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Polen International Growth Portfolio
First Quarter 2017 Commentary

Summary:

- *The Polen International Growth Portfolio (the "Portfolio") was launched on January 1, 2017 with an objective aligned with our Firm's mission: Preserve and grow client assets to protect their present and enable their future.*

- *We intend to achieve the Portfolio's objective through concentrated investments in high-quality growth businesses outside the United States.*

- *For the first quarter of 2017, the first quarter since the inception of the strategy, the Portfolio returned 10.49% gross of fees. This compares to 7.86% for the Portfolio's benchmark, the MSCI All Country World Index (ex-United States) ["ACWI (ex-USA)"].*

We are pleased to kick off the Polen International Growth Fund's commentaries. We launched the strategy at the end of 2016. This letter will explain the International Growth strategy's approach, walk through why we think we can beat the benchmark in the long run and end with a review of Q1 performance.

Our approach to International Investing

We are fortunate to use the Polen Capital investment philosophy, process and discipline – a time-tested formula that for more than 28 years blazed a trail we'll now follow with this strategy. Focus Growth, which invests mostly in the United States, compounded investor capital at more than 14% annually since inception, a margin of relative outperformance that grew our original investors' capital into a 39x return (gross of fees) versus just a 14x return on investments made in the passive S&P 500 Index.

In this Portfolio we apply Polen Capital's principles to the international sphere. We view international equity markets through the same high-quality, growth-minded lens used in our Focus Growth and Global Growth strategies. The Portfolio holds companies headquartered outside the United States, with latitude to invest in developed, emerging and frontier markets. Our process adds a layer of risk management for country specific and sovereign level risks. We are overweight developed markets today with a preference for stability. We do not hedge currency exposures as Portfolio companies may hedge themselves and often generate revenues in the same currencies they bear expenses in, providing a natural hedge.

Let's briefly review the core tenets to our philosophy: quality, growth, concentration and a long-term time horizon. Each bears importance to our success.

Core Principles

Quality is our hallmark at Polen Capital. We define quality as high returns on equity achieved by companies with strong balance sheets. When a company clears these hurdles for extended periods there is a decent chance that it enjoys a competitive advantage. Such companies can reinvest their earnings at these high rates to drive compounded growth. Quality also matters because we intend for the Portfolio to compound for the long term and one key to high compounded rates of return is holding up well when markets falter. Quality improves our potential to protect investor capital in weak markets and we're excited about International Growth's potential to do just that. Meaningful relative outperformance in down markets since 1989 has contributed to Focus Growth's long-term performance and that is due in part to quality. One aim of quality investing is to avoid garbage. There are quite a few low-quality companies out there and passive indexes hold their fair share.

Growth fuels returns. If you've read commentaries for our other strategies, you know we're dogmatic in the belief that share prices following earnings growth over time. A simple fact is that Focus Growth's more than 14% annual returns since inception *slightly trails* the weighted average earnings per share growth of its constituent holdings. We seek companies that can contribute consistent earnings growth to our Portfolio over time. This is often achieved through reinvestment as discussed in the last section. Our desire for earnings persistence means we'll usually shy away from cyclical businesses.

Concentration limits risk. We run active strategies that look nothing like their benchmarks. The International Growth strategy holds 26 companies today. We intend to own 25-35 stocks at any point and to remain fully invested across cycles. For comparison, the passive ACWI (ex-USA) benchmark we're up against holds more than 1,850 stocks. There just aren't that many great companies out there. By extension of that point, we think adding additional companies to a high-quality portfolio exposes investors to more lower-quality businesses and that increases risk. Unlike academic definitions of risk, we think of risk as the permanent impairment of capital. This is a simple concept that goes all the way back to the creation of our investment philosophy by David Polen in 1989.

The importance of time. A significant edge within our investment program is a long-term time horizon. This fuels our temperamental edge. We observe that security prices are set by occasionally manic or irrational market participants. We weather market noise and volatility by keeping an eye to the long term. This stance should result in a low-turnover strategy and in the first quarter we made no changes to the Portfolio. The Focus Growth strategy again sets the tone here. Since 1989, the Focus Growth strategy has held a total of only 107 stocks.

The International Growth strategy will stay true to Polen Capital's principles as they're described here. Our aim is to build a Portfolio of competitively advantaged businesses delivering double-digit absolute returns over time. The Focus Growth strategy has done that and then some so we have big shoes to fill with the International Growth strategy.

A few thoughts about our benchmark, the MSCI All Country World Index (ex-USA)

The future is unknowable so why are we confident about our prospects? We've already explained why our concentrated approach to high-quality growth investments can put points on the scoreboard, so let's consider what we're up against.

The ACWI (ex-USA) index holds more than 1,850 companies around the world. More than 55% of the benchmark's holdings fall into sectors that Polen Capital has historically avoided. Those sectors are financials, industrials, materials, energy, real estate and utilities.

These sectors commonly violate our hurdles listed in the core principles section above by either producing low returns on equity, having poor balance sheets or by exhibiting low or inconsistent earnings growth. Lower-quality companies often produce higher variability in earnings, which is a drag. In comparison to our investment goal of driving double-digit absolute returns, the benchmark's earnings growth rate has averaged low- to mid-single digits since the turn of the century. Remember that we believe that share prices follow earnings growth over time.

While you may see us with a few holdings in these sectors from time to time, the *average* company in any of these six sectors is unlikely to ever appear in our Portfolio. The index's exposures across these sectors explain how our performance can vary widely from the benchmark and why we think we can outperform in the long run.

Portfolio Commentary

The Portfolio currently consists of 26 competitively advantaged growth businesses each with an ability to reinvest earnings and compound growth going forward. We tend to find more competitively advantaged businesses that meet our high hurdles in the technology, healthcare and consumer sectors and less so in the cyclical, commodity oriented and financial sectors. Our holdings span a variety of expected growth rates – a theme you'll see in other Polen Capital portfolios. Across the Portfolio we strive for a balance between durable growth businesses and more dynamic growth businesses. The latter contribute growth while the former offer ballast. In total, we expect the Portfolio to drive much faster growth in earnings and cash flows than the benchmark. Our belief is that a high-quality bias with faster growth in cash earnings offers the potential to achieve benchmark-beating returns.

For the first quarter of 2017 the Portfolio returned 10.49% before fees, compared to 7.86% for the ACWI (ex-USA) index, a difference of 2.63%. Strong earnings reports from many Portfolio companies drove solid absolute and relative performance. Merger and acquisition activity drove share price improvements in a few holdings (discussed below). All but one holding posted positive share price performance in the quarter. Healthcare and consumer staples contributions were among our strongest and we are currently overweight both sectors.

Anglo-Dutch consumer goods company **Unilever PLC** saw shares rally in the quarter as it rebuffed an attempted takeover by U.S.-based Kraft/Heinz (KHC). KHC is a disruptive force affecting the whole consumer staples industry. KHC takes an aggressive approach to expense management and would have slashed Unilever's cost structure, perhaps cutting both fat and muscle. You probably know Unilever products such as Lipton tea, Dove soap, Degree deodorant, and Breyers and Ben & Jerry's ice cream to name just a few. Unilever is a massive global fast-moving consumer goods franchise with roots going back to the nineteenth century. Unilever management heard KHC's message that corporate bloat and inertia endemic to many consumer staples companies cannot persist. A thorough review of business lines and balance sheet structures wrapped up early in the second quarter. Planned changes should enable existing shareholders to enjoy some of the improvements KHC would have sought had it succeeded in its bid, which should include more margin expansion than previously expected. We see a clear path for earnings growth from here through a combination of top-line growth and a more disciplined approach to operating expenses allowing earnings to grow faster than sales.

Australian biotech **CSL Limited** is a global leader in the highly regulated market for blood plasma derivatives. CSL's products include immune deficiency treatments, vaccines and a variety of other drugs. CSL delivered solid first half results and increased its guidance for fiscal year operating profit growth from low double-digits to 18-20%. This came through vibrant market growth and share gains in its core immunoglobulin business. An added boost came from growth in CSL's higher-margined specialty products, which are also developed from blood plasma but are used to treat other conditions such as hereditary angioedema (HAE), a rare inherited blood disorder that causes attacks of swelling in certain areas of the body. CSL is one of three global scaled players in the market for plasma products. An undersupplied immunoglobulin market is driving strong growth across the industry and this condition could persist for a few more quarters because capacity additions are slow to come by. Shares rallied 32% in the quarter. We believe CSL has the potential to compound earnings at a 15% rate for the next five years.

Chinese "social media" company **Tencent Holdings Ltd.** is really more of a platform or an operating system connecting nearly 900 million users, most of whom are in China. Tencent's network effects intensify as more users join. Tencent's platform offers users everything from social media, messaging, gaming, and content to payments services, ride hailing, and traditional commerce options like buying movie tickets, among many other uses. Tencent continues to compound at a high rate and it reported 48% revenue growth in 2016. Gaming contributes most of Tencent revenues today, but other revenue sources are emerging. The potential to offer advertisers exposure to Tencent's nearly 900 million users is one striking example. China's consumer spending as a percentage of GDP, at less than 40%, is still far below the level of most developed markets. Tencent currently serves one ad per user per day on its Weixin social media platform. For comparison, Facebook currently serves ~10 ads per user per day. This sets up a long term secular tailwind at a time when Tencent is just getting started in the monetization of its social network. We believe Tencent can grow earnings at a greater than 25% rate for many years.

Actelion Ltd. is a unique Swiss pharmaceutical holding and a leader in treatments for Pulmonary Arterial Hypertension, a rare and deadly disease affecting roughly 50,000 patients per year in developed markets. In January, Actelion announced an agreement to be acquired by U.S.-based Johnson & Johnson (JNJ) for $280/share plus one share of a new publicly-listed company that will be spun out of Actelion called Idorsia. Idorsia will retain ownership of Actelion's early stage research and development franchise. We believe in the research team's abilities at Actelion but will not be able to own Idorsia because it will lack the consistent earnings and cash generation we seek. Rumors of this deal circulated for two months and affected Actelion's share price prior to the Portfolio's launch. This appreciation prompted us to launch the strategy with a lower weighting in Actelion than we had initially planned. Absent JNJ acquiring the company, we thought Actelion presented a unique compounder for the next ten years. We'll regret seeing the business leave the Portfolio but enjoyed 28% appreciation in shares during the Portfolio's first quarter.

Our worst performer in the quarter was small business enterprise software provider **Sage Group plc**. Sage Group provides business management software for entrepreneurs to manage their accounting, payments and human resources needs easily. Despite the market's lack of interest in Sage Group shares this quarter, we continue to like the company very much. Sage Group is undergoing a transition in its business model to embrace cloud-oriented software that will be easy for customers to adopt. We think the change could soon propel the company to faster revenue growth and higher profits. At 19x 2017 earnings, shares are reasonably valued for a high-quality company on the verge of acceleration. We think profit margins could be *far higher* than today's levels and sales growth could begin to accelerate within twelve months. We believe Sage Group could grow earnings at a 12-15% rate for the next five years.

Attribution

The top three contributors (Portfolio average weight multiplied by return) for the first quarter of 2017 were Unilever (1.18%), CSL Limited (1.01%) and Tencent Holdings (0.98%). The three bottom three contributors were Sage Group (-0.07%), **Industria de Diseno Textil, S.A.** (0.06%) and **Compass Group PLC** (0.08%).

We continually search for new high quality investment candidates to add to the Portfolio. Thank you for your investment in the Polen International Growth Portfolio. Please do not hesitate to reach out to us with your questions or comments.

Sincerely,

J. Todd Morris

Historical Performance

Polen International Growth Performance - March 31, 2017			
	Polen (Gross)	Polen (Net)	MSCI ACWI ex-USA - ND
1Q 2017	10.49%	10.49%	7.86%
Since Inception (1/3/17)	10.49%	10.49%	7.86%

Please reference the supplemental information to the composite performance which accompanies this commentary.

Polen Capital Management
International Growth Composite-Annual Disclosure Presentation

		UMA	Firm	Composite Assets		Annual Performance Results				3 Year Standard Deviation**	
Year End	Total (millions)	Assets (millions)	Assets (millions)	U.S. Dollars (millions)	Number of Accounts	Composite Gross	Composite Net	MSCI ACWI	Composite Dispersion	Polen Gross	MSCI ACWI (ex-USA)
1Q17*	13,145	5,412	7,733	0.28	1	10.49%	10.49%	7.86%	0.0%	-	12.35

Total assets and UMA assets are supplemental information to the Annual Disclosure Presentation.
**Performance represents partial period (January 1, 2017 through March 31, 2017), assets and accounts are as of 03/31/17.*
*** 1Q2017 3 Year Standard Deviation is trailing through 03/31/17 for MSCI ACWI (ex-USA). 3 Year Standard Deviation is not available for the composite due to the composite's January 1, 2017 creation date.*

GIPS Disclosure

The International Growth Composite created on January 1, 2017 contains fully discretionary international growth accounts that are not managed within a wrap fee structure and for comparison purposes is measured against MSCI ACWI (ex-USA).

Polen Capital Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Polen Capital Management has been independently verified by Ashland Partners & Company LLP for the periods April 1, 1992 through December 31, 2015. The verification is available upon request.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Polen Capital Management is an independent registered investment adviser. The firm maintains a complete list and description of composites, which is available upon request. In July 2007, the firm was reorganized from an S-corporation into an LLC and changed names from Polen Capital Management, Inc. to Polen Capital Management, LLC.

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. Net of fee performance was calculated using actual management fees. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The management fee schedule is as follows:
Institutional: Per annum fees for managing accounts are 85 basis points (0.85%) on the first $50 Million and 65 basis points (0.65%) on all assets above $50 Million of assets under management. HNW: Per annum fees for managing accounts are 150 basis points (1.5%) of the first $500,000 of assets under management and 100 basis points (1.0%) of amounts above $500,000 of assets under management. Actual investment advisory fees incurred by clients may vary.

Past performance does not guarantee future results and future accuracy and profitable results cannot be guaranteed. Performance figures are presented gross and net of management fees and have been calculated after the deduction of all transaction costs and commissions. Polen Capital is a SEC registered investment advisor and its investment advisory fees are described in its Form ADV Part 2A. The advisory fees will reduce client's returns. The chart below depicts the effect of a 1% management fee on the growth of one dollar over a 10 year period at 10% (9% after fees) and 20% (19% after fees) assumed rates of return.

The MSCI ACWI (ex-USA) Index is a market capitalization weighted index designed to provide a broad measure of equity-market performance throughout the world (excluding the United States). The MSCI ACWI (ex-USA) is maintained by Morgan Stanley Capital International, and is comprised of stocks from both developed and emerging markets.

The information provided in this document should not be construed as a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain the composite or that the securities sold will not be repurchased. The securities discussed do not represent the composite's entire portfolio. Actual holdings will vary depending on the size of the account, cash flows, and restrictions. It should not be assumed that any of the securities transactions or holdings discussed 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 our past specific recommendations for the last year is available upon request.

Return	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
10%	1.1	1.21	1.33	1.46	1.61	1.71	1.95	2.14	2.36	2.59
9%	1.09	1.19	1.3	1.41	1.54	1.68	1.83	1.99	2.17	2.39
20%	1.2	1.44	1.73	2.07	2.49	2.99	3.58	4.3	5.16	6.19
19%	1.19	1.42	1.69	2.01	2.39	2.84	3.38	4.02	4.79	5.69