

Inception Date: 1/2013

STRATEGY OBJECTIVE

The objective of the U.S. Sector strategy is to provide outperformance versus its large-cap U.S. equity benchmark over time, while dampening volatility through sector allocation. The strategy combines high-conviction active management with the diversification of low-cost, passive ETFs.

OUTLOOK AS OF 12/31/18

- The U.S. continues on a trend of moderate economic growth, even as positive, cycle-extending impacts from 2017 tax changes fade.
- Positive employment and wage trends in the U.S. should support continued healthy consumer spending in 2019.
- Strong earnings growth in and the recent market pullback have combined to make valuations attractive amid moderate economic growth.
- Many current risks are typical of a late-stage expansion, like cost pressures and the flattening yield curve; and markets have already reacted sharply to some risks specific to this cycle, like the U.S. trade dispute with China and general political uncertainty.

PORTFOLIO POSITIONING AS OF 12/31/18

- We favor sectors that continue to benefit from a mix of positive secular and cyclical tailwinds, including Health Care, Info. Tech., and Communication Services.
- With the consumer acting as a key driver of economic growth, we believe exposure to consumer-focused sectors, such as Consumer Discretionary and Consumer Staples, is warranted.
- We are avoiding the most economically-cyclical sectors, such as Industrials, Materials, and Energy; as well as the interest rate-sensitive Real Estate and Utilities Sectors.

Q4 ATTRIBUTION*

Positive Contributors:

- Overweight
 - Consumer Staples
 - Health Care
- Underweight
 - Energy
 - Industrials

Negative Contributors:

- Underweight
 - Utilities
 - Real Estate

PORTFOLIO COMPOSITION*

Number of holdings: Typically 4 to 5

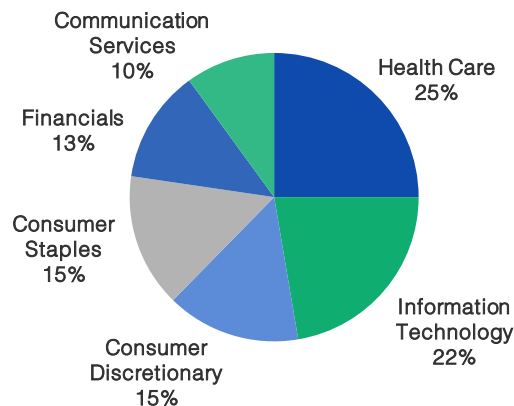
Maximum sector exposure: 35%

Target cash position: 2% to 5%

Annual turnover range: 2% to 47%**

**Based on five years ended 12/31/18.

MODEL PORTFOLIO WEIGHTS*

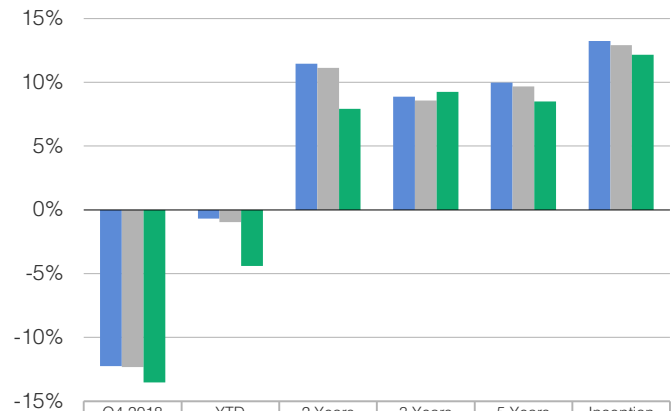


CURRENT HOLDINGS*

- Communication Services**
Communication Services SPDR ETF (XLC)
- Consumer Discretionary**
Consumer Discretionary SPDR ETF (XLY)
- Consumer Staples**
Consumer Staples SPDR ETF (XLP)
- Financials**
iShares U.S. Financial Services ETF (IYG)
- Health Care**
Health Care SPDR ETF (XLV)
- Information Technology**
Technology SPDR ETF (XLK)

RISK AND RETURN SUMMARY*

	Since Inception	
	U.S. Sector	S&P 500
Return	13.25%	12.15%
Standard Deviation	10.78%	10.67%
Alpha	1.33%	n/a
Beta	0.98	1.00
Sharpe Ratio	1.18	1.09
R-Squared	94.0%	n/a
Tracking Error	2.65%	n/a
Upside Capture	101.2%	100%
Downside Capture	93.4%	100%



	Q4 2018	YTD	2 Years	3 Years	5 Years	Inception
■ U.S. Sector, Gross	-12.25%	-0.69%	11.45%	8.87%	9.98%	13.25%
■ U.S. Sector, Net	-12.32%	-0.96%	11.15%	8.57%	9.67%	12.91%
■ S&P 500	-13.52%	-4.38%	7.93%	9.26%	8.49%	12.15%

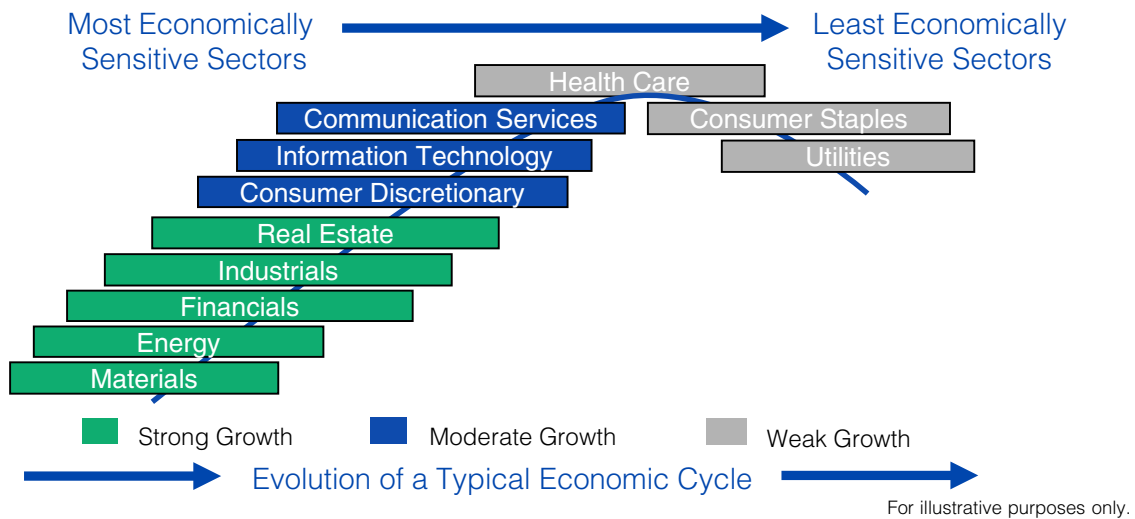
Source: IDC, WestEnd Advisors

Returns for periods greater than one year are annualized.

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

* Supplemental information based on U.S. Sector Composite gross-of-fees.

THE IMPORTANCE OF SECTOR ALLOCATIONS



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.

INVESTMENT PROCESS

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 typically 4 to 5 equity ETFs from leading providers.

HISTORICAL RETURNS

	U.S. Sector Composite		S&P	Russell
	Gross	Net	500	1000
2018	-0.69%	-0.96%	-4.38%	-4.78%
2017	25.08%	24.73%	21.83%	21.69%
2016	3.88%	3.59%	11.96%	12.05%
2015	7.06%	6.77%	1.38%	0.92%
2014	16.45%	16.13%	13.69%	13.24%
2013	31.16%	30.62%	32.39%	33.11%

Source: IDC, WestEnd Advisors

For more information, please visit www.westendadvisors.com

INVESTMENT MANAGEMENT TEAM

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

- **Fritz Porter, CFA**, Partner, Co-CIO, and Portfolio Manager
19 years of experience, 10 years at WestEnd Advisors
- **Ned Durden**, Partner and Portfolio Manager
21 years of experience, 12 years at WestEnd Advisors
- **Rob Pharr**, Co-CIO and Portfolio Manager
41 years of experience, 14 years at WestEnd Advisors
- **Ty Peebles, CFA, CPA**, Senior Investment Analyst
8 years of experience, 5 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 December 31, 2018, WestEnd Advisors' total firm assets under management and advisement were \$3.9 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.

* Total firm assets under management and advisement include \$3.3 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.

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' U.S. Sector Composite is invested primarily in U.S. equities. The objective of this portfolio is to provide investors a single investment vehicle with exposure to the U.S. equity Sectors and Industries. 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 priced daily and are denominated in U.S. dollars only. Performance returns include all discretionary accounts invested in the U.S. Sector model except for portfolios managed by WestEnd Advisors in a wrap-fee program. The U.S. Sector Composite creation date is December 31, 2012. While the U.S. Sector strategy invests in U.S.-based exchange-traded funds, at times there may be limited exposure to non-U.S. investments.

The performance shown is based on WestEnd Advisors' U.S. Sector Composite which includes all fully discretionary accounts invested in the U.S. Sector model except for Wrap-Fee (Wrap) and Unified Managed Account (UMA) accounts. While the accounts in the U.S. Sector Composite are invested according to the same model as Wrap and UMA accounts, performance may differ between the U.S. Sector Composite and Wrap and UMA accounts due to a variety of factors, including but not limited to: fees assessed by Wrap and UMA sponsors (e.g. wrap fees), Wrap and UMA sponsor- and client-imposed investment restrictions, and WestEnd Advisors' lack of trading discretion over UMA accounts.

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[®] is 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. 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).

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.

At the end of September 2018, Standard & Poor's and MSCI reorganized their Global Industry Classification Standard (GICS) to create a new "Communication Services Sector." This new sector combined the former Telecommunication Services Sector with media, advertising, and entertainment companies taken from the Consumer Discretionary Sector, and with certain internet and entertainment software companies taken from the Information Technology Sector.

Any portfolio characteristics, including position sizes and sector allocations, among others, are generally averages and are for illustrative purposes only and do not reflect the investments of an actual portfolio unless otherwise noted. The investment guidelines of an actual portfolio may permit or restrict investments that are materially different in size, nature, and risk from those shown. The investment processes, research processes, or risk processes shown herein are for informational purposes to demonstrate an overview of the process. Such processes may differ by product, client mandate, or market conditions. Portfolios that are concentrated in a limited number of sectors or industries may be subject to a higher degree of volatility than a portfolio whose investments are more diversified.

Additional information regarding policies for valuing portfolios, calculating performance, and preparing compliant presentations 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' U.S. Sector 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 December 31, 2018, WestEnd Advisors had \$723 thousand of assets in the U.S. Sector Composite. This information is included as supplemental information only.

January 2019