

ORGANIZATION

- Founded in 1995
- Dallas-based
- \$2.3 billion in managed assets
- 100% Employee-owned
- A firm wide commitment to culture and diversity
- 11 investment professionals averaging 12 years tenure and 21 years investment industry experience

KEYS TO SUCCESS

- Over 25 years focused on the theory and practice of capturing unexpected earnings growth
- A portfolio construction process integrating the best of both disciplines:
 - Quantitative research to identify opportunities and risks swiftly
 - Fundamental analysis to verify sources of unexpected growth
- Delivering realized growth that is better than expected

Investment Process

The investment team uses quantitative and qualitative analysis to: (1) identify high-quality, reasonably valued companies poised to deliver an earnings growth rate in excess of investor expectations and (2) construct a portfolio with fundamental and risk characteristics similar to the Russell 1000 Growth Index.

BUY DISCIPLINE:

Companies are closely monitored and factors considered in analysis include:

- High likelihood of growing earnings at a rate in excess of investor expectations
- Attractive and improving earnings quality
- Complements portfolio risk/return profile

SELL DISCIPLINE:

The sell discipline is essential to controlling portfolio risk and includes:

- Decreased likelihood of earnings growth exceeding investor expectations
- Earnings quality deteriorates
- The risk/return profile becomes unattractive

Investment Performance (%)

	1Q 2020	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPT
Large Cap Diversified Growth	4.5	59.9	20.8	18.9	12.9
<i>Russell 1000 Growth</i>	<i>0.9</i>	<i>62.7</i>	<i>22.8</i>	<i>21.1</i>	<i>13.4</i>
Excess Return	+3.6	-2.8	-2.0	-2.2	-0.5
<i>Net of Fees</i>	<i>4.4</i>	<i>59.1</i>	<i>20.2</i>	<i>18.3</i>	<i>12.4</i>

Inception Date: Feb. 26, 2008; periods greater than 1 year have been annualized

Strategy Facts

Inception Date	Feb. 26, 2008
Total Assets	\$55 million
# of Holdings	70–125
Allocation	Equity: 99% Cash: 1%
Inv. Vehicles	Sep. Account Mutual Fund
Benchmarks	Russell 1000 Growth

Style Objective

	Value	Growth
Large		
Small		

Risk/Return Statistics

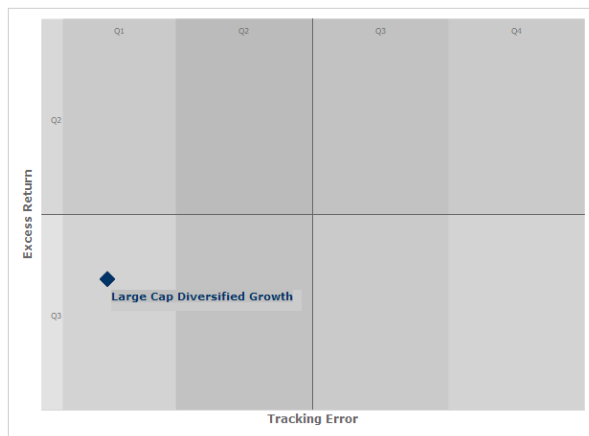
	v. R1000 Growth	Peer % Rank*
Alpha	0.07	51
Beta	0.96	
Info. Ratio	-0.20	60
Target Tracking Error	3% - 4%	
Batting Average	46%	50

Timeframe for Risk/Return Statistics: Sept. 30, 2008 - Mar. 31, 2021, Gross of fees; Timeframe for Peer Percentile Ranks: Apr. 1, 2008 - Mar. 31, 2021

Past performance is not indicative of future results. As with any investment vehicle, there is always a potential for profit as well as the possibility of loss. Actual results may differ from composite returns, depending on account size, investment guidelines and/or restrictions, inception date and other factors. Nothing contained in this presentation should be construed as a recommendation to buy or sell a security or economic sector. Please see firm and performance disclosures.

Risk/Return

Risk/Return v. Lg. Growth Managers
for Since Inception Ended Mar. 31, 2021
Benchmark: Russell 1000 Growth



Sector Allocation (%)

	Smith
Communication Services	10.8
Consumer Discretionary	18.1
Consumer Staples	3.5
Financials	3.0
Health Care	13.4
Industrials	3.9
Information Technology	46.1
Real Estate	1.3

Strategy Characteristics

	Smith
P/E - 12M Fwd.	26.4x
EPS Growth - 12M Fwd.	15.4%
EPS Growth - 12M Trl.	24.3%
Dividend Yield	1.1%
Wtd. Avg. Mkt. Cap. (\$B)	\$690.2
Holdings	70

Top Ten Holdings

Apple	Williams-Sonoma
Microsoft	Abbott Laboratories
Amazon.com	Tesla
Facebook	Generac Holdings
Alphabet	Hologic

Calendar Year Performance (%)

Period	Smith		Russell 1000 Growth
	Gross	Net	
2020	30.9	30.2	38.5
2019	28.8	28.2	36.4
2018	0.9	0.3	-1.5
2017	30.7	30.1	30.2
2016	2.3	1.7	7.1
2015	4.1	3.6	5.7
2014	14.7	14.1	13.1
2013	35.0	34.3	33.5
2012	14.1	13.5	15.3
2011	4.5	3.9	2.6
2010	17.9	17.3	16.7
2009	33.3	32.6	37.2
2008 (2/26—12/31)	-31.4	-31.7	-34.2

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