WestEnd Advisors

Large-Cap Core Equity Strategy

Q1 2018

Inception Date: 1/1996

Strategy Objective

The objective of the Large-Cap Core Equity strategy is to provide long-term capital appreciation and to minimize periods of significant negative returns by investing in market-leading, financially strong U.S. companies that serve as proxies for favored sectors.

Outlook as of 3/31/18

- Continued moderate economic growth should be positive for stocks, and increased earnings expectations tied to tax reform have reduced U.S. equity valuations.
- Market volatility has rebounded from an exceptionally low level in 2017, but markets have already reacted to what is unlikely to turn into a full-blown trade war.
- Sectors with attractive earnings growth should outperform going forward, while the most economically-cyclical sectors face risks to meeting elevated earnings expectations.
- Longer-term interest rates should rise moderately along with inflation expectations, while Fed rate hikes should increase short-term interest rates at a measured pace.

Portfolio Positioning as of 3/31/18

- Health Care and Information Technology overweights leverage attractive cyclical and secular growth drivers.
- Positions in consumer-focused sectors provide exposure to ongoing consumer income and spending growth.
- The addition of Telecom Services exposure provides attractively valued earnings stability that is less interest rate sensitive than the traditionally-defensive Utilities Sector.
- Avoidance of Energy, Materials, and Industrials limits portfolio reliance on economic acceleration.

Q1 Attribution*

Positive Contributors:

Overweight
- Financials
- Information Technology

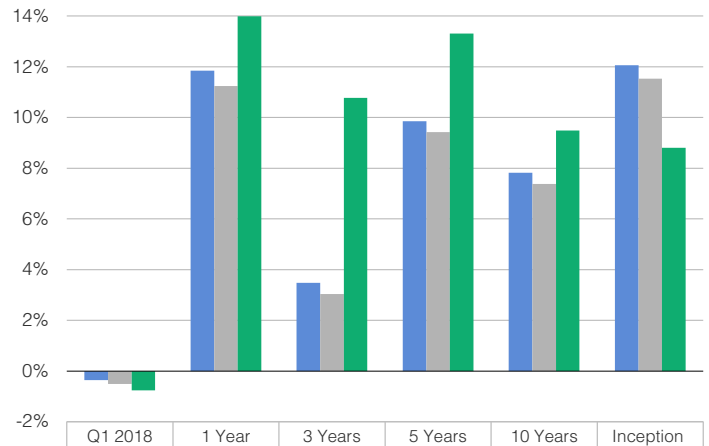
Underweight
- Energy

Negative Contributors:

Overweight
- Consumer Staples
- Consumer Discretionary
- Health Care

Risk and Return Summary*

	Trailing 5 Years		Trailing 10 Years		Since Inception	
	LCCE	S&P 500	LCCE	S&P 500	LCCE	S&P 500
Return	9.85%	13.31%	7.82%	9.49%	12.06%	8.80%
Standard Deviation	7.69%	6.85%	14.95%	15.73%	16.61%	16.00%
Alpha	-1.79%	n/a	-0.56%	n/a	3.84%	n/a
Beta	0.87	1.00	0.88	1.00	0.91	1.00
Sharpe Ratio	1.23	1.89	0.50	0.58	0.60	0.42
R-Squared	60%	n/a	85%	n/a	77%	n/a
Tracking Error	4.94%	n/a	6.02%	n/a	8.05%	n/a
Upside Capture	76.0%	100%	82.6%	100%	103.9%	100%
Downside Capture	96.3%	100%	87.5%	100%	76.6%	100%



	Q1 2018	1 Year	3 Years	5 Years	10 Years	Inception
LCCE, Gross	-0.36%	11.84%	3.48%	9.85%	7.82%	12.06%
LCCE, Net	-0.51%	11.24%	3.03%	9.42%	7.38%	11.53%
S&P 500	-0.76%	13.99%	10.78%	13.31%	9.49%	8.80%

Source: IDC, PSN, WestEnd Advisors

Returns for periods greater than one year are annualized.

WestEnd Advisors claims compliance with the Global Investment Performance Standards (GIPS®)

Portfolio Composition*

Number of holdings: Approximately 20

Holdings typically 5% at cost

Maximum individual equity exposure: 10%

Maximum industry exposure: 15%

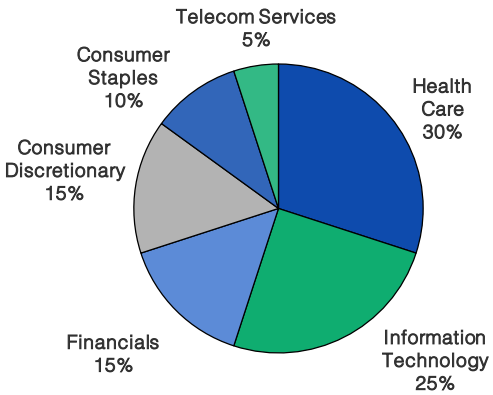
Maximum sector exposure: 35%

Target cash position: 2% to 5%

Annual turnover range: 21% to 55%**

**Based on 5 years ended 12/31/17

Model Portfolio Weights*



Current Holdings*

Consumer Discretionary
- Starbucks Corp. (SBUX)
- TJX Companies, Inc. (TJX)
- Walt Disney Company (DIS)

Health Care
- Allergan plc (AGN)
- Biogen Inc. (BIIB)
- Bristol-Myers Squibb Co. (BMY)
- Gilead Sciences, Inc. (GILD)
- Medtronic plc (MDT)
- UnitedHealth Group Inc. (UNH)

Telecom Services
- AT&T Inc. (T)

Consumer Staples
- Kraft Heinz Co. (KHC)
- Walmart Inc. (WMT)

Financials
- Bank of America Corp. (BAC)
- Goldman Sachs Group, Inc. (GS)
- JPMorgan Chase & Co. (JPM)

Information Technology
- Alphabet Inc. Cl. A (GOOGL)
- Apple Inc. (AAPL)
- Mastercard Inc. (MA)
- Microsoft Corp. (MSFT)
- PayPal Holdings, Inc. (PYPL)

*Supplemental information based on Large-Cap Core Equity Composite gross-of-fees.

WESTEND ADVISORS

LARGE-CAP CORE EQUITY STRATEGY

Q1 2018

Inception Date: 1/1996

VARIABILITY OVER THE SHORT TERM*

Rolling 1-Year Returns

Periods of Outperformance: 50 out of 86 periods, or 58%

Average Annualized Outperformance: 2.92 percentage points

Source: IDC, WestEnd Advisors

CONSISTENCY OVER THE INTERMEDIATE AND LONG TERM*

Rolling 3-Year Returns

Periods of Outperformance: 57 out of 78 periods, or 73%

Average Annualized Outperformance: 3.48 percentage points

Rolling 5-Year Returns

Periods of Outperformance: 56 out of 70 periods, or 80%

Average Annualized Outperformance: 3.75 percentage points

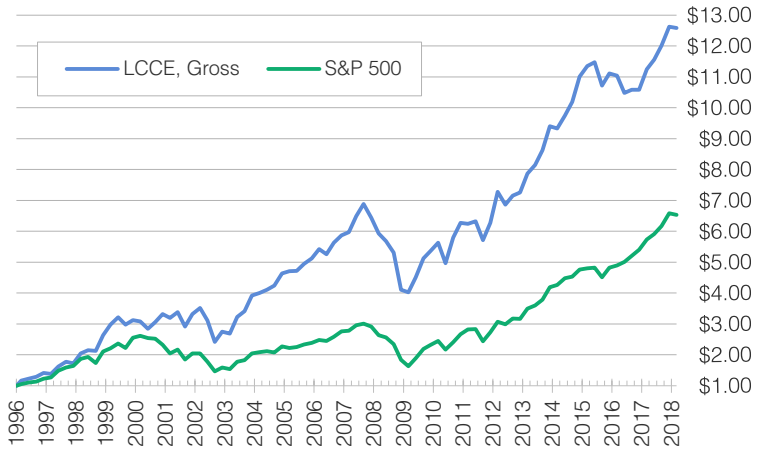
Source: IDC, WestEnd Advisors

HISTORICAL RETURNS

	LCCE Composite		S&P	Russell
	Gross	Net	500	1000
2018 YTD	-0.36%	-0.51%	-0.76%	-0.69%
2017	19.25%	18.65%	21.83%	21.69%
2016	-4.75%	-5.12%	11.96%	12.05%
2015	0.97%	0.64%	1.38%	0.92%
2014	17.15%	16.74%	13.69%	13.24%
2013	29.55%	29.15%	32.39%	33.11%
2012	15.64%	15.26%	16.00%	16.42%
2011	0.00%	-0.34%	2.11%	1.50%
2010	16.90%	16.43%	15.06%	16.10%
2009	30.60%	29.98%	26.46%	28.43%
2008	-36.21%	-36.61%	-37.00%	-37.60%
2007	9.69%	9.08%	5.49%	5.77%
2006	14.71%	14.06%	15.80%	15.46%
2005	10.47%	9.92%	4.91%	6.27%
2004	18.28%	17.68%	10.88%	11.40%
2003	42.36%	41.73%	28.68%	29.89%
2002	-16.99%	-17.42%	-22.10%	-21.65%
2001	-0.21%	-0.70%	-11.89%	-12.45%
2000	6.38%	5.83%	-9.10%	-7.79%
1999	18.57%	17.97%	21.04%	20.91%
1998	52.41%	51.66%	28.58%	27.02%
1997	21.96%	21.33%	33.36%	32.85%
1996	41.73%	40.85%	22.96%	22.45%

GROWTH OF A DOLLAR*

LARGE-CAP CORE EQUITY STRATEGY SINCE INCEPTION



Source: IDC, WestEnd Advisors

INVESTMENT MANAGEMENT TEAM

Our Portfolio Management Team members put their extensive experience and expertise to work for the benefit of our clients.

- **Rob Pharr,** Chief Investment Officer and Portfolio Manager
  41 years of experience, 13 years at WestEnd Advisors
- **Fritz Porter, CFA,** Partner and Portfolio Manager
  19 years of experience, 10 years at WestEnd Advisors
- **Ned Durden,** Partner and Portfolio Manager
  21 years of experience, 11 years at WestEnd Advisors
- **Ty Peebles, CFA, CPA,** Senior Investment Analyst
  8 years of experience, 4 years at WestEnd Advisors

ABOUT WESTEND ADVISORS

WestEnd Advisors is owned by five partners, all of whom are active in the firm. Our ability to analyze economic indicators, and to know which merit attention, has served our clients well for two decades. This top-down, macroeconomic-based investment approach was first employed in 1996 with our Large-Cap Core Equity strategy and is now applied across all of our investment offerings.

As of March 31, 2018, WestEnd Advisors' total firm assets under management and advisement were $3.6 billion.** We work in partnership with our clients and are committed to transparency, compliance, and sharing with investors what we know and learn. We are an employee-owned firm and have the independence to make decisions that are in the best interest of our clients.

For more information, please visit www.westendadvisors.com

* Supplemental information based on the Large-Cap Core Equity Composite gross-of-fees.

** Total firm assets under management and advisement include $2.8 billion of assets in Unified Managed Account (UMA) programs for which WestEnd provides model portfolios but has no discretion to effect trades and no supervisory responsibility over the assets in the program. This number has been derived from the most recent information provided by each of the participating UMA programs and may not be current as of the date stated above. This information is included as supplemental information only.

INVESTMENT PROCESS

Macroeconomic Analysis

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Sector Allocation

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Stock Selection

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Large-Cap Core Equity Portfolio

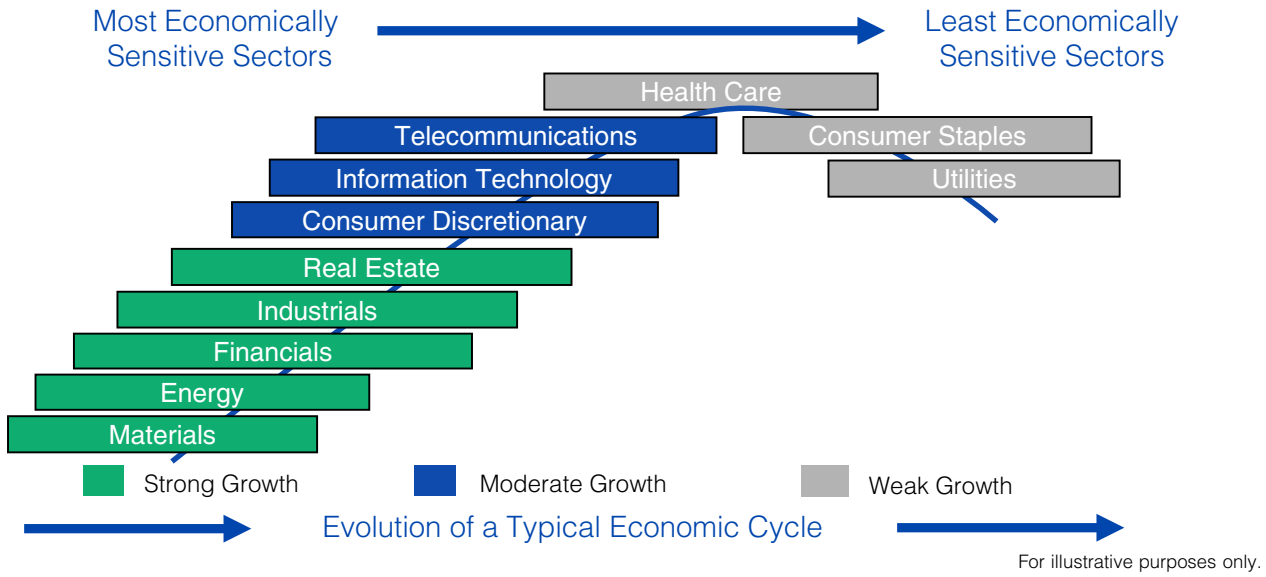
Economic trends are the winds that drive the direction of the markets. That is why we analyze hundreds of economic indicators to help direct our decisions. Over two decades of experience helps us determine which data merits emphasis and which does not.

We begin the investment process by aggregating more than 200 domestic and international economic measures into a proprietary database. Then we evaluate the data to identify areas of economic strength and weakness in the economy and U.S. equity markets, and invest in approximately 20 stocks poised to benefit from economic trends.

STRATEGY HIGHLIGHTS

- **Length of track record** — Top-down approach since 1996
- **High conviction** — Flexibility to deviate from benchmark
- **Risk mitigation** — Manage downside protection through sector avoidance
- **Tax efficient** — Typically low turnover and long-term holding periods

THE IMPORTANCE OF SECTOR ALLOCATIONS



For illustrative purposes only.

WestEnd actively positions client portfolios in the most economically sensitive U.S. large-cap sectors when it expects strong growth, and transitions to less economically sensitive sectors as growth expectations wane.

Footnotes and Disclosures

WestEnd Advisors is an SEC-registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The firm is an independent investment management firm, 100% owned by its active principals. WestEnd manages both equity and fixed-income assets for individuals and institutional clients.

WestEnd Advisors' Large-Cap Core Equity Composite is invested solely in U.S. Equity securities and/or high-grade money market instruments. Returns are achieved without the use of options, derivatives or leverage of any kind. Results are calculated daily using the aggregate method, use trade date valuations, and include cash as well as the reinvestment of dividends, interest income, and other earnings, if applicable. Portfolio returns are weighted using beginning of period values plus weighted cash flows. Portfolios and composites are valued daily, are denominated in U.S. dollars only, and include discretionary non-wrap accounts with a minimum of $500,000 invested in the Large-Cap Core Equity Model. The Composite excludes broadly distributed fund accounts. Prior to January 1, 2017, the Composite minimum was $1,000,000 and excluded taxable accounts.

Composite performance results and the percentage of firm assets from December 31, 1995 to December 31, 2002 were realized under WestEnd Advisors' predecessor firm Providence Capital Management, Inc. in the Large-Cap Core Equity Composite. Providence Capital Management was a registered investment adviser founded October 1, 1995 by Robert L. Pharr. Mr. Pharr served as President and Chief Investment Officer, and made all the investment decisions since creation of the Composite. The Large-Cap Core Equity Composite creation date is December 31, 1995, and the investment strategy for the Large-Cap Core Equity Composite has been consistent since creation.

Net-of-fee performance results are presented after investment management fees paid to WestEnd Advisors, as well as after brokerage or other commissions actually paid by clients in the management of their investment advisory account, but exclude any deductions for custodial fees. The current management fee schedule, as described in WestEnd Advisors' SEC Form ADV Part 2, is as follows: 1.00% for accounts valued at $100,000 to $4,999,999; 0.90% for accounts valued at $5,000,000 to $9,999,999; 0.75% for accounts valued at $10,000,000 to $24,999,999; 0.65% for accounts valued at $25,000,000 to $49,999,999; and 0.50% for accounts valued over $50,000,000. Fees are negotiable where circumstances warrant.

Past performance is not indicative of future results. It should not be assumed that recommendations made in the future will be profitable. The information contained herein is not intended to be an offer to provide investment advisory services. Such an offer may only be made if accompanied by WestEnd Advisors' SEC Form ADV Part 2.

The S&P 500® and Russell 1000® are used for comparative purposes only. The S&P 500®, our primary benchmark, includes approximately 500 stocks and is a common measure of the performance of the overall U.S. stock market. The S&P 500® Index measures the performance of 500 leading companies in the U.S. economy. The S&P 500® Index focuses on the large-cap segment of the market, with approximately 75% coverage of U.S. equities. The S&P 500® Index is designed to be an indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large-cap universe. The S&P 500® Index is a market capitalization-weighted index - each stock's weight in the index is proportionate to its market capitalization. The Russell 1000® is used as our secondary benchmark, and represents the extensive large-cap segment of the U.S. equity universe. Benchmark returns are not covered by the report of independent verifiers.

The dispersion of annual returns is measured by the standard deviation of the asset-weighted portfolio returns included in the composite for the full year. Dispersion is calculated based on gross returns and is not shown when there are five or fewer portfolios, as the calculation is not statistically meaningful.

A complete list and description of all WestEnd Advisors' composites as well as a presentation that complies with the requirements of the Global Investment Performance Standards (GIPS®) is available upon request by phone (888-500-9025) or email (info@westendadvisors.com).

Additional information regarding policies for valuing portfolios, calculating performance, and preparing compliant presentations is available upon request.

Attribution Analysis is relative to the S&P 500® benchmark and was current as of the quarter specified in this presentation. A complete attribution report is available upon request.

Holdings, Sector Weightings, and Portfolio Characteristics were current as of the date specified in this presentation. The listing of particular securities should not be considered a recommendation to purchase or sell these securities. While these securities were among WestEnd Advisors' Large-Cap Core Equity holdings at the time this material was assembled, holdings will change over time. There can be no assurance that the securities remain in the portfolio or that other securities have not been purchased. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities presently in the portfolio. Individual clients' portfolios may vary. Upon request, WestEnd Advisors will provide a list of all recommendations for the prior year.

As of March 31, 2018, WestEnd Advisors had $24 million of assets in the Large-Cap Core Equity Composite. This information is included as supplemental information only.

April 2018