost on these items without full reimbursement due to regulatory restrictions. We expect they will be fully reimbursed for these extra costs over the next one or two years. If an increase in UUGRY's allowed ROE is approved by regulators due to higher interest rates, and UUGRY is reimbursed for the rising operating costs they have incurred over the last two years, then UUGRY's earnings per share could move higher.

At the end of the quarter UUGRY was trading at $27.06 per share or roughly 13.0 times our internal estimate of normalized earnings. This is an attractive relative and absolute valuation level, in our opinion, when compared to UUGRY's own long-term average price-to-earnings (PE) multiple, the current PE multiples for UUGRY's United States-(U.S.) based peers, and our own internal fair value PE multiple of around 18.0 times. Furthermore, at today's prices, UUGRY sports a dividend yield of around 4.0 percent with a dividend payout ratio of under 60 percent of normalized net income, an attractive combination that allows for both current dividend income and future business growth potential. If UUGRY's earnings per share were to reset higher due to the reasons described above and UUGRY's earnings multiple was to appreciate to levels more in line with its history and with its U.S.-based peers, then we believe attractive upside could be generated by investing in UUGRY at today's prices. This combination of under-earnings and undervaluation in a company with an attractive competitive position is exactly what our Investment Team is looking for in a long investment and explains why UUGRY is a top holding in the long portfolio.

You should consider the fund's investment objectives, risks, charges and expenses carefully before investing. For a statutory or summary prospectus, that contains this and other information about the Funds, call 1-855-NUANCE3 (855-682-6233) or visit our website at www.nuanceinvestments.com. Please read the prospectus carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. Investments in small and mid-capitalization companies involve additional risk such as limited liquidity and greater volatility than larger capitalization companies. Investments in foreign securities involve greater volatility and political, economic and currency risks and differences in accounting methods. The Fund is non- diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund. Short sale of securities involves unlimited risk including the possibility that losses may exceed the original amount invested. However, a mutual fund investor's risk is limited to one's amount of investment in a mutual fund.

The Primary Benchmark for the Fund is the S&P 500® TR Index. The S&P 500® TR 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. 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 Fund may differ markedly from that of compared indices due to varying degrees of diversification and/or other facts. Return calculations for the Fund are provided by US Bank. Returns for periods greater than a year have been annualized.

Morningstar Long-Short Equity - The Fund has been compared to various peer groups defined by investment style. The Fund is an all market capitalization value investment style. The Morningstar Long-Short Equity Peer Group (as selected by Morningstar) has been presented as an investment strategy with a similar investment style.

Earnings per Share = The amount of Net Income, less any preferred dividends, allocated on a per share basis of common stock. Enterprise Value = Enterprise Value is a measure of a firm's value that incorporates the value of its common stock, preferred stock, debt, minority interests, and cash and equivalents. Enterprise Value to Sales = The ratio of a firm's Enterprise Value to its Sales. Enterprise Value is an assessment of the total operating value of a firm and Sales (or Revenue) is income a company receives during a specific period, including discounts and deductions for returned merchandise. Dividend Yield = Dividend yield is measured as a security's indicated annual dividend divided by the share price of the security. Price to Earnings Ratio = The Price to Earnings ratio measures the price of a company's stock in relation to its earnings per share. Return on Equity (ROE) = Return on Equity measures a company's ability to generate returns on invested capital by dividing the earnings of a company by the company's shareholders' equity. The S&P Global Credit Rating (range AAA-D) is a rating that measures a company's ability to meet their financial obligations on time and in full. Portfolio holdings and sector allocations are subjected to change and are not a recommendation to buy or sell any security. As of 12/31/2023 portfolio weights of names discussed are as follows: BAX (0.0%), CLX (2.8%), CTAS (-3.8%), Frank's International NV (0.0%), GIS (-0.8%), GMED (0.0%), HENKY (8.8%), ICUI (0.0%), ILMN (1.8%), INDB (1.6%), KMB (6.1%), MDT (0.0%), RSG (-3.8%), SLB (0.0%), SNN (0.0%), TOWN (1.5%), TT (-3.8%), UUGRY (5.3%), WAT (2.5%), WM (-3.8%), and ZBH (0.0%). The information presented related to the Nuance investment decision and selection process is intended to be informational in nature, speak to our process and does not represent a recommendation in any specific security or securities. Information not specific to a cited source constitutes the opinion of the Nuance Investment Team and should not be relied upon to make investment decisions. Investors should be aware of the risks associated with data sources including without limitation, fundamental, technical, qualitative and quantitative factors used in our investment process. Errors may exist in data acquired from third party vendors, the development of investment ideas, the analysis of data and the portfolio construction process. While Nuance takes steps to verify information so as to minimize the potential impact of potential errors, we cannot guarantee that errors will not occur.

Diversification does not assure a profit or protection against a loss in a declining market.

Nuance Investments is the adviser to the Nuance Mid Cap Value Fund, the Nuance Concentrated Value Fund and the Nuance Concentrated Value Long-Short Fund which are distributed by Quasar Distributors, LLC.

Past Performance is not a guarantee of future results.

Fund holdings and sector allocations are subjected to change and are not a recommendation to buy or sell any security.

GIPS® 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 – 3/31/23 by Absolute Performance Verification. The verification reports are available upon request. 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 and pooled fund maintenance, 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. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Definition of the Firm

The definition of the firm is the foundation for firm-wide compliance and creates defined boundaries for determining the assets of the firm. In this instance, the firm is defined as Nuance Investments, LLC (Nuance). Nuance, founded on November 1, 2008, was formed on the belief that the ability to outperform the broad stock market is predicated on a consistent and disciplined value investing approach. The Investment Management Team selects securities for the Nuance investment portfolios by using an extensive quantitative screening and fundamental research process that identifies leading businesses selling at a discount to fair value and that have the potential to generate above-average rates of returns over time. The Investment Management Team seeks to identify companies across a range of industries and market sectors that have leading and sustainable market share positions, above-average financial strength, and are trading at a discount to their internal view of intrinsic value. The Investment Management Team may sell an investment when it believes it has surpassed its intrinsic value by applying the screening process described above, for purposes of portfolio construction or risk management, or when a more attractive investment opportunity becomes available. For the short side, the Investment Management team seeks to identify companies across a range of industries and market sectors that have average to below average competitive positions and unattractive risk reward profiles. The total firm assets will be defined as all discretionary and non-discretionary assets under management within Nuance. This includes primary investment management accounts, sub-advisory investment management accounts and wrap accounts as well as both fee-paying and non-fee paying assets.