

Dahab Associates, Inc.
Request for Proposal – 2016

Large Cap Growth

Franklin Regional Retirement System

Company Name	Mar Vista Investment Partners, LLC
Investment Style	Large Cap Growth
Product Name	Strategic Growth
Principal Address	11150 Santa Monica Blvd., Suite 320 Los Angeles, CA 90025
Telephone Number	310-917-2800
Email Address	info@marvistainvestments.com
Individual Completing this RFP	Heather Blomgren
Position	Consultant Services Manager
Mailing Address (if different from above)	6001 Shady Oak Road, Suite 200 Minnetonka, MN 55343
Telephone Number (if different from above)	952-230-6151
Fax Number	952-230-6141
Date Completed	October 13, 2016

Firm Name	Mar Vista Investment Partners, LLC
-----------	------------------------------------

Summary

General Information:

Firm Name	Mar Vista Investment Partners, LLC
Product Name	Strategic Growth
City, State of firm's headquarters	Los Angeles, California
Name of Parent Company, or "Independent"	Independent
Tax-Exempt Assets Under Management	\$3.3B
Total Assets Under Management	\$3.4B
Year Founded	2007
Year Registered	2007
Contact Name	Jay A. Pollitt
Contact Number	(630) 661-0645
Contact Email	jpollitt@marvistainvestments.com

Which of the following types of products are available for this search? You may offer multiple product types if you choose. Indicate with an "X." There will be room to elaborate on the product offerings elsewhere in this document.

This selection should indicate that any minimum account sizes for the product are either met or waived for this search.

Separate Account	X
Commingled Funds	
Mutual Fund	X

Equity Product Information:

Please provide the following figures for a representative account, with the data as of **the end of 3rd Quarter 2016** only.

Do not submit the following data for any other quarter, even if footnoted as such.

It is acceptable to submit preliminary data, if necessary.

Only provide statistics for indicated time-periods.

Do not put “since inception” statistics in lieu of the requested time-period.

If statistics for a given time period are not available, leave the response area blank.

All statistics must be **based on quarterly** numbers, never monthly, even when the question isn’t explicit in that regard.

All statistics should be made with regard to the following benchmark:

Russell 1000 Growth

Do not submit statistical data compared to any other benchmark, even if your product is traditionally benchmarked against a different index, **even** if you choose to indicate it as such.

Product Name	Strategic Growth
Style (Core, Growth, Value) Please answer as to your firm’s specific classification of this product.	Growth
Typical Number of Securities Held	30-50
Portfolio Turnover, 12-month rolling (%)	17%
P/E of typical portfolio- Estimate	21.0x
P/E of typical portfolio- Trailing	23.2x
5-year information ratio	0.25
5-Year Tracking Error	2.76
5-year Upside Capture Ratio	101.54
5-year Downside Capture Ratio	85.28
5-year R-squared statistic	0.93
Strategy Inception	1/1/2004
Benchmark Used for Above and below statistics (Must be the required benchmark as indicated)	Russell 1000 Growth Index
Benchmark for product	Russell 1000 Growth Index
Total Assets In This Strategy	\$2.4B
Soft/Hard Close Amount for the Strategy	\$20 B / No policy

	3-Year	5-Year
Alpha	1.45	1.82
Batting Average (% of quarters beating benchmark)	67%	70%
Standard Deviation	8.15	9.83
Beta	0.94	0.92

Firm Affiliation

- | | | |
|----|---|----------|
| 1. | Is the firm independent? | Yes |
| 2. | Is the firm registered under the Investment Advisors Act of 1940? | Yes |
| 3. | Is the firm minority owned? If so, what percent? | Yes, 51% |
| 4. | Is the firm women owned? If so, what percent? | No |
| 5. | Is the firm a subsidiary of, or related in any way to: | |

A brokerage firm	
Insurance company	
A bank	
Other	X

6. What is the name of the parent company? |
7. Please provide details of the ownership structure of the firm.

Mar Vista employees own 100% of the firm. Silas A. Myers 51%; Brian L. Massey 29%; Joshua J. Honeycutt 10%; Jeffrey B. Prestine 10%.

8. If the firm is related in any fashion (financially or otherwise) to any other entity, explain.

As of August 1, 2016, Roxbury Capital Management became a wholly owned subsidiary of Mar Vista Investment Partners. There were no changes to regulatory compliance, oversight, job functions, or responsibilities.

General Background Information

1. Please indicate the types of accounts that your firm currently manages:

Domestic Equity	X	Socially Conscious	
Fixed Income		Hedge Fund of any type	
Balanced		Institutional Mutual Funds	X
International		Retail Mutual Funds	
Global			

2. Please provide the location and function of each of the firm's offices.

Mar Vista's office is located in Los Angeles, California and the investment team works together from this location. Back and middle office operations are out of the Minnetonka office.

Mar Vista's Headquarters – 11150 Santa Monica Blvd., Suite 320 Los Angeles, CA 90025

Mar Vista's Back and Middle Operations – 6001 Shady Oak Road, Suite 200 Minnetonka, MN 55343

3. Please give a brief history of the firm.

Mar Vista was founded by Silas Myers and Brian Massey in November 2007. Before starting Mar Vista, Messrs. Myers and Massey co-managed two large-cap portfolios, Focus (starting January 1, 2003) and Strategic Growth (starting January 1, 2004), at Roxbury Capital Management. All of the assets under their management at Roxbury transitioned to Mar Vista through a sub-advisory arrangement. Mar Vista was launched with the financial and operational support of Roxbury Capital Management, which retained a preferred equity stake in the firm. On January 20, 2015, Roxbury's preferred equity stake in Mar Vista was extinguished and 100% of the firm's economics are owned by the investment team.

4. When was the firm founded?

Mar Vista was founded in November 2007.

5. When was it registered as an investment advisor?

October 2007

6. When did the firm begin to manage tax exempt accounts?

November 2007

7. Describe the level of error and omission insurance coverage the firm carries.

Mar Vista's errors and omissions coverage is issued by Arch in the amount of \$10mm.

8. Are you now the subject of a SEC or other regulatory body sanction? If so, explain.

No.

9. Has the firm ever been subject to a SEC or other regulatory body sanction? If so, explain.

No.

10. Discuss, in detail, any litigation brought against the firm in the last five years.

Not applicable.

11. Please provide details on the financial condition of the firm.

Mar Vista's financial condition is solid. The business is highly profitable with no financial commitments that would burden our ability to fund operations.

12. Provide a breakdown of assets by type of Investment Strategy. (for example, Mid Cap Growth, Core Fixed Income, Emerging Markets, etc.) You may add additional rows to this table as needed.

Investment Strategy	# of Accounts	\$ Value
Strategic Growth	126	\$2.4B
Focus	21	\$1B
Global	3	\$1mm
Other	4	\$47mm

13. Please provide a breakdown of the FIRM'S accounts & assets in the following table:

	# of Accounts	\$ Value
Tax Exempt Assets:		
ERISA	10	\$1B
Public	9	\$253mm
Taft-Hartley	1	\$37mm
Endowment	1	\$1mm
Foundation	7	\$14mm
Religious Order	2	\$10mm
Other	51	\$2B
Total Tax-Exempt	81	\$3.3B
Taxable Assets:		
Personal Trusts	63	\$89mm
Commingled		
Total Taxable	72	\$115mm
Mutual Funds:		
Equity	1	\$28mm
Fixed Income		
Money Market		
Total Mutual Funds	1	\$28mm
Overall Total	154	\$3.4B

14. Provide a breakdown of the PRODUCT'S accounts & assets in the following table:

	# of Accounts	\$ Value
Tax Exempt Assets:		

ERISA	10	\$1B
Public	4	\$73mm
Taft-Hartley		
Endowment	1	\$1mm
Foundation	5	\$7mm
Religious Order		
Other	44	\$1.2B
Total Tax-Exempt	64	\$2.3B
Taxable Assets:		
Personal Trusts	54	\$44mm
Commingled		
Total Taxable	61	\$54mm
Mutual Funds:		
Equity	1	\$28mm
Fixed Income		
Money Market		
Total Mutual Funds	1	\$28mm
Overall Total	126	\$2.4B

15. What are your firm's plans for growth of these assets?

The Mar Vista team is process-focused. We believe consistent execution of our investment process will generate superior risk-adjusted returns, which will lead to asset growth in our Strategic Growth and Focus strategies.

16. Are there plans for limiting growth in any of the above areas?

As a large-cap growth manager with lower turnover, there are few asset-size limitations and, under normal circumstances, we would not consider limiting growth until assets were more than \$20B. However, our primary focus is on our existing clients and we may, from time-to-time, temporarily close the strategy to new assets if we feel our infrastructure is not adequately prepared for future growth or liquidity is adversely impacting our performance.

17. How does your firm plan to staff the growth of the firm described above?

Mar Vista has no plans to add staff for the foreseeable future even as the assets under management grow.

18. Give five (5) references for your services.

Richard O'Connell, UBS Global Asset Management	020-7901-5037 (London)
David Hintz, Russell Investments	206-505-2011
Patrick Silvestri, Attucks Asset Management	312-422-9900
Kevin Jamison, Lockheed Martin Investment Mgmt. Company	301-571-7152
Matthew Jolliff, Caterpillar Inc.	309-675-9467

19. State the average size of the firm's 5 largest tax-exempt funds.

\$325mm

20. Indicate the number & assets of tax-exempt accounts the FIRM gained & lost in each category:

Gained	2011		2012		2013		2014		2015	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public	3	\$43mm			1	\$15mm	1	\$5mm	1	\$5mm
ERISA							1	\$44mm		
Taft-Hartley										
Endowment										
Foundation									1	\$5mm
Religious Order										
Other	8	\$291mm	5	\$226mm	4	\$414mm	4	\$56mm	4	\$43mm
Total	11	\$334mm	5	\$226mm	5	\$429mm	6	\$105mm	6	\$53mm

Lost	2011		2012		2013		2014		2015	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public	8	\$103mm	2	\$90mm			3	\$48mm		
ERISA					2	\$48mm	2	\$93mm		
Taft-Hartley	1	\$9mm			1	\$202mm				
Endowment										
Foundation	1	\$7mm	1	\$2mm						
Religious Order										
Other	12	\$158mm	6	\$53mm	8	\$27mm	11	\$244mm	3	\$20mm
Total	22	\$262mm	9	\$145mm	11	\$277mm	16	\$385mm	3	\$20mm

21. Please discuss any unusually large number of accounts or assets lost.

In 2011, a fund-of-fund relationship terminated, resulting in a larger than average amount of account terminations. In 2013, a large Taft-Hartley account terminated as a result of needing to monetize their VEBA plan. In 2014, a large separate account terminated and transferred its assets (\$173mm) to a UMA account with Mar Vista, other accounts terminated (\$129mm) as a result of the fund-of-fund managers losing their relationships. In other years the most cited reasons for account terminations have been allocation changes, an increase in passive management, or general fears about the market.

22. Indicate the number & assets of tax-exempt accounts the PRODUCT gained & lost:

Gained	2011		2012		2013		2014		2015	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public							1	\$5mm	1	\$5mm
ERISA							1	\$44mm		
Taft-Hartley										
Endowment										

Foundation									1	\$5mm
Religious Order										
Other	4	\$84mm	4	\$212mm	4	\$413mm	3	\$54mm	3	\$39mm
Total	4	\$84mm	4	\$212mm	4	\$413mm	5	\$103mm	5	\$49mm

Lost	2011		2012		2013		2014		2015	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public	8	\$103mm	1	\$18mm			3	\$48mm		
ERISA					2	\$48mm	2	\$93mm		
Taft-Hartley										
Endowment										
Foundation	1	\$7mm								
Religious Order										
Other	8	\$102mm	2	\$82mm	4	\$15mm	3	\$219mm	3	\$20mm
Total	17	\$212mm	3	\$99mm	6	\$63mm	8	\$360mm	3	\$20mm

23. For the *PRODUCT*, please discuss any unusually large # of accounts or assets lost.

In 2011 a fund-of-fund relationship terminated, resulting in a larger than average amount of account terminations. In 2014, a large separate account terminated and transferred its assets (\$173mm) to a UMA account with Mar Vista, other accounts terminated (\$129mm) as a result of the fund-of-fund managers losing their relationships. In other years the most cited reasons for account terminations have been allocation changes, an increase in passive management, or general fears about the market.

In the following table, list the 5 clients (or all clients, if fewer than 5 in the strategy) with the most invested in the product (including clients that aren't included in the composite), and the requested details.

If the client is public (or you may disclose its name) please do. Otherwise state the type of client (e.g. Taft-Hartley, Foundation, Sub-Advisory, Mutual Fund, etc.).

For Vehicle, potential choices would include (but aren't limited to) Separate Account, Commingled Fund, CIT, Mutual Fund, etc.

	Client Name or Type	\$ Invested	State (or Nation)	Investment Year	Vehicle	Included In Composite?
1	Corporation	\$664mm	Illinois	2016	Separate Acct	Yes
2	UMA	\$279mm	Washington	2014	Separate Acct	No
3	Sub-Advisory	\$186mm	Washington	2013	Separate Acct	Yes
4	UMA	\$100mm	Washington	2016	Separate Acct	No
5	UMA	\$84mm	Washington	2015	Separate Acct	No

Investment Philosophy Implementation

1. Describe the structure of the product's investment team, including how many members the team has and the responsibilities of each member. Include an organizational chart which details the flow of information used in the decision making process.

The investment team is comprised of our four investment professionals. Brian Massey and Silas Myers co-manage the Strategic Growth strategy and collaboratively construct and manage the portfolios. Joshua Honeycutt and Jeffrey Prestine serve as analysts on the investment team.

Each person on the team has sector specific research responsibilities: Brian Massey (healthcare, financials); Silas Myers (industrials, materials); Joshua Honeycutt (consumer staples, consumer discretionary); Jeffrey Prestine (technology, energy, telecommunications). While each analyst is responsible for his specific industries, the investment team works collaboratively to debate the merits of each business, its valuation and the scenario analysis. The co-portfolio managers are responsible for determining the weights, as well as administration requirements and account specific restrictions.

2. How long have the key members of the team worked with this product? Have there been additions or departures in the last 3 years for the team managing the proposed product? Please explain.

Brian Massey, Silas Myers and Joshua Honeycutt have worked together on this product since its inception in 2003 while employed at Roxbury Capital Management. Jeffrey Prestine joined the team in 2006. There have not been any additions or departures for the team since Mar Vista's inception in 2007.

3. What is the # of accounts and account volume (in \$) that is handled by this team?

The team is responsible for the assets managed by Mar Vista, which as of September 30, 2016 included 154 accounts valued at \$3.4B.

4. Do the same groups manage equity, fixed income, & balanced portfolios at the firm?

Mar Vista is an equity only investment advisor and our investment team solely manages equity portfolios.

5. Does the firm employ a central trading desk?

Yes, Mar Vista employs a trading desk.

6. If yes, describe the trading operation & the traders' qualifications.

Mar Vista's trading operations take place in Minnetonka, Minnesota. Portfolio managers are responsible for the trade recommendations. Traders are responsible for the creation of trade tickets and for ensuring that trades are placed and executed correctly. The head trader will review trade executions to ensure that the correct security was traded, in the correct account, for the correct number of shares, and that specific instructions were followed.

Mar Vista's trading team is comprised of two seasoned professionals:

Erik Hirsch is the head trader and is ultimately responsible for trading Mar Vista's investment strategies. Erik has worked with Mar Vista since its inception. Prior to that, Erik was a system engineer at Pacific Envirosystems, where he worked on Continuous Emission Monitoring Systems. He has a B.S. from the Massachusetts Maritime Academy.

Geoff Gainor has more than 23 years of investment industry experience. Prior to starting with Mar Vista in 2009, he spent nearly 9 years as an institutional equity trader at Piper Jaffray. Geoff has a B.S. in Management from St. John's University in Collegeville, Minnesota.

7. Does the firm have an investment committee?

No, Mar Vista does not have an investment committee.

8. If yes, describe how it operates & the background/experience of the members.

Not applicable.

9. If applicable, how often does the investment committee meet?

Not applicable.

Equity Investment Philosophy

1. Please indicate which categories most correctly identify the equity investment style of the product:

Large Cap	X	Core	
Mid Cap		Bottom-Up	X
Small Cap		Top-Down	
Micro Cap		Momentum	
All Cap		Sector Rotator	
Value		Market Neutral	
Relative Value		Low P/E	
Deep Value		Quantitative	
Growth	X	Fundamental	X
GARP		Index Funds	

2. In one or two brief sentences, please state the product's investment philosophy.

Mar Vista's value-based approach to growth investing is based on our philosophy that capital preservation is as important as capital appreciation in growing clients' wealth.

3. Describe the equity investment philosophy including how buy and sell decisions are made.

Mar Vista's investment philosophy, which is captured in each of our strategies, is based on tenets that have been consistently proven through time to generate superior investment returns for long-term investors. We apply a consistent, predictable and repeatable process based on five criteria:

- *Wide Moat* – We invest in companies that possess a wide economic moat with sustainable competitive advantages and attractive returns on capital.
- *Shareholder Value Growth* – Our investment team evaluates opportunities for unit and pricing growth, margin expansion and capital reinvestment.
- *Capital Allocation* – We assess management's ability to widen the economic moat through smart capital allocation and sound reinvestment.
- *Margin of Safety* – Within our universe, the investment team assesses the margin of safety, or the difference between fair value and the current stock price, by: (i) evaluating the range of potential outcomes for free cash flow generation, (ii) the probability for each scenario to occur, and (iii) the downside of an erroneous assumption.
- *Concentration* – when we identify skewed return opportunities relative to the amount of risk incurred, we take large positions.

Mar Vista uses a collaborative process that leverages each individual's unique skillset through a common investment framework which we are all students of and adhere to. While each member is responsible for identifying, analyzing and valuing businesses in their respective sectors, our investment team collaboratively debates the merits of a business' fundamentals and valuation assumptions. Ultimately, Brian Massey and Silas Myers, the co-portfolio managers for the Strategic Growth strategy, are the final decision makers but all team members have significant input.

While the process for buying a stock gets most of the attention, a sound sell discipline is equally important to generating alpha. In fact, despite the wide variety of investment philosophies employed, most investors follow the same three sell triggers: stock achieves its target price, capital is reallocated to better ideas or the original thesis was violated. We employ the same sell criteria; however, our unemotional execution of the sell discipline enhances our risk-adjusted returns. Typically, we scale out of positions as stock prices converge

with the analyst's current estimate of an investment's intrinsic value. In those rare instances when the investment thesis is violated, the position will generally be sold in its entirety.

The decision to sell a stock is often subject to many of the cognitive biases, like anchoring or commitment bias, that we believe cause the majority of investors to underperform over time. To limit the damaging effects of a poor sell discipline, Mar Vista has institutionalized a strict, unemotional process that ideally further differentiates risk-adjusted returns.

- Awareness and identification of the potential faults common to a process can help our investment team avoid them. For example, we are mindful that our value-based philosophy and longer-term time horizon can often lead to 'value-traps' when we erroneously expect better economic returns while the market is correctly pricing in more permanent declines.
- Referring back to our investment criteria for every investment, independent of stock price performance, leads to sound decision making. Selling an underperforming stock may feel psychologically good but might be a cognitive error if the probable outcomes are still favorable.
- In addition to being students of cognitive errors that cause poor decision making, we appoint a 'devil's advocate' on every investment to insure the team does not fall prey to those biases. It is his role to poke holes in our thesis and understand how our perceived edge versus consensus may be flawed.

If business fundamentals have materially missed the team's expectations, we shorten the investment horizon. We articulate strict quantitative criteria that the company must achieve to remain in the portfolio. If any of the fundamental metrics are violated in the ensuing quarters, our investment team will unemotionally sell the stock.

4. When was the investment philosophy established?

The framework for Mar Vista's philosophy was developed in 2003 by the current investment team.

5. Has this philosophy been implemented for the last five years? If not, are the creators of the previous philosophy still with the firm?

Yes, Mar Vista's philosophy has been implemented for the last five years.

6. What is considered to be the competitive advantage of the philosophy?

In our opinion, Mar Vista's philosophy, process, culture and business structure create consistent and sustainable competitive advantages that drive alpha-generating returns.

- *Analytical Advantage:* We believe our unique and more holistic analytical framework allows us to uncover superior business models that we value differently than the market.
- *Behavioral Advantage:* As students of behavior finance, we apply our unemotional process to identify and exploit consistent investor biases that create asymmetrical investment opportunities. Simply applying our longer time horizon often uncovers attractive opportunities.
- *Cultural Advantage:* Our investment team has been remarkably stable. Three out of the four investors have worked together for over 17 years while one joined ten years ago. Importantly, Mar Vista's common stock is 100% owned by our investment team. The incentive structure aligns our long-term interests with our clients.
- *Business Structure Advantage:* Since back office services operate out of our Minnetonka office, the investment team spends the majority of its time focused on allocating our clients' capital instead of attending to administrative issues.

7. What changes have been made to the investment process in the past 5 years?

There have not been any changes to the investment process in the past 5 years.

8. In what market environments is the strategy expected to outperform/underperform?

Mar Vista's investment philosophy and process are steadfast regardless of the investment environment. It is

probably easiest to describe the type of environments in which we would expect to underperform. All things being equal, we would expect to underperform in market environments where excessive valuations are no longer a reasonable representation of the fundamental outlook. In addition to momentum markets, we may underperform over the short-term during a phase when deep cyclical or commodity-centric businesses are driving market returns.

9. Please explain any significant quarterly underperformance over the past five years.

We judge our performance based on rolling 5-year periods and we don't emphasize the performance in a single quarter. When looking at the Strategic Growth rolling 5-year performance at the end of each quarter over the past five years, the strategy underperformed the Russell 1000® Growth Index in eleven out of twenty periods. The rolling five year annualized underperformance in those quarters was 42, 122, 106, 134, 164, 92, 143, 257, 230, 14 and 34 basis points.

The performance during this period captures the strategy's underperformance during 2009 and 2010 when high-growth, high valuation/momentum stocks were in vogue or when no moat, lower-quality, commodity/deep cyclical businesses were in a recovery. Typically, higher-quality businesses that may have less exciting near-term earnings momentum are undervalued during these periods. We understand that using a consistent process, regardless of the macroeconomic or market environment, can lead to extended periods of underperformance. But, on average and over time, we believe our approach of owning businesses with durable competitive advantages only when our stock is significantly mispriced will generate superior risk-adjusted returns over the long-term.

10. Indicate the % of equity market capitalization as of the most recent quarter-end, as well as a range over the last three years.

	<u>Current</u>	<u>3 year range</u>
Micro Cap (<\$100mm)	0%	0%
Small Cap (\$100mm - \$2b)	0%	0%
Mid Cap (\$2b - \$15b)	18%	10%-50%
Large Cap (>\$15b)	82%	50%-90%

11. Indicate the median and average market capitalizations for the most recent quarter-end.

	<u>(Product)</u>	<u>(Benchmark)</u>
Median Market Cap	70B	9B
Average Market Cap	125B	26B

12. Please share some of the risk constraints that are used by the firm (e.g., maximum sector weightings, maximum % for an individual holding, tracking error, etc.)

The Strategic Growth strategy consists of 30-50 stocks and typically does not exceed 5% at cost in any one security. However, positions can exceed 5% when the risk-reward is deemed favorable. Industry sectors are generally plus or minus 15% of the sector weights of the benchmark.

Sector selection is primarily a result of our bottom-up analysis and based on where we are finding the most durable growth franchises trading at attractive margins of safety. As long as our investment team is finding asymmetrical payoff opportunities, we will take significant absolute and relative weight in a sector. While we are aware of our sector/industry allocation relative to a benchmark, we are more concerned with the portfolio's economic factor exposure. In the portfolio construction process, we want to ensure that every decision is known and intended. Many times an economic factor will have considerable impact on returns of companies across a broad array of sectors. If we only focus on sector/industry weights, we would be exposing the portfolio to considerable unintended risk.

Individual holding sizes are based on several factors: (1) the durability and size of a company's moat, (2) our

expectations for intrinsic value growth relative to consensus, (3) the opportunities for management to reinvest capital at high incremental returns, (4) the range of potential outcomes, with particular emphasis on avoiding material downside, and (5) the margin of safety.

Mar Vista's largest positions will be in those stocks that have a large margin of safety, a wide economic moat and many reinvestment opportunities, yet have minimal downside to their worst-case scenarios. We will secondarily consider the portfolio's overall exposure to common macroeconomic factors to determine correlation risk and if the potential payoff warrants incurring that correlation.

Mar Vista does not have a target tracking error. The portfolio is primarily driven by individual stock ideas and not driven by benchmark stock or sector weightings. Therefore, we would expect our tracking error to be higher than managers that may stay closer to the benchmark. Based on our philosophy and process we tend to have less risk and be less volatile than our respective benchmark.

13. Are your managers given an approved stock list?

No, our investment team works collaboratively to generate ideas for inclusion in the portfolio.

14. If so, how many securities are typically on that list?

Not applicable.

15. Are there provisions so that securities that are not on the approved list may be purchased?

Not applicable.

16. Does the product invest in ADRs? If so, what are the current and maximum exposures?

The Strategic Growth strategy will hold ADRs. There are no limitations on the amount of ADRs that can be held in the portfolio and as of September 30, 2016, ADRs amounted to 3.4% of the portfolio.

17. Does the product invest in foreign ordinary shares?

No, the Strategic Growth strategy does not invest in foreign ordinary shares.

18. Describe, in detail, the use of cash in the equity process.

Cash is a residual of Mar Vista's bottom-up fundamental process. When the team is not finding investment opportunities that meet our risk-reward criteria there may be times when we will let cash build in order to put it to use when there is an attractive point of entry to purchase or add to a position.

19. What range of cash is typical?

Cash typically represents 2%-5% of the portfolio and under normal circumstances does not exceed 15% of the portfolio.

20. For the most recent period available please indicate the Product's top ten holdings:

	<u>Name</u>	<u>Industry</u>	<u>%</u>
(1)	American Tower Corp	Financials	5.79
(2)	Berkshire Hathaway Inc.-Cl B	Financials	5.40
(3)	Allergan Plc	Healthcare	4.42
(4)	TransDigm Group Inc.	Industrials	4.36
(5)	Pepsico Inc.	Consumer Staples	4.06
(6)	Markel Corp	Financials	4.02
(7)	Honeywell International Inc.	Industrials	3.96
(8)	Alphabet Inc.-Cl C	Information Technology	3.65

(9)	Oracle Corp.	Information Technology	3.58	
(10)	Apple Inc.	Information Technology	3.49	
			% Total	42.73

Research

- | | | |
|----|--|-----|
| 1. | What percentage of research is generated internally? | 80% |
| 2. | What percentage of research is obtained from outside sources? | 20% |
| 3. | Please describe how the research operation within your firm works. | |

The foundation of Mar Vista's research process is our sector specialization structure. Each person has been covering their respective industries for at least 15 years. We believe the cumulative knowledge built up over that time creates a competitive advantage in our ability to understand the true value drivers of a business, how the industry and businesses perform over cycles and how well management teams allocate capital to the favor of shareholders.

While each analyst is responsible for his specific industries, our investment team works collaboratively to debate the merits of each business, its valuation and their scenario analysis. Analysts use data from a variety of sources: publically available information, discussions/on-site visits with management teams, competitors or industry experts and sell-side research, amongst others. Each analyst builds a detailed financial model to assess the historical performance, capital structure and we run cash flow estimates based on various key value drivers. Mar Vista models typically project ten years of financials.

Once an analyst has identified a wide-moat business with an attractive margin of safety, the idea is presented to the investment team who then debate the merits of the business, management, valuation and range of potential outcomes.

4. Please describe how your firm obtains and pays for outside research reports.

Mar Vista has the option of trading directly with principal firms or agency brokers to pay for outside research. Soft dollars and commission sharing arrangements (CSA) are also used to obtain proprietary third party research. All soft dollar and CSAs are in compliance with Section 28(e) of the Securities and Exchange Act of 1934.

5. Please name the three primary sources of data and/or analyses upon which your firm relies.

- | | |
|-----|-----------------------------|
| (1) | Internal Proprietary Models |
| (2) | FactSet |
| (3) | SEC Filings |

6. Who coordinates the firm's research effort & what are their qualifications for that position.

Brian Massey and Silas Myers coordinate Mar Vista's research effort. They each have over twenty-five years of analyst experience. In addition, Brian Massey served as the Director of Research for Roxbury Capital Management before starting Mar Vista.

Personnel

1. In the table below, indicate the appropriate number of employees employed in each category.

	2012	2013	2014	2015
Equity portfolio managers	2	2	2	2
Bond portfolio managers				
Balanced fund managers				
Equity research analysts	2	2	2	2
Bond research analysts				
Economists				
Management and Administrative (Compliance, Operations)	1	1	1	2
Computer professionals				
Clerical				
Other (Marketing, Client Service, Trading)				
Total	5	5	5	6

2. Please provide biographical information on all key members of the proposed product's asset mgmt team, including years of experience with this asset class & years with the firm.

Silas A. Myers, CFA, Co-Founder, Portfolio Manager/Analyst

- Investment experience: 26 years; Strategic Growth Portfolio: 12.8 years; with firm: 8.9 years
- Former portfolio manager and analyst at Roxbury Capital Management, LLC
- Previously equity analyst and product specialist at Hotchkis and Wiley
- Served as a fixed income portfolio manager at Utendahl Capital Management
- B.A. from Harvard University
- M.B.A. from Harvard University
- Robert A. Toigo Foundation Alumnus

Brian L. Massey, CFA, Co-Founder, Portfolio Manager/Analyst

- Investment experience: 25 years; Strategic Growth Portfolio: 12.8 years; with firm: 8.9 years
- Former portfolio manager and Director of Research at Roxbury Capital Management, LLC
- Previously with KPMG Peat Marwick's Corporate Finance and Strategic Consulting
- B.S. from Johns Hopkins University
- M.B.A. from the Anderson School of Business at UCLA

Joshua J. Honeycutt, CFA, Partner, Analyst

- Investment experience: 17 years; Strategic Growth Portfolio: 12.8 years; with firm: 7.8 years
- Former research analyst at Roxbury Capital Management, LLC
- Previously an analyst with Harvey & Company and an associate in forensic accounting at Tucker Alan
- B.S. from Purdue University

Jeffrey B. Prestine, Partner, Analyst

- Investment experience: 17 years; Strategic Growth Strategy: 10.3 years; with firm: 7.8 years
- Former research analyst at Roxbury Capital Management, LLC
- Previously a senior equity analyst at Seneca Capital Management and an analyst at Prudential Securities
- B.A. University of Colorado
- M.B.A. University of Southern California

3. In the last 3 years, how many professional employees have left the firm for any reason?

There has not been any investment professional turnover since the firm's inception in 2007.

4. What qualifications are typical of the PMs, include yrs w/ firm, \$ under mgmt & # of accounts.

Silas Myers and Brian Massey are institutionally trained analysts with M.B.A. degrees from two of the top twenty M.B.A. programs in the nation. They each have over 25 years of industry experience and over 16 years of experience managing portfolios. In addition, they have managed portfolios as a team for over a decade. They currently manage 154 accounts with \$3.4B in assets under management.

5. Please describe the method of compensation employed for portfolio managers.

Portfolio managers receive compensation consisting of salary and equity returns. The investment professionals own 100% of the common equity of the firm and are therefore rewarded based on the profits of the firm through annual profit distributions. Portfolio managers are evaluated based on the overall performance of the strategies rather than individual contribution. We believe 100% equity ownership by the investment team is a unique and powerful attribute in an investment management firm.

6. Please describe the method of compensation employed for research analysts.

Research analysts receive compensation consisting of salary and equity returns. The investment team owns 100% of the common equity and are therefore rewarded based on the profits of the firm through annual profit distributions. Superior performance should help the firm grow the asset base, which in turn, will drive Mar Vista's profitability.

Client Service

1. Who would be the individual providing service for this client? Please provide a brief bio and description of responsibilities for this individual.
 Jay A. Pollitt, Mar Vista's Director of Sales would be responsible for providing services for this client.
 Jay is responsible for directing Mar Vista's nationwide business development efforts to the pension consulting community, separately managed accounts, sub-advisory relationships and to other institutional entities. In addition, Jay maintains client service responsibilities for many of Mar Vista's relationships throughout the United States.
2. What information about investments made in the submitted product is available to institutional clients in this strategy? How regular/up-to-date is this information, and how detailed?
 On a quarterly basis clients receive account statements, commentary and an account specific review, which includes information about activity in the strategy, a market overview, attribution and performance update. Statements and other client requested documentation can also be generated on a monthly basis if needed.
3. Does your firm offer an online portal for accessing information about this product?
 Mar Vista's website, www.marvistainvestments.com, offers online information about the Strategic Growth strategy.
4. How often does your firm create attribution reports for the portfolio (either on a perfunctory basis, or as solicited by clients).
 Attribution reports are run on a monthly basis or as requested by the portfolio manager or client.
5. Would your firm have a representative accept invitations to present to the board on a regular basis (roughly once per year, though possibly more or less often?) Would your firm be willing to have a portfolio manager present to the board as part of those presentations?
 Yes, Mar Vista is willing to have a portfolio manager available to present to the board on an annual basis, or as requested by the client.

Performance

1. Is your firm in compliance with GIPS?
2. If yes to the above, has your GIPS compliance been audited?
3. If yes to the above, who performed the audit?

Yes
Yes
ACA Compliance Group Performance Services

Performance – as of 3Q16

Investment Style	Large Cap Growth
Product Name Used For Performance	Strategic Growth
Inception Date	December 31, 2003
Account Type	Separate Account Composite
Benchmark Used	Russell 1000 Growth Index
Portfolio Manager/Team Leader	Brian L. Massey and Silas A. Myers
Years Managing this Product	12.8 years

Only include **RETURNS FOR COMPLETE YEARS'** performance in the table below.

Do NOT place returns for partial years in the table below, even if noted as incomplete.

Partial years and their performance may **only** go in the indicated box above.

Only complete years may be included in the returns below. List incomplete years, if any, this product has had in the box to the right.	
--	--

Commingled Funds and Separate Accounts **must** provide Gross of Fees Returns
Mutual Funds **should** submit Gross of Fees numbers if you have access to those numbers,
and must provide Net of Fees numbers at a minimum.

Never delete any of the below columns for any reason, even if you are leaving it blank.
These returns are **in addition** to the requirement to submit a complete quarterly returns since inception document, as described in the instructions section at the beginning of this RFP.

Are you providing Net of Fees instead of Gross of Fees returns below? Indicate with an "X" to the right only if yes. Otherwise, leave blank. (Only Mutual Fund submissions may do this)	
--	--

Period	Return Gross of Fees	Return Net of Fees	Preferred Benchmark Return	# of Accounts for Product	Assets (\$) in Composite
2006	11.03	10.54	9.07	19	\$12mm
2007	6.17	5.63	11.81	24	\$13mm
2008	-26.85	-27.09	-38.44	107	\$107mm
2009	34.73	34.30	37.21	139	\$408mm
2010	7.82	7.47	16.71	149	\$498mm
2011	2.02	1.69	2.64	80	\$487mm
2012	15.63	15.28	15.26	76	\$606mm
2013	32.59	32.25	33.48	69	\$998mm
2014	16.59	16.31	13.05	84	\$853mm
2015	3.51	3.24	5.67	103	\$811mm
1 st Quarter 2016	1.59	1.52	0.74	108	\$731mm
2 nd Quarter 2016	3.04	2.97	0.61	118	\$760mm
3 rd Quarter 2016	2.35	2.28	4.58	126	\$1.7B
Annualized 3-year	12.65	12.36	11.83		
Annualized 5-year	17.28	16.97	16.60		