HAMLIN
CAPITAL MANAGEMENT, LLC

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Q1 2024 Quarterly Newsletter

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Overview

Hamlin's equity composite advanced 8.45% over the first three months of 2024, trailing the S&P 500 Index's 10.56% gain. Resilient Q4 2023 corporate earnings, expectations for a mid-year Federal Funds Rate reduction, and artificial intelligence euphoria combined to drive stocks higher. Hamlin bond accounts increased 2.33% as Treasury yields rose and the Bloomberg-Barclays High Yield Municipal Bond Index increased 1.51% over the quarter.[1]

Equity Performance

The Hamlin Equity Composite's Q1 return slightly lagged the Russell 1000 Value Index's 8.86% advance and exceeded the Dow Jones U.S. Select Dividend Index's 5.95% gain. We attribute Hamlin's outperformance relative to the Dividend Index to strong company-specific execution from our eclectic, concentrated holdings and to lower relative exposure to Utilities. Our lag relative to the S&P 500 Index's once again reflects that index's roughly 18% weighting in the so-called "Fab Four" low/no-dividend Tech stocks to which we have no exposure.[2]

Figure 1: Hamlin Composite Net Returns vs. Benchmarks as of March 31, 2024

	1Q24	1-year	3-year	5-year	10-year	Inception
Hamlin Equity Composite (Net)	**8.45%**	**19.97%**	**11.51%**	**12.86%**	**9.65%**	**10.31%**
Russell 1000 Value Index ETF (IWD)	8.86%	20.11%	7.88%	10.12%	8.82%	7.21%
Dow Jones U.S. Select Dividend Index ETF (DVY)	5.95%	9.32%	6.30%	8.60%	9.06%	-
S&P 500 Index	10.56%	29.88%	11.49%	15.05%	12.96%	8.17%

Periods over 1 year are annualized. 1Q24 performance has not yet been examined by our independent GIPS verification service provider ACA Performance Services. See GIPS disclosure at the end of this report. 1/1/2001 Inception. Please see additional disclosures at end. Source: Hamlin Capital Management.

When evaluating performance relative to benchmarks, recall that we don't select securities to align your portfolio with any index's sector weightings or holdings. We aim to construct a quality portfolio with high current income. Our goal is to preserve client capital while protecting against inflation with future dividend increases and long-term capital appreciation. Our 10.31% compound annual net return since inception indicates that an actively managed, concentrated portfolio of generous dividend-paying stocks can provide attractive absolute and relative returns over time.

Equity Portfolio Discussion

Broadcom Inc, Target Corp, and Cummins, Inc. led the portfolio during Q1 – gaining 22.78% on average.[3] Broadcom reported another strong quarter in March. AI-focused clients are aggressively purchasing custom-designed accelerator chips and standard networking chips for data centers. The company announced a third large client for its custom chip business and raised estimates for the newly acquired VMware virtualization business. Target earnings handily surpassed estimates. Margins improved with fewer inventory markdowns, better logistic costs, and moderating shrink. Sales are still sluggish, but the company predicted top line growth for the year. Cummins may be benefiting from continued strength in heavy-duty truck orders that could lead to a milder downcycle than previously expected. The company may also be seeing acceleration in demand for data center generators related to AI infrastructure build-out.

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[1] Q1 2024 performance is a preliminary estimate. ACA Performance Services has yet to examine performance which may be subject to change. Individual accounts vary.

[2] NVDA, MSFT, AMZN, and META accounted for 4.80% of the S&P 500 Index's 10.56% gain in the first quarter.

[3] AbbVie Inc and Lamar Advertising Company were the 4th and 5th top contributors – increasing 16.12% on average.

Keurig Dr. Pepper, United Parcel Service, Inc., and Interpublic Group of Companies were the weakest quarterly performers – declining 3.37% on average.[4] Despite strong results in Keurig's liquid beverage business which represents greater than 60% of profit, investors continue to focus on weak at-home coffee consumption. Consumers seem to be transitioning some of their caffeine consumption to energy drinks, ready-to-drink coffee, and cold brew coffee. UPS is struggling with the post-Pandemic freight recession. They need to regain market share lost during the intense union negotiation in 2023, and management underestimated the impact of the new front-end-loaded Teamsters contract. If the company can attain their recent revenue and margin guidance, the stock has plenty of room to run. Advertising agency Interpublic was down about 3.5% for the year when we sold it earlier in the quarter. Organic revenue growth was pedestrian in the most recent quarter, and we had grown concerned about a margin reversion to pre-Pandemic levels. The company executed very well over our nearly 6-year holding period, appreciating approximately 84%.[5]

We also sold MDC, our Denver-based homebuilder, during the quarter. The company will be acquired for cash by Sekisui, a Japanese homebuilder. MDC is an example of our willingness to own smaller, less well-followed companies. The stock appreciated approximately 328% throughout our holding period of just over 7 years.[5] High insider ownership drove brisk dividend growth while we owned the stock; our yield on cost had risen to over 13%. We purchased casual dining leader, Darden Restaurants, during the quarter at a 3.1% yield. The stock trades at a market PE ratio despite an elevated 5-year average 27% return on equity, low debt, and a 10% historic dividend growth rate. Americans are eating away from home more frequently, and Darden's scale advantage enables regular margin expansion.[6]

We are happy to announce that 11 of our quarter-end 25 holdings announced dividend hikes during the first quarter with an average increase of 6.9%. Dividend growth validates our research analysis and increases your portfolio cash flow. Corporate boards generally announce dividend increases only when they envision strong cash flow growth in the future. Client income has been compounding at 9.31% over the last ten years through 2023, and we aspire to grow portfolio income at a mid-single digit rate over time.

Equity Market & Portfolio Outlook

The market's rally year-to-date makes sense in the context of the tailwinds we reviewed in our January letter. Consumer net worth had soared in the aftermath of Covid-support policies, lifting consumption; corporate earnings growth had resumed; and equities have historically rallied briskly in the period between the last Fed Funds Rate hike to the first Federal Funds Rate cut.[7] The U.S. ISM Manufacturing Purchasing Managers Index's ascent above 50 for the first time in 16 months and rising productivity are two new and powerful equity tailwinds. They imply revenue growth and margin expansion opportunities. Recognizing the favorable macroeconomic backdrop, investors have pushed PEs higher and credit spreads to historically low levels. Optimism may well be warranted as stocks have typically finished the year strong after 8%-plus Q1 returns.

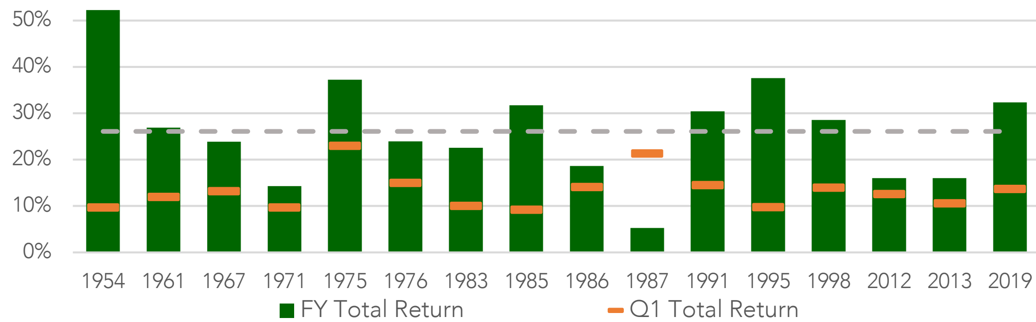
[4] Comcast Corporation and Watsco Inc were the 4th and 5th top detractors – increasing 0.48% on average.

[5] Individual account performance varies, and any particular account may have owned more or less of the stock during this time period. This figure does not indicate the return for the composite or any particular account. Past performance does not reflect future results and one should not expect all positions to be similarly profitable.

[6] Darden owns and operates restaurant chains, such as Olive Garden and Longhorn Steakhouse, with nearly 2,000 locations across the country. Their scale has afforded them the ability to internalize many business initiatives such as food sourcing, supply chain logistics, and marketing.

[7] The market has rallied 16.35% on average between the last Fed rate hike and first rate cut over the past 5 rate cycles. Since the last hike on 7/27/23, the S&P 500 Index has returned 17.05%.

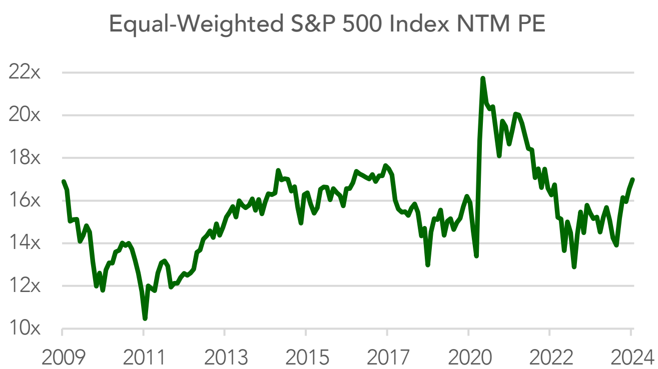
Figure 2: The S&P 500 Index Has Gained 26% on Average in Years When Up 8%+ in the First Quarter

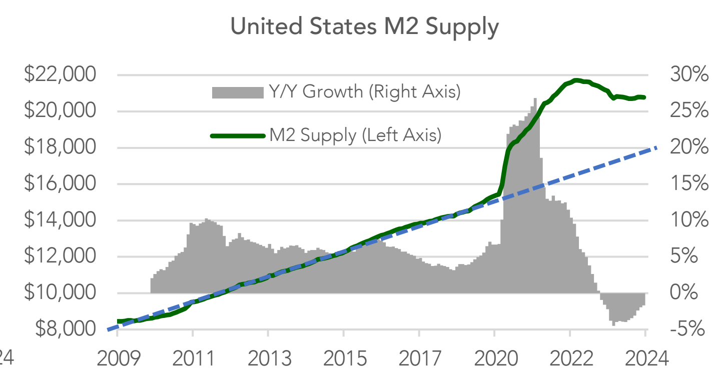


Source: Bloomberg.

While we have fretted about shrinking money supply – a reliable harbinger of tougher times for economic growth and stock prices – the absolute level of money supply remains well above pre-Covid levels. Abundant money supply helps explain levitating Bitcoin, gold, home prices, and AI stock PEs. Although PEs may be high enough to suggest sub-average forward 5-year returns, we do not sense a bubble. Valuation for the equal-weighted S&P 500 Index[8] at about 17.0x appears neither problematic nor compelling relative to historical averages. The higher equal-weighted PE reflects better stock performance for many Value-oriented companies, a welcome broadening of the stock market that may portend future gains. However, prudent investors should rely on earnings progress for future market returns. Our chief big picture concerns remain the inverted yield curve's track record of predicting recession, soaring interest expense on the national debt, and mixed reports about demand from our companies.[9]

Figure 3: Valuations Not Over-Extended; Money Supply Shrinking From a Gargantuan Level





Source: Bloomberg. The equal-weighted S&P 500 Index refers to SPW Index and is shown as of 3/31/24. United States M2 Supply as of 2/29/24.

We are excited about our companies' long-term revenue growth prospects driven by product cycles and market share gain opportunities, and we expect decent earnings growth for our portfolio in 2024. Our holdings' manageable debt burdens and attractive 24% median return on equity should allow us to withstand inevitable election year volatility. We are equally excited about several watchlist companies that meet Hamlin criteria and trade more cheaply than the broader market.

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[8] The equal-weighted index evenly depicts all underlying constituents unlike the market-weighted S&P 500 Index which produces metrics that are skewed towards its largest holdings.

[9] Paychex reported slower hiring by small and mid-sized businesses; SnapOn Tools' mechanic customers may be suffering from higher living expenses; and Darden blamed weak traffic on low-income consumer confidence.

Fixed Income Performance

The Hamlin High Yield Municipal Bond Composite was up 2.33% for the first quarter of 2024. Our commitment to putting money to work at attractive absolute yields on quality projects continues to help safeguard HCM client portfolios from the volatility of interest rate moves over the last 24 months. Our consistent focus on credit has helped shelter the portfolio from defaults throughout and following the Pandemic. We are pleased to see client accounts up nicely again early in 2024 with gains driven largely by tax-exempt income from larger coupons.

As we look forward, we see continued opportunity to deploy capital into a higher rate/spread environment. A combination of higher absolute rates and constriction in bank credit continue to create a significant opportunity to garner favorable risk-adjusted returns. This should help lock in sustainable income-based returns for years to come.

Market Commentary

The broader fixed income market walked back some of the gains from Q4 2023. While the Federal Reserve's July 2023 hike to the Federal Funds Rate may end up being the last in the current cycle – cuts to the benchmark rate continue to get pushed out. The broader economy – housing, wage growth, consumer spending, unemployment levels etc. continue to hold in better than originally expected in the face of higher sustained rates. Inflation (and further inflation expectations) has come down but the prospect of higher rates for longer has driven Treasury yields higher in the quarter and prices down.

Post the Fed's March 20th meeting, the upper bound of the Fed Funds Rate remains at 5.50%, and the Fed's most recent Summary of Economic Projections implies a median target rate of 4.6% by the end of 2024.[10] This still implies three rate cuts this year, but the Fed has lowered their expectations for cuts further out following the continued stronger-than-expected economic data. We have been fairly consistent with the view (and agree with the Fed) that it may take time to unwind the imbedded inflation and absent some unforeseen event, we may end up at the low end of rate cut expectations for the intermediate term.

Treasury yields in the 10-year spot moved up 32 bps for the quarter to finish at 4.20%, after coming down substantially at the end of last year. Municipal bond yields also moved higher as the 10 Year AAA finished up 23 bps to finish the quarter at 2.51%. Relative value in Munis (as measured by the Muni/UST ratio which divides the AAA MMD yield by the Treasury yield of the same maturity) has mostly cheapened in 2024 – particularly in shorter tenors – with the 1-year, 5-year, 10-year, and 30-year Muni/UST ratios ending Q1 at 64%, 60%, 60%, and 85%, respectively. This compares to year-end 2023 when 1-year, 5-year, 10-year, and 30-year Muni/UST ratios stood at 56%, 59%, 59%, and 85% and their respective five-year averages of 110%, 76%, 83%, and 92%.[11] At current ratios, higher grade Muni yields remain unattractive relative to more liquid Treasuries, especially on the short end of the curve. Hamlin continues to believe that the gap between current ratios and their long-term averages is likely to compress over time which could potentially pressure the relative performance of the tax-exempt market.

Total Muni funds have seen approximately $7 billion of inflows so far in 2024, while high yield municipal bond funds have seen ~$4.6 billion of inflows in the same period.[12] After a relatively light year of issuance in 2023 (*~$385 billion, -7.5% vs. trailing 10-year average*) municipal primary market activity has picked up in 2024 with borrowers selling ~$104.2 billion in

[10] Per the FOMC Summary of Economic Projections released on 3/20/24

[11] Muni/UST ratios as of 3/28/24; 5yr average measures the period from 3/29/19 – 3/28/2024. Sourced from Bloomberg and TM3.

[12] Per LSEG Lipper data provided by J.P. Morgan Research on 3/28/24; HCM has not independently verified these figures and they are subject to change.

the first quarter. This is a +16.6% increase compared to the 10-year Q1 average of $89.4 billion as issuers capitalized on the aforementioned inflows and resulting strong demand for tax-exempt paper.[13]

Market Opportunity

The 2022/23 dislocation in rates and negative fund flows created significant opportunity for HCM clients. Additionally, the SVB/First Republic failures last spring caused regional banks to constrict lending to the not-for-profit space – further enhancing the opportunity set. After many years of patiently sourcing and negotiating "Hamlin" deals, we saw and continue to see the broader "Street" market come back to our levels. Even with modest inflows into broader high yield funds this year, we continue taking inbound calls from bankers seeking execution on deals in the primary and brokers seeking execution on trades in the secondary.

This does not mean that we will change our strict requirements for investment or our commitment to fundamental credit analysis. However, it does mean we are seeing more opportunities in the primary and secondary markets to buy quality names in our sectors at attractive yields. In 2023, we deployed just under $620 Million at a weighted average yield of 6.76% (weighted average spread of 367) and maturity of 10 years. We have continued at similar levels this year: in 2024 thus far our weighted average yield at purchase in the primary market has been a 6.80% (weighted average spread of 386) and a maturity of 10 Years.[14]

We are capitalizing on the fact that we have funds to deploy when few others do and have used this as an opportunity to increase credit quality and liquidity in the portfolio while simultaneously garnering what we believe are attractive total return investments, seeking higher coupons as well as capital appreciation – primarily focused on targeted total returns in the 6.50% - 7.25% range with shorter duration. We remain constructive about the market right now and pleased with the risk/reward available for clients on new deals.

While the opportunity set is much improved, we remain disciplined on both yield and credit. If the long-awaited slowdown does emerge, we wouldn't be surprised to see spreads widen and we aim for client portfolios to be defensive.

As a reminder, Hamlin manages client assets based on the individual needs of each client. Please contact us if there have been any changes in your financial situation or investment objectives, or if you wish to impose any reasonable restrictions on the management of your account or reasonably modify existing restrictions.

Thank you sincerely for your trust and confidence. Please call (212) 752-8777 with any questions or suggestions.

Joe Bridy • Chris D'Agnes • Deborah Finegan • Charlie Garland

Mark Stitzer • Parker Stitzer • Michael Tang

[13] Per Bloomberg League Tables; 10-year average represents Q1 issuance in Q1 2014 – Q1-2023; data accessed on 4/1/24.

[14] Par weighted; represents all managed primary market purchases made by Hamlin's bond team YTD through Q1 2024

IMPORTANT DISCLOSURES:

PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS. Investing, particularly in equities, involves the risk of a loss of principal. Any projections, targets, or estimates in this report are forward looking statements and are based on Hamlin Capital Management, LLC ("HCM")'s research, analysis, and incorporate assumptions made by HCM. All expressions of opinion are subject to change without notice and HCM undertakes no obligation to update the statements presented herein. While HCM believes the sources of all data provided in this presentation are reliable, HCM does not guarantee accuracy, reliability or completeness. Data is presented as of the date indicated and HCM does undertake any duty to update the information presented here.

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DEFINITIONS

- *AAA MMD Curve is a proprietary yield curve that provides the offer-side of "AAA" rated state general obligation bonds, as determined by the MMD analyst team.*
- *Bloomberg High Yield Municipal Bond Index measures the return of a market value-weighted basket of non-investment grade municipal bonds.*
- *Current yield is calculated by dividing an investment's annual income by the current price.*
- *Duration is a measure of the number of years it takes for an investor to be repaid the price of a security and is a measure of interest rate sensitivity.*
- *S&P 500 tracks the stock performance of the 500 largest companies listed on stock exchanges in the United States.*
- *Dow Jones U.S. Select Dividend Index is an index tracking the performance of 100 high dividend paying companies, excluding REITs, meeting specific criteria for dividends, earnings, size and liquidity.*
- *The Russell 1000 Value Index is a market capitalization-weighted index of the value segment of the 1,000 largest U.S. public companies.*
- *PE or Price Earnings Ratio the price of a share divided by the earnings per share.*
- *U.S. ISM Manufacturing Purchasing Managers Index* is *a diffusion index summarizing economic activity for U.S. manufacturing.*

Hamlin Capital Management, LLC
Equity Only Composite
GIPS Report
January 1, 2001 through December 31, 2023

Year	Total Firm Assets (mm)	Composite Assets (mm)	Number of Portfolios	Composite Net Return	S&P 500 Return	Russell 1000 Value Return	Internal Dispersion (NET)	Composite 3-Yr St Dev (NET)	S&P 500 3-Yr St Dev	Russell 1000 Value 3-Yr St Dev
2023	7,086	1,867	625	13.66%	26.29%	11.46%	1.35%	15.75	17.29	16.50
2022	6,350	1,766	601	-3.64%	-18.11%	-7.54%	0.53%	20.44	20.87	21.25
2021	5,841	1,891	560	31.32%	28.71%	25.16%	0.65%	18.38	17.17	19.05
2020	4,847	1,442	522	5.36%	18.40%	2.80%	1.40%	17.66	18.53	19.62
2019	4,706	1,610	646	21.54%	31.49%	26.54%	0.55%	9.45	11.93	11.85
2018	4,253	1,504	688	-6.97%	-4.38%	-8.27%	0.64%	10.37	10.80	10.82
2017	4,553	1,772	683	15.84%	21.83%	13.66%	1.29%	10.27	9.92	10.20
2016	3,617	1,623	679	14.93%	11.96%	17.34%	1.26%	11.05	10.59	10.77
2015	3,186	1,373	725	-4.54%	1.38%	-3.83%	0.66%	9.91	10.48	10.68
2014	3,077	1,414	704	10.93%	13.69%	13.45%	0.51%	8.57	8.97	9.19
2013	2,703	1,234	624	32.72%	32.39%	32.53%	1.04%	10.19	11.94	12.69
2012	2,029	798	480	11.03%	16.00%	17.51%	1.12%	12.39	15.09	15.51
2011	1,623	584	388	10.16%	2.11%	0.39%	0.71%	14.11	18.71	20.69
2010	1,033	191	220	20.65%	15.06%	15.51%	2.22%			
2009	714	30	51	20.98%	26.46%	19.69%	2.69%			
2008	584	12	30	-28.57%	-37.00%	-36.85%	4.45%			
2007	734	18	31	3.97%	5.49%	-0.17%	2.86%			
2006	869	29	48	7.90%	15.79%	22.25%	5.93%			
2005	716	31	42	20.80%	4.91%	7.05%	4.90%			
2004	501	19	26	22.80%	10.88%	16.49%	7.67%			
2003	130	8	24	30.40%	28.68%	30.03%	9.87%			
2002	49	5	29	0.90%	-22.06%	-15.52%	6.15%			
2001	21	6	34	0.99%	-11.93%	-5.59%	10.69%			

Equity Only Composite consists of fully discretionary accounts that are comprised of any amount of common stocks and cash. There is no minimum account size or time period to be included in the composite. Returns include the effect of foreign currency exchange rates. The exchange rate source for the composite is IDSI/IDC – FT Interactive Data Corporation. The S&P 500 Index and Russell 1000 Value Index are provided as benchmarks. Benchmark returns are not covered by the report of independent verifiers. The Russell 1000 Value Index was added retroactively on 10/1/2020.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. Investing entails the risk of loss of principal. The U.S. Dollar is the currency used to express performance. Returns are presented net of management fees and includes the reinvestment of all income. Net of fee performance was calculated using actual management fees. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite performance is presented net of foreign dividend withholding taxes, where applicable, for the period prior to October 1, 2016, and gross of foreign dividend withholding taxes thereafter. Composite performance accrues dividends starting October 1, 2016. The management fee schedule is as follows: 1.00% on all assets. Actual investment advisory fees incurred by clients may vary. Composite performance is shown net of custodial fees for the period prior to January 1, 2018, and gross of custodial fees and other charges that may occur as a result of a client's choice of service providers thereafter. Beginning 10/1/19, a significant number of accounts in the composite are custodied with a broker that does not charge trading expenses. Accounts custodied with other brokers may incur trading expenses which may reduce returns. As of 12/31/23 date, these accounts represent 25.20% of composite assets.

Hamlin is an independent registered investment advisory firm. Hamlin invests in fixed income and equities for separately managed accounts, as well as funds. In January 2004, Hamlin merged with RRH Capital Management Inc. and the performance returns are linked. The firm maintains a complete list and description of composites and pooled funds, which is available upon request. A copy of our current written disclosure statement discussing our advisory services and fees continues to remain available for your review upon request.

The Equity Only Composite has an inception date of January 1, 2001 and was created April 1, 2006. Hamlin claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Hamlin has been independently verified for the periods January 1, 2001 through December 31, 2008 by Ashland Partners & Company LLP. ACA Performance Services began verification for Hamlin on January 1, 2009 through December 31, 2023. A firm that claims compliance with the GIPS standards must establish policies and procedure 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. The Equity Only Composite has had a performance examination for the periods January 1, 2001 through December 31 2023. The verification and performance examination reports are available upon request. The policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.

Hamlin Capital Management, LLC
Bond Only Composite
GIPS Report
January 1, 2001 through December 31, 2023

Year	Total Firm Assets (mm)	Composite Assets (mm)	Number of Portfolios	Composite Net Return	BHYMBI Return	Internal Dispersion (NET)	Composite 3-Yr St Dev (NET)	BHYMBI 3-Yr St Dev
2023	7,086	1,630	491	6.02%	9.21%	0.97%	5.05	9.61
2022	6,350	1,462	428	-3.42%	-13.10%	1.17%	5.36	10.74
2021	5,841	1,293	370	5.43%	7.77%	0.60%	4.15	8.34
2020	4,847	1,062	324	5.17%	4.89%	0.78%	4.18	8.33
2019	4,706	814	260	8.69%	10.68%	0.99%	2.02	3.02
2018	4,253	789	245	4.25%	4.76%	0.64%	3.04	4.91
2017	4,553	733	234	8.22%	9.69%	1.67%	2.82	5.42
2016	3,617	634	219	3.84%	2.99%	0.76%	2.54	5.96
2015	3,186	758	193	4.80%	1.81%	0.77%	0.99	6.35
2014	3,077	538	138	7.18%	13.84%	1.03%	1.14	6.22
2013	2,703	546	190	2.48%	-5.51%	0.84%	1.44	5.90
2012	2,029	474	172	7.43%	18.14%	1.39%	1.52	4.17
2011	1,623	442	173	6.13%	9.25%	0.86%	2.67	7.81
2010	1,033	314	124	7.06%	7.80%	0.84%		
2009	714	220	90	16.35%	32.73%	1.64%		
2008	584	181	67	-16.73%	-27.01%	1.80%		
2007	734	173	50	4.27%	-2.28%	0.96%		
2006	869	153	55	6.81%	10.74%	1.14%		
2005	716	86	53	7.94%	8.58%	1.84%		
2004	501	53	33	8.27%	10.52%	1.61%		
2003	130	18	27	9.14%	13.22%	2.19%		
2002	49	17	29	7.22%	1.97%	2.63%		
2001	21	17	31	4.54%	4.45%	15.07%		

Bond Only Composite consists of fully discretionary bond only accounts that are comprised of any amount of bonds and cash. There is a 1 year waiting period to be included in the composite. There is no minimum account size for inclusion in the composite. The Bloomberg High Yield Municipal Bond Index (BHYMBI) is provided as a benchmark. Benchmark returns are not covered by the report of independent verifiers.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. Investing entails the risk of loss of principal. The U.S. Dollar is the currency used to express performance. Returns are presented net of management fees and includes the reinvestment of all income. Net of fee performance was calculated using actual management fees. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. The management fee schedule is as follows: 1.00% on all assets. Actual investment advisory fees incurred by clients may vary. Composite performance is shown net of custodial fees for the period prior to January 1, 2018, and gross of custodial fees and other charges that may occur as a result of a client's choice of service providers thereafter.

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