

3rd Quarter 2022 Market Review:

Special Opportunities SMA

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- The material presented in this presentation is as of 09.30.2022, unless otherwise stated.
- The opinions contained in this presentation reflect those of Sterling Capital Management LLC and are for general information only and are not meant to be predictions or an offer of individual or personalized investment advice.
- Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients.
- Any type of investing involves risk and there are no guarantees that these methods will be successful. Past performance is not indicative of future results.
- The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index.

Meet Your Speakers & Agenda

WebEx Agenda:

- Equity market and macro environment review
- Special Opportunities SMA review of Q3 2022 performance, activity and positioning
- Equity market outlook
- Q&A



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Performance

Sterling Capital Special Opportunities SMA



Performance	QTR	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception ¹
Sterling (Gross)	-3.96%	-24.07%	-17.98%	6.61%	7.66%	11.27%	10.57%
Sterling (Net ²)	-4.65%	-25.71%	-20.30%	4.36%	5.79%	9.52%	8.86%
Russell 3000®	-4.46%	-24.62%	-17.63%	7.70%	8.62%	11.39%	6.90%

¹Inception date is 12.31.2000.

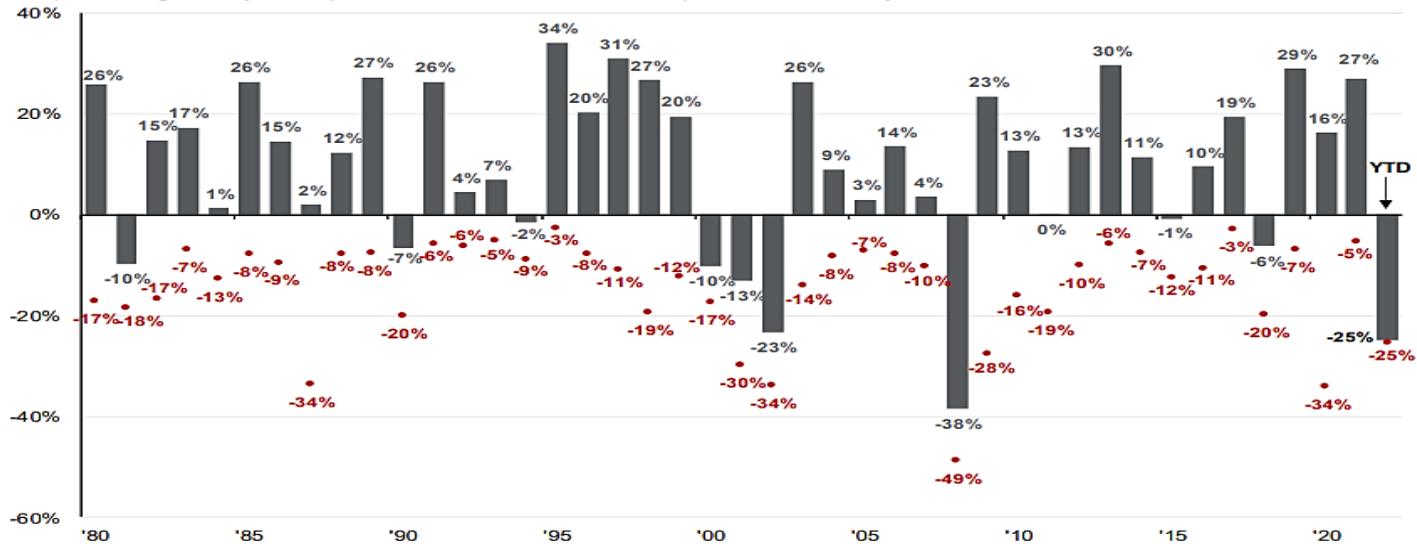
²Effective 01.01.2021 the maximum bundled external platform fee is 2.82%. Actual fees may vary by size and type of portfolio.

Data as of 09.30.2022. Performance is preliminary and is annualized for periods longer than one year. Please refer to the slide titled "Performance" for the one-, five-, and ten-year returns of the composite. Net of fees performance returns are presented net of the SMA bundled fee, which includes all charges for trading costs, advisory services, portfolio management, custody and other administrative fees. "Pure" Gross of fees performance returns do not reflect the deduction of any fees including trading costs: a client's return will be reduced by the management fees and other expenses it may incur. Investment management fees are described in Sterling's Form ADV 2A. Performance reflects the reinvestment of interest income and dividends and realized capital gains. The performance presented represents past performance and is no guarantee of future results. Performance is compared to an index: however, the volatility of an index varies greatly and investments cannot be made directly in an index. Market conditions vary from year to year and can result in a decline in market value due to material market or economic conditions. Please refer to the GIPS Composite Report in the Appendix for additional disclosures. Source: Russell Investments, S&P, Sterling Capital Management Analytics.

Equities and Fixed Income Both Having a Tough Year

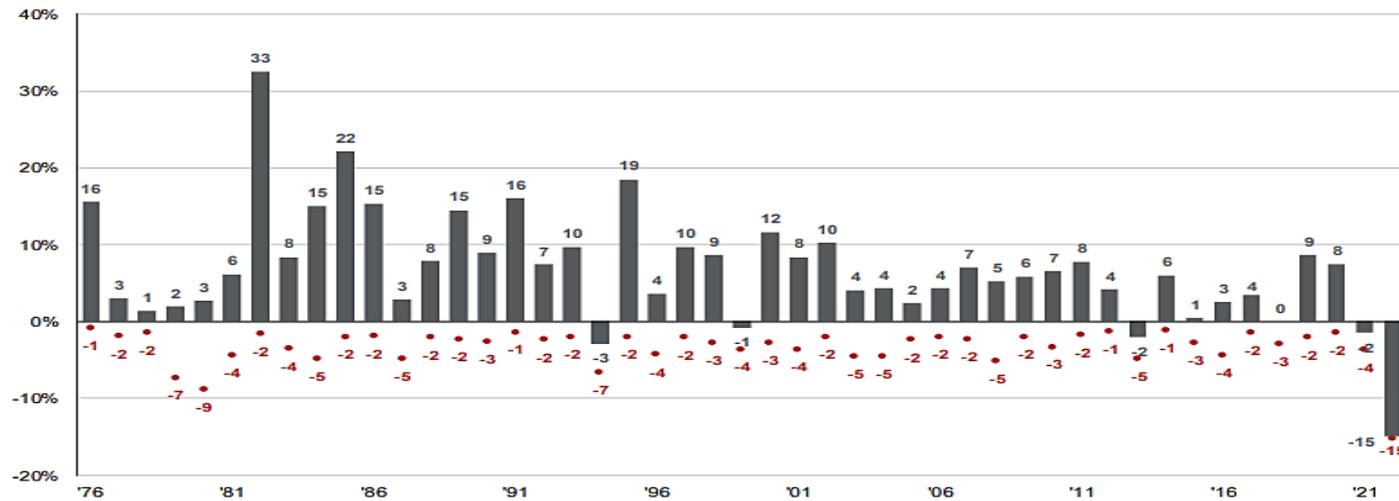
S&P intra-year declines vs. calendar year returns

Despite average intra-year drops of 14.0%, annual returns were positive in 32 of 42 years



Bloomberg U.S. Aggregate intra-year declines vs. calendar year returns

Despite average intra-year drops of 3.1%, annual returns were positive in 42 of 46 years



Source: JP Morgan Asset Management. Data as of 09.30.2022. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Past performance is not indicative of future results.



Why Are Equities and Fixed Income Acting So Poorly?

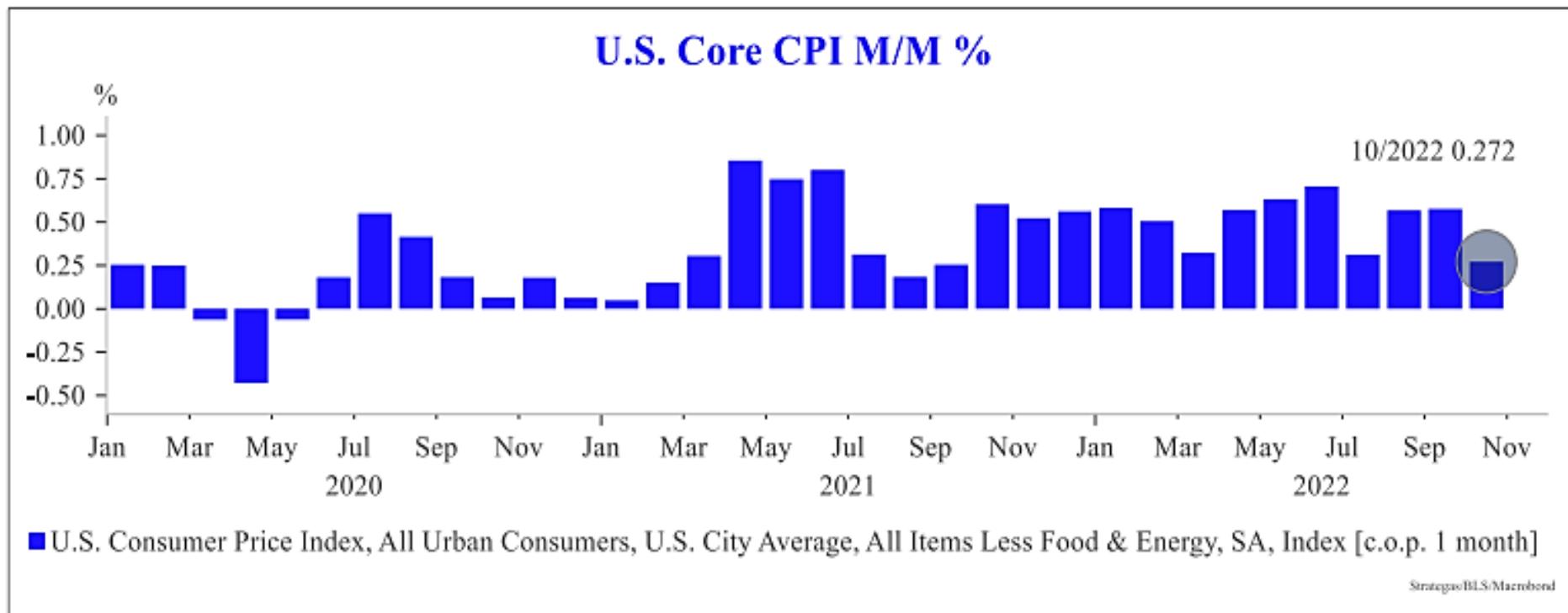
Economic hangxiety

Ultimately, how can the world go through Covid without suffering economically? The economic impact from Covid may be more akin to Long Covid than the less virulent strain. You can't just put the global economy on life support and print money without some adverse impacts. Every great party requires a clean-up. While we are not economists, we have been bearish on inflation for quite some time. Globally, you can't just throw 2020, 2021 and 2022's total of \$33.4tn of global monetary stimulus into the economy and not expect some sort of repercussion.

In aerospace terms, if you lined up all those dollars side by side the long way, that would be 3.4mn miles or about 7 round trips to the moon. Traveling at MACH 5, it would take almost 5 days to cover that distance. In economic terms, it's 40% of global GDP or 8.5X the US pre-Covid M1 money supply. Further, in 2020 and 2021 global central banks bought \$800mn of bonds every hour of every day. Simply stated, we are feeling the pain Covid now, it was unavoidable.

Source: Aerospace analyst at Merrill Lynch. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Inflation Remains Hot, But Decelerating



CPI = Consumer Price Index.

Source: Strategas. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Housing Likely to Remain a Stubborn Contributor to Inflation

Household debt service ratio

Debt payments as % of disposable personal income, SA



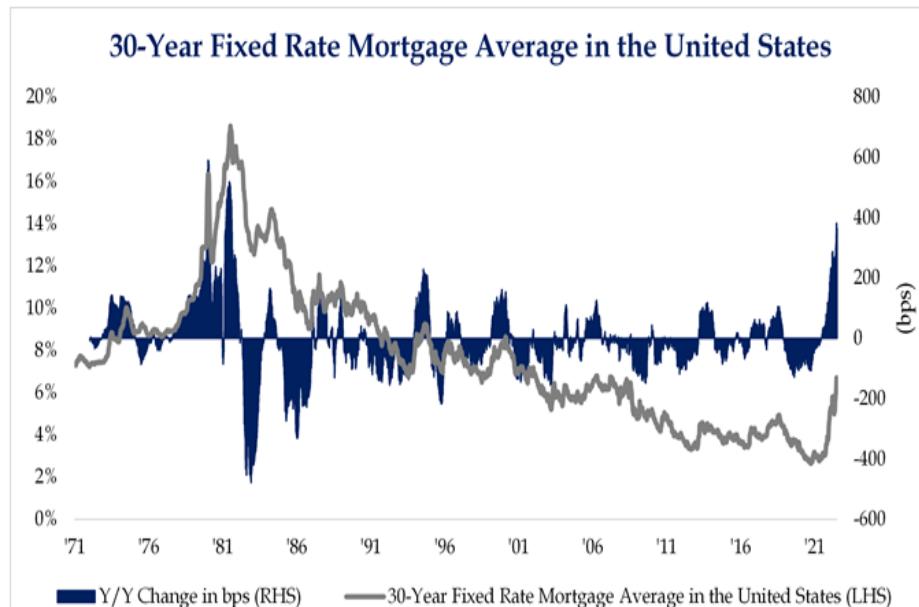
Housing affordability index*



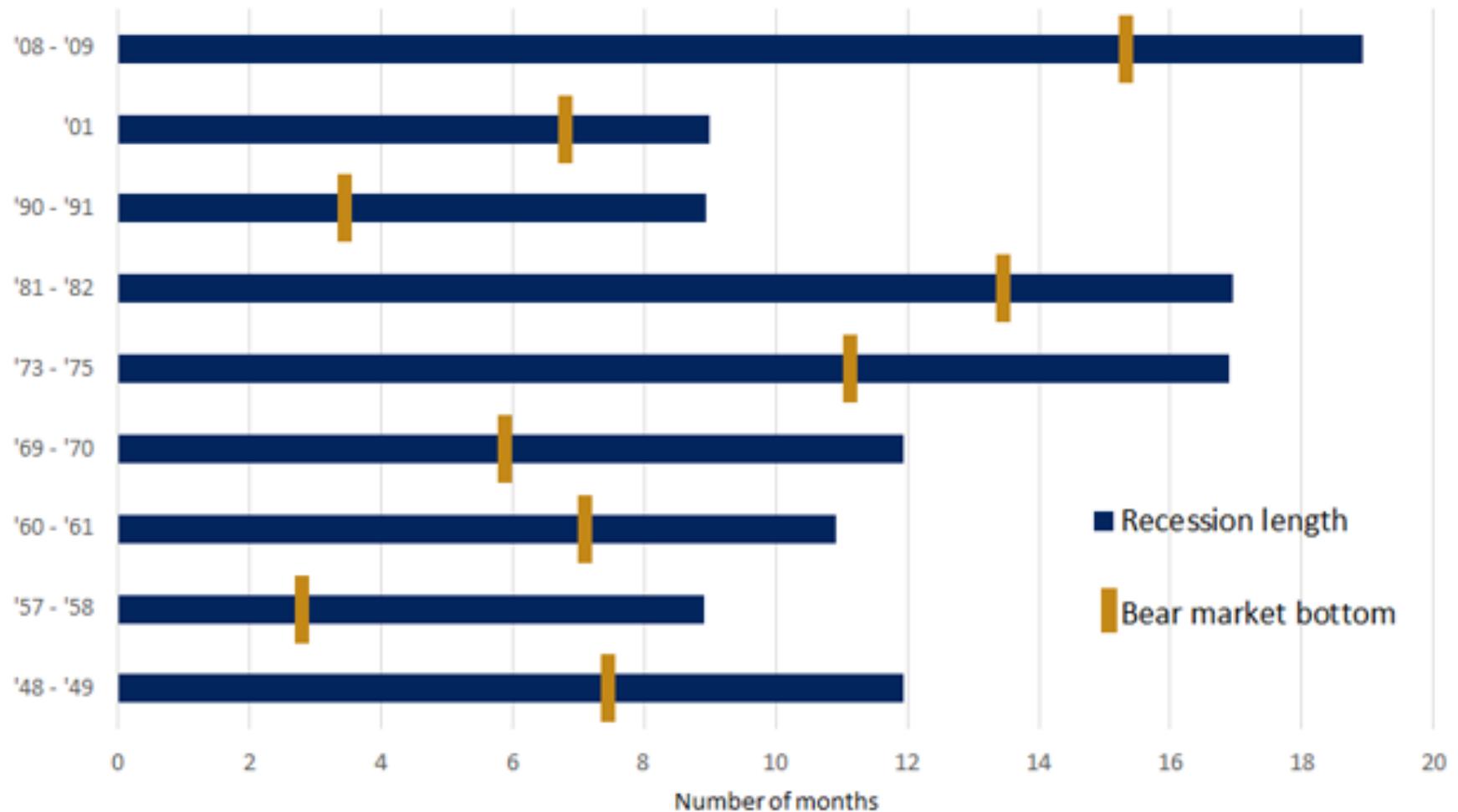
*Based on the National Association of Realtors methodology, an index value above 100 signifies that a family earning the median income has more than enough income to qualify for a mortgage loan on a median-priced home. The calculation assumes a down payment of 20% of the home price and it assumes a qualifying ratio of 25%.

**3Q22 figures for debt service ratio are J.P. Morgan Asset Management estimates.

Sources: JP Morgan Asset Management as of 09.30.2022 on the left two charts; Strategas as of 09.30.2022 on the right chart. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.



Historically, Bear Markets Bottom Before the End of Recessions



Sources: Edward Jones; FactSet. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Who Doesn't Like a 25% Sale?

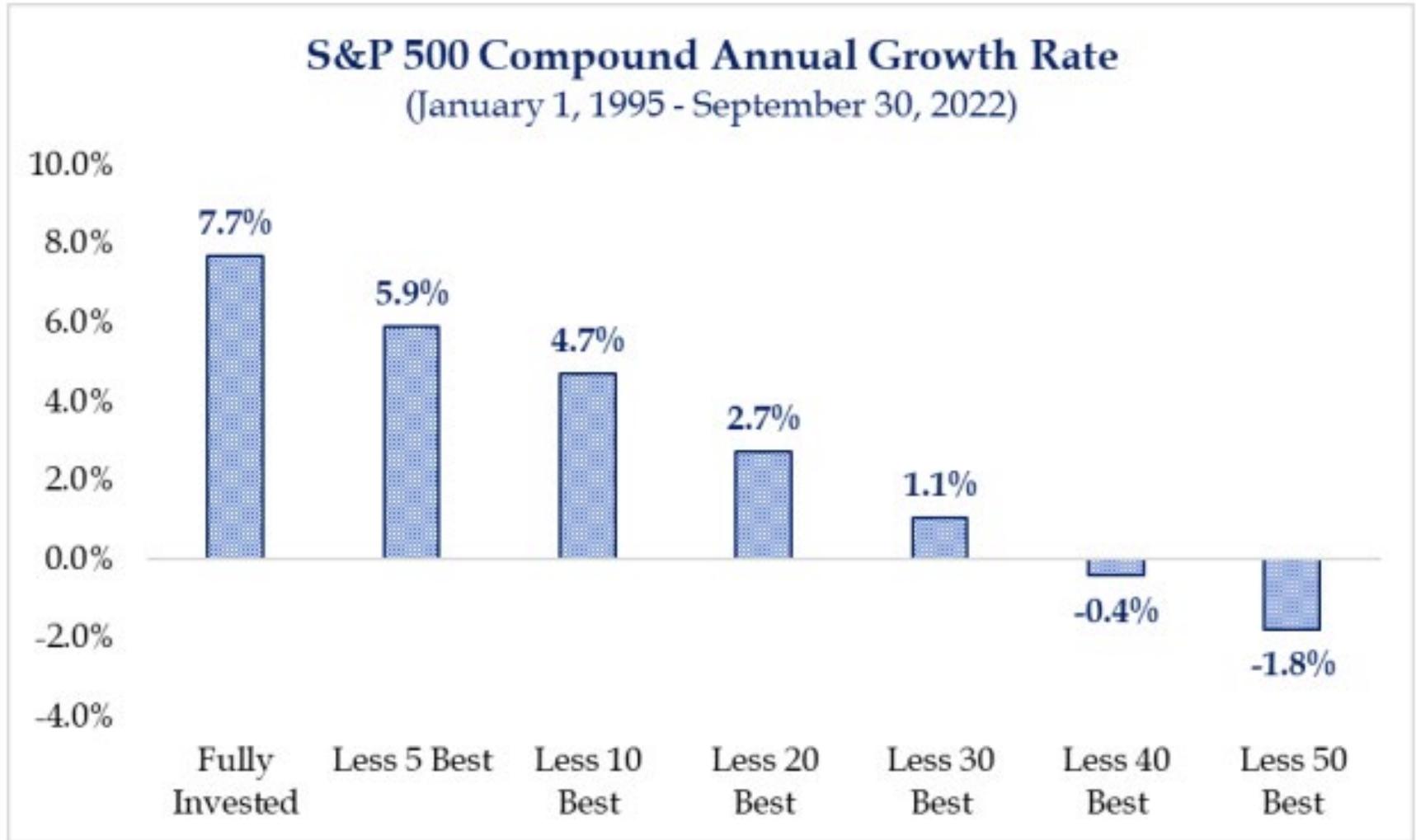
When The S&P 500 is Down 25% or Worse Since 1950

Peak	Trough	Decline	Days Peak-to-Trough	Cumulative Forward Returns After Market Bottom			
				1-year	3-year	5-year	10-year
12/12/61	6/26/62	-28%	196	34%	59%	76%	107%
11/29/68	5/26/70	-36%	543	44%	56%	31%	60%
1/11/73	10/3/74	-48%	630	35%	55%	76%	163%
11/28/80	8/12/82	-27%	622	58%	84%	225%	309%
8/25/87	12/4/87	-34%	101	21%	45%	92%	336%
3/24/00	10/9/02	-49%	929	33%	54%	100%	87%
10/9/07	3/9/09	-57%	517	68%	102%	178%	305%
2/19/20	3/23/20	-34%	33	76%	?	?	?
1/3/22	9/30/22	-25%*	270*	?	?	?	?
Average		-38%	427	46%	65%	111%	195%

*Current market trough to date

Sources: AMG Funds; FactSet; S&P 500 (price return.) The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

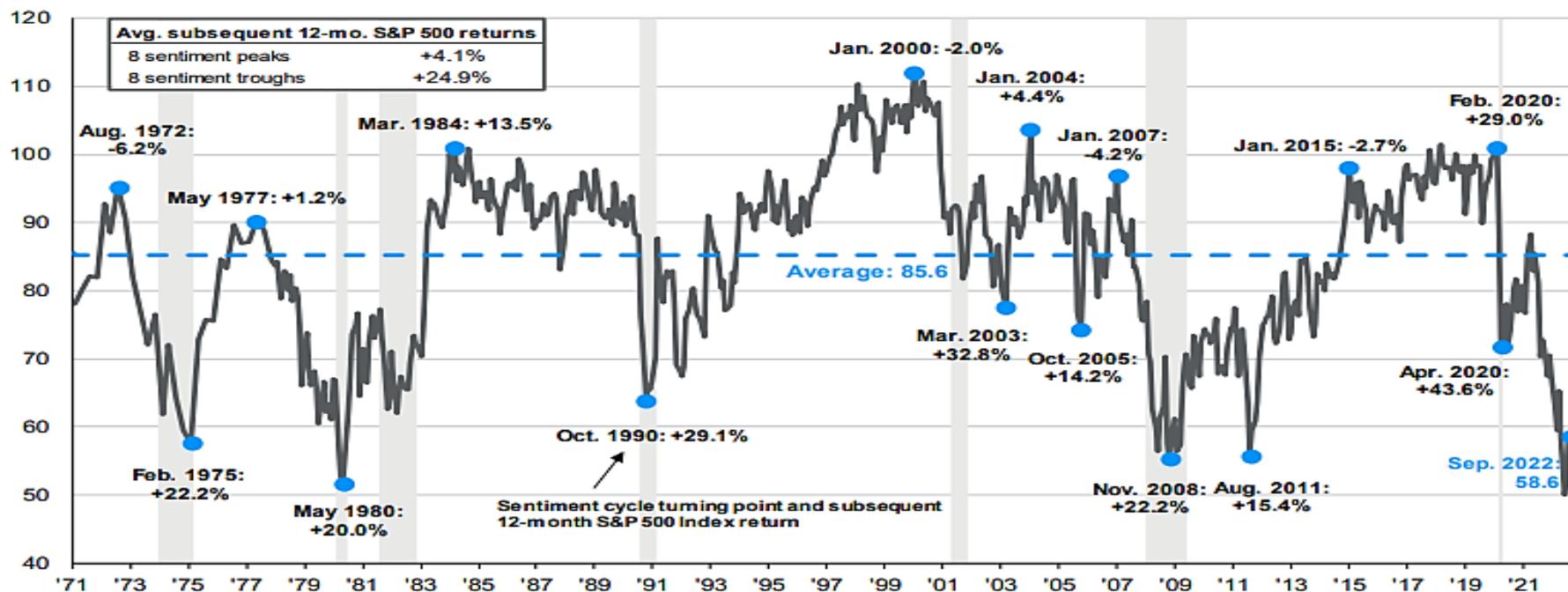
The Perils of Market Timing



Source: Strategas. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Poor Consumer Sentiment Has Historically Preceded Better Equity Returns

Consumer Sentiment Index and subsequent 12-month S&P 500 returns

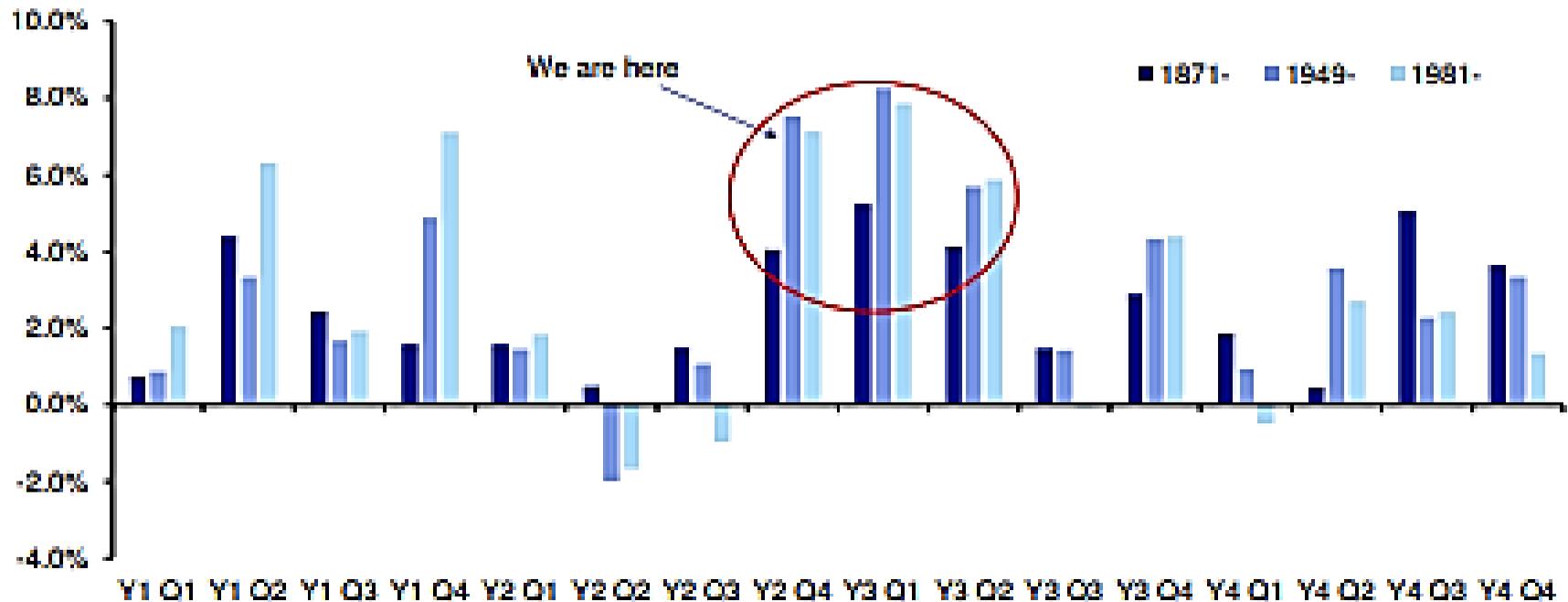


Source: JP Morgan Asset Management as of 09.30.2022. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.



We're In the Sweet Spot of the Presidential Cycle

Figure 1: The presidential cycle and average total return of the S&P 500 since 1871. Y1 Q1 is inauguration and Y2 Q4 is midterms



Source: Deutsche Bank. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Multiple Contraction Has Been the Driver of Falling Equity Prices in 2022

Year to Date Percent Change in S&P 500 Price, P/E Ratio, & EPS

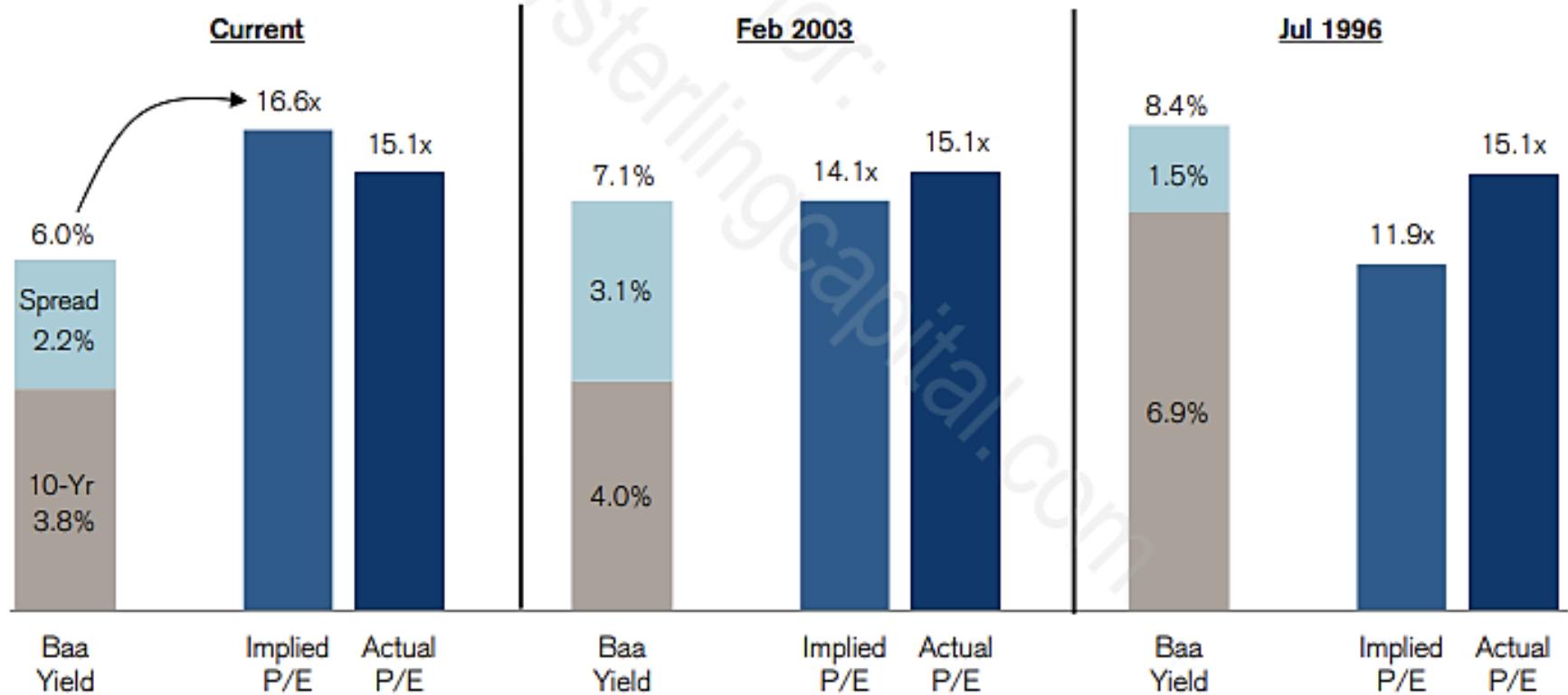


P/E = price over earnings. EPS = earnings per share.

Source: Strategas as of 09.30.2022. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Corporate Bond Implied Equity P/E Has Historically Been a Decent Indicator

Figure 13: Bond Yields vs. S&P 500 Multiples



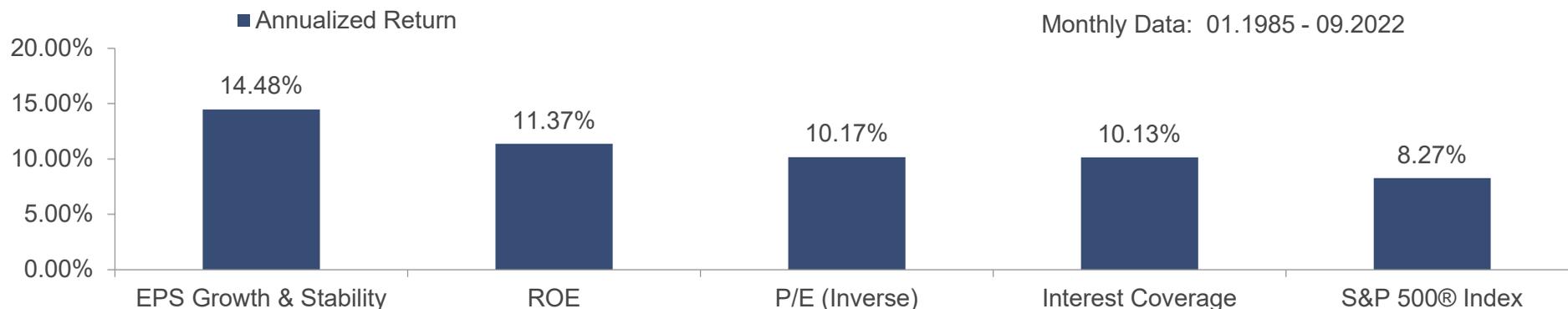
Note: Implied P/E based on the inverse of the Baa yield

Source: Credit Suisse as of 09.30.2022. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

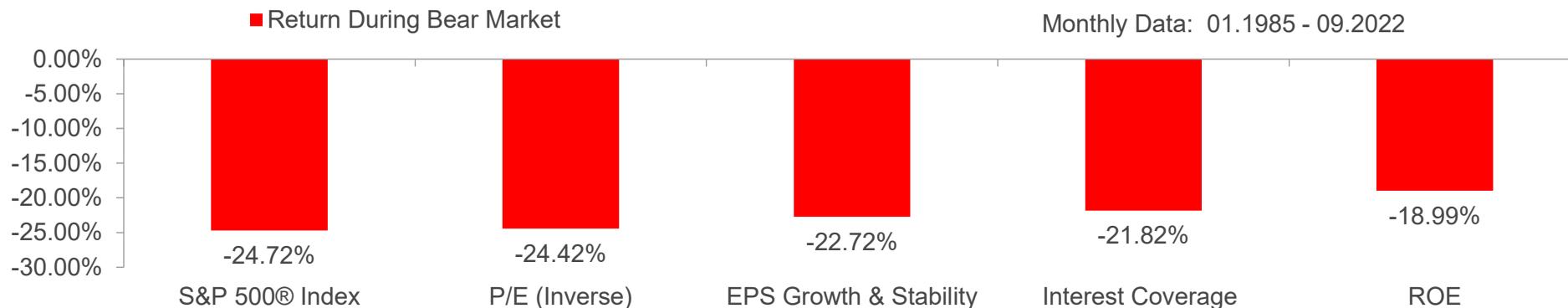
Equity Opportunities Group Philosophy of Investing

Seek Capital Appreciation and Risk Reduction by Constructing Portfolios with Attractive Valuations price over earnings (P/E), Robust Operating Growth (earnings per share (EPS) Growth/Stability), High Profitability (return on equity (ROE)) and Strong Balance Sheets (Interest Coverage)

Annualized Return of Top Decile of S&P 500® Index by Factor



Annualized Return in Bear Markets for Top Decile of S&P 500® Index by Factor



As of 09.30.2022. Source: Ned Davis Research, S&P Dow Jones Indices. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Investment Pillars

Special Opportunities

Pillar Metrics: Growth, Valuation, Profitability & Balance Sheet Strength

	Growth/Stability				Valuation			Profitability		Balance Sheet	
	22y EPS Growth	23y EPS Growth	24y EPS Growth	'19-'24 EPS CAGR	24y P/E	24y EV/EBITDA	24y EV/FCF Yld	ROE	EBITDA Mgn	Interest Coverage	Leverage
SO Median	6%	13%	14%	14%	13.3	10.0	6.7%	18.6	26.2	13.8	1.4
R3000 Median	6%	8%	9%	8%	14.2	10.2	5.3%	10.0	14.9	3.3	2.2
% Above/Below Bench	0%	62%	53%	62%	-6%	-2%	27%	85%	76%	316%	-37%

CAGR = compound annual growth rate. EBITDA = earnings before interest, taxes, depreciation, and amortization.

*Representative account. Data as of 09.30.2022. Source: Bloomberg L.P. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

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3Q 2022 Portfolio Changes

Additions:

- IQVIA

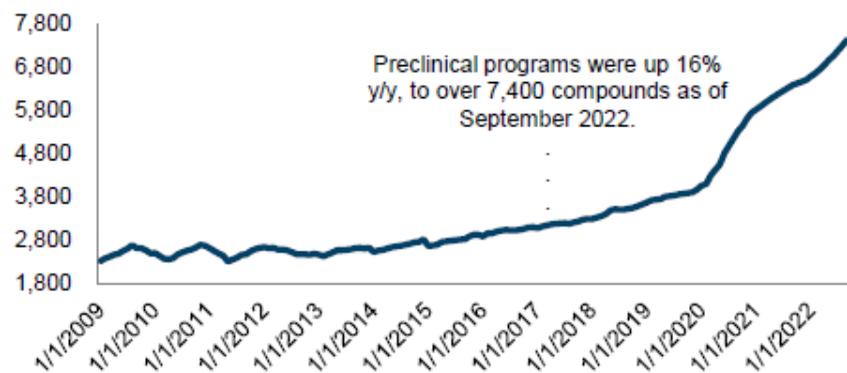
Exits:

- TransUnion
- Teleflex

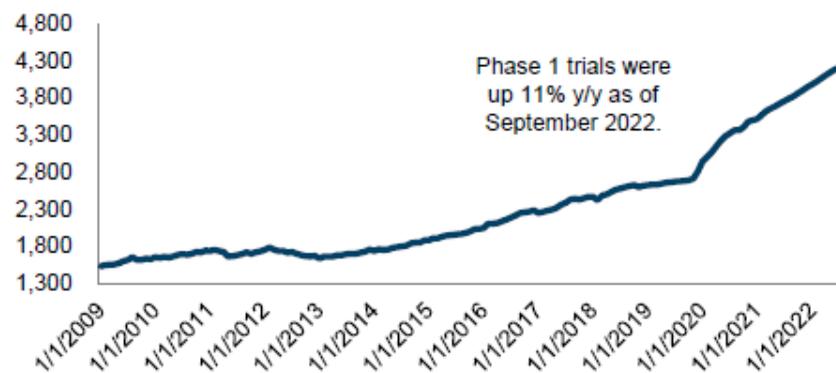
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CRO Macro and Industry Factors - Drug Pipeline, 2009 to Present (actuals)

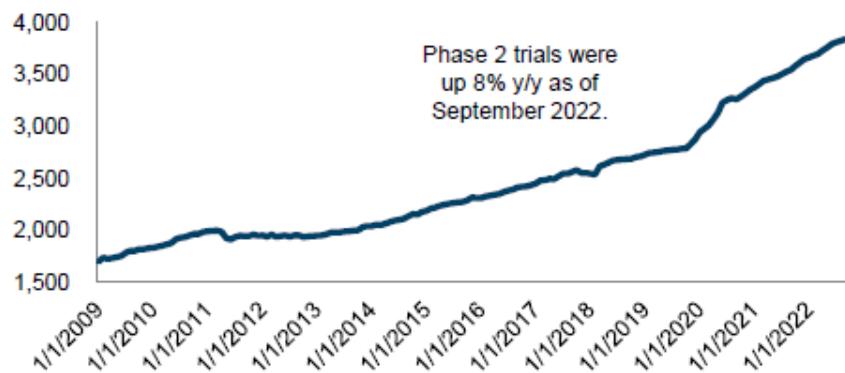
Preclinical



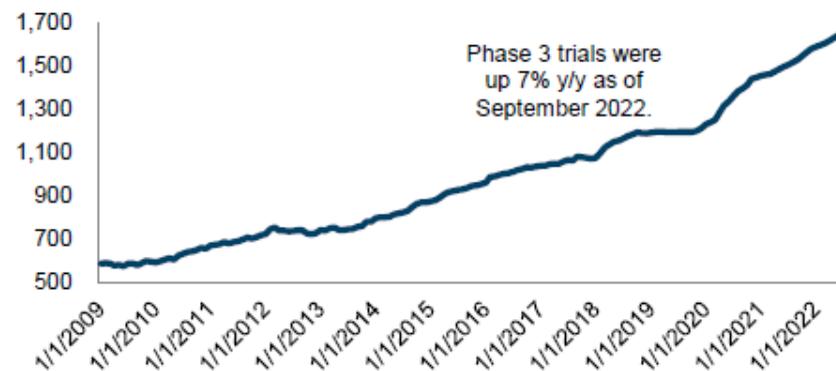
Phase I



Phase II



Phase III

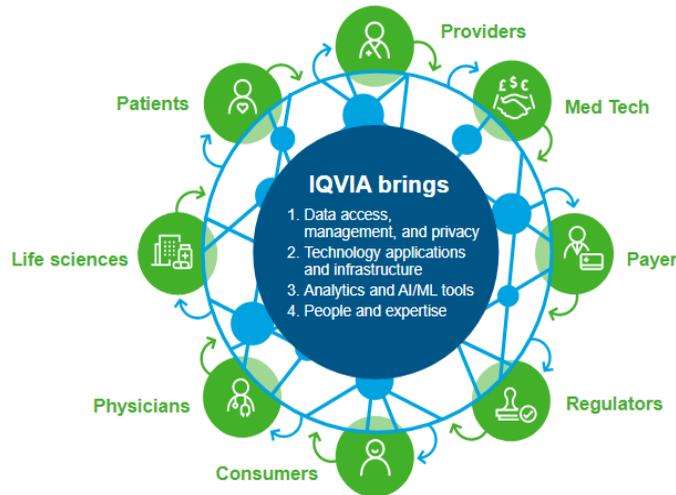


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CRO = contract research organization.

Source: IQVIA Company Reports. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. Any type of investing involves risk and there are no guarantees that these methods will be successful. The views expressed represent the opinions of Sterling Capital Management.

IQVIA connects the healthcare ecosystem



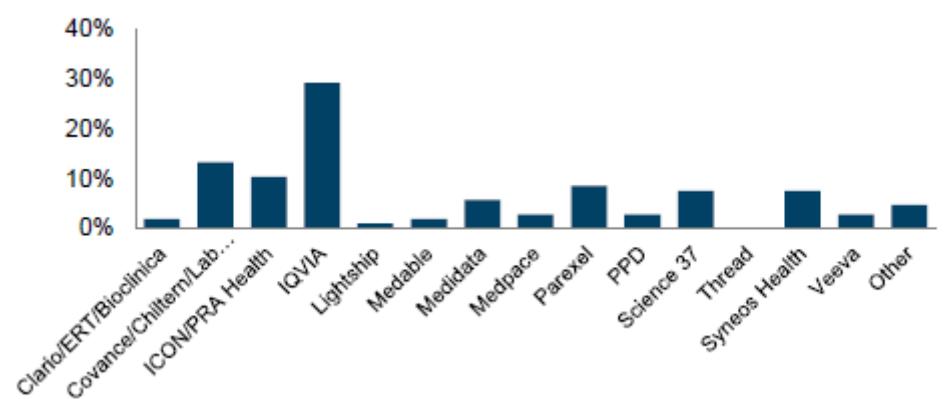
Highlights

- Leader in outsourced clinical research
- Addressable drug development spend in 2021 was \$81 billion with less than half outsourced
- Real World Evidence opportunity is \$60 billion - collecting data from physicians offices, hospitals, labs and digital health applications
 - Use artificial intelligence/machine learning (AI/ML) to provide actionable solutions to meet regulations, improve sales rep performance, pre-approve patients, provide personalized medicine
- Technology enabled commercial operations opportunity of \$75 billion – information, IT outsourcing, data warehousing, software

Global, established, fragmented, and growing customer base



Decentralized / Virtual Trials



Sources: IQVIA Company Reports (top and bottom left charts), Bloomberg L.P. (right chart). Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. Any type of investing involves risk and there are no guarantees that these methods will be successful. The views expressed represent the opinions of Sterling Capital Management.

Exited: Teleflex (TFX)

A series of downward revisions to the outlook for key growth driver, UroLift

Teleflex Incorporated - Guidance					
	Q4'21 Earnings Call 24-Feb-22	Q1'22 Earnings Call 27-Apr-22	Investor Day 20-May-22	Q2'22 Earnings Call 28-Jul-22	Q3'22 Earnings Call 27-Oct-22
Interventional Urology/UroLift	15% y/y growth for 2022, up LSD In 1H	15% y/y growth for 2022, up LSD In 1H	15% y/y growth for 2022, up LSD In 1H	slightly down y/y; \$335M for full year; reflect \$58M reduction in Guide	\$320MM

Year-to-Date Changes in Consensus 2022 (green) and 2023 (red) EPS estimates



Sources: RBC on 10.27.2022; Bloomberg L.P.; Sterling Capital. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. Any type of investing involves risk and there are no guarantees that these methods will be successful. The views expressed represent the opinions of Sterling Capital Management.



Exited: TransUnion (TRU)

- Thesis change: \$4+ billion of M&A + divestitures
- 4x leverage and \$8 billion of debt that's 100% floating
- Mortgage revenues guided to -30% to -35% for 2022
- Consumer lending/credit checks expected to be weak as well

Year-to-Date Changes in Consensus 2022 (green) and 2023 (red) EPS estimates

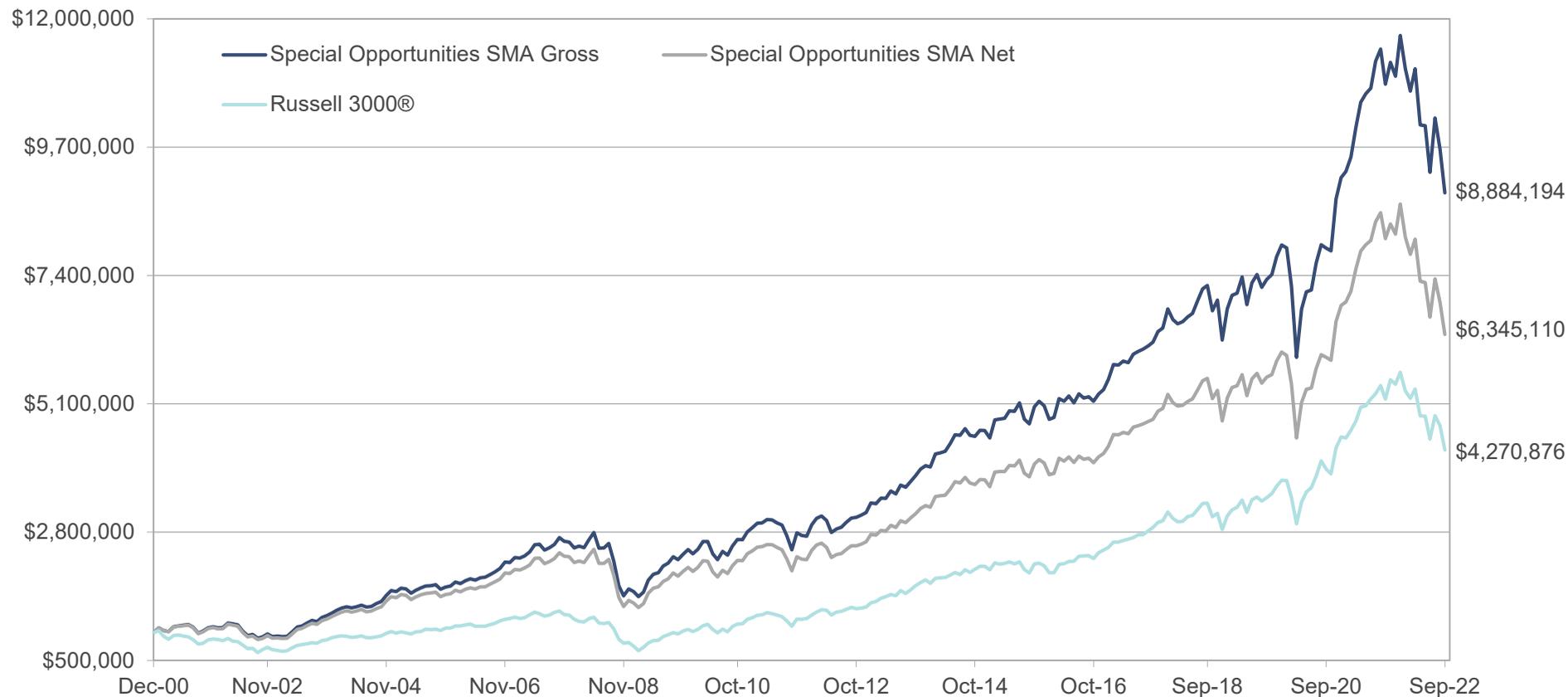


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Growth of \$1 Million

Sterling Capital Special Opportunities SMA
Gross and Net of Fees¹, Since Inception (12.31.2000)



¹Effective 01.01.2021 the maximum bundled external platform fee is 2.82%. Actual fees may vary by size and type of portfolio.

As of 09.30.2022. The Growth of \$1 Million chart depicts a hypothetical investment based upon actual returns of the composite since inception. Please refer to the slide titled "Performance" for the one-, five-, and ten-year returns of the composite. The performance presented represents past performance and is no guarantee of future results. Net of fees performance returns are presented preliminary and are net of the SMA bundled fee which includes all charges for trading costs, advisory services, portfolio management, custody and other administrative fees. Gross of fees performance returns reflect the deduction of trading costs: a client's return will be reduced by the management fees and other expenses it may incur. Investment management fees are described in Sterling's Form ADV 2A. Performance reflects the reinvestment of interest income and dividends and realized capital gains. Performance is compared to an index: however, the volatility of an index varies greatly and investments cannot be made directly in an index. Market conditions vary from year to year and can result in a decline in market value due to material market or economic conditions. Please refer to the GIPS Composite Report in the Appendix for additional disclosures. Source: Russell Investments, S&P, eVestment Analytics.



Appendix

Important Information

Disclosures

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The opinions contained in the preceding presentation reflect those of Sterling Capital Management LLC, and not those of Truist Financial Corporation or its executives. The stated opinions are for general information only and are educational in nature. These opinions are not meant to be predictions or an offer of individual or personalized investment advice. They are not intended as an offer or solicitation with respect to the purchase or sale of any security. This information and these opinions are subject to change without notice. All opinions and information herein have been obtained or derived from sources believed to be reliable. Sterling Capital Management LLC does not assume liability for any loss which may result from the reliance by any person upon such information or opinions.

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Sterling Capital does not provide tax or legal advice. You should consult with your individual tax or legal professional before taking any action that may have tax or legal implications.

The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index.

The S&P 500® Index is a readily available, carefully constructed, market-value-weighted benchmark of common stock performance. Currently, the S&P 500 Composite includes 500 of the largest stocks (in terms of stock market value) in the United States and covers approximately 80% of available market capitalization.

The **Russell 3000® Index** measures the performance of the 3,000 largest U.S. companies based on total market capitalization.

Technical Terms: **Earnings Per Share (EPS)**: a key metric used to determine the common shareholder's portion of the company's profit. EPS measures each common share's profit allocation in relation to the company's total profit. **Compound Annual Growth Rate (CAGR)**: the measure of an investment's annual growth rate over time, with the effect of compounding taken into account. It is often used to measure and compare the past performance of investments, or to project their expected future returns. **EBITDA**: Earnings Before Interest, Taxes, Depreciation, and Amortization is a metric used to evaluate a company's operating performance. It can be seen as a proxy for cash flow from the entire company's operations. **Return on Equity (ROE)** is the measure of a company's annual return (net income) divided by the value of its total shareholders' equity, expressed as a percentage (e.g., 12%). Alternatively, ROE can also be derived by dividing the firm's dividend growth rate by its earnings retention rate (1 – dividend payout ratio). **The Price Earnings Ratio (P/E Ratio)** is the relationship between a company's stock price and earnings per share (EPS). It is a popular ratio that gives investors a better sense of the value of the company. The P/E ratio shows the expectations of the market and is the price you must pay per unit of current earnings (or future earnings, as the case may be). **The Consumer Price Index (CPI)** is a measure of the aggregate price level in an economy. The CPI consists of a bundle of commonly purchased goods and services. The CPI measures the changes in the purchasing power of a country's currency, and the price level of a basket of goods and services. **Contraction**, in economics, refers to a phase of the business cycle in which the economy as a whole is in decline. A contraction generally occurs after the business cycle peaks, but before it becomes a trough. According to most economists, when a country's real gross domestic product (GDP)—the most-watched indicator of economic activity—has declined for two or more consecutive quarters, then a recession has occurred. (Technical definitions are sourced from Corporate Finance Institute.)

Sterling Capital Management – Special Opportunities SMA Composite
January 1, 2012 – December 31, 2021

Description: Consists of all discretionary separately managed wrap Special Opportunities portfolios. Sterling’s Special Opportunities equity portfolios invest primarily in companies with the best perceived combination of underlying growth potential and attractive valuation in a concentrated portfolio that has the flexibility to shift among styles.

Year	Total Return			Composite Assets	Total	Composite	Russell	Composite	Benchmark
	"Pure" Gross of Fees	Total Return Net of Fees	No. of Portfolios	End of Period (\$MM)	Firm Assets (\$MM)	Dispersion (%)	3000	3-yr St Dev (%)	3-yr St Dev (%)
2021	27.82	24.33	3	288	75,308	Not Meaningful	25.66	19.35	17.94
2020	15.23	13.92	3	419	70,108	Not Meaningful	20.89	20.36	19.41
2019	27.22	25.74	4	525	58,191	Not Meaningful	31.02	12.31	12.21
2018	-3.32	-4.46	4	453	56,889	Not Meaningful	-5.24	10.99	11.18
2017	20.55	19.08	4	493	55,908	Not Meaningful	21.13	9.85	10.09
2016	5.72	4.31	4	721	51,603	Not Meaningful	12.74	10.35	10.88
2015	9.59	8.00	4	901	51,155	Not Meaningful	0.48	9.67	10.58
2014	15.93	14.23	4	927	47,540	Not Meaningful	12.56	9.33	9.29
2013	26.61	24.72	4	850	45,638	Not Meaningful	33.55	13.49	12.71
2012	15.45	13.68	4	718	4,422	Not Meaningful	16.42	15.75	15.95

Sterling Capital Management LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sterling Capital Management LLC has been independently verified for the periods 01/01/01 to 12/31/20. The verification report(s) is/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 the CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Please refer to the slide titled “Performance” for the one-, five-, and ten-year returns of the composite.

Notes:

1. Sterling Capital Management LLC (SCM) is a registered investment advisor with the SEC. Registration does not imply a certain level of skill or training. Sterling manages a variety of equity, fixed income and balanced assets. Prior to January 2001, Sterling was a wholly owned subsidiary of United Asset Management (UAM). In January 2001, Sterling Capital Management LLC purchased all the assets and business of Sterling Capital Management Company from UAM to become an employee owned firm. In April 2005, BB&T Corporation purchased a majority equity ownership stake in Sterling Capital Management LLC. In October 2010, the management group of Sterling Capital entered into an agreement with BB&T Corporation that reduced and restructured management’s interest in Sterling Capital Management. Additionally, BB&T Asset Management merged into Sterling Capital Management. In January 2013, CHOICE Asset Management firm merged into Sterling Capital Management. “Percent of Firm Assets” and “Total Firm Assets” prior to 2013 are for CHOICE Asset Management. In August 2015, eight new employees joined Sterling Capital management via Stratton Management Company following the close of BB&T’s purchase of Susquehanna Bancshares. In December 2019, BB&T Corporation and SunTrust Banks, Inc. Holding Company merged as equals to form Truist Financial Corporation. Sterling Capital Management LLC is a wholly owned subsidiary of Truist Financial Corporation. In August 2020, new employees joined Sterling Capital Management via the Investment Advisory Group of SunTrust Advisory Services. This reorganization aligns all of the discretionary fixed income asset management activities within Truist under Sterling.
2. Inception date of composite: December 31, 2000. Creation date: December 31, 2000. The appropriate index is the Russell 3000 Index which measures the performance of the largest 3,000 US companies, representing approximately 98% of the investable US market. It represents the universe of stocks from which all-cap managers typically select. The index is reconstituted annually. Total return includes price appreciation/depreciation and income as a percent of the original investment. A complete list of all of SCM’s composites and SCM’s broad distribution pooled funds and their descriptions is available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Composite Reports are available upon request.
3. Performance reflects reinvested interest income and dividends and realized and unrealized capital gains and losses. Portfolios utilize trade-date accounting. Valuations and performance are reported in US dollars. Composite returns are calculated monthly by weighting the aggregate SMA/Wrap sponsor returns using beginning of period market values. Periodic time weighted returns are geometrically linked. Returns are not calculated net of non-reclaimable withholding taxes due to immaterial dollar amounts.
4. “Pure” gross of fees returns are presented as supplemental information and do not reflect the deduction of any fees including trading costs. Effective January 1, 2021, the net of fee return reflects the maximum bundled external platform fee of 2.82%. Prior to January 1, 2021, the net of fee return reflects the actual SMA fee of the individual portfolios in each platform except for one platform where the maximum fee is deducted from the gross return. The SMA fee includes all charges for trading costs, portfolio management, custody and other administrative fees. The actual fee may vary by size and type of portfolio. The maximum SMA or bundled external platform fee is 2.82% annually and includes Sterling’s actual management fee of 0.32%. Sterling’s actual management fees are 50 basis points annually or less. Since inception, the composite is comprised 100% of wrap fee portfolios.
5. The annual composite dispersion presented is measured by an asset-weighted standard deviation calculation method of all portfolios in the composite for the entire year, and is calculated using gross of fee returns. It is not meaningful when there have been less than six portfolios in composite for entire calendar year. The three year annualized standard deviation measures the variability of the composite and benchmark returns over the preceding 36 month period. The composite 3-year standard deviation is calculated using gross of fee returns. It is not required to be presented for annual periods prior to 2011 or when a full three years of composite performance is not yet available.
6. The performance presented represents past performance and is no guarantee of future results. Stock market conditions vary from year to year and can result in a decline in market value due to material market or economic conditions.