

# Strategy Overview – Third Quarter 2021

## U.S. Alpha Strategy

### Investment Philosophy

We seek to help our clients meet their long-term investment objectives and to outperform for our clients by identifying well managed allocators of capital and buying them at a discount to fair value.

**Inception Date:** December 31, 2014

### Investment Approach

- The U.S. Alpha Strategy (the "Strategy") is a concentrated strategy that seeks long-term growth of capital
- The Strategy invests in high-quality companies across the market capitalization spectrum, employing intensive fundamental and qualitative analysis to identify investment opportunities; in general, companies owned by the Strategy are currently or have been owned by RMB Asset Management in one or more of its other investment strategies and are considered high conviction ideas
- The Strategy seeks to provide capital preservation in down markets

### Performance

	Quarter	YTD	1 Year	3 Years	5 Years	Since Inception (12/31/2014)
<b>U.S. Alpha Composite (gross of fees)</b>	+0.80%	+18.41%	+35.80%	+19.38%	+20.63%	+17.27%
<b>U.S. Alpha Composite (net of fees)</b>	+0.68%	+17.99%	+35.18%	+19.02%	+20.17%	+16.68%
<b>Russell 3000® Index</b>	-0.10%	+14.99%	+31.88%	+16.00%	+16.85%	+13.63%

### Holdings

Strategy Profile	Top 10 Holdings	Weighting	GICS Sectors	Weighting
Assets <b>\$20.5 million</b>	<b>Alphabet Inc.</b>	9.33%	<b>Information Technology</b>	26.64%
Total Number of Holdings <b>22</b>	<b>Microsoft Corp.</b>	8.50%	<b>Health Care</b>	22.77%
Assets in Top 10 Holdings <b>61.83%</b>	<b>Amazon.com Inc.</b>	7.39%	<b>Financials</b>	13.53%
Weighted Avg. Market Cap <b>527,037</b>	<b>First Republic Bank</b>	6.43%	<b>Communication Services</b>	11.34%
Turnover Ratio <b>2.86%</b>	<b>Bio-Techne Corp.</b>	6.20%	<b>Consumer Discretionary</b>	11.01%
Active Share <b>87.59%</b>	<b>West Pharmaceutical Services Inc.</b>	5.35%	<b>Industrials</b>	10.00%
	<b>Visa Inc.</b>	5.21%	<b>Materials</b>	3.27%
	<b>IDEXX Laboratories Inc.</b>	4.74%	<b>Real Estate</b>	0.00%
	<b>Amphenol Corp.</b>	4.37%	<b>Utilities</b>	0.00%
	<b>Vail Resorts Inc.</b>	4.31%	<b>Energy</b>	0.00%
			<b>Consumer Staples</b>	0.00%

Performance for periods of greater than one year is annualized. Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. Performance is net of the RMB Asset Management's management fee charged to client accounts and transaction costs. Please refer to the following page for important disclosure information. Information above is based on a representative account as of September 30, 2021 and is subject to change. Actual client holdings may vary.

While "high-quality" has no single, strict industry definition, we define high-quality stocks as those that we believe offer more reliability and less risk based on a set of clearly defined fundamental criteria including hard criteria (e.g., balance sheet stability, operating efficiency, enterprise life cycle) and soft criteria (e.g., management credibility). We define well-managed companies as those that intentionally grow assets when their economic return on capital is above the cost of capital, are willing to shrink assets when economic returns below the cost of capital, and actively seek to improve economic return when it is approximately equal to the cost of capital.

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**RMB**  
Asset Management

# U.S. Alpha Strategy

## RMB Asset Management

U.S. Alpha Composite // Annual Disclosure Presentation

**Organization** | RMB Capital Management, LLC ("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 RMB Capital Management, LLC. 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, 2019. 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 U.S. Alpha Strategy product reflects the performance of fully discretionary fee-paying equity accounts, consists of all portfolios invested in our concentrated, all-cap equity strategy that seeks long-term growth of capital. The strategy invests in the equities of high-quality U.S. companies across the market capitalization spectrum, employing intensive fundamental and qualitative analysis to identify investment opportunities among companies with long-term track records of wealth creation and attractive valuations. Portfolios within this composite typically invest in 20-30 companies. For comparison purposes is measured against the Russell 3000 index. The inception date of the composite is December 31, 2014. The composite was created on January 21, 2016. Valuations and returns are computed and stated in U.S. Dollars.

## ANNUAL PERFORMANCE RELATIVE TO STATED BENCHMARK

Year End	Composite Assets			Annual Performance Results					
	Total Firm Assets* as of 12/31 (\$M)	USD (\$M)	# of Accounts Managed	Composite Gross-of-Fees (%)	Composite Net-of-Fees (%)	Russell 3000 (%)	Composite 3-YR ST DEV (%)	Russell 3000 3-YR ST DEV (%)	Composite Dispersion (%)
2020	5,240.59	11.17	8	31.84	30.61	20.89	17.28	19.41	0.19
2019	4,947.90	8.85	5	26.03	24.85	31.02	11.23	12.21	0.13
2018	4,196.90	7.21	<5	3.36	2.33	-5.24	10.80	11.18	0.08
2017	3,610.61	6.73	<5	23.75	22.72	21.13	10.76	11.90	N/A
2016	NA	2.69	<5	8.50	7.58	12.73	N/A	N/A	N/A
2015	NA	1.66	<5	7.33	6.43	0.48	N/A	N/A	N/A

\*RMB Capital acquired the composite by combining with IronBridge Capital Management on June 24, 2017. Firm assets prior to 2017 are not presented as the composite was not part of the firm.

**Fees** | The standard management fee is 1.00% on the first \$250,000, 1.00% on the next \$750,000, 0.95% on the next \$2 million, 0.90% on the next \$2 million, 0.80% on the next \$5 million, and 0.75% on the next \$15 million. 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. Net returns are computed by subtracting the highest applicable fee (1.00% 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. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the Composite the entire year. Prior to 2018, internal dispersion was calculated using the equal weighted standard deviation 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** | The account minimum in the U.S. Alpha composite is currently \$500 thousand.

**Comparison with Market Indices** | RMB 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 U.S. Alpha Equity composite is the Russell 3000® Index, which for comparison purposes is fully invested and includes the reinvestment of income. The index consists of the 3000 largest publicly listed U.S. companies, representing about 98% of the U.S. equity market. 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.

Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. The opinions and analyses expressed in this strategy overview are based on RMB Capital Management, LLC's ("RMB Capital") research and professional experience and are expressed as of the date of our mailing of this strategy overview. Certain information expressed represents an assessment at a specific point in time and is not intended to be a forecast or guarantee of future performance, nor is it intended to speak to any future time periods. RMB Capital makes no warranty or representation, express or implied, nor does RMB Capital accept any liability, with respect to the information and data set forth herein, and RMB Capital specifically disclaims any duty to update any of the information and data contained in this strategy overview. The information and data in this strategy overview does not constitute legal, tax, accounting, investment, or other professional advice. The information provided in this strategy overview should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in the Portfolio at the time you receive this strategy overview or that securities sold have not been repurchased. The securities discussed do not represent the entire Portfolio and, in the aggregate, may represent only a small percentage of their holdings. It should not be assumed that any securities transaction or holding discussed was or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein. A complete list of security recommendations made during the past 12 months is available upon request. An investment cannot be made directly in an index. The index data assumes reinvestment of all income and does not account for 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 your account. The Russell 3000 measures the performance of the largest 3000 U.S. companies, representing approximately 98% of the investable U.S. equity market. The Russell 3000 Index is constructed to provide a comprehensive, unbiased, and stable barometer of the broad market and is completely reconstituted annually. High-quality investing is an investment strategy based on a set of clearly defined fundamental criteria that seeks to identify companies with outstanding quality characteristics. The quality assessment is made based on soft (e.g., management credibility) and hard criteria (e.g., balance-sheet stability).

