

LOGAN HIGH QUALITY BALANCED PORTFOLIOS Q1 | 2021 REVIEW¹

March 2021 ended one of the most unpredictable twelve months anyone on our investment team can remember. The global economy had to change gears from a growing economy with multi decade lows in unemployment and record highs in hourly wages to a sudden recession almost overnight. When we look at the performance of markets, in terms of individual company performance, asset class allocation, or style one can see that preparation is as important as, if not more so, than the ability to predict. One could argue that preparation beat prediction across the board over the past year. Well prepared innovative companies fared well regardless of industry. This trend is true throughout the world. As investors adjusted to a recovering economy, we saw leadership change within the High Quality Balanced portfolios. This cycle has been unusual in that it was the defensive names within the portfolio, despite producing a dividend yield over 4%, that suffered in the recession and then led us into the recovery. The introduction of effective Covid vaccines fundamentally changed the world's potential

economic trajectory.

The growth-oriented names performed well during the first quarter of 2021, but that performance was overshadowed by the performance on the defensive side as energy and financial stocks fared particularly well, driving value stocks to double digit gains. The drivers did not come from any one sector – the common thread was a management team focused on preparing for a changing world. When change happened much faster than expected, their preparations proved invaluable. We saw the long-term demographic trends of the millennials (the largest demographic group) aging up into a higher spending stage of life have a more immediate impact due to record low interest rates and a newly mobile workforce for higher earning workers drive demand for housing. Taking advantage of the surge in demand for housing and housing-related products required the foresight to understand that the demographics favored strong housing demand. The fact that the next generation of home buyers are digitally

native made a strong e-commerce platform in addition to a compelling traditional retail presence a requirement for success. Countless slow movers across all industries failed to meet their customers where they were. Beyond the consumer, the innovative leaders that will benefit from a more broadly recovering economy and the much-anticipated investment in infrastructure performed well. Our earnings leadership models kept our global strategies overweight to the US based on relative growth. So far, the US economy has proven a bit more resilient than much of the world with a consumer base that was willing to engage in the economy under exceedingly difficult circumstances.

The remainder of the year brings the very real possibility of exceptional strength, assuming continuing progress in the fight against COVID-19. Consumers and businesses have received stimulus not seen since the ending of WWII – before we factor in recently passed stimulus in the US.

¹LOGAN HQB results discussed herein should be read in conjunction with the attached performance and disclosures

Outside the US progress in re-opening remains slow, which we think will provide a next wave of growth if the health challenges can be addressed. Employment in the US has staged an impressive recovery. US consumer and business confidence are at levels which are higher than existed through the most recent economic recovery pre-2016. Personal savings rates rose over the past year as consumers had funds and a limited ability to spend due to the response to COVID-19. Global business inventories remain low and need to be replenished. Our team expects economic growth to resume rapidly as there is significant pent-up demand. Supply chain challenges for Europe were enhanced with the recent closure of the Suez Canal – we will need to see the impact of the closure on the recovery in Europe. Current movements in the US to focus on domestic manufacturing may make the world a bit less global and reduce access to the dynamic US consumer market for many countries – we will need to monitor the impact of these ideas as the US political process develops.

We do not expect leadership post-COVID to match pre-COVID leadership. The adoption of technology has been rapid and many of those businesses, and workers, who were resistant to change will find a challenging future as many of the conveniences of the COVID era remain. We continue to believe the users of technology, including many of the portfolio's value holdings, will be significant beneficiaries of such

advancements. Thinking long term, the potential for inflation or higher costs exists on many fronts. Low inventories and challenged supply chains will most likely increase costs, giving the more technologically adept business a considerable edge. In the US, the proportion of workers over the age of 55 is at a high not seen since the 1950's. Many of those older workers will decide to exit the workforce rather than adapt to the new way of doing things. This change will require the workforce to work much more efficiently and further give forward thinking companies, and workers, an edge.

Our team has been positioning the portfolio to be invested in those companies who are facilitating innovative change and avoiding those who are struggling to maintain the past while not investing in the future. We are also encouraged at the near-term environment as it relates to value stocks. With a very large spending bill being layered on top of an already recovering economy, it would appear any economic retrenchment is a good ways off. That may well translate into firming, if not rising interest rates, and higher energy prices. One of the disappointments of the past ten years has been the sluggish growth of the economy despite the significant investments made in technology. We think much of this slow growth was due to companies slowly adapting to the technological resources at hand. While COVID-19 brought severe negatives to the world, it did force companies to embrace change and technology. Those who have will

have a prosperous future during the recovery, those who do not will face significant challenges from changing customer expectations and higher costs through scarcity of supply, higher labor costs for qualified workers, and possibly higher taxes and regulation. We hold a constructive view for the economy and our portfolio as we expect the coming year to be one which rewards the nimble – an ideal time for an active manager.

Enormous stimulus plans, rising expectations about inflation due to fiscal stimulus and vaccines, and an unraveling of levered market positions helped send bond yields surging during the period, with the benchmark 10-year rate spiking above 1.77% for the first time in around 12 months (source: Bloomberg). The surge has brought with it sloppy auctions, worsening liquidity and a wider difference between bid and offer prices. At the same time, there is also concern about rates at the front end potentially going too low, with funding markets hovering around zero amid an abundance of cash that's being fueled by monetary policy, fiscal measures and changing Treasury Bill supply dynamics.

The FOMC has taken the position that it "expects to maintain an accommodative stance of monetary policy" until "maximum employment" is achieved and inflation runs "moderately above 2% for some time."

Bottom line: Fed policy is in wait-and-see-mode. The new economic forecast shows significant divergence in economic expectations among the committee, but the majority of participants see no rate hikes through 2023 (as of this writing). Changes to growth, unemployment, and inflation forecasts suggest the Fed as a group expects inflation will run a little hot thanks to strong fiscal stimulus, but not enough to be a concern and require a monetary policy response. On March 4, Chairman Powell noted higher yields reflect economic recovery and not disorderly trading that might tarnish financial conditions.

The statement offered the observation that "indicators of economic activity and employment have turned up recently, although the sectors most adversely affected by the pandemic remain weak."

In the choreography of tightening, the first step will be tapering the \$120 billion of monthly asset purchases which the FOMC has pegged to "substantial further progress" on employment and inflation. Chairman Powell said that will be a judgment, or in other words, a committee consensus that Powell himself is in charge of forming. "Until we give you a signal, you can assume we are not there yet," he said on March 17.

Powell has been closely focused on the uneven blow delivered by pandemic, and he wants to get the 9.5 million Americans who've lost jobs during the Covid-19 era

back to work as quickly as possible.

In fixed income we had kept portfolio duration below index duration and reaped the benefits as this positioning was a contributor to performance as Treasury yields increased, especially outside the 3 year part of the curve. In addition, we noted the shrinking spreads in corporate bonds due to demand for high quality liquid assets with additional yield as compared to Treasuries, as well as optimism that the domestic economy will show increased strength over the coming quarters. The increase in the allocation of corporate bonds over 2018-2020 was also additive to performance.

Municipal bonds performed well during the quarter as expectations are for taxes to increase both for corporations as well as on the highest earning individuals. With this backdrop, the demand for tax-free income will increase. Another factor increasing the attractiveness of the sector is the billions of dollars of aid to state and local governments which increases the credit quality of the sector.

The simplest form of one critical question for 2022: Does rapid growth this year "burn out" as theory suggests it would or does it kick consumption into a higher gear that can propel the economy the next 2-3 years? The Fed doesn't have that answer – at least currently – and the pandemic governs current economic data, reducing the value of any data trend.

Rates have moved so quickly they appear to confirm the rosier possible forecasts for the economy and a dangerous outlook for inflation. Yet, the events that drive markets right now offer few answers about the big question that looms as a result of those very events. Will market expectations "force" the FOMC to tighten rates quicker than anticipated.

The Treasury market has moved quickly to price-in expectations of a strong economic recovery, while the Fed has been more cautious about moving its own rate forecasts. We think that the market's expectations are well founded and that the Fed will eventually move its dot plot higher to better align with the market.

We anticipate continuing to extend maturities as rates increase in the near term. The allocation of maturities in most of the accounts will allow us to take advantage of the current interest rate environment. The municipal sector is currently rich, but the increase in expected demand will allow the ratio to Treasuries to stay low and the spreads to continue to tighten. We do not see the sector cheapening over the coming quarters this year.

Lastly, we are also monitoring a rotation out of equities and into bonds as the increase in yields has two important implications. First, the equity market dislikes an increase in real rates especially when it occurs abruptly.

The discounting of future cash flows at extremely low rates has been a tailwind for the equity market for the past year. Second, the recent rise in interest rates places the 10-year Treasury yield above the S&P 500's dividend yield of 1.45% (source: Bloomberg). The relative advantage that the S&P has held versus the benchmark US Treasury since the early summer of 2019 seems to have vanished.

Thank you for your continued confidence and investment in the Logan High Quality Balanced portfolio. As always, please call or email if you have any questions.

This material represents an assessment of the market and economic environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. Forward-looking statements are subject to certain risks and uncertainties. Actual results, performance, or achievements may differ materially from those expressed or implied. Information is based on data gathered from what we believe are reliable sources. It is not guaranteed as to accuracy, does not purport to be complete and is not intended to be used as a primary basis for investment decisions. It should also not be construed as advice meeting the particular investment needs of any investor. Past performance does not guarantee future results.

U.S. TREASURY YIELDS	12/31/2020	3/31/2021	YTD Change
2 YR	0.121%	0.162%	-0.041%
3 YR	0.165%	0.349%	-0.184%
5 YR	0.361%	0.928%	-0.567%
7 YR	0.643%	1.394%	-0.751%
10 YR	0.913%	1.707%	-0.794%
20 YR	1.440%	2.270%	-0.830%
30 YR	1.645%	2.369%	-0.929%
10S MINUS 2S	79.2 bps	154.5 bps	

Source: Bloomberg

LOGAN AUM+AUA

Strategy AUM	\$35M
Firm AUA	\$1,391M
Firm AUM	\$2,298M
Total Firm AUM+AUA	\$3,689M

Numbers are subject to rounding differences
AUA has a one month data lag

Past performance does not guarantee future results. The holding identified do not represent all of the securities purchased, sold or recommended for advisory clients. The views expressed are those of Logan Capital. Any securities, sectors or industries discussed should not be perceived as investment recommendations; any security discussed may no longer be held in an account's portfolio. It should not assumed that investment in any of the securities, sectors or industries listed were or will prove to be profitable. Sector or industry weights of any specific account can vary based on investment restrictions applicable to that account. The securities discussed do not represent an account's entire portfolio and in aggregate may only represent a small percentage of an account's portfolio holdings.

LONG-TERM TRACK RECORD[^]	TOTAL ACCOUNT NET OF FEES	TOTAL ACCOUNT PURE GROSS OF FEES	50% SP500 / 50% BC INT GOVT CREDIT	EQUITY ONLY	S&P 500	RUSSELL 1000	FIXED INCOME ONLY	BC INT GOVT CREDIT
QTD	1.9%	2.4%	2.2%	4.2%	6.2%	5.9%	-1.1%	-1.9%
1 Year	25.8%	28.1%	26.9%	62.9%	56.4%	60.6%	0.9%	2.0%
3 Year	8.4%	10.5%	10.9%	16.1%	16.8%	17.3%	3.7%	4.4%
5 Year	8.3%	10.3%	9.6%	16.3%	16.3%	16.7%	2.3%	2.8%
10 Year	7.2%	9.3%	8.5%	13.9%	13.9%	14.0%	2.1%	2.9%
Since Inception [†]	6.3%	8.3%	7.2%	11.3%	10.1%	10.3%	3.1%	3.7%

Annualized Returns (as of 03/31/2021). Time period greater than YTD is annualized.

[†]Inception of (09/30/2005)

Reference performance disclosure

TEN LARGEST PORTFOLIO HOLDINGS**TOP FIVE EQUITY HOLDINGS****% OF PORTFOLIO**

AT&T Inc.	1.9%
Apple Inc.	1.8%
PepsiCo, Inc.	1.8%
JPMorgan Chase & Co.	1.8%
U.S. Bancorp	1.7%

TOP FIVE FIXED HOLDINGS

Comcast Corporation 3.6% 01-mar-2024	3.5%
Capital One Financial Corporation 3.5% 15-jun-2023	3.4%
Jpmorgan Chase & Co. 3.375% 01-may-2023	3.4%
Government Of The United States Of America 2.0% 15-aug-2025	3.4%
Government Of The United States Of America 1.5% 31-oct-2024	3.3%

Performance Disclosure

HQ

Logan Capital Management, Inc.
Performance Results: High Quality Balanced Non-Taxable Composite
 September 30, 2005 through March 31, 2021

Year	Total Return		50% S&P 50%		Composite Dispersion Gross of Fees	Composite 3-Yr Gross Dev	50% S&P 50%		Composite 3-Yr Gross Sharpe Ratio	Assets in Composite (\$millions)	% of Firm Assets	Firm Assets (\$millions)
	Total Return Net of Fees	Pure Gross of Fees	BC Int Govt Credit	Number of Accounts			BC Int Govt Credit 3-Yr Gross Std Dev					
YTD 2021	1.9%	2.4%	2.2%	5	N.M.	9.5%	9.2%	1.0	\$8	0.4%	\$2,301	
2020	10.2%	12.3%	13.1%	8	2.2%	9.6%	9.4%	0.9	\$24	1.1%	\$2,240	
2019	15.3%	17.4%	18.8%	9	3.7%	6.1%	5.9%	1.5	\$28	1.3%	\$2,050	
2018	-1.8%	0.1%	-1.5%	8	0.7%	6.5%	5.2%	0.9	\$22	1.5%	\$1,431	
2017	12.8%	14.9%	11.6%	7	1.2%	6.9%	4.8%	1.1	\$12	0.8%	\$1,590	
2016	4.9%	7.0%	7.1%	11	0.6%	7.5%	5.2%	0.8	\$18	1.3%	\$1,401	
2015	1.4%	3.3%	1.5%	10	0.2%	7.1%	5.3%	1.4	\$15	1.1%	\$1,398	
2014	5.4%	7.4%	8.4%	6	0.3%	6.6%	4.7%	1.8	\$10	0.6%	\$1,816	
2013	17.3%	19.5%	14.7%	7	2.0%	7.7%	6.0%	1.5	\$11	0.5%	\$2,061	
2012	6.4%	8.4%	9.9%	6	0.5%	9.6%	7.3%	1.1	\$9	0.5%	\$1,932	

Annualized Returns (03/31/2021)

Year	Total Return Net of Fees	Total Return Pure Gross of Fees	50% S&P 50% BC Int Govt Credit
1 Year	25.8%	28.1%	26.9%
3 Year	8.4%	10.5%	10.9%
5 Year	8.3%	10.3%	9.6%
10 Year	7.2%	9.3%	8.5%
Since Inception [†]	6.3%	8.3%	7.2%

[†]Inception 09/30/2005

N.M. - Information is not statistically meaningful due to an insufficient number of portfolios.

Performance Disclosure

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Logan High Quality Balanced Non Taxable Composite contains fully discretionary balanced accounts, measured against a blended index consisting of 50% Bloomberg Barclays Intermediate Government/Credit and 50% S&P 500. You cannot invest directly in an index. The S&P 500 Index seeks to reflect the risk and return of all large cap companies and is also used as a proxy for all of the total stock market. It tracks the 500 most widely held stocks on the NYSE or NASDAQ and is widely regarded as the best single gauge of large-cap U.S. equities. The Bloomberg Barclays Intermediate Government/Credit index measures the performance of U.S. Dollar denominated U.S. Treasuries, government-related and investment grade U.S. corporate securities that have a remaining maturity of greater than one year and less than ten years. The benchmarks selected include the reinvestment of dividends and income, but do not reflect fees, brokerage commissions, withholding taxes, or other expenses of investing. These benchmarks are used for comparative purposes only and generally reflect the risk and investment style of the composite. The sharpe ratio is included to help investors understand the return of an investment compared to its risk. The ratio is the average return earned in excess of the risk-free rate (90 Day U.S. TBill) per unit of volatility or total risk.

The composite contains accounts within +/- 20% of a 50% equity and 50% fixed income allocation. In addition, the equity portion contains accounts that are +/-20% of a 50% growth and 50% value allocation and the fixed portion contains taxable positions (ie. corp and gov't bonds). The blended benchmark is calculated daily. Accounts must have \$300,000 at inclusion. For exclusion, the account has to drop below the 25% threshold of \$225,000. In addition, accounts must have \$100,000 of fixed income assets at inclusion. For exclusion, the fixed income assets have to drop below the 25% threshold of \$75,000. Includes accounts paying both wrap and commission fees. Logan Capital Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Logan Capital Management, Inc. has been independently verified for the periods April 1, 1994 through December 31, 2020. A copy of the verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedure for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

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Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Some accounts in the composite pay a bundled wrap fee based on a percentage of assets under management. Other than portfolio management, this fee includes brokerage commissions, portfolio monitoring, consulting services, and in some cases, custodial services. As of December 31, 2020, 10% of composite assets were charged a wrap fee. Pure gross returns for accounts paying a wrap fee are shown as supplemental information as they do not reflect the deduction of any fees or transaction costs; net returns are derived by reducing the gross return by the highest wrap fee (0.48% quarterly fee). Gross returns for non-wrap accounts include investment management fees and have been reduced by transaction costs; net returns have been reduced by management fees and transaction costs. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

The investment management fee schedule for non-wrap accounts is as follows: 65 basis points on the first \$25 million, 55 basis points on the next \$25 million, 45 basis points on the next \$25 million and 35 basis points on the next \$25 million. Fees for accounts with over \$100 million in assets are negotiable. Minimum fee is \$32,500.

Performance Disclosure

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Actual investment advisory fees incurred by clients may vary. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. Total annual fees charged by wrap sponsors are generally in the range of 2.0% to 3.0% annually. The Logan High Quality Balanced Non Taxable Composite was created September 30, 2018.