



## INTRODUCTION

After years of bifurcated market performance, 2026 began on a more encouraging note. The lagged benefit of easier monetary policy, supported by fiscal stimulus, meaningfully improved the economic backdrop. Declining yields, surging PMIs, firmer business confidence, controlled inflation, and better-than-feared employment data all contributed to rising GDP expectations, stronger company-level results, and improved guidance. That backdrop fueled an early rotation away from an increasingly crowded mega cap trade and toward smaller, more cyclical, domestically oriented businesses positioned to benefit most from a broader economic recovery.

Interest rates remained central to that shift. Smaller companies are typically more rate-sensitive than large caps given their greater leverage, heavier domestic exposure, and stronger dependence on capital access. Early in the quarter, investors increasingly embraced the supportive environment for small caps as the more conducive financial conditions began to emerge. The first two months of 2026 felt like the beginning of the long-awaited broadening after years in which AI-linked mega caps captured most of the market's earnings growth and investor attention.

The improving sentiment was derailed by the start of the conflict with Iran on February 28th. From that point forward, oil largely dictated market direction, with equities trading inversely to crude oil prices as investors reassessed the inflationary and growth consequences of a geopolitical shock. The early broadening trade rapidly unwound. Through February 27th, the Russell 2000 Growth Index was up 3.7% year to date, versus 7.0% for the S&P 500 Equal Weight Index and 0.7% for the S&P 500. Over the balance of the quarter, however, the Russell 2000 Growth Index declined 6.3%, finishing the quarter down 2.8%. The S&P 500 Equal Weight Index fell 6.0% over the same period and ended the quarter up just 0.7%. The S&P 500 was down 5.0%, closing the quarter down 4.3% for the quarter. Nearly every previously improving economic signal has since been called into question. While current index and company-level earnings estimates have still moved higher, much of the recent index-level revisions reflect strength in the energy sector.

## PERFORMANCE as of 03/31/26

	MRQ	1 Year	3 Years*	5 Years*	10 Years*	SI* 7/1/2003
Gross – Small Cap Growth Composite	(4.5%)	3.1%	3.6%	(0.7%)	9.0%	9.9%
Net – Small Cap Growth Composite	(4.7%)	2.0%	2.6%	(1.7%)	7.9%	8.9%
Russell 2000 Growth	(2.8%)	23.6%	12.3%	1.6%	9.8%	9.4%
Gross – Excess Return**	(1.6%)	(20.5%)	(8.6%)	(2.3%)	(0.8%)	0.5%
	MRQ	1 Year	3 Years*	5 Years*	10 Years*	SI* 8/1/2014
Gross – Micro Cap Growth Composite	3.8%	20.6%	8.0%	3.5%	14.6%	14.0%
Net – Micro Cap Growth Composite	3.5%	19.3%	6.8%	2.3%	13.2%	12.6%
Russell Microcap Growth	(4.2%)	41.8%	15.5%	(1.2%)	8.3%	7.0%
Gross – Excess Return**	8.0%	(21.3%)	(7.5%)	4.7%	6.2%	7.0%

\* Denotes annualized performance. Gross performance is calculated net of all trading expenses, including commissions on buys and sells and includes the reinvestment of dividends and other earnings. Net performance includes the deduction of the respective composites' highest management fee in addition to the previously mentioned trading expenses. References to indices are provided for informational purposes only, should not be relied upon as an accurate means of evaluating the composites' performance, and no representation or warranties can be made regarding the accuracy of any index information. It is not possible to invest directly in an index.

\*\* Gross Excess Return is defined as the difference between the RIM composite gross return and the respective Russell Index return over the same period.

## OUTLOOK

As the first-quarter earnings season begins, macro uncertainty related to the Iran conflict—including potential supply disruptions in the Strait of Hormuz and broader spillover effects—could prompt some companies to adopt a more cautious stance on guidance. Even so, we continue to believe 2026 could be the most favorable year for small cap equities in quite some time.

Against that backdrop, the market behavior in the first several weeks of the year may ultimately be more informative than the quarter's outcome. The factors that drove the early rotation into small caps—firmer growth expectations, easier financial conditions, and a move away from an increasingly crowded mega cap trade—were interrupted by the oil shock but not undone. Indeed, the market's early response highlighted how quickly leadership can broaden when the environment becomes more constructive for smaller, more cyclical, domestically oriented businesses.

Although the path of additional easing has become less certain, financial conditions remain materially more supportive than they were a year ago, and the lagged effects of easier policy may still have further to flow through to small cap fundamentals. We also continue to see support from the capital spending cycle tied to AI infrastructure, broader domestic investment, and further government deregulation, which should expand the opportunity set beyond the current cohort of large-cap beneficiaries. In addition, the evolving tax framework could provide incremental support, particularly for capital-intensive, domestically oriented businesses that are more meaningfully represented in the small cap universe.

One of the more important takeaways from the quarter is that positioning and narrative do not always evolve in parallel. The market's early rotation toward smaller, more cyclical, domestically oriented businesses suggested a meaningful change in leadership, even if the macro narrative that initially appeared to support that shift was later disrupted by the Iran conflict and the subsequent oil shock. For that reason, the first two months of the year may prove more revealing than the quarter's final print.

Near-term risks remain meaningful. The Iran conflict, higher oil prices, and renewed inflation concerns have increased macro uncertainty and may delay the broadening that began earlier in the year. That said, delay is not the same as invalidation of the broadening thesis. If energy prices stabilize, inflation moderates, and better economic growth remains intact, we believe the conditions remain in place for 2026 to deliver a more sustained period of relative strength for smaller cap companies. While the backdrop appears increasingly favorable, numerous risks remain. Higher inflation could result from stimulative fiscal and monetary policy and tariffs. Already, the Fed indicated it will wait to see how the economy evolves before deciding on additional rate cuts in 2026. The AI capital spending boom could experience delays and/or a slowdown that causes investor concern on a meaningful driver for economic growth and its diffusive effect. Geopolitical risks remain elevated as historical alliances are challenged. 2026 is a midterm election year and history shows markets become increasingly volatile in the summer and early fall ahead of the elections.

## SMALL CAP GROWTH STRATEGY

### Performance & Attribution

For Q1, the portfolio returned (4.7%) on a net basis and (4.5%) on a gross basis, underperforming the Russell 2000 Growth index return of (2.8%).

Factor analysis did not show a clear preference for fundamentally stronger companies. Instead, the quarter demonstrated a modest tilt toward more speculative leadership. Some quality-oriented traits were supportive, including stronger trailing and forward growth in select revenue and earnings measures. However, the broader pattern was uneven and often favored lower-quality, more aggressive exposures. Higher-leverage companies outperformed, more expensive stocks on price-to-sales and NTM P/E generally led, and several traditional quality measures—including ROE, FCF yield, operating margin, and interest coverage—did not consistently reward quality companies. Overall, the quarter appeared less driven by balance sheet strength and profitability and more by an uneven market environment in which higher-risk stocks often outperformed.

In the portfolio, the industrials and energy industries were the largest relative outperformers. Healthcare and consumer discretionary were the largest relative detractors. The industrials and energy weights rose by 430 and 210 basis points, respectively, while healthcare and consumer discretionary fell by 410 and 320 basis points. The largest overweight and underweight at quarter end were utilities and healthcare, respectively.

### Small Cap Leaders & Laggards

1Q Leaders		1Q Laggards	
Argan	Argan is an engineering, procurement, and construction ("EPC") contractor focused on utility-scale power generation projects. In late March, the company reported strong Q4 results, driven by solid project execution and margin performance. Additionally, management remained constructive on demand in the power market, supported by rising electricity needs from the data center buildout.	ADMA Biologics	ADMA Biologics produces plasma-derived immunoglobulin therapies. Reported results in the quarter highlighted strong execution, healthy demand for ASCENIV, expanding margins, and improving operating leverage from yield-enhanced production. Management also reinforced its outlook and announced a meaningful share repurchase plan. The stock initially reacted well, but those gains were later pressured by a sharp selloff following a short-seller report questioning sales quality and channel practices.
Permian Resources	Permian Resources is an oil and gas producer with operations in Texas and New Mexico. The rise in oil prices that occurred due to the Middle East conflict drove the stock higher. We trimmed the position during the quarter based on our valuation discipline. Our conversations with management this quarter lead us to anticipate only marginal changes in drilling and completion activity as a result of higher oil prices.	Pegasystems	Pegasystems, a provider of process management enterprise software, reported earnings in February that exceeded expectations across most metrics. Importantly, the company guided to an acceleration in bookings in 2026, driven by their AI tool Blueprint, which is helping to accelerate sales cycles. Despite the solid fundamental results, the shares declined meaningfully in the quarter amid weak sentiment across the software sector, as investors worried about AI-driven disintermediation of incumbent software vendors.
Oceaneering International	Oceaneering International provides engineered services and products and robotic services to the offshore energy, defense and manufacturing industries. In February, the company reported better than expected results. In their outlook, management said they expect their Aerospace and Defense segment to serve as the primary growth engine in 2026. This trend drives growth and diversification at Oceaneering, which we think benefited the stock.	nCino	nCino, a vertical software provider focused on cloud banking solutions, reported fiscal Q4 results on March 31st. During the quarter, the shares declined meaningfully amid weak sentiment across the software sector, as investors worried about AI-driven disintermediation of incumbent software vendors. Q4 results exceeded expectations across all metrics. Importantly, organic growth accelerated, and the company guided to revenue and profitability above consensus expectations for next year.
LeMaitre Vascular	LeMaitre Vascular supplies devices and implants for peripheral vascular disease. During the quarter, the company reported strong results, with broad-based growth, improving margins, upbeat 2026 guidance, and higher shareholder returns through a dividend increase and new buyback authorization. Shares moved sharply higher after the update and we trimmed the position based on our valuation discipline.	AppFolio	AppFolio, a provider of cloud-based software solutions for property management, reported strong Q4 results with revenue and profitability exceeding expectations. The company continues to benefit from steady demand across its customer base, supported by product innovation and incremental monetization opportunities within its platform. Despite solid fundamentals, the shares declined during the quarter amid broader weakness in software, as investor concerns around AI-driven disruption weighed on sentiment across the sector.
MACOM Technology	MACOM, a semiconductor company serving the Industrial & Defense, Data Center, and Telecom markets, reported earnings in February that exceeded expectations. Results were driven by notable strength in its Data Center segment, where its products enable high-speed connectivity and efficient data processing. Additionally, MACOM is seeing accelerating growth in its Industrial & Defense segment, supported by increasing demand for its satellite communications product portfolio.	Stevanato Group	Stevanato Group provides drug containment, drug delivery, and diagnostic solutions for pharmaceutical and biotech customers. During the quarter, company results reflected strong demand for high-value solutions and continued GLP-1 momentum. Shares were pressured by concerns that the launch of an oral GLP-1 could reduce demand for injectable GLP-1s, but we believe the risk is overstated and that injectables should remain a tailwind for the company.

### Small Cap Top 5 Positions by Weight

Company Name	Symbol	%Weight	Industry
Ligand Pharmaceuticals	LGND	3.6%	Health Care
UL Solutions	ULS	3.4%	Industrials
Pegasystems	PEGA	3.4%	Technology
MACOM Technology	MTSI	2.9%	Technology
PDF Solutions	PDFS	2.6%	Technology

### Small Cap Buys & Sells

Largest 1Q Buys		Largest 1Q Sells	
Sterling Infrastructure	Sterling Infrastructure is a specialty construction company that provides site development and infrastructure services across municipal, residential, and industrial projects. The company's increasing exposure to data center projects and away from low-margin transportation projects should be accretive to both growth and profitability. Additionally, we are bullish on Sterling's entry into the growing Texas data center market. This is a new position this quarter.	Argan	Argan is an engineering, procurement, and construction ("EPC") contractor focused on utility-scale power generation projects. In late March, the company reported strong fourth quarter results, driven by solid project execution and margin performance. Additionally, management remained constructive on demand in the power market, supported by rising electricity needs from the data center buildout. We trimmed the position due to a sharp increase in valuation.

The information provided in this material is not intended to be, and should not be considered to be, a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. References to specific securities are for illustrative purposes only and do not represent all of the securities purchased, sold or recommended for advisory clients. Portfolio information is based on the respective composite and is provided as Supplemental Information. References to indices are provided for informational purposes only, should not be relied upon as an accurate means of evaluating the Adviser's performance, and no representations or warranties can be made regarding the accuracy of any index information. You cannot invest directly in an index. Past performance is not indicative of future results. Figures may not total due to rounding. Please see the GIPS® Reports as well as the disclosure statement at the end of this presentation for additional information.

<p><b>Modine</b></p> <p>Modine designs and manufactures thermal management and applied HVAC solutions. Following the announced separation of the Performance Technologies business, Modine will become a pure-play climate solutions company focused on the high-growth data center cooling market. We believe this simpler structure, combined with solid execution, should help the stock narrow the valuation gap versus other data center cooling peers. This is a new position this quarter.</p>	<p><b>Chemed</b></p> <p>Chemed operates VITAS hospice care and Roto-Rooter plumbing services. During the quarter, the company reported mixed results, with VITAS steady but Roto-Rooter weaker. Chemed also provided cautious guidance for the remainder of the year. We exited the position.</p>
<p><b>Charles River Laboratories</b></p> <p>Charles River Laboratories provides preclinical research, safety testing, and manufacturing support for drug developers. During the quarter, the company reported improving bookings and stabilizing biopharma demand, which supported sentiment, but a conservative 2026 outlook tempered enthusiasm. This is a new position this quarter.</p>	<p><b>AAON</b></p> <p>AAON designs and manufactures premium commercial HVAC equipment and data center cooling systems. Strong reported bookings and record backlog in the quarter point to continued demand strength in both of AAON's segments. However, we trimmed the position to diversify our exposure to the data center cooling market, as recurring execution noise has periodically weighed on results, despite the attractive long-term opportunity.</p>
<p><b>Rambus</b></p> <p>Rambus is a semiconductor technology company that designs and sells memory-related chips and IP used in data centers and AI-driven computing. The company generates high-margin revenue from a mix of product sales and long-term licensing agreements. As AI workloads continue to grow, Rambus is well positioned to benefit from increasing memory content across modern computing platforms.</p>	<p><b>OneSpaWorld</b></p> <p>OneSpaWorld is the leading provider of health and wellness services onboard cruise ships, with a dominant market position and a capital-light model tied to passenger spend. While underlying demand and onboard spending trends remain solid, we see more limited upside from current levels alongside increasing risk to cruise demand and discretionary onboard spend. As a result, we elected to exit the position.</p>
<p><b>Ormat Technologies</b></p> <p>Ormat is a vertically integrated energy company primarily engaged in the geothermal power business. The company owns and operates 40 power plants globally with 1.2 GW aggregate generating capacity. The company also manufactures and sells equipment for geothermal electricity generation, and operates battery energy storage systems. Longer term, we believe the development of enhanced geothermal systems could expand Ormat's market opportunity and drive revenue growth. This is a new position this quarter.</p>	<p><b>LeMaitre Vascular</b></p> <p>LeMaitre Vascular supplies devices and implants for peripheral vascular disease. During the quarter, the company reported strong results, with broad-based growth, improving margins, upbeat 2026 guidance, and higher shareholder returns through a dividend increase and new buyback authorization. Shares moved sharply higher after the update and we trimmed the position based on our valuation discipline.</p>

## MICRO CAP GROWTH STRATEGY

### Performance & Attribution

For Q1, the portfolio returned 3.5% on a net basis and 3.8% on a gross basis, outperforming the Russell Microcap Growth index return of (4.2%).

Factor analysis did not show a clear preference for fundamentally stronger companies. Instead, the quarter demonstrated a tilt toward more speculative leadership. Although some higher-quality traits outperformed—notably better trailing earnings growth—the broader pattern favored lower-quality, more speculative businesses. Companies with higher leverage, lower margins, and richer valuation multiples often outperformed stronger fundamental peers, suggesting investors were more willing to reward riskier or more aggressive profiles than balance-sheet strength and profitability. Overall, the quarter is best characterized as a mixed environment, though lower-quality stocks generally led.

In the portfolio, the industrials and healthcare industries were the largest relative outperformers. Consumer discretionary and telecommunications were the largest relative detractors. The technology and industrials weights rose by 270 and 210 basis points, respectively, while consumer staples and consumer discretionary industries fell by 120 and 540 basis points. The largest overweight and underweight at quarter end were energy and healthcare, respectively.

### Micro Cap Leaders & Laggards

1Q Leaders		1Q Laggards	
<p><b>Argan</b></p> <p>Argan is an engineering, procurement, and construction ("EPC") contractor focused on utility-scale power generation projects. In late March, the company reported strong Q4 results, driven by solid project execution and margin performance. Additionally, management remained constructive on demand in the power market, supported by rising electricity needs from the data center buildout.</p>	<p><b>ADMA Biologics</b></p> <p>ADMA Biologics produces plasma-derived immunoglobulin therapies. Reported results in the quarter highlighted strong execution, healthy demand for ASCENIV, expanding margins, and improving operating leverage from yield-enhanced production. Management also reinforced its outlook and announced a meaningful share repurchase plan. The stock initially reacted well, but those gains were later pressured by a sharp selloff following a short-seller report questioning sales quality and channel practices.</p>		
<p><b>Phibro Animal Health</b></p> <p>Phibro Animal Health manufactures and distributes animal health products, including medicated feed additives, mineral nutrition, and vaccines. During the quarter, the company reported a strong start to the year, raised its earnings outlook, and cited benefits from the Zoetis feed additive portfolio and improving demand.</p>	<p><b>Vital Farms</b></p> <p>Vital Farms, a leading pasture-raised egg and butter brand, declined during the quarter following a lower 2026 outlook and estimate revisions. Near-term results are being pressured by egg oversupply, increased promotional activity, and margin compression, despite continued volume growth. As the supply environment normalizes, the company is positioned to benefit from shelf space gains and continued household penetration growth.</p>		

LeMaitre Vascular	LeMaitre Vascular supplies devices and implants for peripheral vascular disease. During the quarter, the company reported strong results, with broad-based growth, improving margins, upbeat 2026 guidance, and higher shareholder returns through a dividend increase and new buyback authorization. Shares moved sharply higher after the update and we trimmed the position based on our valuation discipline.	ODDITY	Oddity, a tech-enabled DTC beauty platform, saw a sharp deterioration in fundamentals following an algorithm change at a key advertising partner that increased customer acquisition costs. Management withdrew full-year guidance and issued a weak first-quarter outlook. As Q1 is the largest customer acquisition period, weaker acquisition is likely to pressure repeat purchases through the year. With limited visibility into a resolution, we exited the position.
Douglas Dynamics	Douglas Dynamics manufactures work truck attachments, primarily snow and ice control equipment. In late February, the company reported Q4 results well above expectations, helped by strong snowfall, disciplined execution, and ongoing municipal demand. With further severe winter weather in their core geographies during the first quarter, the company should benefit from operating leverage as volumes pick back up coming off low snowfall years.	nCino	nCino, a vertical software provider focused on cloud banking solutions, reported fiscal Q4 results on March 31st. During the quarter, the shares declined meaningfully amid weak sentiment across the software sector, as investors worried about AI-driven disintermediation of incumbent software vendors. Q4 results exceeded expectations across all metrics. Importantly, organic growth accelerated, and the company guided to revenue and profitability above consensus expectations for next year.
Select Water Solutions	Select Water Solutions provides water and chemicals services to customers in the energy industry. During the quarter, the company reported better than expected results, with strong performance in both the water infrastructure and chemicals segments. We continue to believe that water management solutions will become more critical and expensive for Permian producers over time as water volumes grow and disposal capacity tightens.	Coastal Financial	Coastal Financial is a bank holding company that operates a traditional bank in Washington state, and provides banking services to fintech and other clients nationwide. The company's stock declined in part due to the delayed rollout of banking services to a handful of new and existing clients. While disappointing, we believe these opportunities should begin to generate revenue by mid-year.

## Micro Cap Top 5 Positions by Weight

Company Name	Symbol	%Weight	Industry
Phibro Animal Health	PAHC	5.2%	Health Care
PDF Solutions	PDFS	4.4%	Technology
Ligand Pharmaceuticals	LGND	4.3%	Health Care
Douglas Dynamics	PLOW	3.7%	Industrials
iRadimed	IRMD	3.6%	Health Care

## Micro Cap Buys & Sells

Largest 1Q Buys		Largest 1Q Sells	
Pegasystems	Pegasystems, a provider of process management enterprise software, reported earnings in February that exceeded expectations across most metrics. Importantly, the company guided to an acceleration in bookings in 2026, driven by their AI tool Blueprint, which is helping to accelerate sales cycles. Despite the solid fundamental results, the shares declined meaningfully in the quarter amid weak sentiment across the software sector, as investors worried about AI-driven disintermediation of incumbent software vendors.	Argan	Argan is an engineering, procurement, and construction ("EPC") contractor focused on utility-scale power generation projects. In late March, the company reported strong fourth quarter results, driven by solid project execution and margin performance. Additionally, management remained constructive on demand in the power market, supported by rising electricity needs from the data center buildout. We trimmed the position due to a sharp increase in valuation.
Preformed Line Products	Preformed Line Products is a manufacturer of specialty hardware and systems serving the electricity and communications infrastructure industries. Investment in transmission and distribution infrastructure in both the U.S. and Europe is expected to rise, driven by aging grid assets and increasing electricity demand, including from data centers. The company's niche product portfolio positions it well to benefit from this tailwind, supporting upside to both revenue and earnings.	OneSpaWorld	OneSpaWorld is the leading provider of health and wellness services onboard cruise ships, with a dominant market position and a capital-light model tied to passenger spend. While underlying demand and onboard spending trends remain solid, we see more limited upside from current levels alongside increasing risk to cruise demand and discretionary onboard spend. As a result, we elected to exit the position.
Willdan	Willdan is a provider of professional, technical, and consulting services to utilities, public agencies, and commercial and industrial firms, including data centers. The company's services include energy planning and analysis, energy efficiency and sustainability, engineering, and construction management. We believe the company is well positioned to benefit from long-term trends such as electrification, load growth, and increased demand for energy efficiency and optimization solutions.	Limbach	Limbach provides mission-critical mechanical, electrical, and plumbing (MEP) services. With the company's deliberate shift in business mix toward owner-direct relationships largely complete, we believe the opportunity for further margin expansion has become more limited. In addition, we were underwhelmed by management's 2026 organic growth guidance. Given these dynamics, we exited the position in favor of more attractive opportunities.
TeraWulf	Terawulf is a developer, owner, and operator of high-performance computing data centers in the U.S. The company has signed long-term leases directly with neocloud companies offering attractive economics. We believe the management team's expertise in building power plants and its advantaged cost structure at its data center campuses will enable the company to benefit from rising demand for power and infrastructure to support AI growth.	LeMaitre Vascular	LeMaitre Vascular supplies devices and implants for peripheral vascular disease. During the quarter, the company reported strong results, with broad-based growth, improving margins, upbeat 2026 guidance, and higher shareholder returns through a dividend increase and new buyback authorization. Shares moved sharply higher after the update and we trimmed the position based on our valuation discipline.
WaterBridge	WaterBridge Infrastructure provides water management solutions to oil and natural gas producers under long-term contracts. We expect water management to become a more important and expensive issue for Permian producers over the next five years, as water volumes continue to grow and disposal capacity tightens.	QuinStreet	QuinStreet provides online marketing services for financial and home services customers. QuinStreet's business has been challenged as auto insurers spend less on marketing in response to tariff pressures. We sold the stock in favor of other opportunities.

The information provided in this material is not intended to be, and should not be considered to be, a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. References to specific securities are for illustrative purposes only and do not represent all of the securities purchased, sold or recommended for advisory clients. Portfolio information is based on the respective composite and is provided as Supplemental Information. References to indices are provided for informational purposes only, should not be relied upon as an accurate means of evaluating the Adviser's performance, and no representations or warranties can be made regarding the accuracy of any index information. You cannot invest directly in an index. Past performance is not indicative of future results. Figures may not total due to rounding. Please see the GIPS® Reports as well as the disclosure statement at the end of this presentation for additional information.

## FIRM UPDATE

In 2025, unprecedented leadership by behavioral factors, beta, and momentum made it exceptionally difficult for a quality growth philosophy to participate meaningfully through portfolio additions. Even so, what we can control is the construction and management of a portfolio of high-quality growth businesses, and by that measure, the portfolio's growth and quality characteristics improved consistently over the course of the year.

We believe Q1 of 2026 reinforced that view. While the quarter's outcome was disrupted by the Iran conflict and the resulting oil shock, the market's early rotation toward smaller, more cyclical, domestically oriented businesses offered an important signal that leadership can broaden quickly when the backdrop becomes more constructive. Although near-term risks remain meaningful, delay is not the same as invalidation. As the market inevitably transitions from speculation toward more fundamental leadership, we believe the portfolio is well-positioned to benefit from a broader improvement in the environment for small and micro cap equities.

Please reach out with any questions.

Best Regards,



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## SMALL CAP GROWTH CHARACTERISTICS

	SMALL CAP COMPOSITE	R2G INDEX
<b>SIZE (IN MILLIONS)</b>		
Average Annual Revenues	\$2,231	\$1,260
Median Annual Revenues	\$1,342	\$493
<b>Market Cap</b>		
Current Mean	\$6,228	\$2,061
Current Weighted Mean	\$6,598	\$6,003
Mean at Cost	\$6,312	–
Current Median	\$5,513	\$1,141

<b>GROWTH</b>		
<b>Revenues</b>		
Recent Quarter (Q/Q)	17.8%	15.1%
Previous Four Quarters	15.7%	13.3%
Last 3 Years	14.0%	15.1%
Last 5 Years	17.6%	17.3%
Forward Four Quarters	14.5%	18.9%
<b>Earnings</b>		
Recent Quarter	21.6%	28.4%
Previous Four Quarters	16.7%	16.9%
Last 3 Years	18.7%	23.1%
Last 5 Years	16.3%	20.5%
Forward Four Quarters	43.3%	37.7%
Long Term Projected Growth	11.8%	13.4%

	SMALL CAP COMPOSITE	R2G INDEX
<b>QUALITY</b>		
Debt-to-Capitalization	34.1%	39.0%
Dividend Yield	0.4%	0.5%
ROE (Trailing 1 Year)	19.0%	10.8%
ROE (5 Year Average)	19.0%	6.6%

<b>VALUATION</b>		
Current P/E	36.3x	107.3x
Forward P/E	22.4x	19.1x
P/E to Long Term Growth	1.9x	1.4x
P/E to Current Growth	0.5x	0.5x
Price to Sales	2.9x	1.8x
Beta (vs. S&P 500)	1.2x	1.2x

<b>PORTFOLIO INDUSTRY BREAKDOWN BY %</b>		
Technology	15.9%	16.2%
Telecommunications	–	2.8%
Health Care	18.5%	24.5%
Financials	7.6%	8.7%
Real Estate	2.0%	2.1%
Consumer Discretionary	8.7%	9.1%
Consumer Staples	2.0%	1.7%
Industrials	28.3%	25.4%
Basic Materials	–	4.1%
Energy	8.3%	4.4%
Utilities	5.6%	1.0%
Cash	3.1%	–
	100.0%	100.0%

Source: FactSet. Characteristics are calculated without the deduction of fees and expenses. Total portfolio performance is included within this presentation. The characteristics presented above supplement, and should be read in conjunction with, the GIPS® presentation included herein.

# MICRO CAP GROWTH CHARACTERISTICS

	MICRO CAP COMPOSITE	RMG INDEX
<b>SIZE (IN MILLIONS)</b>		
Average Annual Revenues	\$737	\$253
Median Annual Revenues	\$631	\$93
<b>Market Cap</b>		
Current Mean	\$2,071	\$497
Current Weighted Mean	\$1,932	\$1,815
Mean at Cost	\$1,870	–
Current Median	\$1,315	\$237

<b>GROWTH</b>		
	MICRO CAP COMPOSITE	RMG INDEX
<b>Revenues</b>		
Recent Quarter (Q/Q)	18.9%	16.0%
Previous Four Quarters	15.4%	13.2%
Last 3 Years	11.9%	17.2%
Last 5 Years	18.6%	18.3%
Forward Four Quarters	12.8%	21.4%
<b>Earnings</b>		
Recent Quarter	18.9%	23.1%
Previous Four Quarters	15.1%	33.3%
Last 3 Years	18.7%	21.9%
Last 5 Years	17.8%	14.7%
Forward Four Quarters	50.7%	28.1%
Long Term Projected Growth	9.5%	2.5%

	MICRO CAP COMPOSITE	RMG INDEX
<b>QUALITY</b>		
Debt-to-Capitalization	35.7%	36.5%
Dividend Yield	0.8%	0.3%
ROE (Trailing 1 Year)	16.4%	7.9%
ROE (5 Year Average)	18.1%	13.0%

	MICRO CAP COMPOSITE	RMG INDEX
<b>VALUATION</b>		
Current P/E	33.5x	(45.8x)
Forward P/E	18.7x	16.8x
P/E to Long Term Growth	2.0x	6.7x
P/E to Current Growth	0.4x	0.6x
Price to Sales	2.2x	2.0x
Beta (vs. S&P 500)	1.2x	1.1x

<b>PORTFOLIO INDUSTRY BREAKDOWN BY %</b>		
	MICRO CAP COMPOSITE	RMG INDEX
Technology	14.0%	13.5%
Telecommunications	2.0%	5.3%
Health Care	28.4%	38.3%
Financials	11.6%	6.9%
Real Estate	–	0.9%
Consumer Discretionary	5.4%	7.5%
Consumer Staples	5.4%	2.4%
Industrials	19.7%	16.1%
Basic Materials	–	4.9%
Energy	7.9%	3.2%
Utilities	2.0%	1.1%
Cash	3.5%	–
	<b>100.0%</b>	<b>100.0%</b>

Source: FactSet. Characteristics are calculated without the deduction of fees and expenses. Total portfolio performance is included within this presentation. The characteristics presented above supplement, and should be read in conjunction with, the GIPS® presentation included herein.



## ADDITIONAL DISCLOSURES

The views expressed are those of the author(s) and Ranger Investment Management, L.P. (or “RIM”) as of the date referenced and are subject to change at any time based on market or other conditions. These views are not intended to be, and should not be relied upon as, investment advice and are not intended to be a forecast of future events or a guarantee of future results. RIM makes no representation, and it should not be assumed, that future investment performance will conform to past performance. Additionally, there is the possibility for loss when investing in a Composite, separate account, or pooled investment vehicle. Gross and net performance returns include the reinvestment of dividends and other earnings. Gross performance returns presented herein will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. The collection of fees produces a compounding effect on the total rate of return net of management fees. Actual performance results and fees of client accounts may differ substantially.

References to specific securities are (1) for illustration purposes only, (2) may not represent a complete list of Composite holdings for the period, and (3) may not represent all securities purchased, sold or recommended for investor accounts. Securities referenced should not be deemed as recommendations and no assurances can be given that these examples or future security holdings will be profitable.

A complete list of Composite holdings and returns for the previous quarter may be obtained by contacting RIM at (214) 871-5260 or by e-mail at [crteam@rangerinvestments.com](mailto:crteam@rangerinvestments.com).

### REFERENCED INDICES

**Russell 2000 Growth Index** - The Russell 2000® Growth Index measures the performance of the small cap growth segment of the U.S. equity universe. It includes those Russell 2000 companies with relatively higher price-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years). The Russell 2000 Growth Index is constructed to provide a comprehensive and unbiased barometer for the small cap growth segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect growth characteristics.

**Russell Microcap Growth Index** - The Russell Microcap Growth Index measures the performance of the micro cap segment of the U.S. equity market. It makes up less than 3% of the U.S. equity market. It includes 1,000 of the smallest securities in the Russell 2000 Index based on a combination of their market cap and current index membership and it also includes up to the next 1,000 stocks.

**Russell 2000 Index** - The Russell 2000® Index measures the performance of the small cap segment of the US equity universe. The Russell 2000 Index is a subset of the Russell 3000® Index representing approximately 7% of the total market capitalization of that index, as of the most recent reconstitution. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000 is constructed to provide a comprehensive and unbiased small cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small cap opportunity set.

**S&P 500 Index** - The index measures the performance of 500 widely held stocks in U.S. equity market. Standard and Poor’s chooses member companies for the index based on market size, liquidity and industry group representation.

**S&P 500 Equal Weighted Index** - The S&P 500® Equal Weight Index (EWI) is the equal-weight version of the widely-used S&P 500. The index includes the same constituents as the capitalization weighted S&P 500, but each company in the S&P 500 EWI is allocated a fixed weight - or 0.2% of the index total at each quarterly rebalance.

# GIPS REPORT: RIM SMALL CAP COMPOSITE

January 1, 2016 through December 31, 2025

Year	Total Return (Gross)	Total Return (Net)	Russell 2000 Growth Index	Composite Three-year Annualized Standard Deviation	Benchmark Three-year Annualized Standard Deviation	Number of Accounts	Composite Dispersion <sup>1</sup>	Composite Assets (US\$ mil)	Total SCG Assets (US\$ mil) <sup>2</sup> Supplemental	Composite Assets as % of SCG Assets <sup>2</sup> Supplemental	Total Firm Assets (US\$ mil)
2016	21.2%	20.0%	11.3%	15.4%	16.7%	26	0.2%	\$1,273.6	\$1,293.7	98.4%	\$1,470.6
2017	16.7%	15.5%	22.2%	13.5%	14.6%	20	0.1%	\$1,299.0	\$1,302.0	99.8%	\$1,395.9
2018	(6.7%)	(7.6%)	(9.3%)	14.8%	16.5%	20	0.1%	\$1,121.2	\$1,121.2	100.0%	\$1,256.0
2019	30.9%	29.7%	28.5%	15.3%	16.4%	20	0.1%	\$1,388.7	\$1,388.7	100.0%	\$1,568.8
2020	34.5%	33.2%	34.6%	23.7%	25.1%	20	0.7%	\$1,709.7	\$1,709.7	100.0%	\$1,931.7
2021	18.8%	17.6%	2.8%	21.9%	23.1%	14	0.3%	\$1,608.1	\$1,629.7	98.7%	\$1,910.2
2022	(30.0%)	(30.8%)	(26.4%)	24.7%	26.2%	15	0.2%	\$1,169.8	\$1,169.8	100.0%	\$1,403.8
2023	21.3%	20.1%	18.7%	19.7%	21.8%	12	0.3%	\$1,443.5	\$1,443.5	100.0%	\$1,688.1
2024	7.4%	6.4%	15.2%	21.3%	24.0%	11	0.1%	\$1,340.5	\$1,340.5	100.0%	\$1,618.7
2025	(1.7%)	(2.7%)	13.0%	17.7%	20.0%	10	0.1%	\$1,195.5	\$1,195.5	100.0%	\$1,483.8

Annualized 5 Year			Annualized 10 Year			Annualized ITD		
Total Return (Gross)	Total Return (Net)	Russell 2000 Growth Index	Total Return (Gross)	Total Return (Net)	Russell 2000 Growth Index	Total Return (Gross)	Total Return (Net)	Russell 2000 Growth Index
1.3%	0.3%	3.2%	9.5%	8.4%	9.6%	10.3%	9.2%	9.6%

NA - Not applicable by virtue of (1) an insufficient number of accounts in the composite for the entire year for Dispersion or (2) periods less than 3 years for Annualized Standard Deviation.

NM - Calculations for less than an entire calendar year for Composite Dispersion are not statistically meaningful.

Ranger Investment Management, L.P. ("RIM") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. RIM has been independently verified by Ashland Partners and Company for the periods October 23, 2002 through June 30, 2016 and by ACA Performance Services, LLC for the periods July 1, 2016 through December 31, 2025.

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. The RIM Small Cap Composite has been examined for the period from July 1, 2003 through December 31, 2025. The verification and performance examination reports are available upon request.

- Composite Dispersion is calculated on a gross-of-fees returns basis using the asset-weighted standard deviation of all portfolios that were included in the Composite for the entire calendar year.
- Total SCG Assets include the Composite's assets as well as other small cap assets managed by RIM. ACA Compliance Group does not opine on the Total SCG Assets or percentage of SCG Assets in the performance table above.

#### Notes:

RIM is an investment adviser registered with the United States Securities and Exchange Commission in accordance with the Investment Advisers Act of 1940. The RIM Small Cap Composite (the "Composite") includes all fully discretionary, fee paying accounts, which invests, on a long basis only, in a diversified group of approximately 40 to 60 small capitalization, growth-oriented equity securities traded on U.S. exchanges. The Composite inception and creation date is July 1, 2003. In addition, a performance examination was conducted on the Composite beginning July 1, 2003. A list of all composite and pooled fund investment strategies offered by the firm, with a description of each strategy, is available upon request. The type of portfolios in which each strategy is available (segregated account, limited distribution pooled fund, or broad distribution pooled fund) is indicated in the description of each strategy.

For comparison purposes, the Composite is measured against the Russell 2000 Growth Index (the "Index"), a widely recognized index which seeks to capture the performance of the small cap growth segment of the U.S. equity universe. The Index includes 2000 companies with higher price-to-book ratios and higher forecasted growth values. Unlike the Index, Composite portfolios are actively managed and invest in a relatively concentrated group of approximately 40 to 60 holdings. Accordingly, comparing or contrasting Composite results or characteristics with those of the Index may be of limited use. Performance results of the Index include the reinvestment of dividends and income.

Composite returns are presented gross and net of management fees. This composite's strategy intends to reinvest all dividends and income received; however, there can be instances when a portfolio's earned dividends and income are distributed back to the investor. Net of fee performance was calculated using the highest management fee equal to an annual rate of one percent (1.00%) of the capital account balance. The current fee schedule for the composite is one hundred basis points (1.0%) for the first \$25mm in AUM; Eighty basis points (0.80%) for the next \$25mm in AUM; Seventy basis points (0.70%) between \$50-100mm in AUM; and AUM over \$100mm is negotiable. The investment management fee schedule for the Ranger Investment Master Fund, LP, Small Cap Portfolio Class, which is included in the RIM Small Cap Composite, is 1.00% on all assets. Accounts in this composite may incur performance based fees at 20% of hurdle adjusted performance percentage indicated in the investment management agreement. The total expense ratio as of July 31, 2025 for the Ranger Small Cap Fund, which is included in the RIM Small Cap Composite, is 1.15%. Investment advisory fees incurred by clients may vary. Valuations are computed and performance is reported in U.S. dollars. Policies for valuing investments, calculating performance, and preparing GIPS Reports may be obtained by contacting RIM.

Gross-of-fees returns were used to calculate the three year annualized standard deviation.

The Composite is re-valued and accounted for following a ten percent (10%) or greater cash, securities or asset class inflows or outflows at the account or composite level so as not to distort performance.

RIM makes no representation, and it should not be assumed, that future investment performance will conform to past performance. Additionally, there is the possibility for loss when investing in a Composite separate account or pooled investment vehicle. Gross performance returns presented herein will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. The collection of fees produces a compounding effect on the total rate of return net of management fees. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 1.00% annual investment advisory fee would be \$10,416 in the first year, and cumulative effects of \$59,816 over five years and \$143,430 over ten years. Actual performance results and fees of client accounts may differ substantially.

References to specific securities are (1) for illustration purposes only, (2) may not represent a complete list of Composite holdings for the period, and (3) may not represent all securities purchased, sold or recommended for investor accounts. Securities referenced should not be deemed as recommendations and no assurances can be given that these examples or future security holdings will be profitable. A complete list of Composite holdings and returns for the previous quarter may be obtained by contacting RIM.

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# GIPS REPORT: RIM MICRO CAP COMPOSITE

January 1, 2016 through December 31, 2025

Year	Total Return (Gross)	Total Return (Net)	Russell Microcap Growth Index	Composite Three-year Annualized Standard Deviation	Benchmark Three-year Annualized Standard Deviation	Number of Accounts	Composite Dispersion <sup>1</sup>	Composite Assets (US\$ mil)	Total MICCG Assets (US\$ mil) <sup>2</sup> Supplemental	Composite Assets as % of MICCG Assets <sup>2</sup> Supplemental	Total Firm Assets (US\$ mil)
2016	23.4%	21.9%	6.9%	NA	NA	5 or fewer	NA	\$62.6	\$62.6	100.0%	\$1,470.6
2017	16.3%	14.8%	16.7%	15.1%	17.0%	5 or fewer	NA	\$77.7	\$77.7	100.0%	\$1,395.9
2018	1.5%	0.2%	(14.2%)	18.6%	18.5%	6	NA	\$126.8	\$132.7	95.6%	\$1,256.0
2019	26.7%	25.1%	23.3%	17.7%	17.8%	8	0.7%	\$174.8	\$177.7	98.4%	\$1,568.8
2020	46.5%	44.8%	40.1%	27.4%	28.0%	9	0.4%	\$221.7	\$221.7	100.0%	\$1,931.7
2021	33.5%	31.9%	0.9%	25.1%	27.1%	8	0.4%	\$263.1	\$279.9	94.0%	\$1,910.2
2022	(22.2%)	(23.2%)	(29.8%)	28.3%	30.1%	8	0.1%	\$221.0	\$233.6	94.6%	\$1,403.8
2023	11.0%	9.6%	9.1%	22.4%	24.7%	9	0.2%	\$244.1	\$244.1	100.0%	\$1,688.1
2024	13.1%	11.9%	21.9%	23.5%	25.3%	10	0.1%	\$258.4	\$277.9	93.0%	\$1,618.7
2025	3.5%	2.3%	21.8%	20.6%	22.8%	10	0.4%	\$288.3	\$288.3	100.0%	\$1,483.8
Annualized 5 Year			Annualized 10 Year			Annualized ITD					
Total Return (Gross)	Total Return (Net)	Russell Microcap Growth Index	Total Return (Gross)	Total Return (Net)	Russell Microcap Growth Index	Total Return (Gross)	Total Return (Net)	Russell Microcap Growth Index			
6.2%	4.9%	2.8%	13.8%	12.4%	7.8%	13.9%	12.6%	7.6%			

NA - Not applicable by virtue of (1) an insufficient number of accounts in the composite for the entire year for Dispersion or (2) periods less than 3 years for Annualized Standard Deviation.

NM - Calculations for less than an entire calendar year for Composite Dispersion are not statistically meaningful.

Ranger Investment Management, L.P. ("RIM") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. RIM has been independently verified by Ashland Partners and Company for the periods October 23, 2002 through June 30, 2016 and by ACA Performance Services, LLC for the periods July 1, 2016 through December 31, 2025.

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- Composite Dispersion is calculated on a gross-of-fees returns basis using the asset-weighted standard deviation of all portfolios that were included in the Composite for the entire calendar year.
- Total Micro Cap ("MICCG") Assets include the Composite's assets as well as other micro cap assets managed by RIM. ACA Compliance Group has not reviewed the Total MICCG Assets or percentage of MICCG Assets in the performance table above.

#### Notes:

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For comparison purposes, the Composite is measured against the Russell Microcap Growth Index (the "Index"), a widely recognized index which seeks to capture the performance of the micro cap growth segment of the U.S. equity universe. Unlike the Index, Composite portfolios are actively managed and invest in a relatively focused group of holdings. Accordingly, comparing or contrasting Composite results or characteristics with those of the Index may be of limited use. Performance results of the Index include the reinvestment of dividends and income.

Composite returns are presented gross and net of management fees. This composite strategy intends to reinvest all dividends and income received; however, there can be instances when a portfolio's earned dividends and income are distributed back to the investor. Net of fee performance results presented above were calculated using the highest management fee equal to an annual rate of one-hundred and twenty-five basis points (1.25%) of the capital account balance through March 31, 2024 and one-hundred and ten basis points (1.10%) of the capital account balance from April 1, 2024 through December 31, 2025. The current fee schedule for the composite is one-hundred and ten basis points (1.10%) for the first \$25mm in AUM; Ninety-five basis points (0.95%) for the next \$25mm in AUM; Eighty basis points (0.80%) between \$50-100mm in AUM; and AUM over \$100mm is negotiable. The total expense ratio as of July 31, 2025 for the Ranger Micro Cap Fund, which is included in the RIM Micro Cap Composite, is 1.28%. Investment advisory fees incurred by clients may vary. Valuations are computed and performance is reported in U.S. dollars. Policies for valuing investments, calculating performance, and preparing GIPS Reports may be obtained by contacting RIM.

Gross-of-fees returns were used to calculate the three year annualized standard deviation.

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