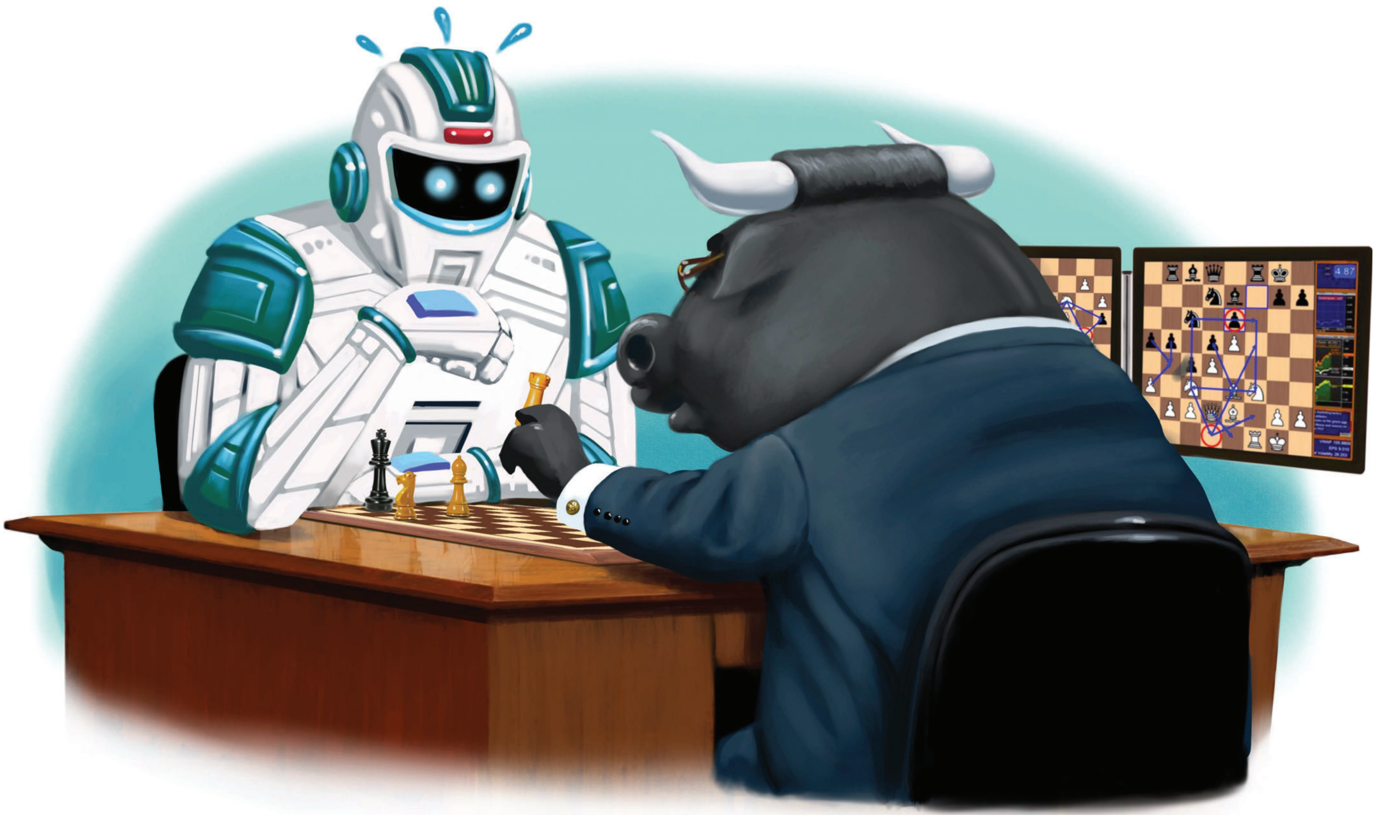
SaratogaRIM

2019 Quarterly Report

October 9, 2019

Q3



Checking the Algorithm

Market Statistics								Source: FactSet (Sept. 30), Federal Reserve, * Spot prices (Sept. 30)	
Stocks		**Yields (%)**				**Commodities**	
DJIA	26,916.83	Fed Funds	2.00	US Tr. 3-Y	1.56	Baltic Dry Index	1,823
P/E ratio	17.44	Disc. Rate	2.50	US Tr. 5-Y	1.55	Gold ($/oz)	1,466
S&P 500	2,976.74	Libor 1-Mo	2.02	US Tr. 10-Y	1.68	Silver ($/oz)	17.26
P/E ratio	19.07	US Tr. 1-Y	1.76	US Tr. 30-Y	2.12	Crude ($/bbl)* (NYM Light Sweet Crude)	54.07

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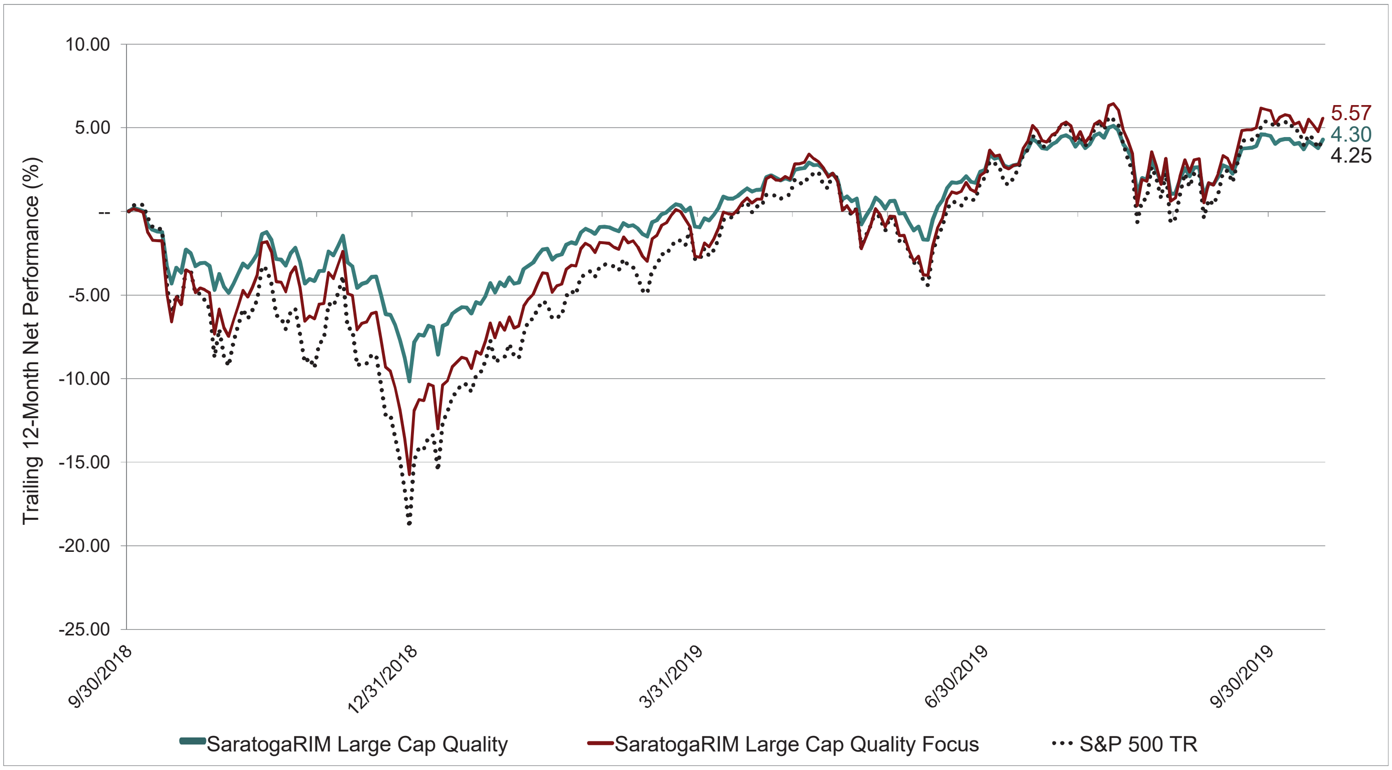
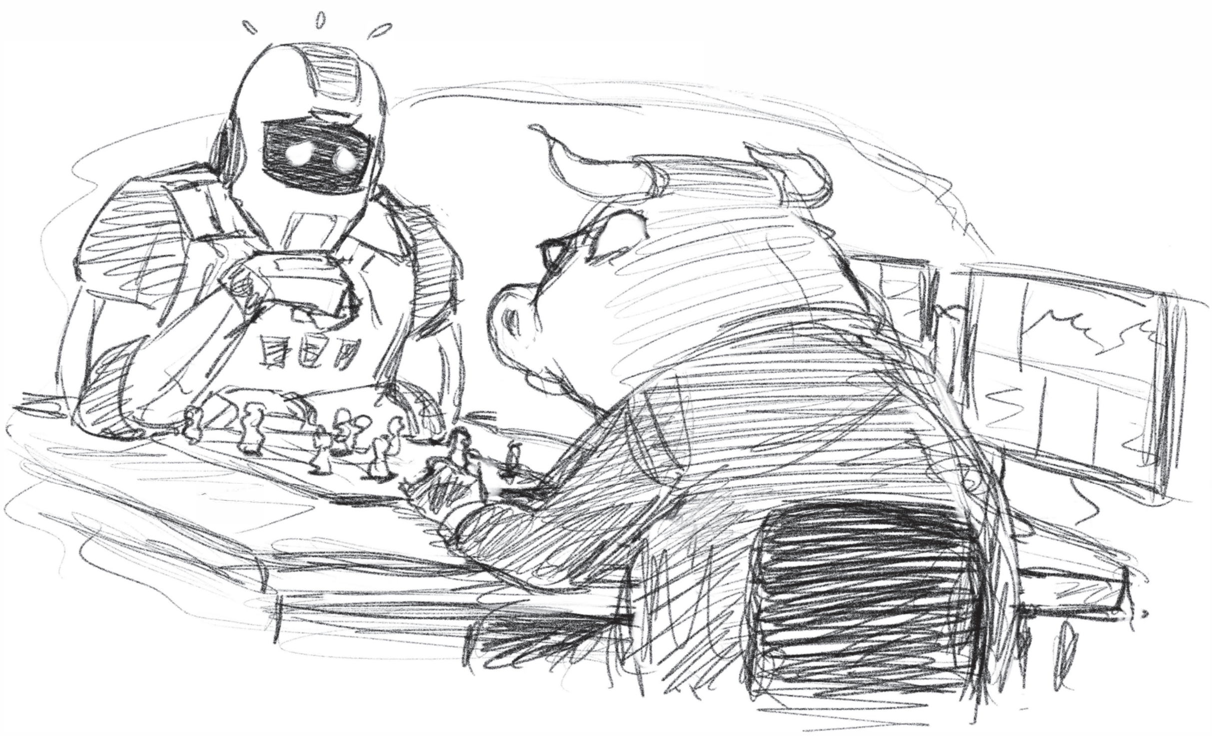
Trailing 12-Month Investment Results

Fig. 1: SaratogaRIM Large Cap Quality & Focus vs. S&P 500 TR 9/30/18 - 9/30/19



Past investment results are not a guarantee of future results. All results presented net of fees. This chart is supplemental and comprises daily return estimates calculated by FactSet utilizing month-end holdings data and may differ from actual daily performance. See full disclosures at the end of this report.

Over the 12 months that ended September 30th, net of fees, the SaratogaRIM Large Cap Quality composite earned 4.30%, the SaratogaRIM Large Cap Quality Focus composite generated 5.57%, and the S&P 500 Total Return was 4.25%. Our results were consistent with what we would expect at this phase in the economic and market cycles. The SEC requires that we remind you past performance is no guarantee of future returns (please see full disclosures at the end of this report).



Holistic vs. Algorithmic Quality
By Phil Spencer

In recent years, the ongoing migration towards passive investing, and the proliferation of financial innovations like “smart beta” or factor ETFs in particular, has accelerated. Investors are rightfully looking at their managers and assessing the value proposition they provide versus the alternatives. While we’ve always been benchmarked against the S&P 500, we get that some people might look at what we do, notice the word “Quality” in the names of our strategies, and ponder whether they could get essentially the same thing from a quality ETF. The short answer is: we don’t believe they can. Despite the similarity of the name, our process isn’t merely an algorithmic implementation of a factor-based strategy, nor is it designed to mimic *any* benchmark. We operate differently than commodified investment approaches, and not only have our clients been exposed to significantly less risk, they have collectively enjoyed better long-term investment results than either the S&P 500 or quality ETFs.

By the end of August, passive U.S. equity funds had grown their total assets under management (AUM) to $4.27 trillion, roughly $20 billion more than the total AUM under active management. “The investment industry reached one of the biggest milestones in its modern history,” declared Bloomberg News. It’s not hard to understand why. Since the turn of the century, roughly 20% of the large cap value, growth and blend managers in the Morningstar Institutional Database have tended to dramatically underperform the market while another 40% have shown themselves to be functionally indistinguishable from the S&P 500, even before fees. Ongoing asset trends (and simple logic) suggest that such managers are losing vast amounts of business. Even Warren Buffett, unarguably one of history’s best stock pickers, suggests that most investors would actually be better off re-allocating their retirement savings to S&P 500 index funds.

But Buffett also recognizes that great managers, though hard to come by, can and do outperform the market over time. And for more than a decade, firms like ours have continued to see significant asset growth (See Fig. 2). Investors aren’t simply looking for low-cost alternatives to poor active management; they’re looking for approaches they understand and can stick with that generate better bottom-line results over the long haul, period. We believe that sound investment processes and sensible pricing structures will always be hallmarks of successful active managers. What follows is a discussion of how we execute our own process to differentiate ourselves within the spectrum of quality strategies.

Fig. 2a: Active vs. Passive Net Assets from Q4 2008 through Q3 2019

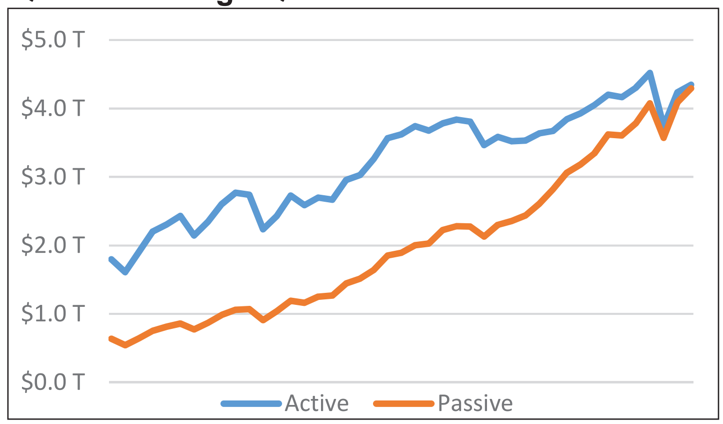


Fig. 2b: SaratogaRIM Assets under Management & Advisement from Q4 2008 through Q3 2019

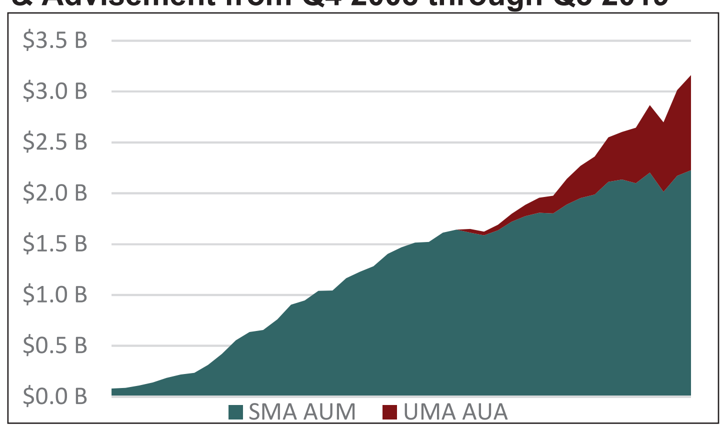
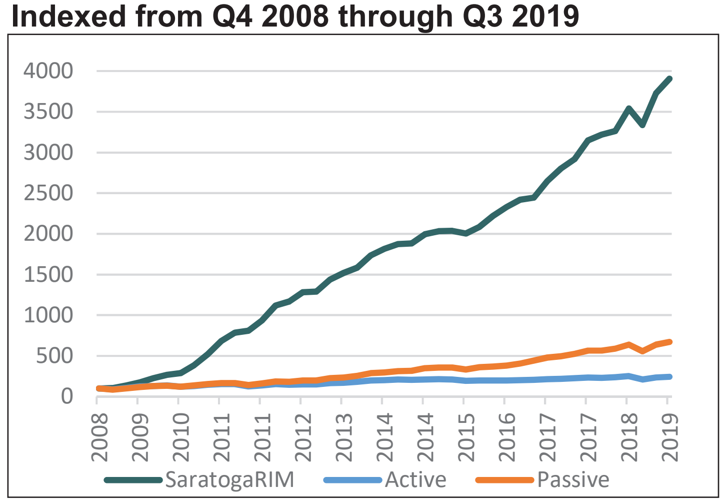


Fig. 2c: SaratogaRIM vs. Active vs. Passive Indexed from Q4 2008 through Q3 2019



Source: Morningstar Direct, Advent Axys, SaratogaRIM. See full disclosures at the end of this report.

The Quality Factor

In its purest form, factor investing describes a rules-based approach designed to capture a specific anomaly in the market not explained by general market risk. A "factor" is an attribute of a security that is associated with certain risk/reward characteristics. The five primary factors that are associated with excess returns are value, size, low volatility, momentum, and quality; these factors aim to explain equity returns over time. For example, if the value factor generates outperformance versus some benchmark, a manager with a value tilt should also see outperformance that can be explained by their exposure to the value factor.

Factor-based strategies select buckets of stocks within their target market based on the parameters they've chosen to approximate that factor. These stocks are then packaged into ETFs and rebalanced with some pre-determined periodicity. This is ostensibly simple enough, but the devil is in the details. "Even a single factor, such as value, has variations [in application] that an investor should consider…even two factors that aim to capture the same economic phenomenon can differ significantly in their construction, and these differences can matter," write Ronen Israel and Adrienne Ross of AQR Capital Management, who conclude: "Not all factors are created equal." To wit, practitioners may choose diverse parameters to define a factor, different timeframes for historical data, or different investment horizons for rebalancing. They may add proprietary features or use complex optimization algorithms to tweak their filters seeking improved performance. Essentially, strategies try to capture excess returns from factors in different ways even though the broad concept defining each factor remains consistent. The way a factor is defined can make all the difference in the world for returns.

Adding to this murkiness, quality is a particularly nebulous concept relative to the other main factors and thus harder to capture quantitatively. But the quality factor generally represents balance sheet health, business stability/persistence, and good profitability. MSCI operates some of the longest-running indexes that approximate quality, including the MSCI USA Quality Index. They define quality as follows:

> *"A company's quality can be evaluated along five key dimensions: profitability, earnings quality, financial leverage, asset growth and corporate governance. Various descriptors can be used to define each of these dimensions, but we have constructed the MSCI Quality Index … using these three: Return on Equity, Debt to Equity, Earnings Variability."*

In another example, the longest-running quality factor ETF in Morningstar's database is the Invesco S&P 500 Quality ETF. From their website:

> *"The Invesco S&P 500® Quality ETF (Fund) is based on the S&P 500® Quality Index (Index). The Fund will normally invest at least 90% of its total assets in common stocks that comprise the Index. The Index tracks the performance of stocks in the S&P 500® Index that have the highest quality score, which is calculated based on three fundamental measures, return on equity, accruals ratio and financial leverage ratio. The Fund and the Index are rebalanced and reconstituted semi-annually on the third Friday of June and December."*

Note that this strategy makes a relative determination about quality and, ignoring all other factors, invests in the companies within the top quintile of the S&P 500 by quality score and rebalances semi-annually.

Factor strategies by design are simple; they use quantifiable characteristics to sort stocks into buckets and then allocate to those buckets with no further thought. This makes them easy (read: cheap) to implement, but such convenience comes at a hidden cost: they are also easy to replicate, which is an unfavorable characteristic for perpetual alpha-generation. Patrick O'Shaughnessy of O'Shaughnessy Asset Management has talked about factor investing at length and suggests investors should consider Goodhart's Law, which states simply: "When a measure becomes a target, it ceases to be a good measure."

Replication, goes his thinking, drives down excess returns over time as alpha is competed away. O'Shaughnessy's favorite example of this is the value factor. When it was first defined back in the 1990s, one of several ratios could have been used to parameterize "value" as each had proven to be a good alpha generator over time. Price-to-Book was chosen – in part, because it had lower turnover than the others. Over the decades that followed, the Price-to-Book quintile spread has narrowed gradually and consistently over time. Per O'Shaughnessy:

> *Price-to-Book was a key measure, then it became the target around which hundreds of billions in assets built value portfolios and indexes, and along the way has decoupled from other major value factors. Everything else—sales, earnings, EBITDA, free cash flow, total yield—has been a better indicator of value since [Price-to-Book] was first held out as the defining value factor.*

The persistence of other "value" measures juxtaposed with the waning effectiveness of Price-to-Book illustrates how the definitions factor investors choose make all the difference for results.

The parameters we use for quality are more precise than the examples laid out above; we believe this underpins the effectiveness and sustainability of our quantitative screens. Furthermore, we recognize that other characteristics – like business model sustainability, corporate governance, and industry dynamics – may greatly impact a company's long-term performance but aren't easily quantifiable, making them much more difficult (if not impossible) to effectively capture quantitatively. For us, these considerations are essential to the investment process at the qualitative analysis and valuation stages.

SaratogaRIM's Approach

To be clear, we aren't factor investors. But we do use a well-defined quantitative screening process to filter our investable universe based on our own definition of quality. In that sense, our quantitative screening process does something very similar to what a quality ETF might be doing – i.e., looking for quantifiable evidence in the financial data that a company meets the quality criteria.

As a refresher, we filter for companies that: 1) are financially sound and use no more than moderate levels of leverage; 2) generate high quality owner earnings and don't have excessively capital-intensive business models; 3) are currently profitable; 4) have demonstrated a propensity for generating persistently above-average levels of profitability; and 5) have allocated capital effectively over time, as measured by market value growth relative to retained earnings.

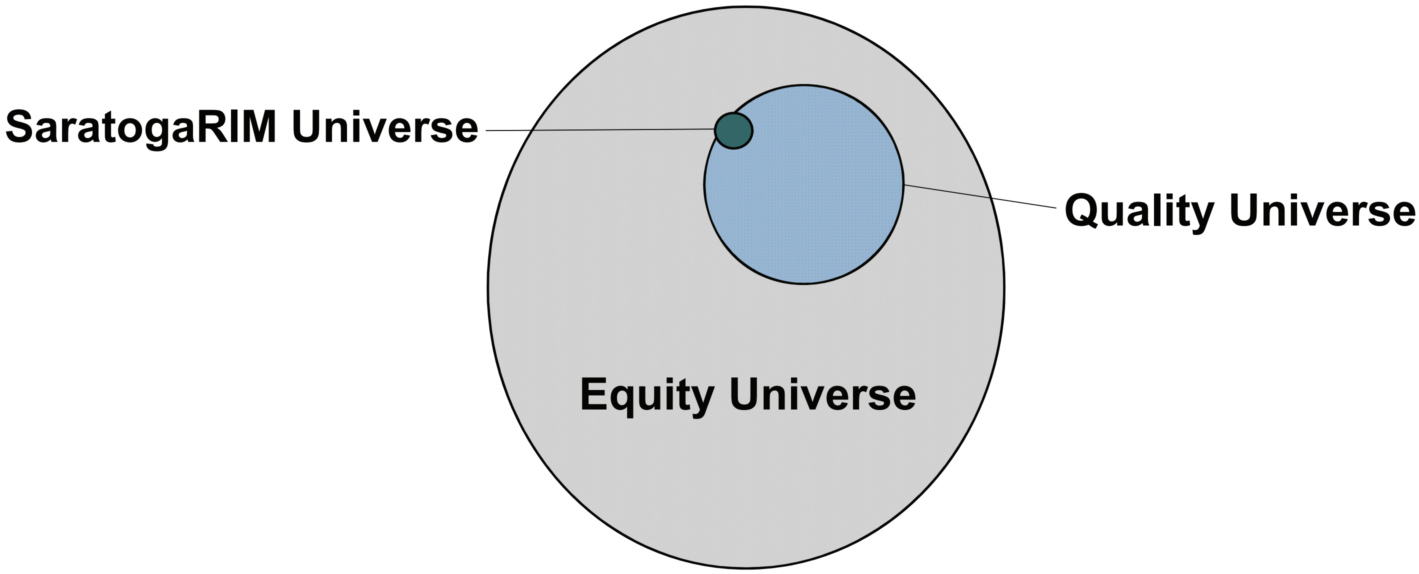
A key differentiator is that we're *not* just looking for relative quality as defined by a limited set of metrics based on recent historical data. We're holistically seeking to minimize the potential for permanent loss during extreme economic environments. To paraphrase Kevin, such wealth-destroying periods are inevitable, and since we don't own a crystal ball that will tell us when existential risks will materialize, we must always try to avoid the types of businesses most vulnerable during extreme deflationary or inflationary crises.

Blocks #1, #3, and #4 outlined above have similar goals as those of the MSCI Quality Indexes (although our implementation is very different). Block #5 is a check on corporate governance and management effectiveness. Blocks #1 & #2 have features we think of as macroeconomic factor overlays: Block #1 was constructed specifically to eliminate businesses most susceptible to extreme deflationary environments while Block #2 was built to avoid the types of capital intensive businesses most vulnerable during periods of persistently high inflation.

Whereas factor-based approaches are security selection processes, it is far more accurate in SaratogaRIM's case to conceptualize our screens as a security elimination process. Stocks in factor-based approaches are innocent until proven guilty; our approach treats all stocks as guilty until proven innocent. The purpose of our screens is to weed out companies that fail to meet our thresholds for specific criteria and that are unduly susceptible to permanent loss of capital. What's left is a subset of the quality universe (See Fig.3), a short list of companies that not only meet our very high standard for quality *but also* would likely survive extreme economic environments.

We believe our quantitative screens do an excellent job of generating a small but (by any definition) very high-quality investable universe. In fact, it would be very easy to create a factor strategy of our own based solely on our quantitative screens, but this overlooks two important considerations. First, quantitative screening is primarily backward looking. Qualitative analysis is required to confirm the existence of sustainable competitive advantages and bridge the gap between past results and the likelihood of future outcomes. Second, quality alone doesn't ensure investment success; even the greatest business can make a lousy investment if the price paid is too high. Valuation work is fundamental to our assessment of each candidate *as an investment* from its current price.

Fig. 3: Relative Investable Universes - Hypothetical Illustration



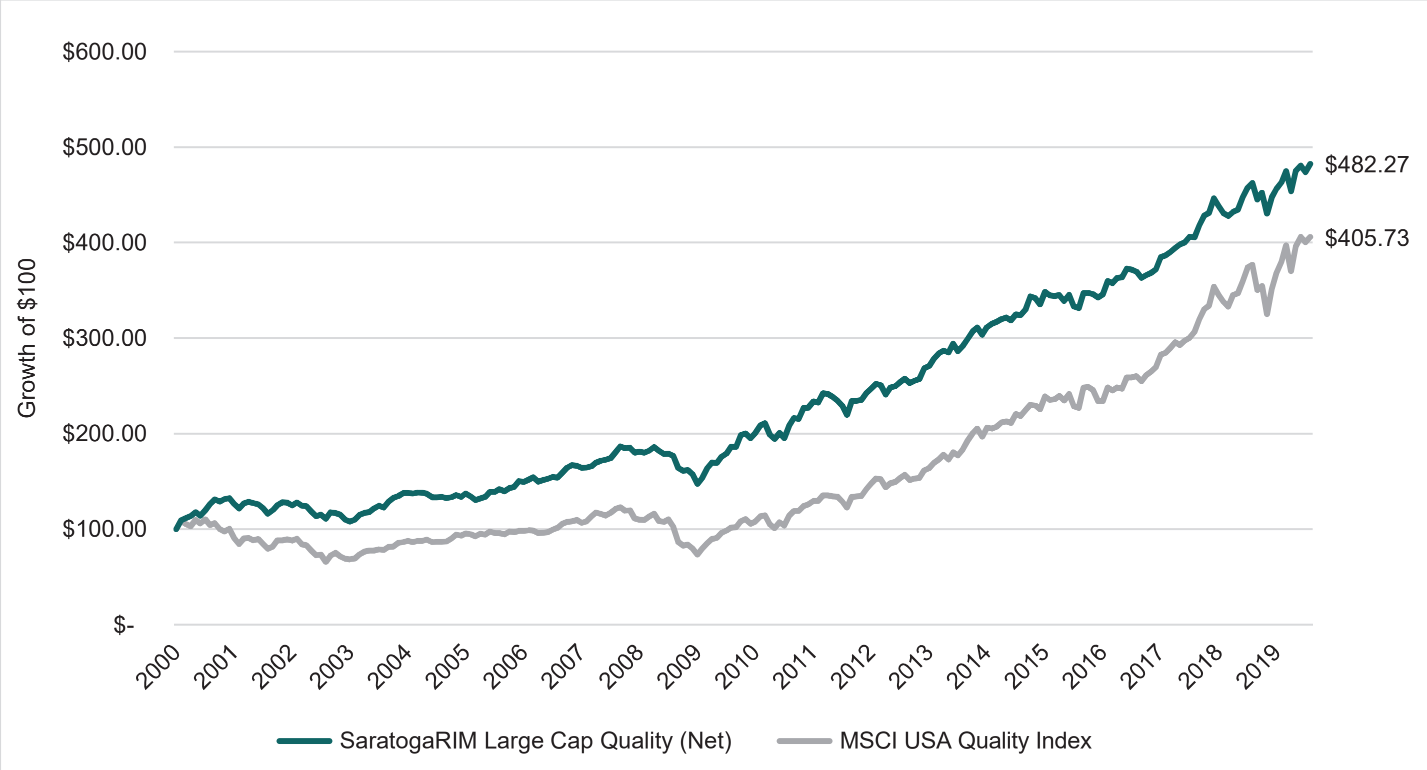
Source: SaratogaRIM. For illustrative purposes only. Not to scale.

Unlike factor strategies, our screening process is just a prelude to the qualitative analysis and valuation work that we perform on every investment candidate. The integration of each stage in the process is essential. Garry Kasparov – the chess master who famously lost to IBM's Deep Blue in 1997 – opined that man and machine working together could build better solutions than man or machine alone – we agree. Kasparov espoused the idea that a good process unlocks enormous value for man and machine working in concert. At SaratogaRIM, we create synergy between our people and machines rather than blindly investing algorithmically.

In the qualitative analysis and valuation stages, each potential investment is viewed as though we were buying the entire business to own in perpetuity. We dive into the workings of each target business and its industry and build a thorough understanding of a candidate's strengths, weaknesses, and sustainable competitive advantages. We assess long-term sources of uncertainty, and conduct probabilistic valuation analysis. These stages of our process help us address thoughtful questions, like: Why did this company succeed in the past? What's changed? Why do we believe they are likely to succeed in the future? What is the business worth and what's a reasonable price to pay? These are important questions that may always be left unanswered by quality factor ETFs.

At the end of the day, we would be generally less comfortable with a strategy that invested simply in our screening output and skipped the other stages of our process. At a more extreme level, we certainly lack the intestinal fortitude necessary to judge the appeal of an investment candidate based on just three simple measures, which is exactly what the MSCI Quality Indexes do.

Fig. 4: SaratogaRIM Large Cap Quality (Net) vs. MSCI USA Quality Index Cumulative Performance (2/29/2000 - 9/30/2019)



	Return	Std Dev	Alpha	Beta	Sortino Ratio	Sharpe Ratio	R^2	Up Capture Ratio	Down Capture Ratio	Overall Capture Ratio
SaratogaRIM Large Cap Quality (Net)	8.37	8.98	3.12	0.57	1.24	0.76	74.50	68.15	47.56	1.43
MSCI USA Quality Index	7.41	13.51	0.00	1.00	0.69	0.47	100.00	100.00	100.00	1.00

Source: Morningstar Direct, Advent Axys, SaratogaRIM. Past investment results are not a guarantee of future results. Statistics above reflect a comparison using the MSCI USA Quality Index as the benchmark. See full disclosures at the end of this report.

Settling Up

Given the quantitative element of our investment process, our strategies should be expected to have a quality factor tilt over time. Indeed, returns-based analysis suggests this is accurate. To illustrate, we regress SaratogaRIM Large Cap Quality (SaratogaRIM Quality) monthly returns on a two-factor model featuring market returns and the quality factor risk premium. We use the S&P 500 for market returns, and we estimate the quality factor risk premium using excess returns for the MSCI USA Quality Index versus the S&P 500. Monthly returns for SaratogaRIM Quality and the S&P 500 are also adjusted by subtracting the risk-free rate (90-day treasury bills), since we only want to consider return contributions from risk factors.

The beta coefficients for the factors in the model are 0.56 for the S&P 500 and 0.27 for the quality factor. The R-squared is 0.76, meaning this model explains 76% of the variance in SaratogaRIM Quality's monthly returns above the risk-free rate. The constant term (α) is 0.29, which represents 29 bps of monthly alpha generated by the strategy based on the risk exposures in the model. Folks who'd like to get really nerdy can find the summary of the regression model in Fig. 5.

As we've explained in the past, we believe that asymmetrical exposure to risk and reward has been a significant driver of our relative outperformance, and not just to the S&P 500. Relative to the MSCI USA Quality Index (see Fig. 4), SaratogaRIM Quality's asymmetry has been excellent, as indicated by an overall capture ratio

$$(r_{\text{SaratogaRIM Quality}} - r_{\text{Risk Free}}) = \alpha + \beta_1 \times (r_{\text{S\&P 500}} - r_{\text{Risk Free}}) + \beta_2 \times (r_{\text{MSCI Quality Index}} - r_{\text{S\&P 500}}) + \varepsilon$$

of 1.43, driven by a much lower downside capture ratio. SaratogaRIM's alpha generation also tends to be larger during periods of market duress. From a risk/reward perspective, SaratogaRIM Quality's 0.76 Sharpe ratio compares favorably to 0.47 for MSCI USA Quality. Our Quality strategy's returns since inception have been higher while standard deviation has been lower.

These characteristics have helped SaratogaRIM Quality outperform the MSCI USA Quality Index by a significant margin since inception. As may be expected, our performance differs from the index because our approach is distinct. This is also apparent when comparing securities: despite our return-based quality factor tilt, there isn't much overlap in holdings between our Quality strategy and the MSCI USA Quality Index. Active Share, which measures the degree of difference between two strategies (with 100% representing no overlap and 0% representing identicality) has averaged 79% over the last decade, indicating just 21% overlap between SaratogaRIM Quality and the index. Although Active Share isn't a performance metric, it *is* a measure of the potential for returns to differ from the benchmark – after all, generating outperformance requires that you take different actions and hold different securities.

This past performance casts our approach in a positive light, but past performance is no guarantee of future results. We're never complacent. As individuals, each of us is committed to developing our skill sets to help us continue to deliver going forward. As a team, we're disciplined and consistently focused on our process and its implementation.

Legendary investor Joel Greenblatt likes to say that the best strategy is the one that makes sense *and that you can stick with*. We spend a lot of time talking about our process because we believe it helps investors understand what we do. Over time, we hope that developing a higher level of confidence in our process will make it easier for clients to stick with our strategies – both through an appreciation for the underlying philosophy and an alignment in perspectives toward long-term results. At SaratogaRIM, we believe these are the real factors that give us the best chance to continue delivering the performance characteristics our clients expect. ■

Fig. 5: Regression Model Summary

OLS Regression - SaratogaRIM Quality

$$(r_{\text{SaratogaRIM Quality}} - r_{\text{Risk Free}}) = \alpha + \beta_1 \times (r_{\text{S\&P 500}} - r_{\text{Risk Free}}) + \beta_2 \times (r_{\text{MSCI Quality Index}} - r_{\text{S\&P 500}}) + \varepsilon$$

	Coefficient	Standard Error	t-statistic	P > |t|	95% C.I.
Constant (α):	0.2929	0.098	2.979	0.003	[0.100, 0.486]
($r_{\text{MSCI Quality Index}} - r_{\text{S\&P 500}}$):	0.2669	0.075	3.546	0.000	[0.119, 0.414]
($r_{\text{S\&P 500}} - r_{\text{Risk Free}}$):	0.5584	0.025	22.577	0.000	[0.510, 0.607]

Source: Morningstar Direct, Advent Axys, SaratogaRIM. Past investment results are not a guarantee of future results. See full disclosures at the end of this report.

Definitions: OLS Regression is an analytical method that estimates the relationship between one or more independent variables and a dependent variable by minimizing the sum of squares in the difference between observed values and the predicted values of the dependent variable configured as a straight line. Standard Error is the approximate standard deviation of a statistical sample population. The t-statistic is the ratio of the difference in the estimated value of a parameter and its hypothesized value to its standard error. The P value reflects the probability that the parameter would be equal to or more extreme than observed if the null hypothesis were true. The 95% confidence interval is a plausible range of values for each parameter constructed such that we are 95% confident it contains the true value of the parameter. The Risk Free rate is approximated using 90-day treasuries.

SaratogaRIM Large Cap Quality
Composite Statistics

Q3 2019

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SaratogaRIM Large Cap Quality (LCQ) - Snapshot

Name	SaratogaRIM Large Cap Quality
Manager Name	Kevin Tanner
Inception Date	2/29/2000
Firm Total Assets	$ 2,248,272,000
Strategy Assets	$ 1,445,683,000
GIPS Compliance	Yes
GIPS Compliance Date	12/31/2018

Firm Overview: Saratoga Research & Investment Management, founded in 1995, is an SEC Registered Investment Advisor specializing in constructing and managing equity portfolios composed of high caliber businesses utilizing common sense investment principles for individual and institutional investors.

Composite Overview: The SaratogaRIM Large Cap Quality Composite (SaratogaRIM Equity Composite) invests strictly in long-only equity positions, including ETFs. The minimum requirement to establish a new account is $100,000. The minimum asset level is $50,000. Inception date: February 29, 2000. Creation date for GIPS: August 30, 2010.

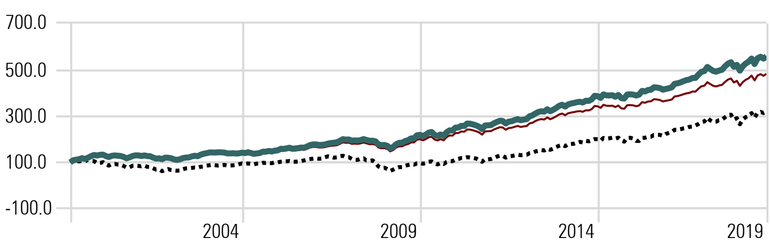
Investment Results*

	1 year	3 years	5 years	10 years	Since Inception
SaratogaRIM LCQ (Gross)	4.85	9.88	8.85	10.62	9.18
SaratogaRIM LCQ (Net)	4.30	9.29	8.27	9.98	8.37
S&P 500 TR USD	4.25	13.39	10.84	13.24	6.10

Investment Growth Relative to Benchmark*

Time Period: 3/1/2000 to 9/30/2019

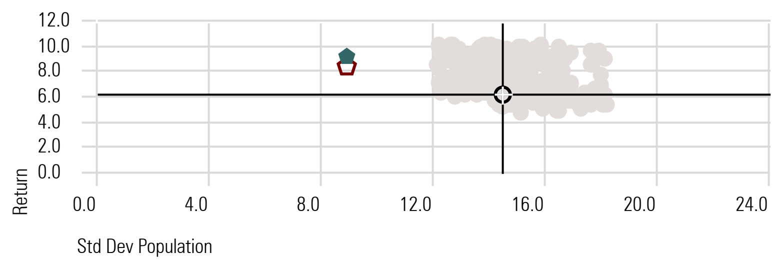
Source Data: Total Return



Standard Deviation vs. Annualized Rate of Return Relative to Benchmark & Peer Group*

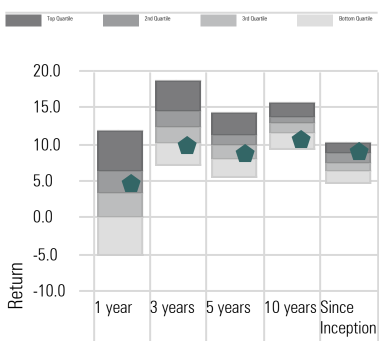
Time Period: 3/1/2000 to 9/30/2019

Source Data: Total Return

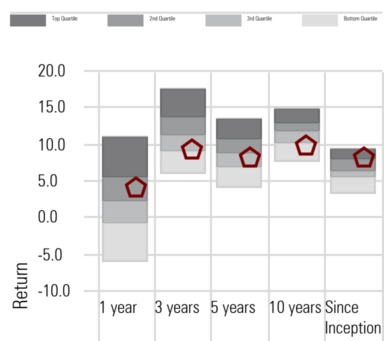


Investment Results Relative to Peer Group* As of Date: 9/30/2019

Peer Group (5-95%): Large Cap SA Source Data: Gross Return



Peer Group (5-95%): Large Cap SA Source Data: Net Return

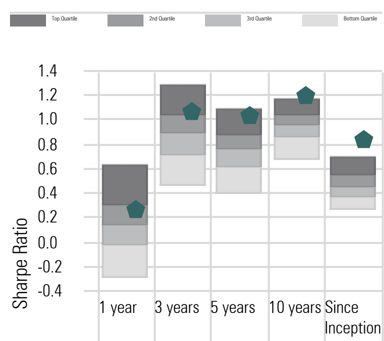


SaratogaRIM LCQ (Gross) SaratogaRIM LCQ (Net)

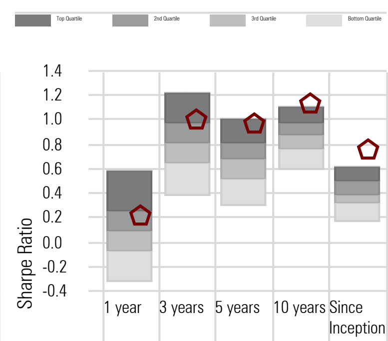
Gross Net	1 year		3 years		5 years		10 years		Since Inception	
SaratogaRIM LCQ	**4.85**	4.30	**9.88**	9.29	**8.85**	8.27	**10.62**	9.98	**9.18**	8.37
Median	**3.32**	2.41	**12.42**	11.37	**9.81**	8.76	**12.75**	11.68	**7.38**	6.49
Average	**3.33**	2.39	**12.48**	11.44	**9.74**	8.70	**12.57**	11.48	**7.55**	6.58
Count	**1,600**	1,601	**1,509**	1,510	**1,383**	1,384	**1,110**	1,112	**485**	490
Std Dev	**5.25**	5.25	**3.53**	3.61	**2.77**	2.89	**1.94**	2.18	**1.77**	1.93
5th Percentile	**11.85**	11.10	**18.51**	17.61	**14.27**	13.29	**15.65**	14.75	**10.28**	9.45
25th Percentile	**6.44**	5.48	**14.61**	13.62	**11.38**	10.59	**13.71**	12.97	**8.91**	8.08
50th Percentile	**3.32**	2.41	**12.42**	11.37	**9.81**	8.76	**12.75**	11.68	**7.38**	6.49
75th Percentile	**0.10**	-0.70	**10.15**	9.10	**7.94**	6.84	**11.42**	10.18	**6.31**	5.41
95th Percentile	**-5.13**	-5.94	**7.19**	6.00	**5.48**	4.09	**9.32**	7.68	**4.79**	3.26

Sharpe Ratio Relative to Peer Group* As of Date: 9/30/2019

Peer Group (5-95%): Large Cap SA Source Data: Gross Return



Peer Group (5-95%): Large Cap SA Source Data: Net Return



SaratogaRIM LCQ (Gross) SaratogaRIM LCQ (Net)

Gross Net	1 year		3 years		5 years		10 years		Since Inception	
SaratogaRIM LCQ	**0.27**	0.22	**1.07**	1.00	**1.04**	0.97	**1.21**	1.14	**0.84**	0.76
Median	**0.14**	0.09	**0.88**	0.81	**0.75**	0.67	**0.96**	0.88	**0.45**	0.39
Average	**0.15**	0.10	**0.88**	0.80	**0.74**	0.66	**0.94**	0.86	**0.46**	0.40
Count	**1,600**	1,601	**1,509**	1,510	**1,383**	1,384	**1,110**	1,112	**485**	490
Std Dev	**0.28**	0.28	**0.25**	0.26	**0.21**	0.22	**0.15**	0.16	**0.13**	0.13
5th Percentile	**0.63**	0.58	**1.29**	1.22	**1.08**	1.00	**1.17**	1.10	**0.69**	0.61
25th Percentile	**0.30**	0.25	**1.04**	0.97	**0.87**	0.81	**1.04**	0.98	**0.55**	0.49
50th Percentile	**0.14**	0.09	**0.88**	0.81	**0.75**	0.67	**0.96**	0.88	**0.45**	0.39
75th Percentile	**-0.02**	-0.07	**0.71**	0.64	**0.61**	0.52	**0.85**	0.76	**0.37**	0.31
95th Percentile	**-0.27**	-0.31	**0.47**	0.38	**0.40**	0.31	**0.69**	0.59	**0.27**	0.18

Items with an asterisk (*) are presented as supplemental data from Morningstar & SaratogaRIM. Results of Morningstar's calculations may vary slightly from SaratogaRIM's own reported statistics due to rounding. The disclosures on the following page are a part of this presentation.

Sector Weightings - GICS*

Portfolio Date: 9/30/2019	LCQ	S&P 500
Consumer Discretionary %	9.21	10.11
Consumer Staples %	13.03	7.60
Energy %	0.00	4.52
Financials %	6.05	12.94
Healthcare %	17.29	13.65
Industrials %	13.92	9.35
Information Technology %	33.01	21.93
Materials %	0.00	2.73
Real Estate %	0.00	3.22
Telecom Services %	7.50	10.36
Utilities %	0.00	3.59

Holding Fundamentals*

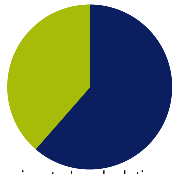
Dividend Yield	1.87
P/E Ratio (TTM)	20.40
P/CF Ratio (TTM)	14.78
P/B Ratio (TTM)	4.51
ROE % (TTM)	32.56
ROA % (TTM)	11.93
Net Margin %	16.62
Est. LT EPS Growth	8.56
Historical EPS Growth	10.86

Market Capitalization*

Average Market Cap (mil)	157,841.35
Market Cap Giant %	82.42
Market Cap Large %	8.73
Market Cap Mid %	8.85

Asset Allocation*

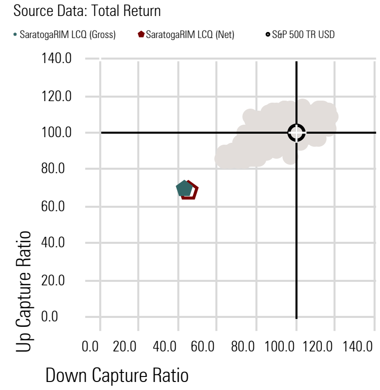
Portfolio Date: 9/30/2019



	%
•Stock	61.4
•Bond	0.0
•Cash	38.6
•Other	0.0
Total	**100.0**

Market Capture Relative to Benchmark & Peer Group*

Time Period: 3/1/2000 to 9/30/2019



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Composite Performance Statistics

Year	Gross TWR	Net TWR	S&P 500 Total Return	Median TWR	Standard Deviation	3 Yr Ann Standard Dev Quality Composite	3 Yr Ann Standard Dev S&P 500 Total Return	# of Portfolios in Composite	% Non-Fee Paying Accts	End of Period Composite Assets	% of Firm Assets	# of Firm Portfolios*	End of Period Total Firm AUM
2000 (2/29)	32.49	31.45	-2.45	n/a	n/a	-	-	48	0.0%	14,909,737.56	55.76	62	26,739,561.04
2001	-1.62	-2.56	-11.93	-1.65	3.58	-	-	64	0.0%	30,514,640.98	82.74	72	36,880,627.71
2002	-9.37	-10.17	-22.06	-11.06	3.01	-	-	89	0.0%	34,000,857.47	86.67	102	39,231,009.50
2003	18.24	17.18	28.68	16.69	2.44	-	-	96	0.0%	43,183,465.08	82.41	120	52,403,457.10
2004	1.58	0.66	10.88	-0.29	2.96	-	-	103	0.2%	47,974,118.35	82.67	129	58,032,372.36
2005	7.11	6.13	4.91	5.54	2.39	-	-	105	0.2%	50,770,162.66	82.71	130	61,384,012.72
2006	16.94	15.87	15.80	14.48	2.82	-	-	99	0.2%	56,390,733.74	76.99	127	73,239,570.68
2007	12.06	11.02	5.49	10.29	3.31	-	-	99	0.2%	61,759,766.07	77.97	130	79,206,822.92
2008	-11.91	-12.74	-37.00	-12.32	4.20	-	-	126	0.5%	63,833,081.56	78.86	162	80,940,276.85
2009	24.77	23.65	26.46	23.89	2.18	-	-	259	0.4%	149,451,162.21	81.46	300	183,475,713.20
2010	14.27	13.43	15.06	13.89	0.76	-	-	494	0.3%	308,291,988.80	72.80	544	423,498,666.41
2011	4.31	3.69	2.11	3.27	0.53	11.86	18.71	1,176	0.4%	675,883,971.31	89.07	1,306	758,793,592.13
2012	9.93	9.30	16.00	9.33	0.61	9.98	15.09	1,539	0.4%	952,886,545.56	91.19	1,689	1,044,972,076.70
2013	21.65	20.98	32.39	21.10	1.63	7.85	11.94	1,823	0.3%	1,260,548,713.94	89.81	2,033	1,403,561,332.53
2014	10.58	9.98	13.69	10.37	0.94	6.30	8.97	1,912	0.7%	1,338,763,052.59	82.94	2,163	1,614,090,418.39
2015	1.77	1.22	1.38	1.07	1.00	6.96	10.47	1,989	1.6%	1,268,091,067.90	77.41	2,298	1,638,083,262.30
2016	6.94	6.36	11.96	6.32	0.89	6.48	10.59	2,194	1.8%	1,330,011,476.70	73.85	2,573	1,800,890,893.30
2017	17.71	17.08	21.83	16.93	1.52	6.15	9.92	2,380	2.0%	1,481,531,427.12	70.11	2,887	2,113,160,549.13
2018	0.41	-0.13	-4.38	-0.28	0.48	6.54	10.80	2,479	2.3%	1,402,520,781.74	69.65	2,987	2,013,567,458.02
09/30/19	12.49	12.04	20.55	n/a	n/a	7.49	12.01	2,525	2.4%	1,445,683,122.94	64.30	3,107	2,248,271,664.36

Columns with an asterisk (*) are presented as supplemental data from SaratogaRIM.

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GIPS: SaratogaRIM claims compliance with the Global Investment Performance Standards (GIPS®) and has presented this report in compliance with the GIPS standards. SaratogaRIM has been independently verified for the period of March 1, 2000, through December 31, 2018. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. To receive a completed list and description of composites and/or a presentation compliant with the GIPS standards, please contact Marc Crosby, President, at (408) 741-2332 or Marc@SaratogaRIM.com. 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.

Disclosures: Valuations are computed and performance reported in U.S. dollars based on trade dates as of month-end, net-of-fees, while accounting for dividend reinvestment. SaratogaRIM net-of-fees returns are calculated net of actual management fees and transaction costs and gross of custodian fees and external consultant or advisory fees. SaratogaRIM fee is normally 1% for the SaratogaRIM Large Cap Quality (Equity) Composite; may be negotiated, as warranted by special circumstances. SaratogaRIM gross-of-fees returns are calculated gross of management, custodial and external consultant or advisory fees and net of transaction costs. Composite returns are calculated using asset-weighted Time Weighted Rate ("TWR"), beginning market values, and external cash flows. Gross and Net TWRs are calculated based on the geometric linking of the monthly internal rate of return for portfolios present for the entire month. Daily reconciliation is performed between the firm's records and the custodian and broker records through Advent to verify client assets. Individual portfolios are revalued monthly; portfolios also are revalued intra-month when large external cash flows occur in excess of 10% of the portfolio's fair value. Results of the SaratogaRIM Large Cap Quality (Equity) Composite do not reflect the results of any one portfolio in the composite. Statistics are based off of the most recent quarterly portfolio unless otherwise noted. Statistics are based off of gross-of-fee and/or net-of-fee monthly performance data uploaded to Morningstar. The Peer Group contains U.S. Large Cap separate account managers that appear in the Morningstar database for the relevant periods shown. Performance figures are based on historical information and do not guarantee future results. Actual current performance may be higher or lower than the performance presented. All investing entails the risk of loss. This summary is for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any securities and may not be relied upon in connection with any offer or sale of securities. It is not intended to serve as a substitute for personalized investment advice. Prospective clients should recognize the limitations inherent in the composite strategy and should consider all information presented regarding the firm's investment management capabilities. The contents of this report are only a portion of the original material and research and should not be relied upon in making investment decisions. The information and statistical data contained herein have been obtained from sources that we believe to be reliable but in no way are warranted by us as to accuracy or completeness.

Definitions: Excess Return measures the difference in return, cumulative or annualized, between the strategy and a benchmark. Standard Deviation measures the dispersion of a dataset relative to its mean. Sharpe Ratio is a risk-adjusted measure that is calculated by using excess return and standard deviation to determine reward per unit of risk. The higher the Sharpe Ratio, the better the portfolio's historical risk-adjusted performance. Market Capture Ratios measure the extent to which a strategy participates in market moves over time. Up (Down) Market Capture measures relative performance in months which the benchmark generates positive (negative) returns over time. The 3-year standard deviation (external dispersion) is based on net-of-fees returns. Dispersion is calculated as the asset-weighted standard deviation of annual net-of-fees portfolio returns around the median portfolio return in the composite. Dispersion is based only on portfolios that were in the composite for the full annual period, and is only shown for the annual periods where the composite had more than 5 portfolios for the full year.

Benchmark Disclosures: Benchmarks are unmanaged and provided to represent the investment environment in existence during the time periods shown. The S&P 500® Total Return Index has been selected as the benchmark for comparison purposes. The S&P Total Return Index assumes that all dividends and distributions are reinvested. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. Portfolios are managed according to their respective strategies which may differ significantly in terms of security holdings, industry weightings, and asset allocation from those of benchmarks. An index is not available for direct investment, and does not reflect any of the costs associated with buying and selling individual securities or any other fees, expenses, or charges. The S&P 500 Index is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by SaratogaRIM. Standard & Poor's®, S&P®, and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by SaratogaRIM. SaratogaRIM's products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

Source: Morningstar Direct, Advent Axys, SaratogaRIM; 10/31/2019

SaratogaRIM Large Cap Quality Focus
Composite Statistics

Q3 2019

Saratoga Research & Investment Management
Tel: (408) 741-2330
E-mail: Contact@SaratogaRIM.com

14471 Big Basin Way, Suite E
Saratoga, CA 95070
SaratogaRIM.com

SaratogaRIM Large Cap Quality Focus (LCQF) - Snapshot

Name	SaratogaRIM Large Cap Quality Focus
Manager Name	Kevin Tanner
Inception Date	8/29/2014
Firm Total Assets	$ 2,248,272,000
Strategy Assets	$ 499,129,000
GIPS Compliance	Yes
GIPS Compliance Date	12/31/2018

Firm Overview: Saratoga Research & Investment Management, founded in 1995, is an SEC Registered Investment Advisor specializing in constructing and managing equity portfolios composed of high caliber businesses utilizing common sense investment principles for individual and institutional investors.

Composite Overview: The SaratogaRIM Large Cap Quality Focus Composite invests strictly in long-only equity positions, including ETFs, with higher concentration, particularly in the top 10 positions; collectively, the top 10 positions make up at least 50% of the portfolio. This strategy will likely have a greater turnover ratio than other composites and typically will not hold more than 5% cash. The minimum requirement to establish a new account is $100,000 (reduced from $250,000, effective May 1, 2019). The minimum asset level is $75,000 (reduced from $225,000, effective May 1, 2019). Inception date: August 31, 2014. Creation date for GIPS: August 31, 2014.

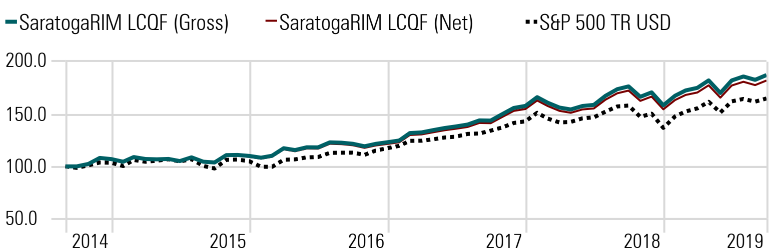
Investment Results*

	1 year	3 years	5 Years	Since Inception
SaratogaRIM LCQF (Gross)	6.14	15.49	13.37	13.14
SaratogaRIM LCQF (Net)	5.58	14.85	12.75	12.51
S&P 500 TR USD	4.25	13.39	10.84	10.34

Investment Growth Relative to Benchmark*

Time Period: 9/1/2014 to 9/30/2019

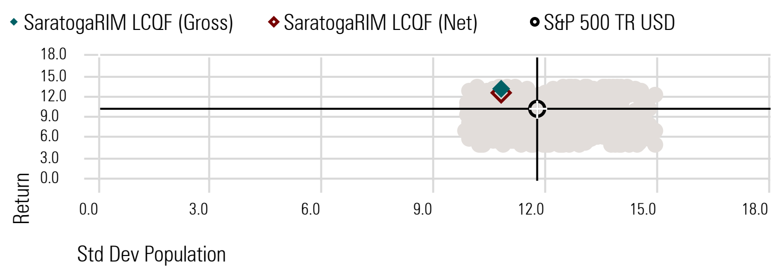
Source Data: Total Return



Standard Deviation vs. Annualized Rate of Return Relative to Benchmark & Peer Group*

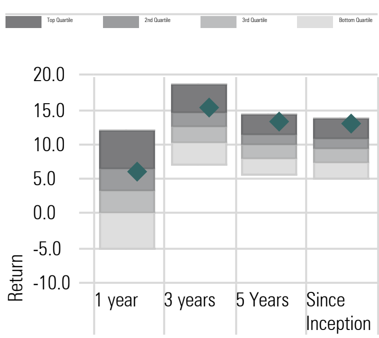
Time Period: 9/1/2014 to 9/30/2019

Source Data: Total Return

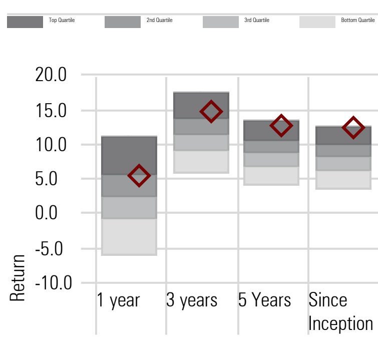


Investment Results Relative to Peer Group* As of Date: 9/30/2019

Peer Group (5-95%): Large Cap SA Source Data: Gross Return



Peer Group (5-95%): Large Cap SA Source Data: Net Return

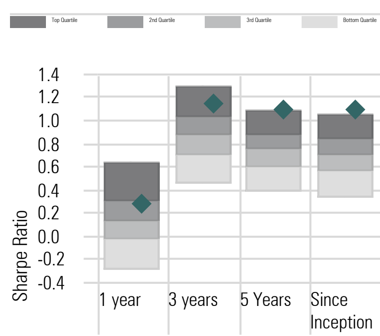


◆ SaratogaRIM LCQF (Gross) ◇ SaratogaRIM LCQF (Net)

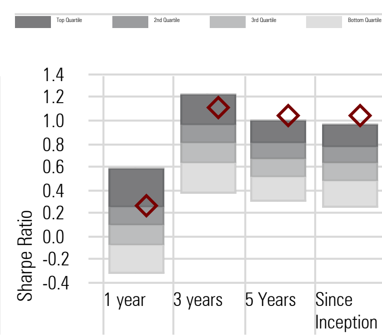
Gross Net	1 year		3 years		5 Years		Since Inception	
SaratogaRIM LCQF	**6.14**	5.58	**15.49**	14.85	**13.37**	12.75	**13.14**	12.51
Median	**3.32**	2.41	**12.42**	11.37	**9.81**	8.76	**9.28**	8.23
Average	**3.33**	2.39	**12.48**	11.44	**9.74**	8.70	**9.16**	8.13
Count	**1,600**	1,601	**1,509**	1,510	**1,383**	1,384	**1,374**	1,376
Std Dev	**5.25**	5.25	**3.53**	3.61	**2.77**	2.89	**2.81**	2.93
5th Percentile	**11.85**	11.10	**18.51**	17.61	**14.27**	13.29	**13.60**	12.64
25th Percentile	**6.44**	5.48	**14.61**	13.62	**11.38**	10.59	**10.85**	10.05
50th Percentile	**3.32**	2.41	**12.42**	11.37	**9.81**	8.76	**9.28**	8.23
75th Percentile	**0.10**	-0.70	**10.15**	9.10	**7.94**	6.84	**7.34**	6.27
95th Percentile	**-5.13**	-5.94	**7.19**	6.00	**5.48**	4.09	**4.89**	3.48

Sharpe Ratio Relative to Peer Group* As of Date: 9/30/2019

Peer Group (5-95%): Large Cap SA Source Data: Gross Return



Peer Group (5-95%): Large Cap SA Source Data: Net Return



◆ SaratogaRIM LCQF (Gross) ◇ SaratogaRIM LCQF (Net)

Gross Net	1 year		3 years		5 Years		Since Inception	
SaratogaRIM LCQF	**0.30**	0.26	**1.16**	1.11	**1.11**	1.06	**1.10**	1.05
Median	**0.14**	0.09	**0.88**	0.81	**0.75**	0.67	**0.71**	0.64
Average	**0.15**	0.10	**0.88**	0.80	**0.74**	0.66	**0.70**	0.62
Count	**1,600**	1,601	**1,509**	1,510	**1,383**	1,384	**1,374**	1,376
Std Dev	**0.28**	0.28	**0.25**	0.26	**0.21**	0.22	**0.22**	0.23
5th Percentile	**0.63**	0.58	**1.29**	1.22	**1.08**	1.00	**1.05**	0.96
25th Percentile	**0.30**	0.25	**1.04**	0.97	**0.87**	0.81	**0.84**	0.78
50th Percentile	**0.14**	0.09	**0.88**	0.81	**0.75**	0.67	**0.71**	0.64
75th Percentile	**-0.02**	-0.07	**0.71**	0.64	**0.61**	0.52	**0.56**	0.47
95th Percentile	**-0.27**	-0.31	**0.47**	0.38	**0.40**	0.31	**0.35**	0.25

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Sector Weightings - GICS*

Portfolio Date: 9/30/2019	LCQF	S&P 500
Consumer Discretionary %	8.04	10.11
Consumer Staples %	13.37	7.60
Energy %	0.00	4.52
Financials %	7.04	12.94
Healthcare %	16.26	13.65
Industrials %	15.99	9.35
Information Technology %	29.63	21.93
Materials %	0.00	2.73
Real Estate %	0.00	3.22
Telecom Services %	9.68	10.36
Utilities %	0.00	3.59

Holding Fundamentals*

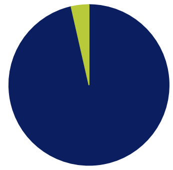
Dividend Yield	1.78
P/E Ratio (TTM)	19.97
P/CF Ratio (TTM)	14.65
P/B Ratio (TTM)	4.41
ROE % (TTM)	33.42
ROA % (TTM)	12.43
Net Margin %	17.18
Est. LT EPS Growth	8.74
Historical EPS Growth	11.33

Market Capitalization*

Average Market Cap (mil)	171,500.05
Market Cap Giant %	83.30
Market Cap Large %	8.03
Market Cap Mid %	8.67

Asset Allocation*

Portfolio Date: 9/30/2019

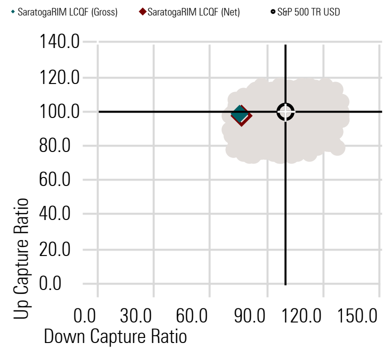


	%
•Stock	96.4
•Bond	0.0
•Cash	3.6
•Other	0.0
Total	**100.0**

Market Capture Relative to Benchmark & Peer Group*

Time Period: 9/1/2014 to 9/30/2019

Source Data: Total Return



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Composite Performance Statistics

Year	Gross TWR	Net TWR	S&P 500 Total Return	Median TWR	Standard Deviation	3 Yr Ann Standard Dev: Focus Composite	3 Yr Ann Standard Dev: S&P 500 Total Return	# of Portfolios in Composite	% Non-Fee Paying Accts	End of Period Composite Assets	% of Firm Assets	# of Firm Portfolios*	End of Period Total Firm AUM
2014 (8/31)	6.95	6.71	3.46	n/a	n/a	-	-	31	0.0%	59,408,640.33	3.68	2,163	1,614,090,418.39
2015	2.84	2.28	1.38	2.70	0.25	-	-	88	0.0%	122,809,323.37	7.50	2,298	1,638,083,262.30
2016	11.93	11.33	11.96	11.18	0.63	-	-	151	0.0%	198,406,977.89	11.02	2,573	1,800,890,893.30
2017	28.21	27.49	21.83	27.49	0.55	8.70	9.92	287	0.1%	362,440,319.53	17.15	2,887	2,113,160,549.13
2018	0.35	-0.20	-4.38	-0.41	0.58	10.30	10.80	303	0.3%	316,630,422.08	15.72	2,987	2,013,567,458.02
09/30/19	18.27	17.80	20.55	n/a	n/a	11.50	12.01	376	0.3%	499,129,139.62	22.20	3,107	2,248,271,664.36

Columns with an asterisk (*) are presented as supplemental data from SaratogaRIM.

Prior to March 7, 2007, Saratoga Research & Investment Management ("SaratogaRIM") was known as Tanner & Associates Asset Management. SaratogaRIM is a SEC Registered Investment Advisor. SEC Registration does not constitute an endorsement of the firm by the Commission nor does it indicate the advisor has attained a particular level of skill or ability. Advisory services are not made available in any jurisdiction in which SaratogaRIM is not registered or otherwise exempt from registration. SaratogaRIM's policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

GIPS: SaratogaRIM claims compliance with the Global Investment Performance Standards (GIPS®) and has presented this report in compliance with the GIPS standards. SaratogaRIM has been independently verified for the period of March 1, 2000, through December 31, 2018. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. 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. To receive a completed list and description of composites and/or a presentation compliant with the GIPS standards, please contact Marc Crosby, President, at (408) 741-2332 or Marc@SaratogaRIM.com.

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Definitions: Excess Return measures the difference in return, cumulative or annualized, between the strategy and a benchmark. Standard Deviation measures the dispersion of a dataset relative to its mean. Sharpe Ratio is a risk-adjusted measure that is calculated by using excess return and standard deviation to determine reward per unit of risk. The higher the Sharpe Ratio, the better the portfolio's historical risk-adjusted performance. Market Capture Ratios measure the extent to which a strategy participates in market moves over time. Up (Down) Market Capture measures relative performance in months which the benchmark generates positive (negative) returns over time. The 3-year standard deviation (external dispersion) is based on net-of-fees returns. Dispersion is calculated as the asset-weighted standard deviation of annual net-of-fees portfolio returns around the median portfolio return in the composite. Dispersion is based only on portfolios that were in the composite for the full annual period, and is only shown for the annual periods where the composite had more than 5 portfolios for the full year.

Benchmark Disclosures: Benchmarks are unmanaged and provided to represent the investment environment in existence during the time periods shown. The S&P 500® Total Return Index has been selected as the benchmark for comparison purposes. The S&P Total Return Index assumes that all dividends and distributions are reinvested. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. Portfolios are managed according to their respective strategies which may differ significantly in terms of security holdings, industry weightings, and asset allocation from those of benchmarks. An index is not available for direct investment, and does not reflect any of the costs associated with buying and selling individual securities or any other fees, expenses, or charges.

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Disclosures

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SaratogaRIM Large Cap Quality Composite: SaratogaRIM claims compliance with the Global Investment Performance Standards (GIPS®) and has presented this report in compliance with the GIPS standards. SaratogaRIM has been independently verified for the period of March 1, 2000, through December 31, 2018. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

SaratogaRIM Large Cap Quality Focus Composite: SaratogaRIM claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. SaratogaRIM has been independently verified for the period of March 1, 2000, through December 31, 2018. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The SaratogaRIM Large Cap Quality Focus Composite has been examined for the period of September 1, 2014, through December 31, 2018. The verification and performance examination reports are available upon request.

All charts within this report are supplemental and are created by SaratogaRIM. **Past investment results are not a guarantee of future results**. For further information or clarification regarding any of the charts or concepts within this report, please email your *specific* questions to sam@saratogarim.com.

Standard Deviation measures the dispersion of a dataset relative to its mean. Alpha is a measure of risk-adjusted excess performance based on volatility and return for the portfolio and the benchmark (the default benchmark in this report is S&P 500 TR). Beta is a measure of relative volatility calculated by taking the covariance of the portfolio's returns with the benchmark's returns and dividing by the variance of the benchmark's returns. R-Squared is the coefficient of determination. This measure determines the proportion of variability in the data that can be explained by the model (i.e. the benchmark). Sharpe Ratio is a risk-adjusted measure that is calculated by using excess return and standard deviation to determine reward per unit of risk. The higher the Sharpe Ratio, the better the portfolio's historical risk-adjusted performance. Sortino Ratio is the excess return over the risk-free rate divided by the downside semi-variance, and so it measures the return to "bad" volatility (volatility caused by negative returns is considered bad or undesirable by an investor, while volatility caused by positive returns is good or acceptable). Up (Down) Market Capture measures relative performance in months which the benchmark generates positive (negative) returns over time. Asymmetry (Overall Capture) Ratio measures the ratio of Upside Capture or Downside Capture, with a higher measure reflecting more favorable asymmetry. Valuations are computed and performance reported in U.S. dollars based on trade dates as of month-end, net-of-fees, while accounting for dividend reinvestment. The 3-year standard deviation (external dispersion) is based on net-of-fees returns. Net-of-fees returns are calculated net of actual management fees and transaction costs and gross of custodian fees and external consultant or advisory fees. Gross-of-fees returns are calculated gross of management, custodial and external consultant or advisory fees and net of transaction costs. Composite returns are calculated using asset-weighted TWR, beginning market values, and external cash flows. Gross and Net TWRs are calculated based on the geometric linking of the monthly internal rate of return for portfolios present for the entire month. Individual portfolios are revalued monthly; portfolios also are revalued intra-month when large external cash flows occur in excess of 10% of the portfolio's fair value. Dispersion is calculated as the asset-weighted standard deviation of annual net-of-fees portfolio returns around the median portfolio return in the composite. Dispersion is based only on portfolios that were in the composite for the full annual period, and is only shown for the annual periods where the composite had more than 5 portfolios for the full year. SaratogaRIM's policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Daily reconciliation is performed between the firm's records and the custodian and broker records through Advent to verify client assets. SaratogaRIM fee is normally 1% for the SaratogaRIM Large Cap Quality (Equity) Composite & 1.2% for the SaratogaRIM Large Cap Quality Focus composite; may be negotiated, as warranted by special circumstances. Results of the SaratogaRIM Large Cap Quality (Equity) Composite & the SaratogaRIM Large Cap Quality Focus Composite do not reflect the results of any one portfolio in those composites.

Benchmarks are selected based upon similarity to the investment style of the Firm's composites and accepted norms within the industry. Benchmarks are provided for comparative purposes only and holdings of the Firm's clients' portfolios will differ from actual holdings of the benchmark indexes. Benchmarks are unmanaged and provided to represent the investment environment in existence during the time periods shown. The benchmarks presented were obtained from third-party sources deemed reliable but not guaranteed for accuracy or completeness. Indices are unmanaged, hypothetical portfolios of securities that are often used as a benchmark in evaluating the relative performance of a particular investment. An index should only be compared with a mandate that has a similar investment objective. An index is not available for direct investment, and does not reflect any of the costs associated with buying and selling individual securities or management fees.

The S&P 500 Total Return is the total return version of the S&P 500 Index, which has been widely regarded as the best single gauge of large-cap U.S. equities since 1957. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. (Note: A total return index assumes that all dividends and distributions are reinvested.) The S&P 500 Index is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by SaratogaRIM. Standard & Poor's®, S&P® and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by SaratogaRIM. SaratogaRIM's products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

The MSCI USA Quality Index was launched on Dec 18, 2012. It is designed to measure the performance of the large and mid cap segments of the US market. With 637 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in the US. Data prior to the launch date is back-tested data (i.e. calculations of how the index might have performed over that time period had the index existed). There are frequently material differences between back-tested performance and actual results.

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