Sterling Capital Management – National Intermediate Tax-Free SMA Composite

November 1, 2010 to December 31, 2018

Description: *Consists of all bundled fee-paying, discretionary SMA National Intermediate fixed income accounts that are measured against the ICE BofA Merrill Lynch 1-10 Year Municipal or similar index.*

Year	Total Return Gross of Fees	Total Return Net of Fees	No. of Portfolios	Total Assets End of Period ($MM)	Percent of Firm Assets	Total Firm Assets ($MM)	Composite Dispersion (%)	ICE BofA ML 1-10 Muni Index	Composite 3-yr St Dev (%)	Benchmark 3-yr St Dev (%)
2018	1.48	0.80	210	305	0.5	56,889	0.13	1.69	2.27	2.24
2017	2.86	2.07	114	238	0.4	55,908	0.26	2.83	2.27	2.22
2016	0.00	-0.75	82	192	0.4	51,603	0.21	-0.05	2.18	2.15
2015	2.51	1.74	52	154	0.3	51,155	0.23	2.12	1.94	1.90
2014	3.73	2.95	37	159	0.3	47,540	0.32	3.58	2.08	1.95
2013	-0.13	-0.88	20	59	0.1	45,638	0.32	0.16	2.46	2.19
2012	3.30	2.53	19	62	0.2	38,676	0.30	2.98	N/A	N/A
2011	7.62	6.81	18	67	0.2	34,131	not meaningful	6.80	N/A	N/A
2010*	-0.76	-0.88	1	4	0.0	32,736	not meaningful	-1.58	N/A	N/A
Annualized Since Inception	2.49	1.76						2.25		

*11/1/10 to 12/31/10

Sterling Capital Management LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sterling Capital Management LLC has been independently verified for the periods 01/01/01 to 12/31/16. The verification report(s) is/are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Notes:

1. Sterling Capital Management LLC (SCM) is a registered investment advisor with the SEC. Sterling manages a variety of equity, fixed income and balanced assets. Prior to January 2001, Sterling was a wholly owned subsidiary of United Asset Management (UAM). In January 2001, Sterling Capital Management LLC purchased all the assets and business of Sterling Capital Management Company from UAM to become an employee owned firm. There were no changes in personnel. In April 2005, BB&T Corporation purchased a majority equity ownership stake in Sterling Capital Management LLC. There were no changes in personnel. In October 2010, the management group of Sterling Capital entered into an agreement with BB&T Corporation that reduced and restructured management's interest in Sterling Capital Management. Additionally, BB&T Asset Management merged into Sterling Capital Management. There were no material changes in personnel. In January 2013, CHOICE Asset Management merged into Sterling Capital Management. There were no changes in personnel. In August 2015, 8 new employees joined Sterling Capital Management via Stratton Management Company following the close of BB&T's purchase of Susquehanna Bancshares. There were no changes to personnel.
2. Inception date of composite: November 1, 2010. Creation Date: January 1, 2011. The appropriate benchmark for this composite is the ICE Bank Of America Merrill Lynch 1-10 Year Municipal Index. This index is a component of the ICE BofA Merrill Lynch US Municipal Securities Index including all securities with a remaining term to final maturity less than 10 years. The ICE BofA Merrill Lynch US Municipal Index tracks the performance of US dollar denominated investment grade tax-exempt debt publicly issued by US states and territories, and their political subdivisions, in the US domestic market. Qualifying securities must have at least one year remaining term to final maturity, a fixed coupon schedule and an investment grade rating (based on an average of Moody's, S&P, and Fitch). Minimum size requirements vary based on the initial term to final maturity at time of issuance. From November 1, 2010 to December 31, 2013, the minimum initial portfolio size for inclusion in the composite is $1,000,000. Beginning January 1, 2014, the minimal initial portfolio size was removed. Until 12/31/13, portfolios were excluded from the composite when the asset value falls below the minimum for a period of 3 consecutive months. A complete list of all of SCM's composites and their descriptions is available upon request. Policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.
3. Performance reflects reinvested interest income and dividends and realized and unrealized capital gains and losses. All portfolios are valued monthly as of calendar month-end and utilize trade-date and accrued income accounting. Valuations and performance are reported in US dollars. Composite returns are adjusted for daily-weighted external cash flows. Composite returns are based on the aggregate method and are calculated monthly using the Modified Dietz method. Composites are revalued for cash flows greater than 5%. Periodic time weighted returns are geometrically linked. Returns are not calculated net of non-reclaimable withholding taxes due to immaterial dollar amounts.
4. Gross of fees performance returns are presented before management and custodian fees but after all trading expenses. The SMA fee includes all charges for trading costs, portfolio management, custody and other administrative fees. Net of fee returns are calculated by subtracting the highest applicable SMA fee (inception through 6/30/18 = 0.75% on an annual basis and beginning 7/1/18 = 0.60% on an annual basis) from the gross of fees monthly return.
5. The annual composite dispersion is measured by an equal weighted standard deviation calculation method. It is not meaningful when there have been less than six portfolios in composite for entire calendar year. The three year annualized standard deviation measures the variability of the composite and benchmark returns over the preceding 36-month period.
6. The performance presented represents past performance and is no guarantee of future results. Fixed income conditions vary from year to year and can result in a decline in market value due to material market or economic conditions.