POLEN | CAPITAL

POLEN FOCUS GROWTH STRATEGY

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Key Takeaways

- During the third quarter of 2017, the Polen Focus Growth Composite Portfolio (the "Portfolio") returned 4.04% gross of fees. The S&P 500 and Russell 1000 Growth indices (the "Indices") were up 4.48% and 5.90%, respectively.

- While market earnings growth has improved this year versus last, excluding the rebound in the energy sector, broad-based earnings growth has remained modest to date.

- On a weighted average basis, the Portfolio has delivered greater than 20% earnings per share growth for the past several quarters, greatly outperforming the broader market.

- Consistent with the first half of the year, the information technology and healthcare sectors were leading contributors during the third quarter. Due to a difficult and evolving retail landscape, the consumer sectors weakened during the quarter and continued to be leading detractors.

- Excluding energy, which is simply recovering from very depressed earnings in the prior year, information technology accounted for roughly 40% of the S&P 500 earnings growth during the first half of 2017.

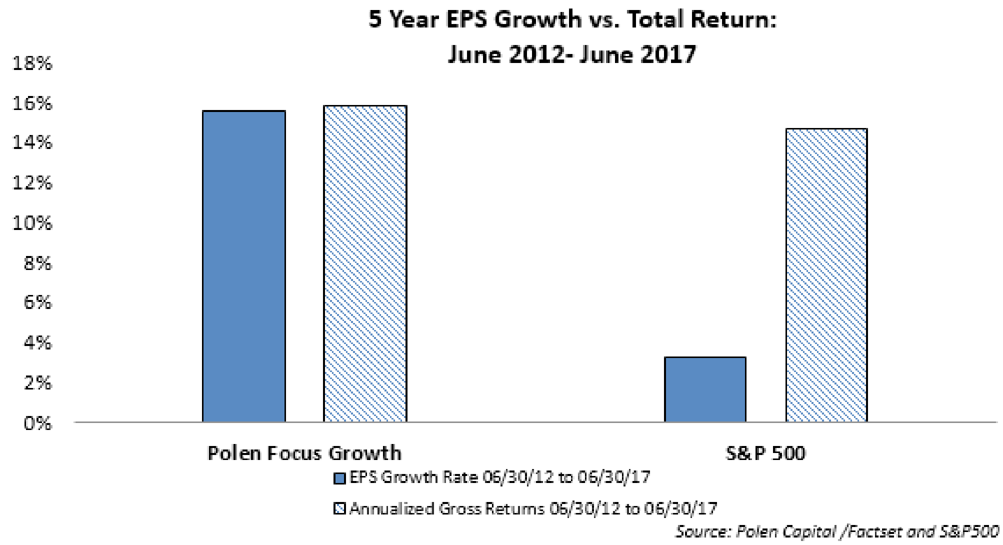
Commentary

During the third quarter of 2017, the Polen Focus Growth Composite Portfolio (the "Portfolio") returned 4.04% gross of fees. The S&P 500 and Russell 1000 Growth indices (the "Indices") were up 4.48% and 5.90%, respectively. Year to date through September 30, 2017, the Portfolio is up 21.45% versus 14.24% and 20.73% for the respective Indices. The strong year-to-date performance of our portfolio has been supported by the strong underlying earnings growth of our holdings. On a weighted average basis, the Portfolio has delivered greater than 20% earnings per share growth for the past several quarters, greatly outperforming the broader market over this period.

Following a relative pause in 2016, equity prices have resumed their aggressive ascent this year. As you can see in the chart on page 2, market prices (as represented by the S&P 500 returns) have increased at a much greater rate than underlying earnings growth during the past five years. While earnings growth has improved this year versus last, excluding the energy sector where earnings are recovering from very depressed levels, broad-based earnings growth has remained modest to date. While simply investing in the S&P 500 during the past five years has produced a strong return at a low fee—and this is certainly spurring the growth of passive investing—we think it's prudent to remain very mindful of what you own.

As can also be seen in the chart on page 2, our Portfolio's earnings growth has fully supported our returns. The credit quality of our Portfolio also remains much better than the Indices and we provide a historical review of this in our recent white paper Credit Quality and Valuation Trends of the S&P 500, which is a critique of passive investing.

Consistent with the first half of the year, the information technology and healthcare sectors were leading contributors during the third quarter. Due to the difficult and evolving retail



landscape, the consumer sectors continued to be detractors. Strong returns for financials and industrials were a relative headwind to our performance during the quarter given our lack of exposure to these sectors.

Year to date, information technology has been the leading contributor to our returns and to the broader market. While there has been a lot of press about technology stock performance recently—some implying that technology companies are becoming overvalued—there has been comparatively little written about the fundamental contribution that technology companies have made to overall earnings growth this year. Excluding energy, which is simply recovering from very depressed earnings in the prior year, information technology accounted for roughly 40% of the S&P 500 earnings growth during the first half of 2017. Technology businesses are collectively pulling more than their weight and that is being reflected in performance. Our technology holdings are certainly delivering strong earnings growth and that's on top of strong earnings growth from last year.

Portfolio Performance & Activity

As noted above, the Portfolio continues to deliver very robust results, growing earnings greater than 20% during the past year. We are expecting that earnings per share growth will moderate toward our mid-teens target, but so far that hasn't happened.

During the third quarter, the leading contributors to performance were **Visa, Inc., Align Technology, Inc.** and **Facebook, Inc.** Each of these companies is also a leading contributor on a year-to-date basis. With regards to Visa and Facebook, it was mainly just more of the same during the third quarter. Both businesses continue to deliver strong results and they were larger weights in our Portfolio, which makes their positive contributions that much stronger. Facebook's ad revenues increased 47% versus the prior year and its operating margin expanded nearly 500 basis points, contributing to 69% earnings per share growth. Management has been signaling for a while that ad load growth would become a less significant growth driver in the second half of 2017. Management reported that the number of ads delivered on Facebook's platform grew 19% in the second quarter, which was 13 percentage points lower than the first quarter. But ad pricing grew 24% in the second quarter and was ten percentage points higher than the first quarter, resulting in only modestly lower total ad revenue growth. This demonstrates the value of Facebook ads—prices are rising as inventory growth slows, demand rises and ads become more targeted and measurable—and was a very positive sign that the company can continue to deliver robust ad revenue growth even as total ad impressions moderate over time.

Visa delivered better than expected revenue and earnings for its fiscal third quarter and raised its guidance for fiscal 2017. They now expect revenue and adjusted earnings per share growth of 20% for the year. While revenue growth will moderate as they lap the Visa Europe integration, we expect earnings per share growth to remain robust. Given the roughly 35% share price appreciation year-to-date, we decided to trim our position in Visa to 6.3% of the Portfolio. While we remain very confident in the business's long-term growth trajectory and continue to believe that Visa has durable competitive advantages, we no longer felt that the valuation supported our prior higher weighting. To varying degrees, we made similar adjustments to our weightings in **Alphabet, Inc., Regeneron Pharmaceuticals, Inc.** and Align Technology during the quarter as well.

Align is not as large of a holding as Visa or Facebook, but it has been a leading contributor this year and during the third quarter due to its strong and accelerating business performance. Align's business has been inflecting positively in recent quarters with accelerating case volume growth and greater utilization rates by orthodontists. During the most recently reported quarter, teen cases grew 37% and orthodontist utilization increased about 20% versus the prior year. These are big improvements in the most important metrics of the business, indicating that Align is right on track to drive Invisalign penetration, displacing traditional braces (wires and brackets). Given a near doubling in the share price this year on roughly 50% earnings per share growth, we felt it was prudent to trim the position a bit despite our long-term enthusiasm for this exciting growth company.

The leading detractors from our third quarter performance were **NIKE, Inc., Regeneron Pharmaceuticals, Inc.** and **Starbucks Corporation**. While the difficult and evolving retail landscape is certainly having some effect on both NIKE and Starbucks, we remain confident in both businesses for the long-term. In its most recently reported quarter, Starbucks same-store sales comps were up 4% globally and up 5% in the United States. While this is a deceleration compared to prior years, the overall quick-serve restaurant (QSR) comp has decelerated as well. Starbucks's comp differential versus the industry actually improved slightly during its most recently reported quarter. Management is working through some growing pains with mobile order and pay, so it is not that Starbucks is without its own challenges, but recent results seem to be more an industry issue than a company-specific problem.

NIKE is currently dealing with multiple challenges. In addition to the evolving retail environment, adidas has had a resurgence in the United States, driven by its improved performance and by consumer preferences leaning more toward style than performance recently. Preferences do tend to ebb and flow over the years. NIKE skews more to performance than fashion, but its brand remains very strong. NIKE has also gone on the offensive with its distribution strategy, seeking to drive more direct retail and online sales while deemphasizing the wholesale channel, which we think makes a lot of sense. Going through this type of transition requires an inventory reset in North America though, and the company has been going through this for a few quarters now. Given the lackluster performance in North America during this transition, we are not surprised that NIKE shares have underperformed year to date. We remain confident in the company and the stock for the long-term though.

The other leading detractor during the quarter was Regeneron. Regeneron is outperforming the market year to date, but the shares gave back some of the strong second quarter gains during the third quarter. Fortunately, we had trimmed the position back a bit before that occurred. Second quarter performance was driven by the promising commercial trajectory of Dupixent, which was recently approved for atopic dermatitis, and by positive phase III data for the drug for asthma. During the third quarter, AbbVie reported positive phase II results for its small molecule drug upadacitinib in atopic dermatitis. Upadacitinib is a different class of drug than Dupixent, but could prove to be competitive in a few years, provided phase III trials yield similarly positive results. Given Dupixent's first-in-class status, its strong efficacy and safety as well as its multi-year head start, we are not concerned about its competitive position. The possibility of future competition may temper some people's peak sales estimates, but we continue to believe Dupixent will be a multi-billion-dollar product.

We used the proceeds from the trims noted above to add to our positions in **O'Reilly Automotive, Inc.** and **Oracle Corporation** during the quarter. We also added **Microsoft Corporation** to the Portfolio. While Microsoft's Windows franchise is something of an annuity at this point, we believe the Office franchise and server business (Windows server and Sequel server) are incredibly dominant and will drive attractive economics as they continue to transition from on-premise license businesses to cloud businesses. Microsoft's cloud infrastructure business, Azure, competes with Amazon's Web Services (AWS). While AWS still has a healthy lead in this business, Azure is growing faster than AWS and we think it will be a more compelling choice for many businesses for various reasons. We think Microsoft will deliver low-double-digit earnings per share growth over the long term and is very reasonably valued for such a high-quality growth business.

Attribution

The top three contributors (Portfolio average weight multiplied by return) for the third quarter of 2017 were Visa (0.94%), Facebook (0.92%) and Align Technology (0.91%). The top three detractors were NIKE (-0.70%), Regeneron (-0.45%) and Starbucks (-0.37%).

We continue to be very pleased with the Portfolio's performance. With few exceptions, the businesses that we own are delivering strong results. We think the Portfolio, in aggregate, remains well positioned to continue to deliver mid-teens earnings per share growth over the long term and this, we believe, is what drives returns over the long term.

Thank you for your interest in Polen Capital and please feel free to contact us with any questions or comments.

Sincerely,
Dan Davidowitz & Damon Ficklin

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Historical Performance

Polen Focus Growth (SMA) Composite as of 09-30-2017				
	Polen (Gross)	**Polen (Net)**	**R1000G**	**S&P 500**
Sep-17	0.76	0.76	1.30	2.06
3 Month	4.04	3.93	5.90	4.48
YTD	21.45	21.02	20.73	14.24
1 Year	20.71	20.15	21.95	18.61
3 Years	16.41	15.83	12.71	10.83
5 Years	15.56	14.95	15.26	14.24
7 Years	16.05	15.39	15.41	14.38
10 Years	11.74	11.00	9.09	7.44
15 Years	11.50	10.69	10.65	10.04
20 Years	10.47	9.59	6.55	7.00
25 Years	13.59	12.62	9.04	9.62
Since Inception (1/1/89)	14.48	13.46	10.21	10.35

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

Polen Capital Management
Large Capitalization Equity 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	S&P 500	Russell 1000 Growth	Composite Dispersion	PCM Gross	S&P 500	Russell 1000 Growth
2Q17*	15,037	6,017	9,021	4,184	503	16.73%	16.45%	9.35%	14.00%	0.2%	11.07	10.35	11.02
2016	11,158	4,648	6,510	3,246	454	1.73%	1.23%	11.96%	7.08%	0.2%	11.34	10.74	11.31
2015	7,451	2,125	5,326	2,469	352	15.88%	15.26%	1.38%	5.67%	0.1%	10.92	10.62	10.85
2014	5,366	1,374	3,992	2,019	257	17.58%	16.95%	13.69%	13.05%	0.2%	10.66	9.10	9.73
2013	5,017	1,197	3,820	1,887	256	23.77%	23.05%	32.39%	33.48%	0.3%	11.91	12.11	12.35
2012	4,522	891	3,631	1,571	357	12.43%	11.75%	16.00%	15.26%	0.1%	16.01	15.30	15.88
2011	2,366	562	1,804	596	185	9.03%	8.24%	2.11%	2.64%	0.2%	15.97	18.97	18.01
2010	1,185	322	863	337	129	15.65%	14.69%	15.06%	16.71%	0.2%	20.16	22.16	22.42
2009	624	131	493	235	127	39.73%	38.49%	26.46%	37.21%	0.3%	16.99	19.91	20.01
2008	266	10	256	152	121	-27.82%	-28.43%	-37.00%	-38.44%	0.2%	15.26	15.29	16.63
2007	682	-	682	504	152	10.78%	9.87%	5.49%	11.81%	0.2%	8.36	7.79	8.66
2006	730	-	730	533	224	15.00%	14.05%	15.80%	9.07%	0.1%	7.27	6.92	8.43
2005	1,849	-	1,849	986	430	-0.53%	-1.43%	4.91%	5.26%	0.2%	8.10	9.17	9.67
2004	2,017	-	2,017	1,160	693	8.73%	7.76%	10.88%	6.30%	0.2%	10.09	15.07	15.66
2003	1,617	-	1,617	969	570	17.72%	16.67%	28.68%	29.75%	0.6%	12.98	18.32	22.98
2002	970	-	970	544	420	-6.69%	-7.54%	-22.06%	-27.88%	0.4%	13.15	18.81	25.58
2001	703	-	703	417	305	-4.61%	-5.50%	-11.93%	-20.42%	0.6%	13.58	16.94	25.56
2000	622	-	622	363	239	-3.50%	-4.45%	-9.10%	-22.42%	0.5%	16.52	17.67	23.11
1999	640	-	640	385	233	23.89%	22.63%	21.04%	33.16%	0.6%	18.27	16.76	19.27
1998	418	-	418	266	205	31.61%	30.20%	28.58%	38.71%	0.7%	17.95	16.23	18.15
1997	252	-	252	147	160	37.14%	35.64%	33.36%	30.49%	0.9%	13.17	11.30	12.80
1996	140	-	140	94	125	31.95%	30.43%	22.96%	23.12%	0.7%	10.16	9.72	10.49
1995	70	-	70	46	63	48.08%	46.34%	37.58%	37.18%	1.1%	9.72	8.34	9.26
1994	32	-	32	18	28	10.11%	8.94%	1.32%	2.62%	1.6%			
1993	24	-	24	16	27	13.07%	11.85%	10.08%	2.87%	2.9%			
1992	16	-	16	11	24								

Total assets and UMA assets are supplemental information to the Annual Disclosure Presentation.
**Performance represents partial period (January 1, 2017 through June 30, 2017); assets and accounts are as of 06/30/17. ** 2Q2017 3 Year Standard Deviation is trailing through 06/30/17.*

GIPS Disclosure

The Large Capitalization Equity Composite created on January 1, 2006 contains fully discretionary large cap equity accounts that are not managed within a wrap fee structure and for comparison purposes is measured against the S&P 500 and the Russell 1000 Growth indices. Polen Capital invests exclusively in a portfolio of high-quality companies.

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 ACA Performance Services, LLC for the periods January 1, 2016 through June 30, 2016. A verification covering the periods from April 1, 1992 through December 31, 2015 was performed by Ashland Partners & Company LLP, which was acquired by ACA Performance Services, LLC, whose report expressed an unqualified opinion thereon.

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. The Large Capitalization Equity Composite has been examined for the periods April 1, 1992 through December 31, 2015. The verification and performance examination reports are available upon request.

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. From July 1, 2002 through April 30, 2016, composite policy required the temporary removal of any portfolio incurring a client initiated significant cash outflow of 10% or greater of portfolio assets. The temporary removal of such an account occurred at the beginning of the month in which the significant cash flow occurred and the account re-entered the composite the first full month after the cash flow. Additional information regarding the treatment of significant cash flows is available upon request.

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 75 basis points (.75%) on the first $50 Million and 55 basis points (.55%) 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 an SEC registered investment advisor and its investment advisory fees are described in its Form ADV Part 2A. The advisory fees will reduce clients' 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 S&P 500® Index is a widely recognized, unmanaged index of 500 common stocks which are generally representative of the U.S. stock market as a whole.
The Russell 1000® Growth Index is an unmanaged index that measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000® Index companies with higher price-to-book ratios and higher forecasted growth values.

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 in the composite or that the securities sold will not be repurchased. The securities discussed do not represent the composites' 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