

October 9, 2014

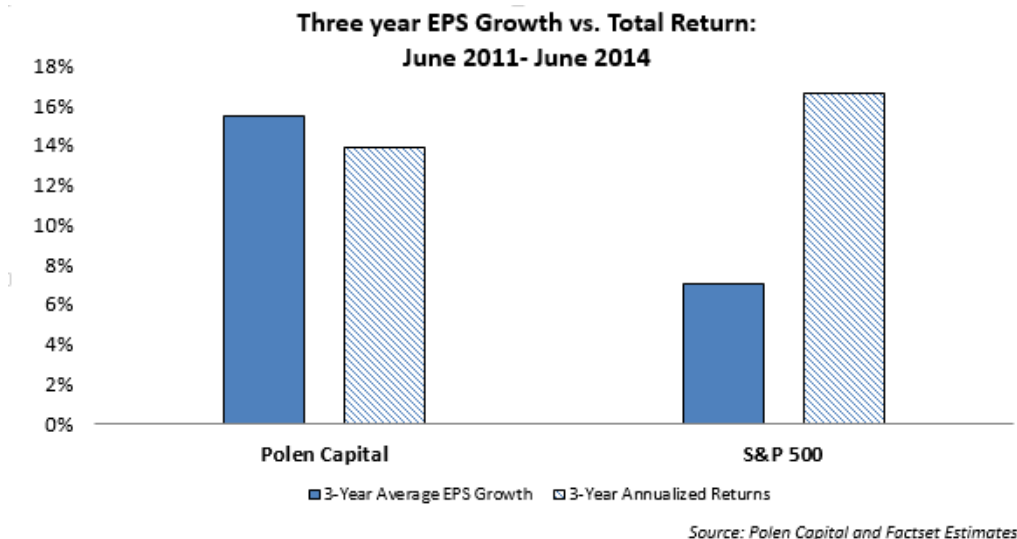
3rd Quarter 2014 Portfolio Commentary

Summary

- *The S&P 500 and Russell 1000 Growth indices both rose modestly during the third quarter, while overall earnings growth was solid. This is a change from the general trend of modest earnings growth and significant price-to-earnings multiple expansion during the past several years.*
- *Third quarter analysis offers the first hint that leveraged companies may begin to see less favor as the Federal Reserve reduces stimulus and moves toward eventually raising the Fed Funds rate.*
- *For the third quarter of 2014, the Polen Capital Large Cap Growth Portfolio (the "Portfolio") returned 1.76% (gross of fees) versus 1.49% and 1.13% for the Russell 1000 Growth and S&P 500 indices, respectively.*
- *Our outperformance during the quarter was due primarily to a share price recovery in two of our consumer-oriented holdings (Nike and TJX), strong performance from Regeneron and further appreciation in our largest holding Allergan.*
- *We are still very positive on Allergan as a standalone company and expect to have a new offer to evaluate, with additional thoughts to share, in the coming quarter.*
- *We eliminated our positions in Qualcomm and T. Rowe Price during the third quarter. In each instance, we felt that other opportunities offered more compelling investment prospects.*
- *We added to our positions in TJX, Regeneron and Priceline, all at lower prices. We also initiated a position in O'Reilly Automotive, which we believe is a competitively advantaged business with a strong position in a highly fragmented and growing industry.*

Commentary

The S&P 500 and Russell 1000 Growth indices both rose modestly during the third quarter, while overall earnings growth was solid. At a minimum this seems like a temporary change from the general trend of modest earnings growth and significant price-to-earnings multiple expansion that we have seen during the past several years. As you can see in the chart below, share price growth has far exceeded earnings per share growth for the S&P 500 during the trailing three years. Our Portfolio has continued to deliver strong earnings per share growth with share prices growing at a commensurate rate.



This was also one of only a few quarters in the past few years that leverage (as a factor) was not a headwind to our Portfolio's relative performance. As noted in more detail in our **2014 Mid-Year Investment Perspectives**, leveraged companies have been consistently favored in the low interest rate environment during the past several years. Given our strict focus on companies with strong balance sheets, the leverage factor has been working against us for several years now. Third quarter analysis offers the first hint that leveraged companies may begin to see less favor as the Federal Reserve reduces stimulus and moves toward eventually raising the Fed Funds rate. We would certainly welcome a market where share prices reflect the true, unadulterated economics of the underlying businesses.

Portfolio Performance and Activity

The Portfolio's outperformance during the third quarter was driven primarily by strong share price returns in two of our consumer-oriented holdings (Nike and TJX), significant appreciation in Regeneron and continued strong performance from our largest holding Allergan. We noted in our **2nd Quarter 2014 Portfolio Commentary** that our consumer-oriented holdings had been the greatest headwind to our performance year to date, with TJX as the leading detractor in the second quarter. TJX had reported soft same-store-sales growth earlier in the calendar year, which we believed was due mainly to harsh winter weather and other temporary issues. Stronger same-store-sales in the recently reported fiscal 2Q15 (as of 8/2/2014), on even more difficult comparisons from the prior year period, provided confirmation that the business is performing better than it appeared earlier this year. Sales growth was solid in fiscal 2Q15, merchandise margins improved, and inventory and costs were both well managed. Adjusted earnings per share increased more than expected, prompting management to raise its full-year guidance and driving a recovery in TJX's share price. After we added to our holding during the quarter, we now have a full position in TJX and believe the business is well positioned to continue to deliver solid double-digit earnings per share growth.

Nike delivered exceptionally strong results in its most recently reported fiscal 1Q15 (as of 8/31/2014). Total reported revenues increased 15%, well above expectations and a clear acceleration in growth that is very specific to Nike. The growth was broad based across key product categories, with Nike brand footwear up 18% and apparel up 11%, and across geographies. With the exception of Japan, almost all key geographies had at least 10% revenue growth in local currencies. Nike's earnings growth was even more impressive with diluted earnings per share up about 27% due to margin expansion on top of the strong revenue growth. The margin expansion is a direct result of consumers seeking out premium Nike product as well as faster growth from Nike's higher margin businesses (direct-to-consumer, China, Converse and Flyknit). Direct-to-consumer retail revenues increased more than wholesale, and international grew faster than U.S. revenues. China, which has the highest margins of any geography, delivered 20% revenue growth in local currency. Management raised its full-year guidance given the strong start to its fiscal year and we believe there are many drivers in place to support strong ongoing sales and earnings growth.

Notwithstanding the strong company-specific contributions of Nike and TJX, our other consumer-oriented holdings continued to present a relative headwind to our performance during the quarter and year to date. Starbucks, Priceline and O'Reilly shares were all down during the third quarter. Visa and MasterCard underperformed the indices as well. With the exception of O'Reilly, which we just added to the Portfolio, the share price of each of these companies are down year to date despite the underlying businesses continuing to perform quite well. We believe the strong underlying earnings growth of each of these businesses will eventually be reflected in the share price performance.

In the third quarter, we sold our positions in Qualcomm and T. Rowe Price. We increased our positions in TJX, Regeneron and Priceline, and also added O'Reilly Automotive to the Portfolio.

We trimmed and then sold our position in Qualcomm during the quarter because we felt that issues in China presented new risks and a new impediment to the company's earnings growth, which was already expected to decelerate in coming years. In addition to the ongoing anti-competition investigation where the NDRC (a Chinese regulatory body) found that Qualcomm is a monopoly and alleges various abuses of its monopoly position, Qualcomm management recently reduced its guidance to reflect lower than expected royalty collections. A large Chinese handset manufacturer is disputing its royalty agreement and several Chinese customers are underpaying. The sum total of all of these issues is that it seems that Qualcomm is now in a high-stakes negotiation which was ignited by the roll out of 4G technology and China's desire to help homegrown companies secure lower royalty expenses rather than set the precedent of paying Qualcomm's full royalty rates. Qualcomm has dealt with all of these types of issues before, with big customers and foreign governments. To date, it has always prevailed in the end. China, however, has the potential to be a more complicated situation. Given our expectation for decelerating growth in the next few years and the potential for China issues to drag on and possibly expand to other geographies, we felt there were better places to invest.

We also sold our position in T. Rowe Price during the quarter in order to fund better investment opportunities. When we originally added T. Rowe Price to the portfolio in 2010, our thesis was that the business was amongst the most attractive of asset managers (heavy mix of very sticky 401(k) and target date fund assets, a solid history of strong investment performance, a broad product set, and a great culture) and that asset and earnings growth should be strong in a more "normal" environment than existed in the prior decade. Over the last five years, T. Rowe's earnings per share growth has been

more than double its average over the prior ten years, but the stock has not outperformed to the same degree. The company has had to close some of its most successful funds to new assets, institutional asset flows have been disappointing for a while now and there has been some investment team turnover as well. While there is still much to like about T. Rowe Price, a series of smaller concerns have amplified the risk profile of the company now that market valuations appear generous. We simply felt we had better ideas for the next five years.

We built a new position in O'Reilly Automotive during the quarter and added to several of our newer holdings as well. O'Reilly Automotive is one of the largest specialty retailers of automotive aftermarket parts in the U.S., serving a growing and necessary market. It sells its products to both do-it-yourself ("DIY") and professional service provider customers, or do-it-for-me ("DIFM"). The company has executed its dual market strategy since the 1970s growing to become a leading, scale player through the combination of organic growth and acquisitions. The four largest players in this industry have consistently taken share from the mom-and-pop and smaller regional businesses that are still commonplace. Knowledgeable service, a very broad product assortment and speed of distribution are key advantages, particularly in the DIFM market. The big four still have less than 30% share of the overall market, leaving a long runway of growth opportunity, and we believe that O'Reilly Automotive is the best run company in the industry. It has a very seasoned management team, a strong culture and has taken share from both the broader market and from its scale competitors.

We added to our weightings in Priceline, TJX and Regeneron during the third quarter. Each of these companies are relatively new holdings in which we continued to build our positions. During the quarter, Regeneron's management announced the approval of a new indication (for diabetic macular edema) for its leading, eye-care drug Eylea and released additional phase III clinical data on Alirocumab, an important cholesterol-lowering therapy in late-stage development. With more certainty regarding these important on-the-market and pipeline products, respectively, and the shares still trading near our initial cost basis, we decided to increase our position. Regeneron shares were up about 28% during the quarter, making it one of the leading contributors to our overall Portfolio's return despite a smaller than average weighting. In the case of Priceline, the stock's modest sell-off in the back half of the quarter provided an opportunity to add to our position in this exceptional, high quality growth franchise.

Attribution

The top three contributors (Portfolio average weight multiplied by return) for the third quarter of 2014 were Nike (0.87%), Regeneron (0.56%), and Allergan (0.45%). The three largest detractors were Qualcomm (-0.41%), Oracle (-0.32%), and T. Rowe Price (-0.29%).

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

Sincerely,

Polen Capital Investment Team

Historical Returns

Polen Capital 3 rd Quarter 2014 Performance Update				
	PCM (Gross)	PCM (Net)	R1000G	S&P 500
3Q2014	1.76%	1.62%	1.49%	1.13%
YTD	6.72%	6.28%	7.89%	8.34%
1 Year	19.06%	18.40%	19.15%	19.73%
3 Years	18.06%	17.36%	22.45%	22.99%
5 Years	15.81%	15.03%	16.50%	15.70%
7 Years	9.78%	8.98%	7.57%	6.02%
10 Years	9.75%	8.91%	8.94%	8.11%
15 Years	7.54%	6.66%	3.42%	4.87%
20 Years	13.05%	12.05%	8.83%	9.59%
25 Years	13.57%	12.51%	9.01%	9.50%
Since Inception (1/1/89)	14.26%	13.18%	9.93%	10.30%
*Returns are trailing through 9/30/14. Annualized returns are presented for periods greater than 1 year.				

GIPS Disclosure

Polen Capital Management Large Capitalization Equity Composite-Annual Disclosure Presentation

Year End	UMA		Firm	Composite Assets		Annual Performance Results					3 Year Standard Deviation		
	Total (millions)	Assets (millions)	Assets (millions)	U.S. Dollars (millions)	Number of Accounts	Composite		S&P 500	Russell 1000 Growth	Composite Dispersion	PCM Gross	S&P 500	Russell 1000 Growth
						Gross	Net						
2014*	4,908	1,214	3,694	1,878	263	6.72%	6.28%	8.34%	7.89%	0.1%	11.57	10.50	11.09
2013	5,017	1,197	3,820	1,901	261	23.77%	23.04%	32.39%	33.48%	0.3%	11.91	12.11	12.35
2012	4,522	891	3,631	1,581	358	12.43%	11.75%	16.00%	15.26%	0.1%	16.01	15.30	15.88
2011	2,366	562	1,804	596	185	9.02%	8.23%	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	-27.84%	-28.44%	-37.00%	-38.44%	0.2%	15.26	15.29	16.63
2007	682	-	682	504	152	10.73%	9.82%	5.49%	11.81%	0.2%	8.36	7.79	8.66
2006	730	-	730	533	224	15.07%	14.12%	15.80%	9.07%	0.1%	7.27	6.92	8.43
2005	1,849	-	1,849	986	430	-0.51%	-1.42%	4.91%	5.26%	0.2%	8.10	9.17	9.67
2004	2,017	-	2,017	1,160	693	8.76%	7.78%	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 disclosures are located on the following page.

Performance Disclosure

**Performance represents partial period (January 1, 2014 through June 30, 2014), assets and accounts are as of 6/30/14. ** 2014 3 Year Standard Deviation is as of 6/30/14.*

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 large cap and liquid 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 Ashland Partners & Company LLP for the periods April 1, 1992 through March 31, 2014.

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 March 31, 2014. 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. As of July 1, 2002, composite policy requires 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 occurs at the beginning of the month in which the significant cash flow occurs and the account re-enters 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. A list of each holding's contribution for the quarter is also 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 is not necessarily indicative of future results and future accuracy and profitable results cannot be guaranteed. Performance figures are presented gross 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.

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