SaratogaRIM

2021 Annual Report

January 13, 2022

Q4

Newton's Laws 2.0

Market Statistics						Source: FactSet (Dec. 31), Federal Reserve, * Spot prices (Dec. 31)	
Stocks		**Yields (%)**				**Commodities**	
DJIA	36,338.30	Fed Funds	0.25	US Tr. 3-Y	0.96	Baltic Dry Index	2,217
P/E ratio	19.20	Disc. Rate	0.25	US Tr. 5-Y	1.26	Gold ($/oz)	1,828
S&P 500	4,766.18	Libor 1-Mo	0.10	US Tr. 10-Y	1.51	Silver ($/oz)	23.10
P/E ratio	24.41	US Tr. 1-Y	0.38	US Tr. 30-Y	1.90	Crude ($/bbl)* (NYM Light Sweet Crude)	75.21

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Newton's Laws 2.0 | By Marc Crosby

I can calculate the motion of heavenly bodies, but not the madness of men. –Isaac Newton

An object in motion will stay in motion unless acted on by an external force. That, in essence, is Isaac Newton's famous First Law. Since the stock market bottomed at 666 in March 2009, share prices have sustained their skyward trajectory in seeming confirmation of this seminal rule of physics. Minor temporary pauses notwithstanding (the definitions of 'minor' and 'temporary' set broadly enough to encompass the turbulence at the onset of a global pandemic), the market has rocketed higher, driving the benchmark S&P 500 above 2,000 for the first time ever in August 2014, 3,000 in July 2019 and 4,000 on March 31, 2021, to where it stands now at 4,726 as we go to print. In other words, the stock market - an "object" representing a significant slice of all the wealth in this country - has risen more than 7 times in value.

We have argued for years that sustained external forces have propelled the market's upward trajectory: unnaturally low interest rates and persistent, pervasive and purposeful waves of Federal Reserve dollar-printing that, as of mid-November 2021, had cumulatively surpassed $8.6 trillion. All along the way, this torrent has been augmented by fiscal stimuli too numerous to list and easy money policies implemented through every systemically relevant central bank globally.

Another "law" has certainly been at play. For twelve years (and counting), Wall Street's perennial chorus: "Don't fight the Fed" has paid off. Put simply, it holds that investors profit by doing what the central bank wants them to - which, in the post-2009 context, meant taking nearly-free money and investing it in risk assets like stocks, bonds and property.

One unfortunate consequence of all of this: near-zero interest rates (an unnatural consequence of ultra-loose money) have made it virtually impossible for investors, including many retirees, to safely earn the types of returns on their hard-earned savings that they once did, pushing them, consciously or not, further out the risk curve in search of higher returns often found only in the junkiest corners of the financial markets.

Late last year, economist and market strategist David Rosenberg captured the essence of our current financial state:

> ***We are living through the most acute and broadly based asset bubble in modern times — stocks, real estate, corporate credit and cryptocurrencies. This is the first cycle ever where gambling has become a totally acceptable way to treat your finances and live your life. These are dangerous times but have been camouflaged by massive and repeated doses of policy stimulus. The economy and the risk markets are joined at the hip insofar as they need the monetary and fiscal taps to be turned on at all times, and the inflation scare on our hands right now is a very big risk.***

The financial world and central bankers at large – led by the Fed – appear to be locked in a confidence game in which, so long as a sufficient portion of the investment community believes that interest rates can be perpetually sustained near zero, they stand ready to administer fresh batches of QE (the Fed Put) whenever financial markets show signs of distress. The key underlying rule of this game is that inflation (the wildcard) must remain subdued, or the game ends in persistent higher prices that force central banks to untether interest rates from the zero bound. And since the Fed simply can't fight inflation and support the stock market simultaneously, the Fed Put essentially expires. From our perspective, the forces underpinning financial markets over the last twelve years have stemmed less from the physical world than from what Newton himself called "the madness of men."

Gravity

Sir Isaac explained gravity with an enduring phrase: “What goes up must come down.” We expect that, at some point, the same physics would apply to the underlying values of essentially all risk assets investors hold should the Fed successfully execute “policy normalization” – meaning an end to financial repression – read: the artificial suppression of interest rates and extraordinary money-printing operations known as Quantitative Easing (QE).

Today’s investors must grasp two inter-related points: 1) interest rates are to financial assets what gravity is to physical objects, and 2) today’s stratospheric asset valuations have been *heavily influenced* by Fed monetary largess undertaken with abandon from 2009-2021, which was enabled by the absence of any meaningful inflation. In fact, the Fed’s QE and zero interest rate (ZIRP) policies were crafted to thwart *deflation* following the Great Recession of 2007/09. Yet, in fighting that war for too long, the Fed has set the stage for unintended inflationary consequences, which now may be starting to come to fruition. At the forefront of everyone’s mind these days is inflation’s awakening from its three-decade hibernation, a development that, should it persist, could render current Fed policies not just ineffective but counter-productive in terms of achieving key policy mandates.

Until very recently, the market shrugged off not only recurrent waves of COVID-19, but global and systemic supply chain disruptions and the resultant supply-side inflationary pressures. On the demand side, the Fed’s liquidity flood lifted all boats; prices on everything from meat and produce at the corner grocer to cars, homes and stocks shot up as if affixed to SpaceX boosters. As a result, history will recognize Dec. 2021 as the inflection point where inflation ticked over 7% (as measured by the CPI) for the first time in decades, putting it closer to 10% than to 0% and denting investor confidence that this year’s price hikes will prove either limited in scope or transitory in duration.

Conventional wisdom holds that persistent inflation becomes self-fulfilling once consumers come to anticipate paying more tomorrow than they do today. The Fed’s traditional response – interest rate hikes – applies gravity to weigh demand and prices back down. Yet as inflation/gravity returns, investors will need to learn to look beyond last year’s one-way market by examining whether the assets they currently hold are sufficiently backed by underlying value and priced to adequately compensate for downside risk.

In November, the Fed began “walking the walk” on regime change – starting, logically, by talking. Fed Chairman Jerome Powell dropped the adjective “transitory” when describing the current inflation spike in congressional testimony, prompting influential market pundit Jim Bianco to quip during a Dec. 2 call with clients: “The only thing that was transitory in 2021 was the word ‘transitory.’” During its Dec. 14-15 FOMC meeting, Team Powell opted to accelerate the phase-out of QE by doubling its planned tapering of asset purchases to reach zero by March, setting the stage for a lift-off in interest rates with up to four rate hikes likely this year. On January 5th, when the minutes of the Dec. Fed meeting were released, it was revealed that the Fed is considering immediately starting the process of running off its balance sheet (i.e. Quantitative Tightening or QT) shortly after the tapering is complete.

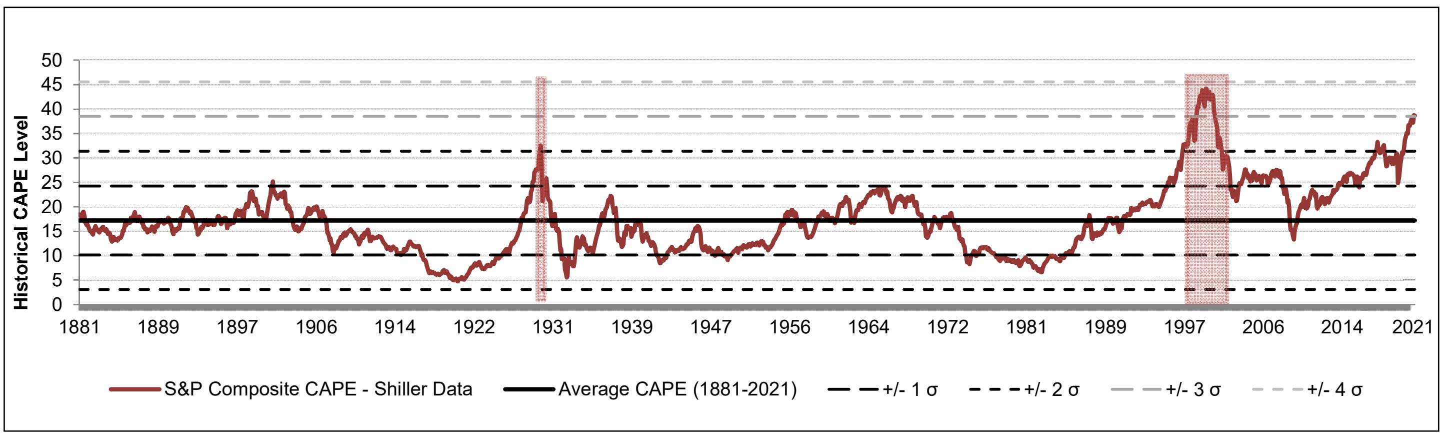
Increased volatility suggests that Mr. Market appears to have been listening. “We’ve moved from what has for 12 years been a buy-the-dip market into a sell-the-rally kind of market, because support from the Fed, given inflation, is not going to be there,” Peter Cecchini, head of research at Axonic Capital, told Bloomberg in early December. Translation: gravity (the financial kind) may already be beginning to reassert itself via what Bloomberg correspondent Lu Wang called Fed Chairman Jerome Powell’s “new tone of hostility.” Such language betrays the widespread belief across Wall Street that the Fed’s primary function is to pump up paper wealth.

In fact, many investors have applauded the Fed's starring role in driving the market to peak after peak in recent years; most, we surmise, have underappreciated the risks all along. On Dec.1, former President of the Federal Reserve Bank of New York Bill Dudley cautioned that the Fed's "highly accommodative monetary policy has boxed officials in, limiting their ability to respond quickly to rising inflation risks." He joined other Fed hawks in calling for an accelerated unwinding of QE followed by as many as four interest rates hikes in 2022.

To fathom the downside risk from the vantage of today's market, one need only consider how elevated valuations have become in historical terms. A useful measure is Robert Shiller's cyclically adjusted price-to-earnings ratio, commonly known as the CAPE.

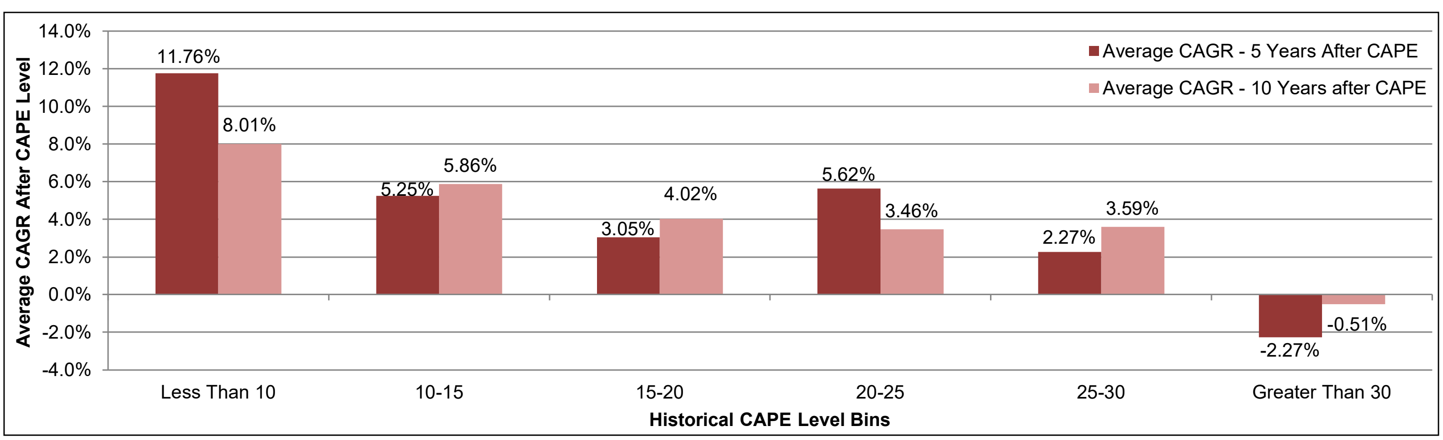
As a refresher, the CAPE looks at the price of all stocks relative to their 10-year average of earnings adjusted for inflation. Its approach echoes an idea first established by Benjamin Graham and David Dodd in their seminal book *Security Analysis*, published in 1934. Shiller argued that one-year earnings numbers are too volatile to provide much insight into the potential future earnings of investible businesses. Shiller's research established that starting from lower CAPE ratios results in higher future returns while starting from higher valuations results in the opposite. Other historically useful valuation metrics like price-to-sales ratios and total market cap-to-GNP (or GDP) have now exceeded previous highs made at the peak of the dotcom bubble and confirm the prevailing expensiveness today's CAPE ratio suggests.

Fig. 1: Cyclically Adjusted Price-to-Earnings (CAPE) Ratio from 1881 through 2021



Source: Professor Robert Shiller (Yale), SaratogaRIM. See full disclosures at the end of this report.

Fig. 2: S&P 500 Forward 5 & 10-Year Average Compound Annual Growth Rate (CAGRs) from Starting CAPE Levels (1886-2021)



Source: Professor Robert Shiller (Yale), S&P 500, SaratogaRIM. See full disclosures at the end of this report.

To wit, in November, the CAPE crossed above 40 for the first time in more than 20 years – a three standard deviation event (not visible in Fig. 1 due to the usage of monthly average S&P prices). Since 1871 it had previously exceeded its current level in only 21 months – all clustered around the dotcom bubble near the turn of the century. These included the 11 months leading up to and the 10 months after the CAPE's peak of 44.2 set in December 1999. No other era has ever been as expensive as measured by the CAPE, not even the Roaring Twenties, which ended with a fabled stock market crash in 1929. Today's extreme valuations aren't lost on investors who have survived long enough to circle the block a few times. In December, longtime Warren Buffett sidekick Charlie Munger, at 97, called the present moment "even crazier … than the dotcom era." And venture capital firm Lux Capital echoed similar concerns in its Q3 2021 letter, noting that "generally: valuations have risen, diligence has fallen and excess is in excess."

No Tool for Market Timing

As in the dotcom era, some investors are paying so much for future cash flows that 1) they're unlikely to be adequately compensated for risk, and 2) in the case of many promising and very popular but not yet profitable businesses, investors likely won't live long enough to actually see many of those cash flows materialize. These are outliers, to be sure, but high-CAPE ratios constitute a clear warning signal when looking at the market as a whole.

Distortions can persist, of course. One thing the CAPE isn't: a tool for market timing. As Alan Greenspan himself demonstrated in 1996 with his famous "Irrational Exuberance" speech, a full-throated bubble warning issued four years before the dotcom bust. The lesson: markets can remain overvalued for protracted periods. That is why prudent investors take all future forecasts with a giant grain of salt. Warren Buffett nailed this sentiment when he said, "We've long felt that the only value of stock forecasters is to make fortune tellers look good." It's critical to understand that all anyone can know for certain about the future is that they don't know what will happen. In contrast, the past actually happened, allowing us to study historical precedents. The key takeaways from such studies, in the case of high-flying markets, is that in an unpredictable fashion, they eventually tend to deflate – sometimes dramatically.

Given the myriad risks that lurk when prices become detached from underlying value, the best long-term strategy is to not get distracted by the hoopla around you. In our case, we believe that our adherence to a process that identifies durable businesses with defensible moats, and our discipline only to invest in them when sensibly priced, should shield us from the worst of any market pullback. We also recognize that discipline, not brilliance, offers the best insurance policy against poor financial decision-making. Indeed, Isaac Newton himself invested heavily in one of the biggest market manias of all time, the South Sea Bubble of 1720. He bought in relatively early, pulled out after more than doubling his money, then rejoined the fray, essentially going "all-in" at the top of the market after the South Sea Company had risen some ten-fold. In the sudden collapse that followed, he lost virtually everything – a fortune measuring roughly $4 million in today's dollars.

Newton was, by all accounts, traumatized. "In the irrational habit of so many who experience financial disaster," write Charles P. Kindleberger and Robert Aliber in their insightful book, *Manias, Panics and Crashes: A History of Financial Crises*, "he put it out of his mind and never for the rest of his life could bear to hear the name South Sea."

Such lessons from history are legion. Every financial disaster adds a new chapter. The first step toward minimizing such pain is recognizing the dangers lurking within exuberant markets.

Marc Crosby
President | Analyst & Portfolio Manager

Letter to Investors | Kevin Tanner

Continued from Kevin's 2021 Q3 Letter to Investors

Over the years we've written frequently about the key roles defensive attributes and risk management play in generating the types of asymmetrical exposures to risk and reward that we believe underpin long-term investment success. Just last quarter, I used lessons from my career as a high school football coach as a metaphor to convey these ideas. This quarter I'm picking up where I left off by examining the role of offense at SaratogaRIM. And yes, Saratoga High School football is again my backdrop. To those of you who aren't football fans, please stick with me; my analysis is very much about investing, not football.

At the high school level, offensive and defensive philosophies shouldn't be viewed independently. At Saratoga, our coaching staff crafted its approaches to both offense and defense in such a way as to simultaneously maximize the strengths and minimize the weaknesses of the kids we were coaching – thus optimizing our team's chances of winning. Of course, we strove to make the experience as fun as possible and hoped to impart important lessons that would be helpful later in life.

This was a challenge at Saratoga because our demographic virtually guaranteed that our players were – position for position – materially smaller than every team we played. It was common, for example, for our linemen to weigh a hundred pounds less than the kids they lined up against. That's not an overstatement. At the so-called "skill positions" it wasn't uncommon for our defensive backs to be two to ten inches shorter and a step or two slower than the wide receivers we asked them to cover. Those are some pretty tough physics to overcome, but most of the time we did.

How, you might ask? As I outlined last quarter, mostly by controlling the clock. By primarily running a disciplined ball-control offense (for any football aficionados out there: a hybrid of the University of Delaware Wing-T and the Air Force Academy's Triple Option offense), we kept our offense on the field for roughly two thirds to three quarters of most games. Furthermore, because we rarely passed the ball (the clock stops on incompletions and we wanted to keep the clock running), teams weakened themselves structurally against the pass by using defensive backs to reinforce their defenses against our interior running game and exterior threats from the sweep and the pitch on the option, leaving them vulnerable on those infrequent occasions when we did pass. On the other side of the ball, we ran an aggressive pressure-oriented defense (GMC 3-5-3) that tended to force opposing teams out of their comfort zones and make them try to beat us by doing things they didn't usually have to.

The end result: our combined offensive and defensive philosophies forced opponents to adopt radically different game plans and practice routines in order to prepare for us. Come Friday, not only did most opposing teams get fewer offensive possessions than they were accustomed to, they also tended to make more mistakes – including an inordinate amount of turnovers.

Furthermore, it was precisely in those chaotic moments – just after a turnover – that an opposing team could become disoriented enough to allow our offense to step in and take advantage of their weakened passing defenses and strike with a deep pass or even an occasional trick play. Often these resulted in quick Saratoga touchdowns.

Enough of gridirons and my walk down memory lane. The takeaway is that the chaotic environments that appear right after turnovers in football are very much like those that periodically present themselves in the stock market. Once or twice a decade, for one reason or another, financial markets have historically fallen into disarray. Going all the way back to the crash of 1987, I've learned that it's amidst such chaos that the very best risk/reward propositions tend to present themselves. I'm talking about when the markets break and the financial community (read: herd) goes into panic mode. These are the types of environments where the most serious mispricing is likely to occur and when the most proverbial babies are being thrown out with the bath water. As in football, market participants with the courage to act decisively at such times – and with a sound *offensive* strategy – also have opportunities to put points on the board as measured by being able to pick up stocks purchased at bargain basement prices that can set up outstanding gains for years into the future.

Major selloffs, particularly the 1999-2000 dot-com bust and the 2007-09 financial crisis, have been the sources of some of our most profitable investments. Over time we've been successful in recognizing these types of environments and capitalized on numerous opportunities to buy stocks of extraordinary businesses after they'd been slammed down to prices we recognized as compelling. Because these were all financially healthy companies with sound business models and strong balance sheets usually featuring little or no debt, we didn't need to worry about risks of permanent loss of capital despite the moment's extreme uncertainty. And because we believed these companies had competitive advantages and bright futures ahead of them, we had confidence that eventually their stock prices would rebound after the crisis of the day subsided.

History has repeatedly shown that the worse the market environment around you is, the more likely you are to find true bargains if you're looking for them and have the resolve to act when opportunities present themselves.

In a number of cases, we ended up buying stocks near their absolute lows. In fact, we still own some of the companies we bought at the depths of both the dotcom bust and the Great Financial Crisis. We see them when we review holdings of our longer-term clients. They're the ten baggers, or more. Other stocks we bought at great prices quickly doubled but ended up being shorter-term holdings for us – either due to rapidly changing market conditions, because they were acquired by larger businesses or simply because they bounced too quickly relative to their fundamentals, in which cases we sold. Most of the time opportunities to make trades like these simply aren't present in the marketplace. Much like the disarray that occurs in football after a turnover, it's actually the chaos, disorientation and fear generated during extreme market freefalls that often create the very best buying opportunities in the types of high quality businesses we're focused on.

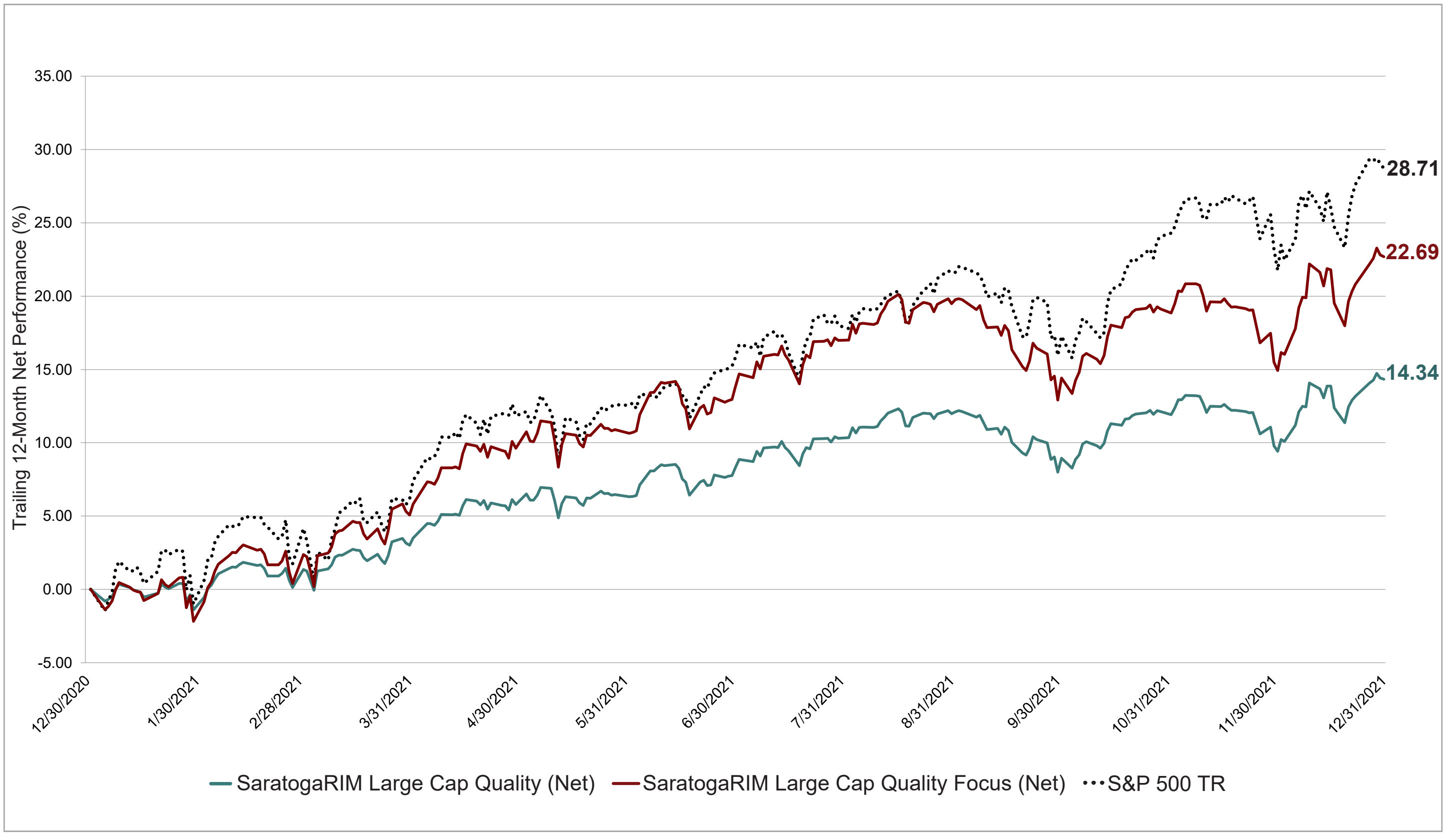
Make no mistake: NOT owning the things that go down the most during extreme selloffs is an important objective of our defense, and we believe we've been very successful with that, too. But being willing to be contrarian – to buy on the cheap when fear is greatest and everyone else is selling – has enabled us to add positions that offset temporary market losses in other parts of our portfolio and has improved our performance attributes during bear markets and other significant drawdown periods.

When markets are not in crisis mode, which is most of the time, we're focused on keeping our research and valuation models fresh and accurate, evaluating potential new investment opportunities, monitoring our risk exposures and managing the streams of client cash flows into and out of the portfolios we've been hired to manage. In other words, we're doing the fundamental blocking and tackling tasks of executing our portfolio management responsibilities – mundane work but vital none the less. Our basic offensive approach when we're not in crisis mode is far more akin to the type of ball control offense that we ran at Saratoga High School: efficient and ultimately productive, but admittedly boring to watch sometimes.

Kevin Tanner
Chairman | CEO | Chief Investment Officer

Trailing 12-Month Investment Results

Fig. 3: SaratogaRIM Large Cap Quality & Focus vs. S&P 500 TR Trailing 12-Months (12/31/20 - 12/31/21)



Source: FactSet, SaratogaRIM. Past investment results are not a guarantee of future results. Data presented net-of-fees. See full disclosures at the end of this report. See GIPS Report: SaratogaRIM Large Cap Quality (pages 10-11) and GIPS Report: SaratogaRIM Large Cap Quality Focus (pages 12-13).

Over the 12 months that ended December 31st, net of fees, the SaratogaRIM Large Cap Quality and Large Cap Quality Focus composites gained 14.34% and 22.69% respectively. Over the same period, the S&P 500 Total Return Index rose 28.71%. Our results were consistent with what we would expect at this phase in the economic and market cycles. As with any discussion of investment results, the SEC requires that we remind you that past performance is no guarantee of future returns. Please see the following Composite GIPS Reports in addition to the full disclosures at the end of this report.

SaratogaRIM Large Cap Quality

Composite Statistics

Q4 2021

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SaratogaRIM Large Cap Quality (LCQ) - Snapshot

Composite Name	SaratogaRIM Large Cap Quality
Inception Date	2/29/2000
Firm Total Assets	$ 2,957,761,000
Composite Assets	$ 1,439,757,000
GIPS Compliance	Yes

Firm Overview: Saratoga Research & Investment Management, founded in 1995, is an SEC Registered Investment Advisor specializing in the construction and management of equity portfolios composed of high caliber businesses utilizing an investment process built on common sense investment principles for individual and institutional advisors.

Composite Overview: The SaratogaRIM Large Cap Quality 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.

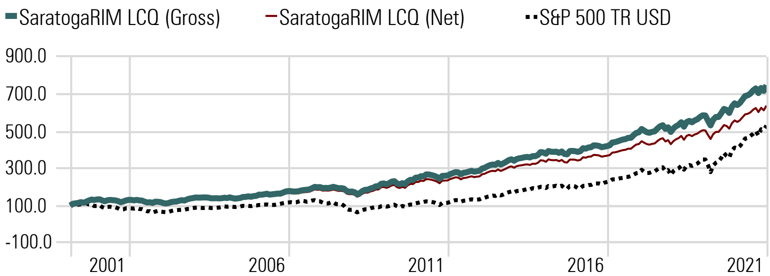
Investment Results

As of Date: 12/31/2021	1 Year	3 Years	5 Years	7 Years	10 Years	15 Years	20 Years	Since Inception
SaratogaRIM LCQ (Gross)	14.95	14.64	12.23	9.91	11.10	10.05	9.13	9.65
SaratogaRIM LCQ (Net)	14.33	14.03	11.63	9.32	10.50	9.35	8.36	8.86
S&P 500 TR USD	28.71	26.07	18.47	14.93	16.55	10.66	9.52	7.94

Investment Growth Relative to Benchmark*

Time Period: 3/1/2000 to 12/31/2021

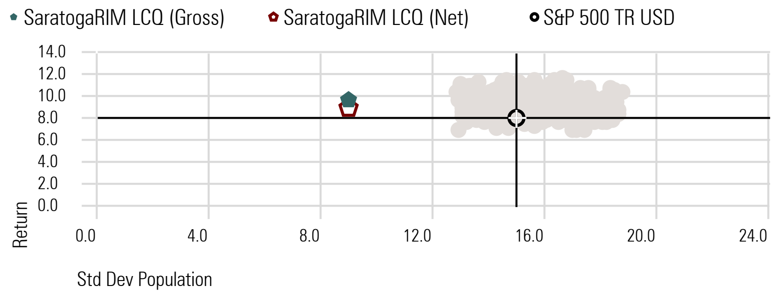
Source Data: Total Return



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

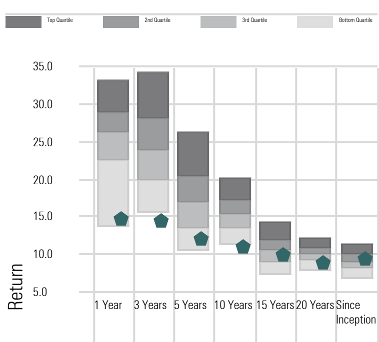
Time Period: 3/1/2000 to 12/31/2021

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

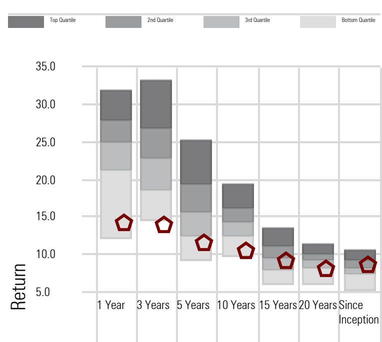


Investment Results Relative to Peer Group* As of Date: 12/31/2021

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



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

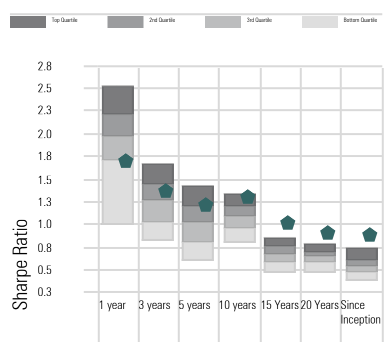


SaratogaRIM LCQ (Gross) SaratogaRIM LCQ (Net)

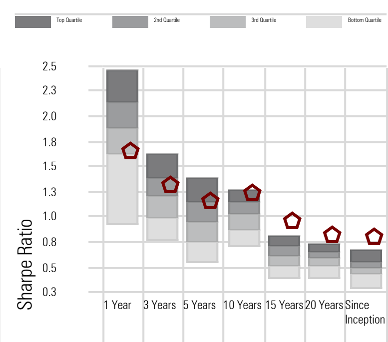
Gross Net	1 Year		3 Years		5 Years		10 Years		15 Years		20 Years		Since Inception	
SaratogaRIM LCQ	**14.95**	14.33	**14.64**	14.03	**12.23**	11.63	**11.10**	10.50	**10.05**	9.35	**9.13**	8.36	**9.65**	8.86
Median	**26.18**	24.87	**23.83**	22.73	**17.00**	15.76	**15.48**	14.26	**10.64**	9.68	**10.06**	9.33	**9.11**	8.21
Average	**25.15**	23.83	**24.21**	22.94	**17.38**	16.19	**15.55**	14.39	**10.70**	9.60	**10.17**	9.15	**9.18**	8.18
Count	**1,684**	1,684	**1,575**	1,575	**1,456**	1,456	**1,141**	1,142	**876**	878	**558**	558	**436**	438
Std Dev	**6.33**	6.79	**6.01**	6.15	**4.99**	5.09	**2.74**	2.96	**2.14**	2.34	**1.37**	1.64	**1.47**	1.73
5th Percentile	**33.12**	31.79	**34.05**	33.14	**26.16**	25.16	**20.10**	19.24	**14.31**	13.48	**12.33**	11.55	**11.52**	10.56
25th Percentile	**28.96**	27.89	**27.99**	26.80	**20.40**	19.25	**17.19**	16.29	**12.03**	11.04	**10.99**	10.15	**10.16**	9.37
50th Percentile	**26.18**	24.87	**23.83**	22.73	**17.00**	15.76	**15.48**	14.26	**10.64**	9.68	**10.06**	9.33	**9.11**	8.21
75th Percentile	**22.59**	21.12	**19.81**	18.54	**13.55**	12.39	**13.66**	12.43	**9.16**	7.97	**9.36**	8.25	**8.23**	7.37
95th Percentile	**13.72**	12.20	**15.71**	14.47	**10.53**	9.25	**11.43**	9.82	**7.37**	6.05	**7.93**	6.22	**6.82**	5.28

Sharpe Ratio Relative to Peer Group* As of Date: 12/31/2021

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		15 Years		20 Years		Since Inception	
SaratogaRIM LCQ	**1.72**	1.65	**1.37**	1.32	**1.23**	1.17	**1.32**	1.25	**1.04**	0.97	**0.91**	0.83	**0.89**	0.81
Median	**1.97**	1.88	**1.27**	1.21	**1.02**	0.96	**1.10**	1.02	**0.68**	0.62	**0.64**	0.59	**0.54**	0.49
Average	**1.91**	1.83	**1.25**	1.19	**1.02**	0.95	**1.08**	1.01	**0.67**	0.61	**0.64**	0.57	**0.55**	0.49
Count	**1,684**	1,684	**1,575**	1,575	**1,456**	1,456	**1,141**	1,142	**876**	878	**558**	558	**436**	438
Std Dev	**0.48**	0.49	**0.27**	0.28	**0.26**	0.26	**0.16**	0.18	**0.12**	0.14	**0.09**	0.12	**0.11**	0.13
5th Percentile	**2.52**	2.45	**1.67**	1.62	**1.42**	1.38	**1.33**	1.27	**0.86**	0.81	**0.78**	0.72	**0.74**	0.67
25th Percentile	**2.21**	2.13	**1.45**	1.39	**1.20**	1.14	**1.20**	1.15	**0.76**	0.71	**0.69**	0.64	**0.62**	0.56
50th Percentile	**1.97**	1.88	**1.27**	1.21	**1.02**	0.96	**1.10**	1.02	**0.68**	0.62	**0.64**	0.59	**0.54**	0.49
75th Percentile	**1.71**	1.62	**1.04**	0.98	**0.81**	0.75	**0.95**	0.88	**0.58**	0.51	**0.59**	0.52	**0.48**	0.43
95th Percentile	**1.01**	0.93	**0.82**	0.77	**0.61**	0.54	**0.81**	0.70	**0.47**	0.39	**0.49**	0.40	**0.39**	0.30

Items with an asterisk (*) are presented as supplemental data from Morningstar & SaratogaRIM and are not required by the GIPS Standards. Results of Morningstar's calculations may vary slightly from SaratogaRIM's own reported statistics (Page 2) due to rounding. Peer group displays data reported to Morningstar by 01/28/2022. The disclosures on the following page are a part of this presentation.

Sector Weightings - GICS*

Portfolio Date: 12/31/2021

	LCQ	S&P 500
Consumer Discretionary %	8.73	12.54
Consumer Staples %	12.68	5.88
Energy %	0.00	2.67
Financials %	6.37	10.69
Healthcare %	16.07	13.29
Industrials %	14.83	7.78
Information Technology %	29.30	29.17
Materials %	2.58	2.56
Communication Services %	9.44	10.16
Utilities %	0.00	2.50

Holding Fundamentals*

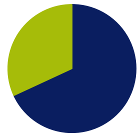
Dividend Yield	1.52
P/E Ratio (TTM)	24.83
P/CF Ratio (TTM)	21.92
P/B Ratio (TTM)	4.63
ROE % (TTM)	31.78
ROA % (TTM)	12.25
Net Margin %	17.44
Est. LT EPS Growth	10.83
Historical EPS Growth	7.74

Market Capitalization*

Average Market Cap (mil)	248,654.89
Market Cap Giant %	67.67
Market Cap Large %	22.35
Market Cap Mid %	9.98

Asset Allocation*

Portfolio Date: 12/31/2021

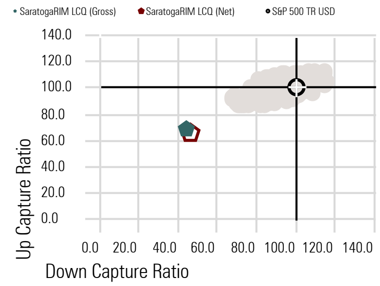


	%
•Stock	68.1
•Bond	0.0
•Cash	31.9
•Other	0.0
Total	**100.0**

Market Capture Relative to Benchmark & Peer Group*

Time Period: 3/1/2000 to 12/31/2021

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



Items with an asterisk (*) are presented as supplemental data from Morningstar & SaratogaRIM and are not required by the GIPS Standards. Results of Morningstar's calculations may vary slightly from SaratogaRIM's own reported statistics (below) due to rounding. GICS Sector Weightings, Holding Fundamentals, and Market Capitalization statistics reflect the weightings of the stock portion of the portfolio.

Composite Performance Statistics

						3 Yr Ann Standard Dev							
Year	Gross TWR	Net TWR	S&P 500 Total Return	Median TWR	Standard Deviation	Quality Composite	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 Assets
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%	30,514,646.98	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	81.80	2,183	1,636,665,159.45
2015	1.77	1.22	1.38	1.07	1.00	6.96	10.47	1,989	1.6%	1,268,091,067.90	77.45	2,293	1,637,229,813.16
2016	6.94	6.36	11.96	6.32	0.89	6.48	10.59	2,194	1.8%	1,330,011,476.70	74.02	2,564	1,796,710,408.33
2017	17.71	17.08	21.83	16.93	1.52	6.15	9.92	2,380	2.0%	1,481,531,427.12	70.26	2,881	2,108,684,512.10
2018	0.41	-0.13	-4.38	-0.28	0.48	6.54	10.80	2,479	2.3%	1,402,520,781.74	69.81	2,980	2,008,917,544.81
2019	18.03	17.40	31.49	17.62	2.08	7.39	11.93	2,583	2.5%	1,505,375,555.14	64.52	3,096	2,333,326,721.05
2020	11.05	10.46	18.40	10.73	0.95	9.93	18.53	2,428	2.8%	1,458,530,696.52	55.43	3,167	2,631,534,466.80
2021	14.96	14.34	28.71	14.75	1.15	9.56	17.17	1,921	3.2%	1,439,757,287.98	48.68	2,984	2,957,760,686.85

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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. 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. 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. Composite returns are calculated using asset-weighted Time Weighted Rate of Return ("TWR"), beginning market values, and external cash flows. Time-weighted return is a method of calculating period-by-period returns that reflects the change in value and negates the effects of 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. 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 composite; may be negotiated, as warranted by special circumstances. Results of the SaratogaRIM Large Cap Quality composite do not reflect the results of any one portfolio in the composite.

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. 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 statistics contain U.S. Large Cap separate account managers that appear in the Morningstar database for the relevant periods shown as of the report publish date. **Definitions:** 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. Excess Return measures the difference in return, cumulative or annualized, between the strategy and a benchmark. 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.

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.

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SaratogaRIM Large Cap Quality Focus

Composite Statistics

Q4 2021

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

Composite Name	SaratogaRIM Large Cap Quality Focus
Inception Date	8/29/2014
Firm Total Assets	$ 2,957,761,000
Composite Assets	$ 1,039,079,000
GIPS Compliance	Yes

Firm Overview: Saratoga Research & Investment Management, founded in 1995, is an SEC Registered Investment Advisor specializing in the construction and management of equity portfolios composed of high caliber businesses utilizing an investment process built on 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

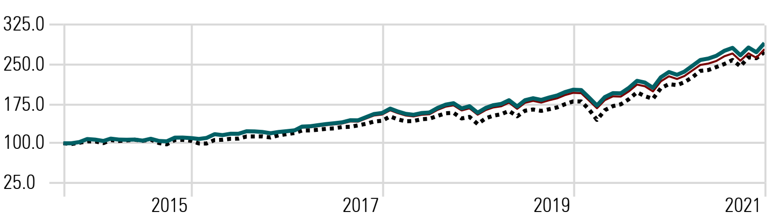
As of Date: 12/31//2021	1 Year	3 Years	5 Years	7 Years	Since Inception
SaratogaRIM LCQF (Gross)	23.36	22.50	18.78	15.38	15.69
SaratogaRIM LCQF (Net)	22.70	21.85	18.14	14.75	15.05
S&P 500 TR USD	28.71	26.07	18.47	14.93	14.74

Investment Growth Relative to Benchmark*

Time Period: 9/1/2014 to 12/31/2021

Source Data: Total Return

SaratogaRIM LCQF (Gross) SaratogaRIM LCQF (Net) S&P 500 TR USD

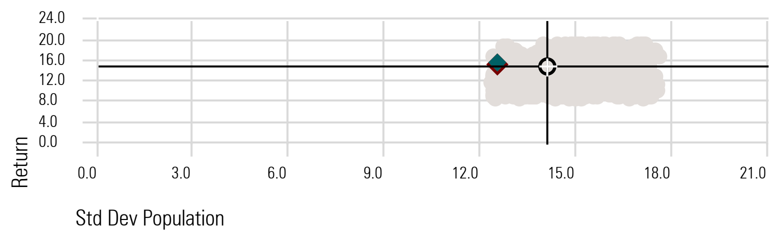


Standard Deviation vs. Annualized Rate of Return Relative to Benchmark & Peer Group*

Time Period: 9/1/2014 to 12/31/2021

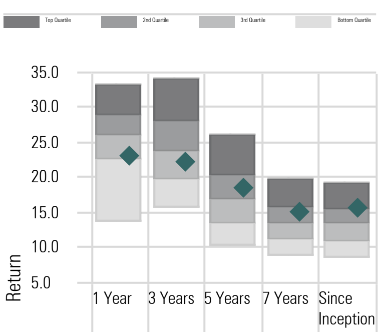
Peer Group (5-95%): Large Cap SA Source Data: Total Return

SaratogaRIM LCQF (Gross) SaratogaRIM LCQF (Net) S&P 500 TR USD

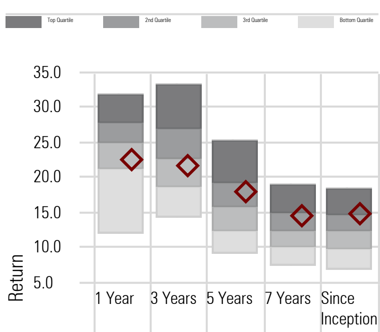


Investment Results Relative to Peer Group* As of Date: 12/31/2021

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



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

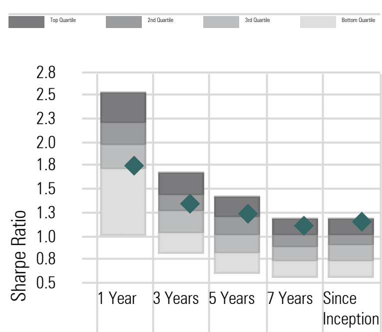


SaratogaRIM LCQF (Gross) SaratogaRIM LCQF (Net)

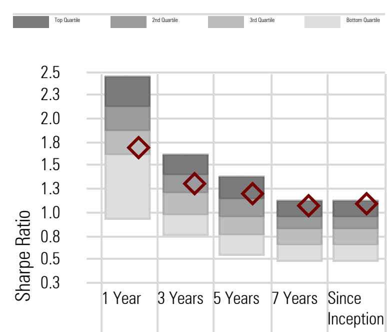
Gross Net	1 Year Gross	1 Year Net	3 Years Gross	3 Years Net	5 Years Gross	5 Years Net	7 Years Gross	7 Years Net	Since Inception Gross	Since Inception Net
SaratogaRIM LCQF	**23.36**	22.70	**22.50**	21.85	**18.78**	18.14	**15.38**	14.75	**15.69**	15.05
Median	**26.18**	24.86	**23.83**	22.73	**17.00**	15.76	**13.56**	12.41	**13.45**	12.28
Average	**25.15**	23.83	**24.21**	22.93	**17.38**	16.19	**13.77**	12.62	**13.52**	12.37
Count	**1,684**	1,684	**1,575**	1,575	**1,456**	1,456	**1,307**	1,308	**1,279**	1,280
Std Dev	**6.33**	6.79	**6.01**	6.15	**4.99**	5.09	**3.47**	3.61	**3.43**	3.57
5th Percentile	**33.12**	31.79	**34.05**	33.14	**26.16**	25.16	**19.76**	18.92	**19.23**	18.40
25th Percentile	**28.96**	27.89	**27.99**	26.80	**20.40**	19.25	**15.77**	14.82	**15.51**	14.58
50th Percentile	**26.18**	24.86	**23.83**	22.73	**17.00**	15.76	**13.56**	12.41	**13.45**	12.28
75th Percentile	**22.59**	21.12	**19.81**	18.54	**13.55**	12.39	**11.21**	10.00	**10.94**	9.71
95th Percentile	**13.72**	12.20	**15.71**	14.47	**10.53**	9.25	**8.97**	7.51	**8.65**	7.07

Sharpe Ratio Relative to Peer Group* As of Date: 12/31/2021

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 Gross	1 Year Net	3 Years Gross	3 Years Net	5 Years Gross	5 Years Net	7 Years Gross	7 Years Net	Since Inception Gross	Since Inception Net
SaratogaRIM LCQF	**1.75**	1.71	**1.35**	1.32	**1.24**	1.20	**1.12**	1.08	**1.16**	1.11
Median	**1.97**	1.88	**1.27**	1.21	**1.02**	0.96	**0.89**	0.82	**0.90**	0.83
Average	**1.91**	1.83	**1.25**	1.19	**1.02**	0.95	**0.88**	0.81	**0.88**	0.81
Count	**1,684**	1,684	**1,575**	1,575	**1,456**	1,456	**1,307**	1,308	**1,279**	1,280
Std Dev	**0.48**	0.49	**0.27**	0.28	**0.26**	0.26	**0.19**	0.20	**0.20**	0.21
5th Percentile	**2.52**	2.45	**1.67**	1.62	**1.42**	1.38	**1.19**	1.13	**1.19**	1.13
25th Percentile	**2.21**	2.13	**1.45**	1.39	**1.20**	1.14	**1.01**	0.96	**1.02**	0.96
50th Percentile	**1.97**	1.88	**1.27**	1.21	**1.02**	0.96	**0.89**	0.82	**0.90**	0.83
75th Percentile	**1.71**	1.62	**1.04**	0.98	**0.81**	0.75	**0.73**	0.66	**0.73**	0.66
95th Percentile	**1.01**	0.93	**0.82**	0.76	**0.61**	0.54	**0.57**	0.49	**0.56**	0.48

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Sector Weightings - GICS*

Portfolio Date: 12/31/2021

	LCQF	S&P 500
Consumer Discretionary %	8.09	12.54
Consumer Staples %	11.29	5.88
Energy %	0.00	2.67
Financials %	5.88	10.69
Healthcare %	17.51	13.29
Industrials %	17.73	7.78
Information Technology %	26.89	29.17
Materials %	2.59	2.56
Communication Services %	10.03	10.16
Utilities %	0.00	2.50

Holding Fundamentals*

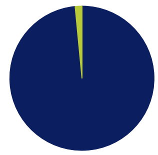
Dividend Yield	1.54
P/E Ratio (TTM)	25.03
P/CF Ratio (TTM)	21.94
P/B Ratio (TTM)	4.57
ROE % (TTM)	32.09
ROA % (TTM)	12.22
Net Margin %	17.27
Est. LT EPS Growth	11.05
Historical EPS Growth	7.96

Market Capitalization*

Average Market Cap (mil)	243,178.18
Market Cap Giant %	64.94
Market Cap Large %	23.98
Market Cap Mid %	11.08

Asset Allocation*

Portfolio Date: 12/31/2021

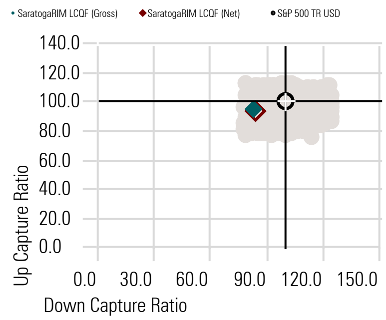


	%
•Stock	98.5
•Bond	0.0
•Cash	1.5
•Other	0.0
Total	**100.0**

Market Capture Relative to Benchmark & Peer Group*

Time Period: 9/1/2014 to 12/31/2021

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



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Composite Performance Statistics

						3 Yr Ann Standard Dev							
Year	Gross TWR	Net TWR	S&P 500 Total Return	Median TWR	Standard Deviation	Focus Composite	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 Assets
2014 (8/31)	6.95	6.71	3.46	n/a	n/a	-	-	31	0.0%	59,408,640.33	3.63	2,183	1,636,665,159.45
2015	2.84	2.28	1.38	2.70	0.25	-	-	88	0.0%	122,809,323.37	7.50	2,293	1,637,229,813.16
2016	11.93	11.33	11.96	11.18	0.63	-	-	151	0.0%	198,406,977.89	11.04	2,564	1,796,710,408.33
2017	28.21	27.49	21.83	27.49	0.55	8.70	9.92	287	0.1%	362,440,319.53	17.19	2,881	2,108,684,512.10
2018	0.35	-0.20	-4.38	-0.41	0.58	10.30	10.80	303	0.3%	316,630,422.08	15.76	2,980	2,008,917,544.81
2019	27.67	26.98	31.49	27.10	0.62	11.41	11.93	403	0.3%	533,438,674.16	22.86	3,096	2,333,326,721.05
2020	16.71	16.08	18.40	16.13	1.01	15.84	18.53	626	0.6%	793,063,147.30	30.14	3,167	2,631,534,466.80
2021	23.36	22.69	28.71	22.46	0.67	15.07	17.17	924	0.6%	1,039,079,017.33	35.13	2,984	2,957,760,686.85

Items with an asterisk (*) are presented as supplemental data from SaratogaRIM and are not required by the GIPS Standards.

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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. 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. 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. Composite returns are calculated using asset-weighted Time Weighted Rate of Return ("TWR"), beginning market values, and external cash flows. Time-weighted return is a method of calculating period-by-period returns that reflects the change in value and negates the effects of 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. 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 1.2% for the SaratogaRIM Large Cap Quality Focus composite; may be negotiated, as warranted by special circumstances. Results of the SaratogaRIM Large Cap Quality Focus composite do not reflect the results of any one portfolio in the composite.

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See additional important disclosures and composite-specific information within the GIPS Composite Reports for SaratogaRIM Large Cap Quality (pages 10-11) and Large Cap Quality Focus (pages 12-13). As additional peer group comparison data for the relevant period becomes available through Morningstar, statistics within the GIPS Composite Reports are updated and subsequently replaced within the version of this quarterly report that is published to SaratogaRIM.com. The GIPS Composite Report generation date can be found within the footer of each GIPS Composite Report page. The original Quarterly Report publish date is located on the upper right hand corner of the Quarterly Report cover page and the main report page footers.

2021 Q4 (Annual) Report Charts: All charts within this report are created by SaratogaRIM. Figure 1 uses data from Yale/Robert Shiller to display the historical Cyclically Adjusted Price-to-Earnings (CAPE) ratio going back to 1881. The Cyclically Adjusted Price-to-Earnings Ratio is defined as "a valuation measure that uses real earnings per share (EPS) over a 10-year period to smooth out fluctuations in corporate profits that occur over different periods of a business cycle. The CAPE ratio, using the acronym for cyclically adjusted price-to-earnings ratio, was popularized by Yale University professor Robert Shiller. It is also known as the Shiller P/E ratio. The P/E ratio is a valuation metric that measures a stock's price relative to the company's earnings per share. EPS is a company's profit divided by the outstanding equity shares." Figure 2 shows the average 5-year and 10-year compound annual growth rate (CAGR) of the S&P Composite for different levels of the CAPE ratio over time. Returns are through 2021 based on starting CAPE ratios through December 2016. The most recent 5-year CAGR (10-year CAGR) as of December 2021 is based on the CAPE as of December 2016 (December 2011). S&P Composite uses data compiled by Shiller prior to the inception of the S&P 500, then uses S&P 500 data after its inception. Figure 3 illustrates cumulative daily return estimates calculated by FactSet utilizing month-end holdings data for the relevant period shown and may differ from actual performance. Ending label data points represent actual net performance. 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 InvestorRelations@SaratogaRIM.com.

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. Gross-of-fees returns are calculated gross of any management, custodial, external consultant or advisory fee but net of transaction costs. Application of management fees reduces gross performance. Net-of-fees returns are calculated net of actual management fees but still gross of any custodial, external consultant or advisory fees. Management fees vary by client type; composite returns presented on a net basis should not be interpreted as any one client's net returns. 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.

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 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 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.

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