Small Cap Focus

Portfolio Update: Second Quarter 2024

During the quarter ending June 30, 2024, the Small Cap Focus Composite (the "Strategy") returned -0.60%, net of fees compared to a -3.28% return for the Russell 2000® Index (the "Benchmark").

Performance	Quarter	YTD	1 Year	3 Years	5 Years	Since Inception (12/31/2018)
Small Cap Focus Composite (net of IM fees)	-0.60%	+4.26%	+13.22%	+2.24%	+10.13%	+13.11%
Small Cap Focus Composite (net of IM & WM fees)	-0.84%	+3.76%	+12.15%	+1.24%	+9.05%	+11.99%
Russell 2000® Index	-3.28%	+1.73%	+10.06%	-2.58%	+6.94%	+9.37%

Inception date: December 31, 2018. Performance for periods of greater than one year is annualized. Please see important disclosures at the end of this document. Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. Data as of June 30, 2024. Investment management fees are charged for managed investment accounts, is intended to compensate the portfolio managers for their time and expertise for selecting investments and managing the specific strategy as well as other items, such as investor relations expenses and the administration costs. These fees vary by client and for this presentation the highest possible wealth management fees has been applied in these calculations.

The Russell 2000® Index took a pause during the second quarter of 2024 after its impressive 30% rally from November 2023 through March 2024. Investors are reassessing the economic landscape considering recent Federal Reserve communications and economic data. The Federal Reserve's stance on maintaining higher interest rates for an extended period goes against earlier market expectations. At the end of 2023, futures markets had priced in six interest rate cuts for 2024. However, no cuts have materialized, and the Fed has indicated that only one cut might occur this year if inflation continues to make progress towards its 2% target.

Economic indicators present a mixed picture:

1. Artificial Intelligence: Continues to show strength and drive growth.
2. Consumer spending: Solid growth during the quarter but showing signs of deceleration.
3. Business investment: Strong in areas benefiting from government spending but declining elsewhere.
4. GDP growth: Weakening, raising concerns about a potential recession.

This combination of "higher for longer" interest rates and weakening economic activity has resulted in a narrowing market, characterized by a few significant winners and numerous smaller losers seen in the declining performance breadth chart below.

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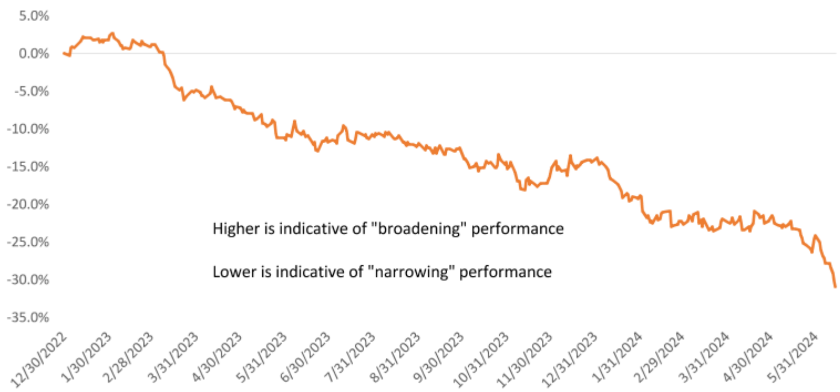
Exhibit 1. Performance Breadth (S&P 500 minus Russell 1000® Equal Weight Index) Since 2022



Source: FactSet, Raymond James Research.

The divergence between large-cap and small-cap performance is becoming more pronounced. Large-caps advanced 4% this quarter however 123% of that return came from the top 10 largest names.

The worst performing sectors were those adversely affected by higher interest rates, such as Consumer Discretionary, Real Estate, and Financials. Other underperforming sectors included those hurt by a slowing economy, including Energy, Industrials, and Materials. Healthcare, usually considered defensive, lagged due to disappointing Medicare re-imbursement rates and weakness in the Life Sciences industry. There were very few places to hide, except for AI-related excitement within the Technology sector, and defensive sectors like Consumer Staples and Utilities.

Contributors and Detractors

Carpenter Technology Corp. (CRS) is a turnaround in the corporate life cycle, early in its transition to potential higher economic returns. CEO Tony Thene has been working on improvement for several years, as the management team allocated capital away from commodity steel toward producing higher margin specialty alloy and performance engineered steel used in aerospace and medical technology. CRS delivered another strong quarter and Tony sees a path to significantly increase earnings for several years.

Monolithic Power Systems Inc. (MPWR) designs and provides small, highly efficient, easy-to-use power solutions for systems found in multiple semi-conductor end markets. MPWR had a very strong quarter, and we believe is strengthening its competitive moat and benefiting from positive trends in electrification, cloud computing, and artificial intelligence.

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SECOND QUARTER 2024 CONTRIBUTION REPORT
Ranked by Basis Point Contribution

	Basis Point Contribution	Average Weight
Top Contributors		
Carpenter Technology Corp.	+180	4.25%
Monolithic Power Systems Inc.	+103	5.30%
Fair Isaac Corp.	+91	5.06%
Watsco Inc.	+38	4.93%
Curtiss-Wright Corp.	+31	5.38%
Bottom Detractors		
Eagle Materials Inc.	-106	4.97%
Repligen Corp.	-105	2.83%
Pool Corp.	-86	3.25%
West Pharmaceutical Services Inc.	-70	3.87%
Kadant Inc.	-55	4.36%

Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. The above does not represent all holdings in the Strategy. Holdings listed might not have been held for the full period. To obtain a copy of our calculation methodology and a list of all holdings with contribution analysis, please contact your service team. The data provided is supplemental. Please see important disclosures at the end of this document.

Fair Issac Corp. (FICO) owns proprietary data and algorithms that offer organizations the power to automate, improve, and connect credit decisions across their businesses. Our 2016 value creation thesis that CEO Will Lansing would transform FICO into a more dynamic growth company by allocating more capital to its Decision Analytics business is playing out as anticipated. FICO has been developing AI capabilities for years. Recent advances enhance FICO's competitive position.

Portfolio detractors experienced or reported disappointing company specific results.

Eagle Materials Inc. (EXP) is a high-quality construction material company supplying cement and wallboards in the U.S. market. The stock lost momentum at the beginning of the quarter due to the worsening condition in the U.S. housing market, which dampened investors' expectations on EXP's wallboard business, which is mostly exposed to U.S. housing market. The cement business remained resilient, supported by the strong infrastructure and non-residential construction activities. We took a trim before the stock's correction to reduce the exposure to the housing market in the portfolio. Our fundamental thesis remains intact but will stay cautious given the waking up of factor risks (housing downcycle).

Repligen Corp. (RGEN) was a detractor this quarter due to a few factors. First, there continues to be concern about when the inventory de-stocking issues that have hampered the life sciences space will be alleviated and order growth will resume. Second, long-tenured and well-respected CEO Tony Hunt announced his resignation and the company did not reaffirm 2024 guidance. Tony will continue to be actively involved in the company and the new CEO, Oliver Loeillot, has extensive experience in the bioprocessing market with leadership roles at Cytiva/Danaher Corp. and Lonza Group AG so we feel comfortable with the management transition. Further, we believe that the current valuation already reflects the inventory de-stocking headwinds. As a result, we continue to be comfortable owning the company.

Portfolio Activity

As long-term business owners, turnover is typically low. However, we initiated a new position in BWX Technologies (BWXT). BWX Technologies designs and manufactures precision naval nuclear reactors and components for the U.S. government. It has a particular expertise in Small Modular nuclear reactors, which we believe the will be an important solution for cleanly, efficiently, economically and safely meeting growing clean energy demands. We believe the market is undervaluing this long-term secular growth opportunity.

Outlook

Interest rates may emerge as the pivotal factor likely to shape investment returns for the remainder of the year. The market has been adapting to the "higher for longer" interest rate environment, but a shift towards lower rates appears to be on the horizon. This anticipated change could usher in exciting opportunities for investors in smaller cap companies.

We believe there are two equally probable paths to lower Rates:

1. Benign Inflation Scenario: A Catalyst for a broadening market and small cap outperformance

There's growing optimism that we may see interest rates decline due to successfully controlled inflation. This scenario could ignite a "risk-on rally," reminiscent of the market's impressive performance in late 2023. Such a development may likely benefit:

- Small-cap stocks, potentially outperforming their large-cap counterparts
- A broader market rally, extending gains beyond a select few sectors/companies
- Increased investor confidence and appetite for risk-oriented assets

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2. Recessionary Pressures Scenario: Short-term Challenges, Long-term Opportunities

While less ideal, small cap valuations already reflect concerns about slowing economic growth, whereas large cap stocks do not as they continue to hit new highs. Even if rates decrease due to recessionary concerns, the longer-term outlook remains cautiously optimistic. Investors may face some near-term volatility, but this could set the stage for attractive entry points. As rates continue to fall to stimulate economic activity, we may see:

- A resurgence in economic growth once rates reach sufficiently low levels
- Potential for significant returns for investors who maintain a long-term perspective
- Small caps outperform as they typically lead when the economy exits a recession

Regardless of which scenario unfolds, the anticipated move towards lower interest rates presents compelling investment prospects. Savvy investors may consider gradually increasing exposure to small-cap oriented stocks.

Of course, more things can happen than will happen, including rates increasing, not moving much at all, external shocks, uncertainty associated with international wars and a potentially contested presidential election. Uncertainty is why the Strategy is efficiently diversified across sector and lifecycle in an effort to improve the odds of outperforming across most of the likely scenarios, but also in an effort to protect against unforecastable shocks, so that company specific value creation is the primary driver of excess return over the long-term.

Finally, we are asking ourselves, might history repeat or at least rhyme. The chart below compares the performance of the Russell 2000® smaller companies index to the S&P 100 large-cap index.

Exhibit 2. Ratio of Russell 2000® vs. S&P 100: 1979 - 2024

Source: Bespoke Investment Group

The cyclical nature of financial markets often presents intriguing opportunities for astute investors. As we analyze the performance of the Russell 2000® smaller companies index relative to the S&P 100 large-cap index, a compelling narrative emerges that suggests we may be approaching an inflection point favoring smaller companies.

The chart above is a visual representation of market dynamics that reveals a pattern that has historically rewarded patient investors who recognize the potential for mean reversion.

Regardless, of headwinds or tailwinds, we believe that by owning what we believe to be the best allocators of capital with skilled management teams that demonstrate knowledge building cultures, adaptability, and capital allocation consistent with long-term value creation, we believe we can own a portfolio of smaller companies that will grow to become larger companies, thereby providing our investors attractive long-term risk adjusted returns.

Thank you for your commitment to the Strategy.

Sincerely,

Chris Faber
Portfolio Manager

TOP TEN HOLDINGS AS OF 6/30/24

Company	% of Assets
Monolithic Power Systems Inc.	6.02%
Fair Isaac Corp.	5.85%
Curtiss-Wright Corp.	5.43%
Watsco Inc.	4.99%
Kadant Inc.	4.53%
Eagle Materials Inc.	4.41%
EastGroup Properties Inc.	3.67%
West Pharmaceutical Services Inc.	3.60%
Devon Energy Corp.	3.41%
Carpenter Technology Corp.	3.20%

Holdings are subject to change. Past performance is not indicative of future results, and there is risk of loss of all or part of your investment. The data provided is supplemental. Please see disclosures at the end of this document.

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An investment cannot be made directly in an index. The index data assumes reinvestment of all income and does not bear fees, taxes, or transaction costs. The investment strategy and types of securities held by the comparison index may be substantially different from the investment strategy and types of securities held by the strategies. The benchmarks are shown for comparison purposes and are fully invested and include the reinvestment of income. The Russell 2000® is a subset of the Russell 3000® Index, representing about 8% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2500® is a subset of the Russell 3000®, including approximately 2500 of the smallest securities based on their market cap and current index membership. The strategies include small- to mid-cap equity portfolios. The strategies may target investments in companies with relatively small market capitalizations (generally between $500 million and $10 billion at the time of initial purchase), that are undervalued as suggested by RMB Capital's proprietary economic return framework. The S&P 500 is widely regarded as the best single gauge of the United States equity market. It includes 500 leading companies in leading industries of the U.S. economy. The S&P 500 focuses on the large cap segment of the market and covers approximately 75% of US equities. The Russell 2000® Value Index tracks the performance of companies with lower price-to-book ratios, which shows a company's market price relative to its balance sheet. The Russell 2000® Growth Index is a subset of companies with higher price-to-book ratios, or those expected to have higher growth values in the future. The Russell 3000® Index is a capitalization-weighted stock market index that seeks to be a benchmark of the entire U.S. stock market. The indexes do not reflect investment management fees, brokerage commissions, or other expenses associated with investing in equity securities.

Basis Point (bps)*: A unit that is equal to 1/100th of 1% and is used to denote the change in a financial instrument.*

The ***price-earnings ratio*** *(****P/E ratio****) relates a company's share price to its earnings per share. A high P/E ratio could mean that a company's stock is over-valued, or else that investors are expecting high growth rates in the future.*

The Volatility Index or VIX *is the annualized implied volatility of a hypothetical S&P 500 stock option with 30 days to expiration. The price of this option is based on the prices of near-term S&P 500 options traded on CBOE Options Exchange, formerly known as* the Chicago Board Options Exchange *(CBOE), is the world's largest options exchange.*

The Russell 1000® Index *is a U.S. stock market index that tracks the highest-ranking 1,000 stocks in the Russell 3000 Index, which represent about 93% of the total market capitalization of that index.*

The S&P 100 Index *is a stock market index of United States stocks maintained by Standard & Poor's. Index options on the S&P 100 are traded with the ticker symbol "OEX".*

<u>Life Cycle Stages</u>

Rockets*: These are hyper-growth, early-stage companies which consume a lot of capital as they try to execute their business model. Typically, they are innovative with new products, new services, or new business processes that may threaten the status quo of existing larger companies. Upside potential may be huge, but so is downside risk. Volatility is high, and results are often binary.*

Golden Goodies*: These are Rockets that have survived and proven that they have viable long-term business models. They have historically tended to grow faster than the overall market and need to beat the fade in returns by continuing to fend off competitive threats. These have a history of being classic asset compounders and will continue to create wealth for as long as they can beat that fade.*

Falling Angels*: These are Golden Goodies whose growth rates have slowed because they have become so large or their economic returns have been falling because of competitive threats or an inability to find reinvestment opportunities at current high rates of return.*

Corks*: These are mature companies where the economic returns approximate the cost of capital. Asset growth does not add or destroy value, so improving the level of economic return is critical to their success.*

Turn Arounds*: These distressed companies are the victims of overcapacity, weak competitive position, or poor capital allocation. In order to be successful, they must divest the lower return segments of their overall business.*

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RMB Asset Management

Small Cap Focus Composite // GIPS Report

Organization | Curi RMB Capital, LLC ("Curi RMB Capital") is an independent investment advisor registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940 and established in 2005. The GIPS firm is defined as RMB Asset Management ("RMB AM"), a division of Curi RMB Capital. Previously, the firm was defined as RMB Capital and was redefined on January 1, 2016 to only include the asset management business due to the difference in how its investment strategies and services are offered. RMB AM claims compliance with the Global investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. RMB AM has been independently verified for the periods April 1, 2005 through December 31, 2022. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures 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.

Description | The Small Cap Focus Strategy reflects the performance of fully discretionary equity accounts, which have an investment objective of long-term growth using a portfolio of primarily small-cap stocks and for comparison purposes is measured against the Russell 2000® index. The Strategy seeks to maintain a concentrated portfolio of approximately 40 securities. The inception date of the Small Cap Focus Composite is December 31, 2018 and the Composite was created on December 31, 2018. The composite includes small cap equity portfolios invested in undervalued companies as suggested by Curi RMB Capital's proprietary economic return framework, with relatively small market capitalizations (generally under $2.5 billion at the time of initial purchase) and with both growth and value attributes. Valuations and returns are computed and stated in U.S. Dollars.

		Composite Assets							
Year End	Total Firm Assets as of 12/31 ($M)	USD ($M)	# of Accounts Managed	Composite Gross-of-Fees (%)	Composite Net-of-Fees (%)	Russell 2000® (%)	Composite 3-YR ST DEV (%)	Russell 2000® 3-YR ST DEV (%)	Composite Dispersion (%)
2023	6,235.5	354.2	754	20.63	19.48	16.93	20.03	21.11	0.88
2022	5,228.7	279.2	670	-22.46	-23.08	-20.44	23.30	26.02	0.94
2021	6,277.6	309.9	528	28.55	27.65	14.82	19.80	23.35	0.99
2020	5,240.6	207.5	388	23.35	21.47	19.96	N/A	N/A	2.24
2019	4,947.9	97.9	253	32.23	31.26	25.52	N/A	N/A	0.79

** Composite dispersion is reported as N/A when the information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year*

Fees | *The standard management fee is 0.750% of assets on the first $2.0 million, 0.700% on the next $2.0 - $5.0 million, 0.650% on the next $5.0 million, 0.600% on the next $10.0 – $20.0 million, and 0.550% over $20.0 million. Net returns are computed by subtracting the highest applicable fee (0.35% on an annual basis) on a quarterly basis from the gross composite quarterly return, and the resulting quarterly net figures are compounded to calculate the annual net return. Net returns are computed by subtracting the highest applicable fee (0.75% on an annual basis) on a quarterly basis from the gross composite quarterly return, and the resulting quarterly net figures are compounded to calculate the annual net return. Actual investment advisory fees incurred by clients may vary. Composite performance is presented on a gross-of-fees and net-of-fees basis and includes the reinvestment of all income. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the Composite the entire year. Risk measures presented are calculated using gross-of-fees performance. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.*

Minimum Value Threshold | *There is no account minimum in the Small Cap Focus Composite.*

Comparison with Market Indices | *Curi RMB Capital compares its Composite returns to a variety of market indices. These indices represent unmanaged portfolios whose characteristics differ from the Composite portfolios; however, they tend to represent the investment environment existing during the time period shown. The returns of the indices do not include any transaction costs, management fees, or other costs. Benchmark returns presented are not covered by the report of independent verifiers. The benchmark for the Small Cap Focus composite is the Russell 2000® Index, which for comparison purposes is fully invested and includes the reinvestment of income. The Russell 2000® is a subset of the Russell 3000® Index, representing about 8% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000® index is an unmanaged index that is designed to measure the small cap segment of the U.S. equity universe. The index does not reflect investment management fees, brokerage commissions, or other expenses associated with investing in equity securities. You cannot invest directly in an index.*

Other | *Past performance is no guarantee of future performance. Historical rates of return may not be indicative of future rates of return. Individual client performance returns may be different than the composite returns listed. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. A list of Composite Descriptions and a list of Broad Distribution Pooled Funds are available upon request.*