

# TIMESSQUARE CAPITAL MANAGEMENT, LLC

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A U.S. Small/Mid & U.S. Small Cap Growth  
Portfolio Review Presentation To

**Oklahoma Municipal  
Retirement Fund**

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Jeffrey D. Braemer, CFA, Senior Vice President, Product Manager

Third Quarter 2016

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# **TimesSquare Capital Management, LLC** **(TimesSquare)**

# TIMESQUARE CAPITAL MANAGEMENT, LLC

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- ⌘ Investment manager focused on providing superior investment solutions exclusively to the institutional marketplace
- ⌘ Experienced team of international and U.S. equity professionals
- ⌘ Time-tested investment strategies driven by internally generated research
- ⌘ Significant employee ownership

**We are growth equity specialists.**

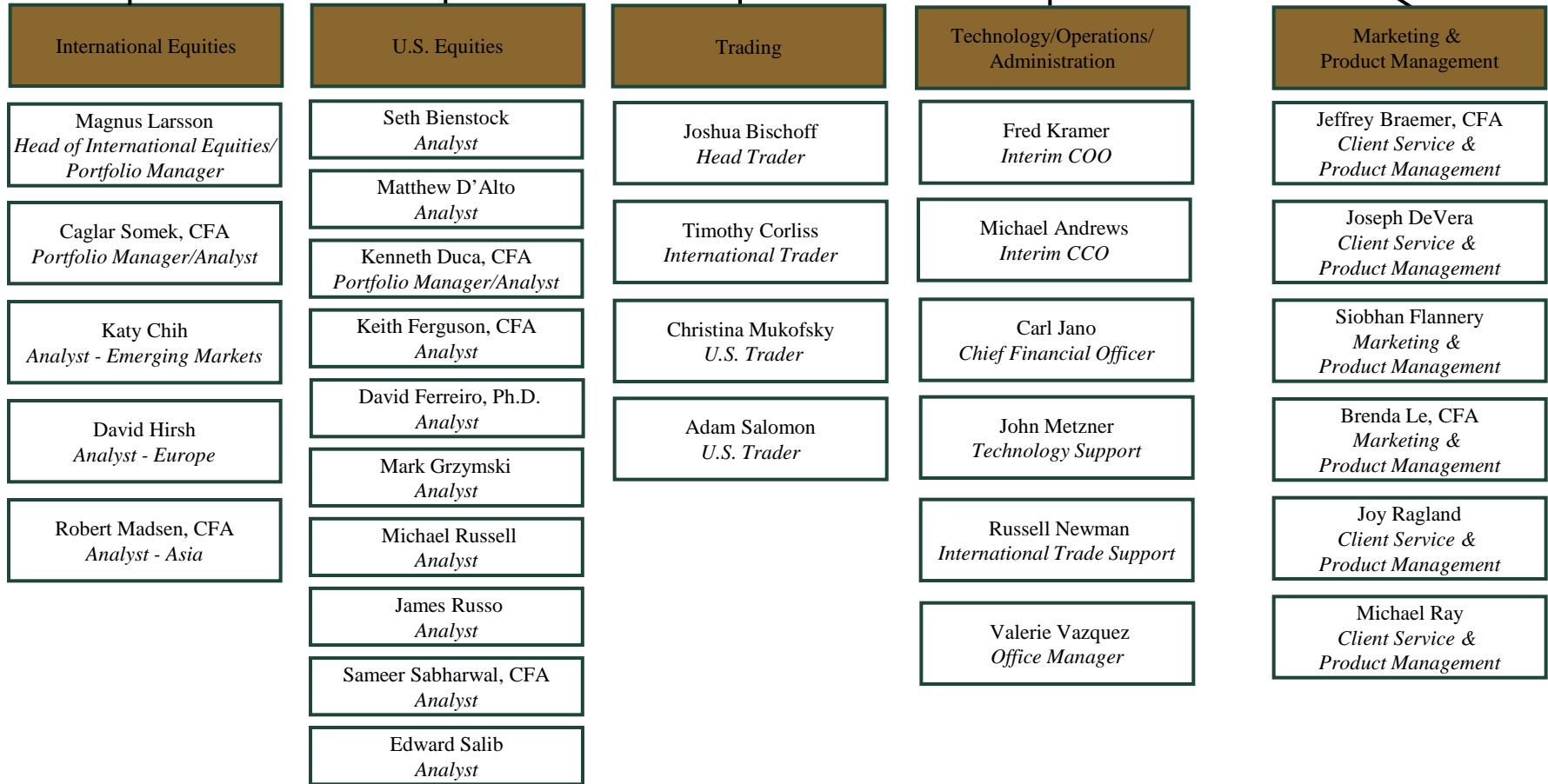
# TIMESSQUARE CAPITAL MANAGEMENT, LLC

## Management Committee

**Grant Babyak**  
CEO, Portfolio Manager

**Tony Rosenthal, CFA**  
Portfolio Manager

**Stephen Green, CFA**  
Head of Business Development



# GROWTH EQUITY STRATEGIES

As of September 30, 2016

U.S.	Total Assets (\$M)
Small Cap Growth (CLOSED)	\$4,422
Small/Mid Cap Growth	\$3,906
Mid Cap Growth	\$6,883
FOCUS Growth	\$570
All-Cap Growth	\$274
International	
International Small Cap	\$503
European Small Cap	\$7
	<b>\$16.56 Billion</b>

# REPRESENTATIVE CLIENT LIST

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## ***Corporate***

Allergan  
AMETEK  
Baker Hughes Incorporated  
Barnes Group  
Baxter International  
Boeing  
Bombardier Trust Canada, U.K., U.S.  
CBS Corporation  
CenturyLink  
Chevron Corporation  
Colgate-Palmolive Company  
Cox Enterprises  
Dell Inc.  
DuPont and Related Companies Defined  
    Contribution Plan Master Trust  
General Mills  
Hallmark Cards  
Illinois Tool Works Inc.  
Invensys  
Jefferson Regional Medical Center  
Mercy Health  
Blue Cross and Blue Shield of Minnesota  
Nestlé  
Pacific Gas and Electric Company  
PCA Retirement & Benefits, Inc.  
Ricoh Americas Corporation  
St. Joseph Health System  
UL

## ***Endowment/Foundation***

Allegheny College  
University of Arkansas Foundation  
UCLA Foundation  
Foundation for the Carolinas  
Cook Children's Health Foundation  
Holland Hospital  
Howard University  
Idaho Endowment Fund Investment Board  
John S. and James L. Knight Foundation  
Kansas Health Foundation  
Kemper & Ethel Marley Foundation  
Realdania  
Silicon Valley Community Foundation  
Spectrum Health Foundation  
Texas Tech University System  
Truth Initiative Foundation  
Wichita State University Foundation

## ***Financial Services***

AMG Funds LLC  
Aon Group Trust  
Atlantic Trust Private Wealth Management  
GuideStone Capital Management  
Nestlé Capital Advisers  
Nomura Asset Management Co., Ltd.  
Old Mutual Global Investors  
Oppenheimer Asset Management  
Prudential Financial  
Raymond James  
Vantagepoint Funds  
Wells Fargo Advisors

## ***Public***

Arizona State Retirement System  
Colorado Public Employees' Retirement Association  
HEB Manitoba  
Indiana Public Retirement System  
Manhattan and Bronx Surface Transit Operating Authority  
Montana Board of Investments  
Public Employees Retirement Association of New Mexico  
Oakland County Employees' Retirement System  
Oklahoma City Employee Retirement System  
Oklahoma Municipal Retirement Fund  
Metropolitan St. Louis Sewer District  
Regional Transportation Authority  
South Carolina Retirement Systems  
Tennessee Consolidated Retirement System  
Virginia Retirement System  
Worldwide Assurance for Employees of Public Agencies

## ***Taft-Hartley***

Carpenters Pension Trust Fund for Northern California  
Laborers' District Council & Contractors Pension Fund of Ohio  
Maritime Association - I.L.A. Pension Fund  
National Electric Benefit Fund  
Northeast Carpenters Annuity Fund  
Operating Engineers Pension Trust Fund of Washington, DC  
San Diego Electrical Industry Trust  
Twin City Iron Workers  
UFCW Rocky Mountain Unions & Employers Pension Plan

*Please see the Appendix for important disclosures regarding this list.*

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# TimesSquare U.S. Small/Mid Cap Growth Strategy



# U.S. SMALL/MID CAP GROWTH INVESTMENT TEAM

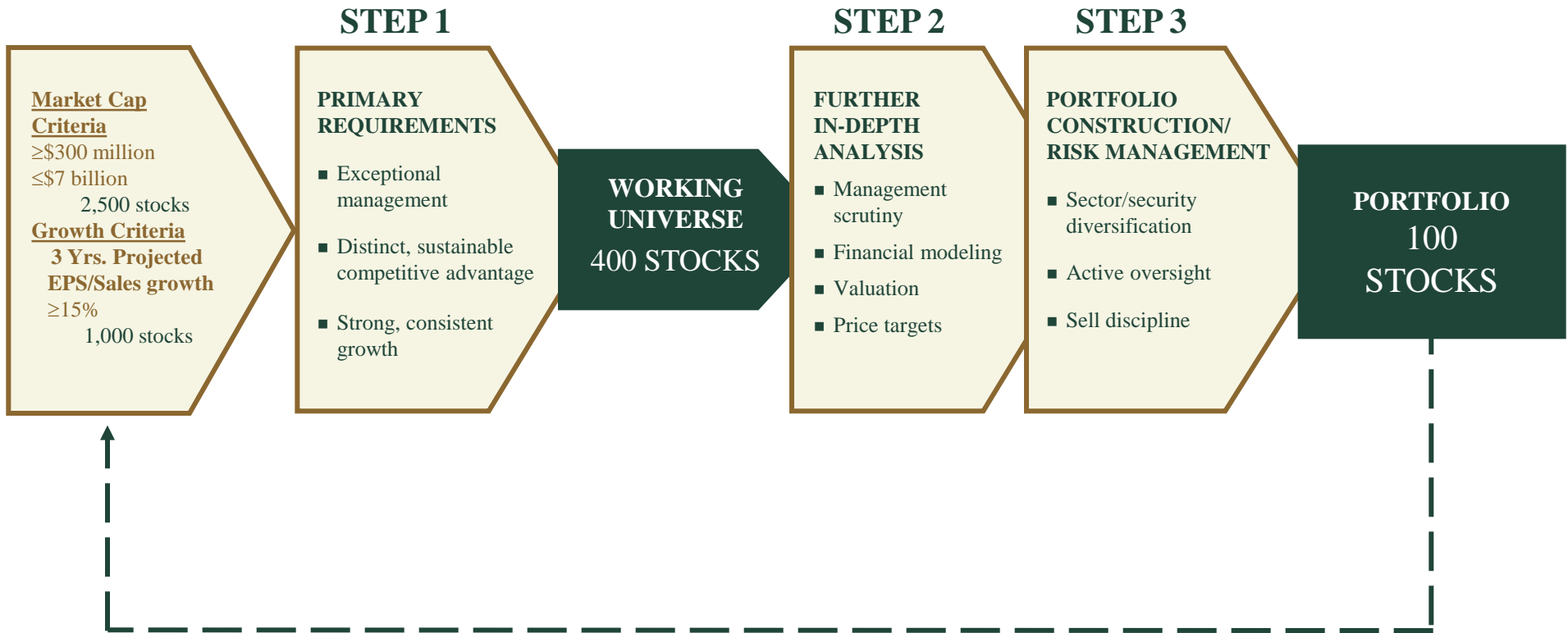
Portfolio Managers	Credentials	Investment Focus	Years of Experience
Grant R. Babyak	MBA/New York University BA/Yale University	Generalist	28
Tony Rosenthal, CFA	MBA/Columbia University BA/Wesleyan University	Generalist	27
Small/Mid Cap Analysts	Credentials	Investment Focus	Years of Experience
Seth M. Bienstock	BS/University of Pennsylvania	Financial Services	19
Matthew T. D'Alto	MBA/University of Chicago BA/Fairfield University	Energy	18
Kenneth C. Duca, CFA	MBA/Rutgers University BA/Muhlenberg College	Business Services, Transaction Processing	26
Keith E. Ferguson, CFA	MBA/New York University BBA/Hofstra University	Aerospace, Defense, Communications, Lodging, Transportation	24
David Ferreiro, Ph.D.	PhD/MS/Yeshiva University BA/Middlebury College	Biotechnology, Pharmaceuticals, Devices, Tools & Diagnostics	10
Mark E. Grzymiski	MBA/Fordham University BSBA/Bucknell University	Industrials, Materials & Processing, Machinery	19
Michael J. Russell	MBA/Harvard University AB/Princeton University	Consumer Discretionary, Consumer Staples, Marketing Services	23
James J. Russo	MBA/Columbia University BS/Boston College	Semiconductor, Software, Internet, Computer Hardware	13
Sameer K. Sabharwal, CFA	BA/University of Chicago	Health Care Services	13
Edward F. Salib	BS/Cornell University	Consumer Discretionary, Consumer Staples, Marketing Services	14

# U.S. SMALL/MID CAP GROWTH INVESTMENT PHILOSOPHY

*“We believe that our proprietary fundamental Small/Mid cap research skills, which place a particular emphasis on the assessment of management quality and an in-depth understanding of superior business models, enable us to build a diversified portfolio of Small/Mid cap growth stocks that will generate superior risk-adjusted returns.”*

# U.S. SMALL/MID CAP GROWTH INVESTMENT PROCESS

## Research-Driven, Bottom-Up Discipline



# U.S. SMALL/MID CAP GROWTH INVESTMENT PROCESS

## Identifying “Superior Growth Businesses”

### ▶ Exceptional management

- Clear goals and viable business model
- Alignment of interests with shareholders
- Experience and integrity
- Meaningful proportion of net worth tied to company
- Track record of success

### ▶ Distinct, sustainable competitive advantage

- Proprietary products, services, distribution/manufacturing advantages
- Demonstrated franchise value
- High barriers to entry
- Relatively few competitors
- Brand name recognition
- Patents

### ▶ Strong, consistent growth

- Both top line (revenue) and bottom line (earnings)
- Strong probability of retaining or widening margins
- High proportion of recurring revenues
- Sales to many customers in multiple markets
- Strong balance sheet, conservative accounting, sufficient cash flow
- Visibility of earnings
- Growth rate potential unidentified



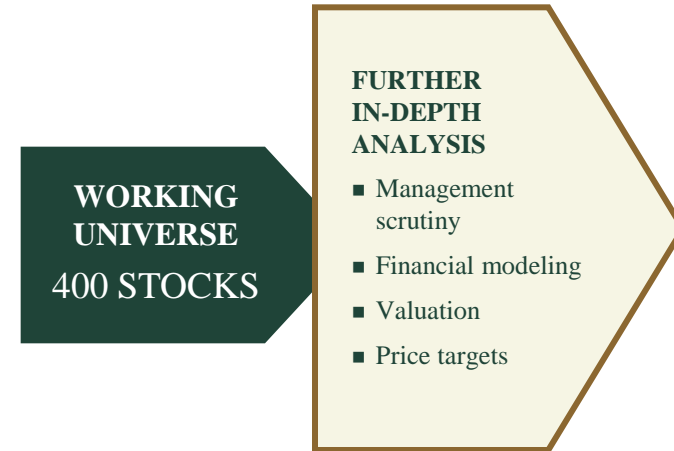
# U.S. SMALL/MID CAP GROWTH INVESTMENT PROCESS

## Further In-Depth Analysis

- ▶ **Management scrutiny**
  - Approximately 1,500 management meetings per year
  - On site due diligence of manufacturing/production facilities
  - Further management discussions

- ▶ **Financial Modeling**
  - Traditional financial analysis
  - Models based on internally generated growth forecasts

- ▶ **Valuation tailored to industry**
  - Price/earnings at a discount to earnings growth
  - Attractive price/earnings relative to industry group
  - Price/revenue, price/cash flow, etc., as appropriate



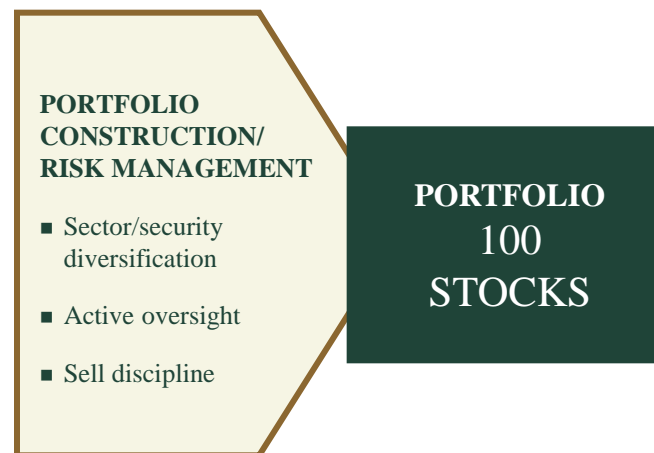
- ▶ **Establish targets for each stock**
  - 25-50% price appreciation potential over 12 to 18 months
  - Re-evaluate based on evolving fundamentals and current market conditions

# U.S. SMALL/MID CAP GROWTH INVESTMENT PROCESS

## Portfolio Construction/Risk Management

### ▶ Sector/Security Diversification

- Approximately 100 stocks in a portfolio
- No one issue greater than 5% at market
- No one major industry greater than 2x the index weight
- No one sector greater than 45% of portfolio market value
- Top 15 positions targeted to represent 30% of the portfolio



### ▶ Active Oversight

- Trading system with built-in pre-trade compliance
- Daily compliance review
- Formal weekly review versus client guidelines and peer group review
- Daily and weekly strategy/ research meetings
- Monthly attribution analysis

### ▶ Sell Discipline

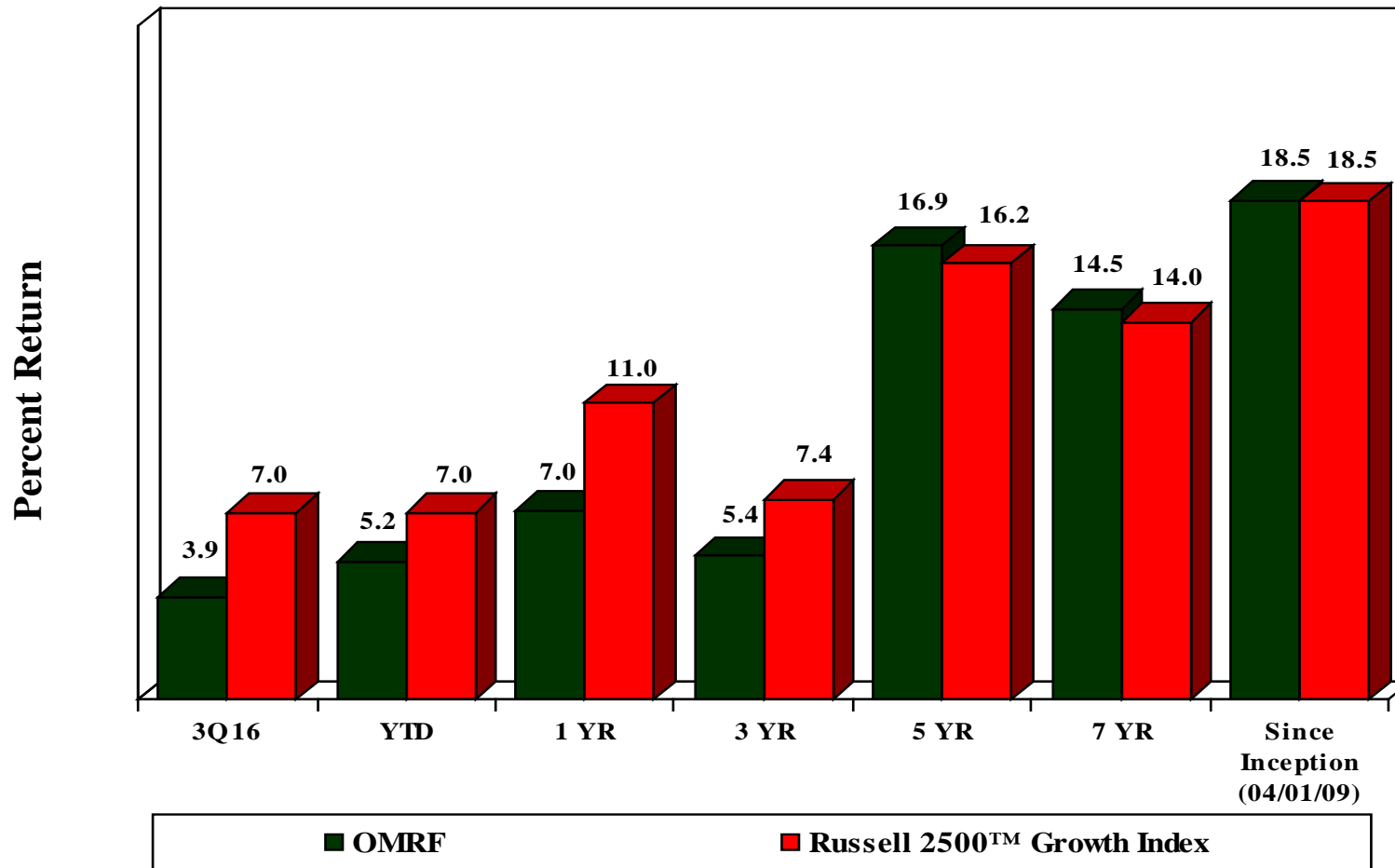
- Operating objectives not met
- Management unable to sustain competitive advantage
- Anticipated deterioration in fundamentals
- Reasons for purchase changed
- Overvaluation
- Prudent profit-taking/trimming

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# U.S. Small/Mid Cap Portfolio Results & Characteristics

# OKLAHOMA MUNICIPAL RETIREMENT FUND

## Total Returns (Gross) for the Period Ending September 30, 2016



Market Value as of September 30, 2016: \$24,811,373

Returns are Annualized greater than 1 YR



# RUSSELL 2500™ GROWTH INDEX BREAKDOWN

## RUSSELL 2500™ GROWTH INDEX (AS OF 9/30/16)

<b>MACRO GROUP</b>	<b>3Q16 RETURN (%)</b>	<b>Y-T-D RETURN (%)</b>	<b>INDEX WEIGHT (%)</b>	<b>OMRF WEIGHT (%)</b>
Consumer Discretionary	3.1	5.1	18.9	18.0
Consumer Staples	-1.9	5.6	4.3	1.7
Energy	11.0	-10.9	1.1	2.3
Financial Services	3.2	5.4	13.1	23.0
Healthcare	10.9	-1.6	19.5	13.0
Materials & Processing	7.8	18.3	9.0	5.3
Producer Durables	6.5	12.2	16.2	20.7
Technology	13.8	11.7	16.5	14.6
Utilities	-1.6	5.8	1.5	1.5
<b>Index Total</b>	<b>7.0</b>	<b>7.0</b>	<b>100</b>	<b>100</b>

Source: FactSet

# OKLAHOMA MUNICIPAL RETIREMENT FUND

## ATTRIBUTION HIGHLIGHTS: 3<sup>rd</sup> QUARTER 2016

### Performance Contribution by Sector Relative to Russell 2500™ Growth Index

RUSSELL GLOBAL ECONOMIC SECTORS	SECTOR ALLOCATION	STOCK SELECTION	ACTIVE CONTRIBUTION
Consumer Discretionary	0.03	-0.39	-0.36
Consumer Staples	0.23	0.25	0.48
Energy	0.04	-0.14	-0.10
Financial Services	-0.28	0.72	0.44
Health Care	-0.23	-1.29	-1.53
Materials & Processing	-0.03	-0.17	-0.20
Producer Durables	-0.02	-0.43	-0.45
Technology	-0.16	-1.14	-1.30
Utilities	0.01	0.10	0.10
<b>TOTAL (Includes Cash &amp; Equivalents)</b>	<b>-0.67</b>	<b>-2.50</b>	<b>-3.17</b>

#### Greatest Contributors

Security	Sector	Contrib to Equity Return %
WEX Inc.	Financial Services	0.36
Medivation, Inc.	Health Care	0.34
WhiteWave Foods Company	Consumer Staples	0.32
Advisory Board Company	Producer Durables	0.28
WABCO Holdings Inc.	Consumer Discretionary	0.27

#### Greatest Detractors

Security	Sector	Contrib to Equity Return %
Intra-Cellular Therapies, Inc.	Health Care	-0.51
G-III Apparel Group, Ltd.	Consumer Discretionary	-0.43
Team Health Holdings, Inc.	Health Care	-0.21
Carter's, Inc.	Consumer Discretionary	-0.21
ServiceMaster Global Holdings, Inc.	Consumer Discretionary	-0.20

Source: FactSet

# OKLAHOMA MUNICIPAL RETIREMENT FUND

## PORTFOLIO TEN LARGEST HOLDINGS

Security Name	Description (Year of Initial Purchase)	9/30/2016 % of Total	Price	Cap Size (\$ mil)	3Q16 Portfolio Return (%)	Contribution Portfolio Return (%)
CoStar Group	Provides information & marketing services to the commercial real estate industry in the U.S. & UK (2005)	2.62	\$216.53	7,059	-1.07	-0.02
Ultimate Software Group	Designs, markets, implements & supports Web-based & client/server cross-industry human resource management & payroll software solutions (2012)	2.20	\$204.39	5,913	-2.68	-0.06
TransUnion	Organizes & analyzes data on consumers & businesses worldwide (2015)	2.11	\$34.50	6,304	3.12	0.08
WEX	Provides payment processing & information management services to the U.S. commercial & government vehicle fleet industry (2005)	2.05	\$108.09	4,195	21.90	0.36
Jack Henry & Associates	Provides integrated computer systems & services to commercial banks, credit unions, & other financial institutions (2000)	1.90	\$85.55	6,732	-1.68	-0.03
ProAssurance	Provides medical liability insurance to practitioners throughout the U.S. (2009)	1.79	\$52.48	2,792	-1.41	-0.03
Broadridge Financial Solutions	Provides investor communications for the financial services industry including proxy materials, account statements & trade confirmations (2013)	1.75	\$67.79	8,020	4.47	0.08
Global Payments	Provides electronic transaction processing services to consumers, corporations, & government agencies (2001)	1.73	\$76.76	11,797	7.68	0.12
Bright Horizons Family Solutions	Provides employer-onsite child care, early education & other services to support employees' families (2014)	1.70	\$66.89	3,936	0.87	0.02
WNS	Provides business process management services—including customer interaction, finance & accounting, and data analytics—to a variety of industries worldwide (2012)	1.64	\$29.95	1,522	10.96	0.16
		<b>19.48</b>				<b>0.67</b>

Source: FactSet

# OKLAHOMA MUNICIPAL RETIREMENT FUND PORTFOLIO CHARACTERISTICS

As of September 30, 2016

	OMRF	Russell 2500™ Growth Index
Median Market Capitalization (\$ Billions)	4.0	1.2
Weighted Median Market Capitalization (\$ Billions)	4.2	3.7
Weighted Average Market Capitalization (\$ Billions)	4.3	4.2
P/E (FY1 Forecast) <sup>1</sup>	19.7x	20.5x
L.T. Earnings Growth Forecast <sup>1</sup>	13.8%	13.8%
Number of Holdings	93	1,442

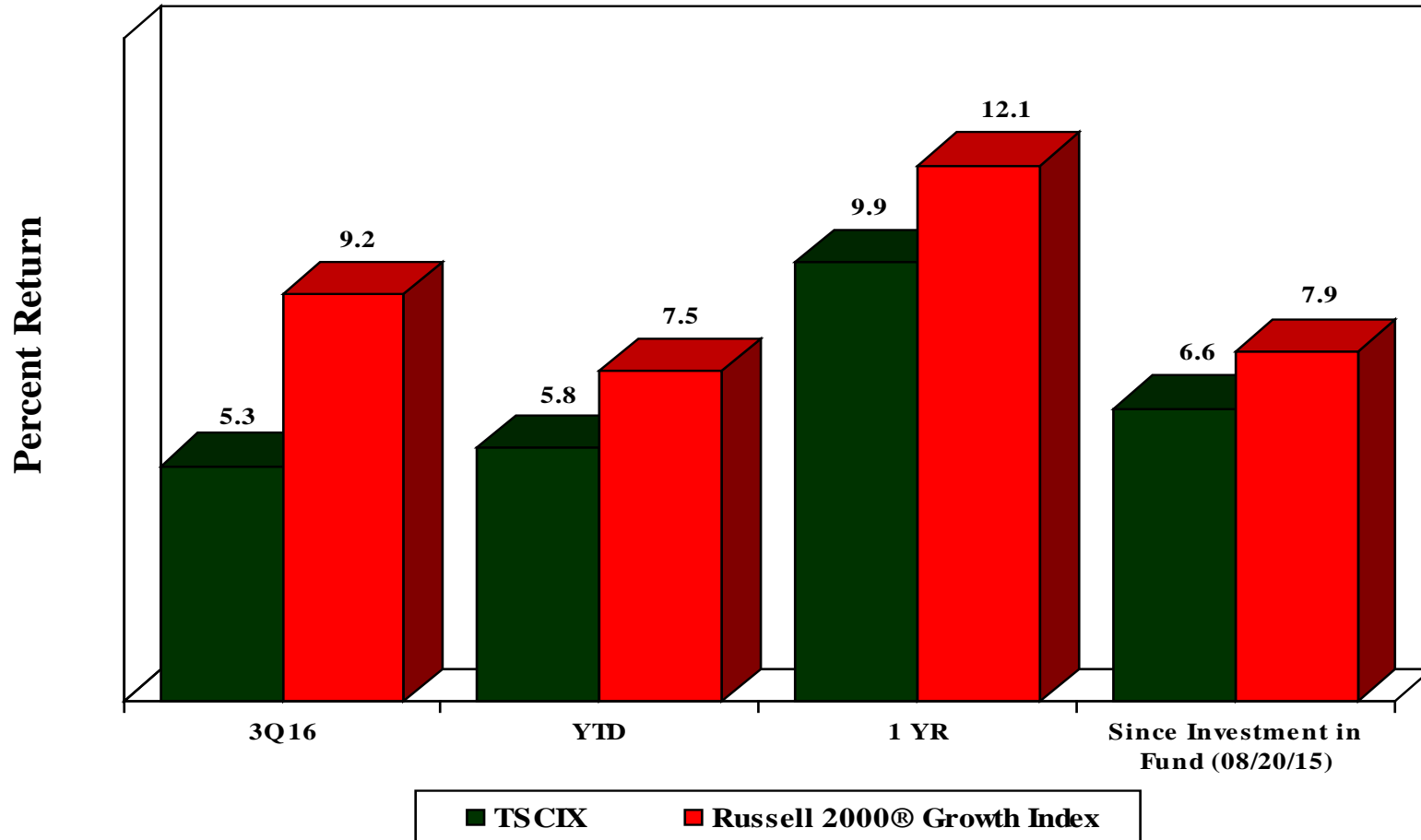
<sup>1</sup> Source: FactSet Estimates

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# U.S. Small Cap Portfolio Results & Characteristics

# Oklahoma Municipal Retirement Fund TimesSquare Small Cap Growth Fund – Class I

Total Returns (Net) for the Period Ending September 30, 2016



Market Value as September 30, 2016: \$5,209,858

Returns are Annualized greater than 1 YR

# U.S. SMALL CAP GROWTH HISTORICAL PERFORMANCE

## Gross-of-Fee Returns as of September 30, 2016

	YTD	Annualized					Since Inception (09/30/2000)
		1 Year	3 Years	5 Years	7 Years	10 Years	
U.S. Small Cap Growth Composite	6.72%	10.96%	5.45%	16.66%	14.95%	10.62%	8.92%
Russell 2000® Growth Index	7.48%	12.12%	6.59%	16.15%	13.32%	8.29%	4.63%

Data for the Russell 2000® Growth Index is sourced from FactSet.

Please see the Appendix for important disclosures regarding past performance.

# RUSSELL 2000® GROWTH INDEX BREAKDOWN

## RUSSELL 2000™ GROWTH INDEX (AS OF 9/30/16)

<b>MACRO GROUP</b>	<b>3Q16 RETURN (%)</b>	<b>Y-T-D RETURN (%)</b>	<b>INDEX WEIGHT (%)</b>	<b>SCG WEIGHT (%)</b>
Consumer Discretionary	3.7	6.4	16.0	17.7
Consumer Staples	-5.1	3.4	3.0	1.0
Energy	18.0	0.9	1.0	3.0
Financial Services	4.1	7.2	11.5	10.7
Healthcare	13.5	-2.7	23.3	14.5
Materials & Processing	9.2	22.2	9.1	5.4
Producer Durables	7.7	14.3	14.0	27.7
Technology	17.7	16.1	19.9	15.9
Utilities	-3.7	1.9	2.2	4.1
<b>Index Total</b>	<b>9.2</b>	<b>7.5</b>	<b>100</b>	<b>100</b>

Source: FactSet



# TIMESQUARE SMALL CAP GROWTH FUND

## ATTRIBUTION HIGHLIGHTS: 3<sup>rd</sup> QUARTER 2016

### Performance Contribution by Sector Relative to Russell 2000® Growth Index

<b>RUSSELL GLOBAL ECONOMIC SECTORS</b>	<b>SECTOR ALLOCATION</b>	<b>STOCK SELECTION</b>	<b>ACTIVE CONTRIBUTION</b>
Consumer Discretionary	0.02	1.04	1.05
Consumer Staples	0.28	-0.19	0.10
Energy	0.15	-0.27	-0.12
Financial Services	0.03	0.35	0.38
Health Care	-0.29	-1.89	-2.18
Materials & Processing	0.00	-0.46	-0.47
Producer Durables	-0.17	-0.85	-1.02
Technology	-0.30	-0.83	-1.13
Utilities	-0.14	0.26	0.13
<b>TOTAL (Includes Cash &amp; Equivalents)</b>	<b>-0.84</b>	<b>-2.83</b>	<b>-3.67</b>

#### Greatest Contributors

<b>Security</b>	<b>Sector</b>	<b>Contrib to Equity Return %</b>
Mattress Firm Holding Corp.	Consumer Discretionary	0.59
PRA Health Sciences, Inc.	Health Care	0.46
WEX Inc.	Financial Services	0.37
Lithia Motors, Inc.	Consumer Discretionary	0.34
Advisory Board Company	Producer Durables	0.32

#### Greatest Detractors

<b>Security</b>	<b>Sector</b>	<b>Contrib to Equity Return %</b>
G-III Apparel Group, Ltd.	Consumer Discretionary	-0.49
Intra-Cellular Therapies, Inc.	Health Care	-0.49
American Renal Associates	Health Care	-0.28
Team Health Holdings, Inc.	Health Care	-0.28
Seres Therapeutics Inc	Health Care	-0.24

Source: FactSet

# TIMESQUARE SMALL CAP GROWTH FUND

## PORTFOLIO TEN LARGEST HOLDINGS

Security Name	Description (Year of Initial Purchase)	9/30/2016 % of Total	Price	Cap Size (\$ mil)	3Q16 Portfolio Return (%)	Contribution Portfolio Return (%)
On Assignment	Provides flexible & permanent staffing solutions, primarily for the Health Care sector worldwide (2006)	2.21	\$36.29	1,941	-1.75	-0.04
Monro Muffler Brake	Provides automotive repair services (2005)	2.21	\$61.17	1,975	-3.54	-0.05
WEX	Provides payment processing & information management services to the U.S. commercial & government vehicle fleet industry (2005)	2.08	\$108.09	4,195	21.89	0.37
MKS Instruments	Manufactures subsystems for the semiconductor capital equipment industry (2014)	2.05	\$49.73	2,664	15.84	0.31
Ultimate Software Group	Designs, markets, implements & supports Web-based & client/server cross-industry human resource management & payroll software solutions (2006)	2.02	\$204.39	5,913	-2.87	-0.05
Albany International	Manufactures fabrics, belts & composite materials for industrial machinery & aerospace use worldwide (2009)	1.95	\$42.38	1,360	6.58	0.12
Bright Horizons Family Solutions	Provides employer-onsite child care, early education & other services to support employees' families (2013)	1.88	\$66.89	3,936	0.88	0.02
Kennedy Wilson	Provides real estate investments & services globally (2013)	1.82	\$22.55	2,537	19.59	0.30
j2 Global	Provides Internet-based messaging & communication services to individuals & businesses throughout the world (2006)	1.72	\$66.61	3,204	5.93	0.10
ExlService	Provides transformation & outsourcing services (2010)	1.71	\$49.84	1,668	-4.86	-0.08
		<b>19.64</b>				<b>1.00</b>

Source: FactSet

# TIMESQUARE SMALL CAP GROWTH FUND PORTFOLIO CHARACTERISTICS

As of September 30, 2016

	SCG Fund	Russell 2000® Growth Index
Median Market Capitalization (\$ Billions)	1.8	0.8
Weighted Median Market Capitalization (\$ Billions)	2.0	1.9
Weighted Average Market Capitalization (\$ Billions)	2.2	2.0
P/E (FY1 Forecast) <sup>1</sup>	20.9x	20.6x
L.T. Earnings Growth Forecast <sup>1</sup>	14.9%	14.8%
Number of Holdings	95	1,154

<sup>1</sup> Source: FactSet Estimates

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# Appendix

# U.S. SMALL/MID CAP GROWTH HISTORICAL PERFORMANCE

## Calendar Year Gross-of-Fee Returns

Calendar Years	U.S. Small/Mid Cap Growth Composite	Russell 2500™ Growth Index
2015	-3.24%	-0.19%
2014	3.63	7.05
2013	42.84	40.65
2012	22.44	16.13
2011	3.41	-1.57
2010	24.68	28.86
2009	44.60	41.66
2008	-35.13	-41.50
2007	16.34	9.69
2006	14.09	12.26
2005	12.51	8.17
2004	12.75	14.59
2003	37.07	46.31
2002	-17.57	-29.09
2001	-10.71	-10.83

⇒ Our team has outperformed the Russell 2500™ Growth Index in 6 of the 6 negative benchmark quarters over the last seven years (100%)

⇒ Our team has outperformed the Russell 2500™ Growth Index in 11 of the 11 negative benchmark quarters over the last ten years (100%)

*Data for the Russell 2500™ Growth Index is sourced from FactSet and Russell Investments.*

*Please see the important disclosures regarding past performance.*

# U.S. SMALL CAP GROWTH HISTORICAL PERFORMANCE

## Calendar Year Gross-of-Fee Returns

Calendar Years	U.S. Small Cap Growth Composite	Russell 2000® Growth Index
2015	1.49%	-1.38%
2014	-1.07	5.60
2013	49.03	43.30
2012	15.24	14.59
2011	3.40	-2.91
2010	28.72	29.09
2009	39.41	34.47
2008	-31.48	-38.54
2007	10.00	7.05
2006	16.55	13.35
2005	13.37	4.15
2004	12.39	14.31
2003	39.34	48.54
2002	-17.91	-30.26
2001	-7.19	-9.23

- ⇒ Our team has outperformed the Russell 2000® Growth Index in 7 of the 7 negative benchmark quarters over the last seven years (100%)
- ⇒ Our team has outperformed the Russell 2000® Growth Index in 12 of the 12 negative benchmark quarters over the last ten years (100%)

*Data for the Russell 2000® Growth Index is sourced from FactSet and Russell Investments.*

*Please see the important disclosures regarding past performance.*

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## Biographies

# MANAGEMENT COMMITTEE

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## **Grant R. Babyak**

**28 Years Experience**

Grant is a Senior Founding Partner, Managing Director, and Portfolio Manager in TimesSquare's growth equity group. Prior to joining TimesSquare in 2000, Grant managed small cap and mid cap portfolios at Fiduciary Trust Company International. He previously worked for six years at Avatar Associates as an institutional portfolio manager and for two years at U.S. Trust Company of New York as an analyst covering the consumer and basic industrial sectors. Grant has a B.A. in Political Science from Yale University and an M.B.A. in Finance from the Leonard N. Stern School of Business at New York University.

## **Stephen Green, CFA**

**27 Years Experience**

Stephen is a Senior Founding Partner, Managing Director, and member of the three-person Management Committee that oversees TimesSquare. He is Head of Global Business Development encompassing Marketing, Sales, and Product Management. Prior to joining TimesSquare in 2000, Stephen was Senior Vice President and Head of Global Product Management at Fiduciary Trust Company International. At Fiduciary, he was the primary architect of the Product Management division. Stephen's background also includes investment consulting roles at Mercer Investment Consulting and Stratford Advisory Group where he was a Senior Consultant and Director of Manager Research at both firms. Stephen has a B.S. in Finance and an M.B.A. from the University of Illinois. He is a member of the CFA Institute and the New York Society of Security Analysts. He is conversational in Mandarin.

## **Tony Rosenthal, CFA**

**27 Years Experience**

Tony is a Senior Founding Partner, Managing Director, and Portfolio Manager in TimesSquare's growth equity group. Before joining TimesSquare in 2000, Tony held a similar position at Fiduciary Trust Company International. Prior experience includes three years at the Bank of New York as an equity portfolio manager and analyst and time at U.S. Trust Company of New York, where he conducted economic research. Tony has a B.A. in Economics from Wesleyan University and an M.B.A. from Columbia Business School. He is a member of the CFA Institute and the New York Society of Security Analysts.



# U.S. EQUITY INVESTMENT PROFESSIONALS

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## **Seth M. Bienstock**

**19 Years Experience**

Seth is a Director and Analyst in TimesSquare's growth equity group and is responsible for research coverage of the financial services sector. Prior to joining TimesSquare in 2008, Seth was a Senior Analyst at Second Curve Capital, a financial services hedge fund. Prior experience includes eight years in private equity with Conning Capital Partners and Securitas Capital. At Securitas, he also worked extensively on strategy and corporate development assignments for Swiss Re. Seth has a B.S. in Economics from the University of Pennsylvania, with a dual concentration in Finance and Insurance/Risk Management.

## **Joshua A. Bischoff**

**21 Years Experience**

Joshua is a Director and Head of Trading at TimesSquare. Joshua joined TimesSquare in 2003 from Loomis Sayles & Co. where he held a similar position. His previous experience includes trading for small capitalization equity products at Scudder Kemper and Dreman Value and working as a block trader for Bear Stearns where he concentrated on trading financial and energy stocks. Joshua has a B.S. in Business Administration from Providence College and holds FINRA Series 7 and 55 licenses.

## **Matthew T. D'Alto**

**18 Years Experience**

Matt is a Senior Vice President and Analyst in TimesSquare's growth equity group, responsible for research coverage of the energy sector. Prior to joining TimesSquare in 2011, Matt was a Senior Vice President/Senior Equity Analyst at J. & W. Seligman on their small- and SMID-cap growth equity team for eight years. Prior to J. & W. Seligman, Matt worked at Putnam Investments as an Investment Associate. Matt holds a B.A. in English writing with a Finance minor from Fairfield University, and an MBA from the University of Chicago Booth School of Business.

## **Kenneth C. Duca, CFA**

**26 Years Experience**

Ken is a Director and Portfolio Manager/Analyst in TimesSquare's growth equity group, responsible for covering the business services and transaction processing sectors. Prior to joining TimesSquare in 2000, Ken held a similar position at Fiduciary Trust Company International. Before joining Fiduciary Trust, Ken spent 10 years with Prudential where, at the time of his departure, he was a senior equity analyst on the small cap growth team. Ken has a B.A. in Economics from Muhlenberg College and an M.B.A. from Rutgers University. He is a member of the CFA Institute and the New York Society of Security Analysts.

# U.S. EQUITY INVESTMENT PROFESSIONALS

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## **Keith E. Ferguson, CFA**

**24 Years Experience**

Keith is a Director and Analyst in TimesSquare's growth equity group. He is responsible for research coverage of the aerospace, defense, communications, lodging, and transportation industries. Keith joined TimesSquare in 2002 from Alkeon Capital, a technology hedge fund, where he held a similar position. His previous research analyst experiences were as a Vice President at Loomis, Sayles and a Senior Analyst at Value Line, Inc. Keith has a B.B.A. in Banking and Finance from Hofstra University, and an M.B.A. from the Leonard N. Stern School of Business at New York University. He is a member of the CFA Institute and the New York Society of Security Analysts.

## **David Ferreiro, Ph.D**

**10 Years Experience**

David is a Vice President and Analyst in TimesSquare's growth equity group. He is responsible for research coverage of the biotechnology, pharmaceuticals, devices and tools & diagnostics industries. Prior to joining TimesSquare in 2015, David was a Vice President at GMT Capital Corporation covering global health care stocks. His previous health care and biotechnology research analyst experiences were as an Executive Director at Oppenheimer, an Associate at JMP Securities, a Strategist at First Brokers Securities/Linkbrokers and an Associate at Banc of America Securities. David has a B.A. in Biology from Middlebury College, and an M.S. and Ph.D. in Microbiology and Immunology from the Albert Einstein College of Medicine.

## **Mark E. Grzymiski**

**19 Years Experience**

Mark is a Director and Analyst in TimesSquare's growth equity group. He is responsible for research coverage of the industrial manufacturing, services, materials and processing industries. Prior to joining TimesSquare in 2008, Mark was a Director at RBC Capital Markets covering industrial manufacturing and services companies. His previous research analyst experiences were as a Vice President at Needham & Company and as an associate analyst at Prospector Partners LLC. Mark has a B.S.B.A. in Management from Bucknell University, and an M.B.A. from the Graduate School of Business at Fordham University.

## **Michael J. Russell**

**23 Years Experience**

Mike is a Director and Analyst in TimesSquare's growth equity group with research responsibilities for the consumer discretionary, consumer staples, and marketing services sectors. Before joining TimesSquare in 2005, Mike was an Executive Director at Morgan Stanley covering media stocks since 1995 where he was a four year member of the Institutional Investor All-America Research Team and was rated the top broadcasting analyst in the Greenwich Associates survey in his last year on the sell-side. Mike graduated magna cum laude with an A.B. in Economics from Princeton University and has an M.B.A. from Harvard Business School.

# U.S. EQUITY INVESTMENT PROFESSIONALS

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## **James J. Russo**

**13 Years Experience**

Jim is a Vice President and Analyst in TimesSquare's growth equity group, responsible for research coverage of the semiconductor, software, internet, and computer hardware industries. Prior to joining TimesSquare in 2011, Jim was an Equity Research Analyst at Adage Capital Management, L.P. for four years. Prior to Adage Capital Management, he worked at Fidelity Management and Research as an Equity Research Associate. Jim holds a B.S. in Management with concentrations in Finance and Economics from Boston College and an M.B.A. from Columbia Business School.

## **Sameer K. Sabharwal, CFA**

**13 Years Experience**

Sameer is a Vice President and Analyst in TimesSquare's growth equity group. He is responsible for research coverage of the health care services industry. Prior to joining TimesSquare in 2015, Sameer was a research analyst at Eagle Asset Management covering health care stocks. His previous health care research experience was as a Senior Research Associate at Raymond James and Associates. Sameer has a B.A. in Economics and International Studies from the University of Chicago. He is a member of the CFA Institute.

## **Edward F. Salib**

**14 Years Experience**

Ed is a Vice President and Analyst in TimesSquare's growth equity group with research responsibilities for the consumer discretionary, consumer staples, and marketing services sectors. Ed joined the firm in 2002 as a Research Associate and had provided analytical support to the research analysts through the development of financial models and databases. He graduated with a B.S. in Applied Economics & Management from Cornell University.

# KEY BUSINESS PROFESSIONALS

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## **Michael J. Andrews**

**6 Years Experience**

Michael Andrews, Interim Chief Compliance Officer, joined TimesSquare in July 2015. Prior to joining TimesSquare, Michael worked at Carey Financial, LLC and Carey Credit Advisors, LLC, where he was a member of the compliance team for both the FINRA member broker-dealer and SEC registered investment adviser to a business development company. Prior to Carey, he was part of the legal and compliance teams at Advent Capital Management and Brookfield Investment Management. Michael has a B.A. in Business Administration from Fordham University and holds FINRA Series 24, 7 and 63.

## **Jeffrey D. Braemer, CFA**

**28 Years Experience**

Jeff is a Senior Vice President, Product Manager in TimesSquare's growth equity group. His responsibilities include client servicing as well as portfolio and attribution analysis and general investment research. Prior to joining TimesSquare in 2008, Jeff was a Director, Client Service and Marketing at Jacobs Levy Equity Management where he co-led the client service and portfolio analysis department. In that capacity, he was a primary point person for all client needs. Prior to Jacobs Levy, Jeff was a Product Specialist at Batterymarch Financial Management for U.S. and non-U.S. equity portfolios. Jeff has a B.A. in Political Science from Washington University in St. Louis and an M.S. in Management from Boston University. He is a member of the CFA Institute and the New York Society of Security Analysts. He holds FINRA Series 7 and 63 licenses.

## **Joseph B. DeVera**

**22 Years Experience**

Joe is a Senior Vice President, Product Manager in TimesSquare's growth equity group. His responsibilities include client servicing as well as portfolio and attribution analysis and general investment research. Prior to joining TimesSquare in 2008, Joe was a Vice President, Director of Investment Strategy at Sentinel Asset Management where he was the product specialist for the firm's products, including their Small Cap Growth and Mid Cap Growth products. Prior to Sentinel, Joe was a Director and Senior Client Portfolio Manager for the Small Cap and Mid Cap Growth portfolio management team at Deutsche Asset Management. He has a B.S. in Finance, Marketing and International Business from the Leonard N. Stern School of Business at New York University and holds FINRA Series 7 and 63 licenses.

# KEY BUSINESS PROFESSIONALS

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## **Fred M. Kramer**

**41 Years Experience**

Fred is the Interim Chief Operating Officer with the primary responsibility for day to day operations and processing of the firm. His focus and expertise includes trading, portfolio accounting, and reporting procedures and systems. Prior to joining the firm in 2000, Fred was Vice President at Credit Suisse Asset Management for 16 years where he implemented the global performance attribution system, a UNIX-based portfolio accounting system, a fixed-income risk management system, and other investment applications. Previously, Fred worked in senior accounting positions at Claredon LTD, Continental Grain, and International Basic Economy Corp. Fred earned a B.A. from Hofstra University and has completed graduate work at St. John's University.

## **Brenda N. Le, CFA**

**13 Years Experience**

Brenda is a Senior Vice President, Head of Consultant Relations at TimesSquare. She has lead responsibility interacting with investment consultants in regards to the firm's U.S. and International strategies. Brenda is also involved with marketing to the financial services industry as well as client servicing. Prior to joining TimesSquare in 2005, she was a Press Assistant in the New York State Executive Chamber where she assisted with media inquiries, reviewed television news summaries, and organized media requests for Governor George E. Pataki. Brenda graduated cum laude with a B.A. in Communications and a B.S.E. in Digital Media Design from the University of Pennsylvania and holds FINRA Series 7 and 63 licenses. She is a member of the CFA Institute and the New York Society of Security Analysts.

## **Michael B. Ray**

**28 Years Experience**

Mike is a Senior Vice President, Product Manager in TimesSquare's growth equity group. His responsibilities include client servicing as well as portfolio and attribution analysis and general investment research. Prior to joining TimesSquare in 2008, Mike was a Vice President, Client Service Manager at Goldman Sachs Asset Management. In that position, Mike worked closely with GSAM relationship and product managers with the common goal of deepening public fund client relationships. Prior to joining Goldman Sachs, Mike was a Vice President, Portfolio Specialist with Morgan Stanley Investment Management working with institutional and retail clients with a focus on the firm's US Growth products. Mike has a B.S. in Accounting from St. John's University and holds FINRA Series 7, 63 and 3 licenses.

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## Disclosures

# GENERAL DISCLOSURES

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***Representative Client List Disclosure:***

The Representative Client List includes the clients of TimesSquare Capital Management, LLC that have consented to inclusion on this list, and is not based on performance criteria. Inclusion on this list does not represent an endorsement by or of these entities or of the services provided by TimesSquare or these entities. The Representative Client List is not specific to any one of TimesSquare's products or strategies.

***Portfolio Holdings:***

The holdings and weightings displayed represent a particular point in time. It should not be assumed that the securities continue to be held and/or continue to be held in the same percentage. In addition, the holdings and percentage weights of a particular client account may differ from the information shown. The sector weightings shown for TSCM's U.S. portfolios reflect the Russell Global Sectors classification system of the securities within our portfolios. The sector weightings shown for the International Small Cap portfolio reflect the Global Industry Classification Standard ("GICS") classification system including ten sectors: Consumer Discretionary, Consumer Staples, Energy, Financials, Health Care, Industrials, Information Technology, Materials, Telecommunication Services, and Utilities.

***Representative Portfolio:***

The representative portfolio is an account that we believe most closely reflects the current portfolio management style for this strategy. Performance is not a consideration in the selection of the representative portfolio. The characteristics of the representative portfolio may differ from those of other managed accounts and from those of a start-up portfolio. The characteristics relate to the portfolio as of a particular point in time and should not be regarded as predictive.

***Notice to Consultants:***

Consultants may provide gross performance data to prospective clients only in one-on-one presentations and such performance must be accompanied by the disclosures set forth herein.

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*This presentation is intended for institutional investors.*

# U.S. SMALL/MID CAP GROWTH GIPS DISCLOSURES

January 1, 2006 through December 31, 2015

Year	Gross-of-Fees Return (%)	Net-of-Fees Return (%)	Benchmark Return (%)	Composite 3-Yr St Dev (%)	Benchmark 3-Yr St Dev (%)	Number of Portfolios	Internal Dispersion (%)	Total Composite Assets (USD mil)	Composite Percentage of Firm Assets (%)	Total Firm Assets (USD mil)
2006	14.09	12.97	12.26	10.86	13.44	28	0.82	2,289	26.46	8,651
2007	16.34	15.19	9.69	10.41	12.53	27	0.74	3,542	32.03	11,058
2008	-35.13	-35.80	-41.50	18.32	20.93	29	0.55	2,106	28.47	7,397
2009	44.60	43.20	41.66	21.06	24.54	39	0.55	3,548	30.08	11,795
2010	24.68	23.46	28.86	23.14	27.22	42	0.30	4,200	29.23	14,366
2011	3.41	2.38	-1.57	20.11	22.95	43	0.17	3,955	29.88	13,238
2012	22.44	21.24	16.13	18.05	19.82	42	0.19	4,416	29.97	14,738
2013	42.84	41.46	40.65	15.61	16.48	42	0.59	5,646	27.74	20,354
2014	3.63	2.60	7.05	11.40	11.40	42	0.21	5,299	28.18	18,802
2015	-3.24	-4.16	-0.19	12.46	13.29	39	0.32	4,067	23.94	16,988



# U.S. SMALL/MID CAP GROWTH DISCLOSURES

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TimesSquare 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. TimesSquare has been independently verified for the periods 10/01/00 – 12/31/15. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

## ***Firm and Composite Information***

TimesSquare Capital Management, LLC ("TimesSquare") is a registered investment adviser that is owned by the former equity management team of TimesSquare Capital Management, Inc. ("TimesSquare Inc.") and Affiliated Managers Group, Inc. TimesSquare was formed to manage TimesSquare Inc.'s growth equity investment advisory business which was sold to TimesSquare in a transaction that closed on November 19, 2004. From November 1, 2000 to November 18, 2004, the performance is that of the TimesSquare Inc. small/mid cap composite. From November 19, 2004, the performance is that of the TimesSquare small/mid cap composite which consists of all small/mid cap accounts managed by the team at TimesSquare and TimesSquare Inc. There has been no change in the investment management responsibility or strategy from the prior firm.

This composite invests in stocks with market capitalizations generally between \$300 million and \$7.0 billion at time of purchase. The process is fundamental research driven. The investment style is growth. Primary selection criteria include exceptional management, distinct competitive advantage, and strong, sustainable growth. Portfolios will hold approximately 90-120 stocks. Historical turnover has averaged 54% per year. Composite inclusion threshold \$5mm. Fee basis is 100 basis points. The composite creation date is November 1, 2000.

Effective 04/01/2015, TimesSquare removes accounts from composites when significant cash flows occur. A significant cash flow is defined as an external flow that exceeds 10% of the composite's market value on the day of the cash flow.

In July 2014, TimesSquare modified its purchase capitalization range to match the changes in the small/mid cap market as represented by the Russell 2500™ Growth Index. The purchase range was amended to reflect a range bounded by the approximate value of the smallest security in the index (in most cases) and the approximate value of 75% of the largest security's capitalization. These targets will be maintained for the subsequent 12 months, and may be adjusted based on the above rules each July following the reconstitution. In that manner, the targets would be responsive to higher or lower capitalization profiles of the indexes over time.

The opinions and information expressed and provided are for general information only and are not intended to provide specific advice or recommendations but rather, a basis from which strategies can be built, taking into account the specific objectives of each portfolio, in terms of return, time horizon, and risk constraints, as well as diverging investment perspectives and assumptions. All material has been obtained from sources believed to be reliable, but its accuracy and completeness are not guaranteed.

TimesSquare's list of composites is available upon request. Past performance does not guarantee future results.

## ***Benchmark***

Performance is measured against the Russell 2500™ Growth – a market capitalization-weighted index that measures the performance of those Russell 2500™ companies with higher price-to-book ratios and higher forecasted growth rates. All indexes, including the Russell 2500™ Growth Index, are based on gross-of-fee returns. Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto.

Benchmark returns are not covered by the report of independent verifiers.

## ***Performance Calculations***

The performance figures shown are calculated in U.S. dollars on a size-weighted basis and reflect the reinvestment of dividends and other earnings, and the deduction of brokerage commissions and other transaction costs. Performance is provided on a gross basis (before the deduction of management fees) as well as net of the highest management fee of 1.00% charged by TimesSquare to separately managed institutional accounts in this composite. Investment advisory fees generally charged by TimesSquare are described in Part 2A of its Form ADV. This composite may contain some accounts that have used performance based fees. To illustrate performance net of fees, assume \$20,000,000 is placed under management for ten years sustaining 10% compound gross total return. If an advisory fee of 1.00% of average assets under management is charged per year, for each year of the ten-year period, the resulting compound annual return would be reduced to 9.0%. The ending dollar value of the account would be \$47,347,274 compared with the unreduced account value of \$51,874,849.

Internal dispersion is calculated using the equal-weighted standard deviation of all accounts included in the composite for the entire year; it is not presented for periods less than one year or when there were four or fewer portfolios in the composite for the entire year.

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

# U.S. SMALL/MID CAP GROWTH DISCLOSURES

## TSCM U.S. Small/Mid Cap Growth Composite, Quarterly Returns, Gross of Fees, Since 12/31/2000

Russell 2500™			Russell 2500™			Russell 2500™		
	<u>TSCM</u>	<u>Growth</u>		<u>TSCM</u>	<u>Growth</u>		<u>TSCM</u>	<u>Growth</u>
2016	-	-	2010			2005		
1st Quarter	-2.17%	-2.66%	1st Quarter	5.57%	8.81%	1st Quarter	-2.84%	-4.33%
2nd Quarter	3.51	2.70	2nd Quarter	-8.44	-9.77	2nd Quarter	5.51	3.56
3rd Quarter	3.78	6.98	3rd Quarter	12.26	13.15	3rd Quarter	6.23	6.29
<b>Year</b>	<b>5.10</b>	<b>6.95</b>	4th Quarter	14.90	16.00	4th Quarter	3.30	2.72
2015			<b>Year</b>	<b>24.68</b>	<b>28.86</b>	<b>Year</b>	<b>12.51</b>	<b>8.17</b>
1st Quarter	5.48	7.44	2009			2004		
2nd Quarter	0.79	0.61	1st Quarter	-4.45	-5.97	1st Quarter	3.68	5.50
3rd Quarter	-10.55	-11.05	2nd Quarter	17.56	21.79	2nd Quarter	1.30	0.13
4th Quarter	1.79	3.81	3rd Quarter	18.66	17.17	3rd Quarter	-6.53	-5.61
<b>Year</b>	<b>-3.24</b>	<b>-0.19</b>	4th Quarter	8.49	5.57	4th Quarter	14.85	14.91
2014			<b>Year</b>	<b>44.60</b>	<b>41.66</b>	<b>Year</b>	<b>12.75</b>	<b>14.59</b>
1st Quarter	-1.01	1.04	2008			2003		
2nd Quarter	2.22	2.90	1st Quarter	-9.37	-11.08	1st Quarter	-2.49	-3.20
3rd Quarter	-3.25	-4.21	2nd Quarter	3.43	3.62	2nd Quarter	19.78	22.72
4th Quarter	5.85	7.49	3rd Quarter	-9.33	-12.09	3rd Quarter	6.03	9.97
<b>Year</b>	<b>3.63</b>	<b>7.05</b>	4th Quarter	-23.68	-27.77	4th Quarter	10.68	12.00
2013			<b>Year</b>	<b>-35.13</b>	<b>-41.50</b>	<b>Year</b>	<b>37.07</b>	<b>46.31</b>
1st Quarter	13.41	12.20	2007			2002		
2nd Quarter	2.23	3.23	1st Quarter	2.31	4.03	1st Quarter	2.49	-2.95
3rd Quarter	11.03	11.94	2nd Quarter	8.23	6.98	2nd Quarter	-11.66	-16.63
4th Quarter	10.96	8.49	3rd Quarter	2.91	0.66	3rd Quarter	-16.64	-19.06
<b>Year</b>	<b>42.84</b>	<b>40.65</b>	4th Quarter	2.09	-2.09	4th Quarter	9.20	8.28
2012			<b>Year</b>	<b>16.34</b>	<b>9.69</b>	<b>Year</b>	<b>-17.57</b>	<b>-29.09</b>
1st Quarter	13.69	14.60	2006			2001		
2nd Quarter	-2.29	-5.38	1st Quarter	11.74	11.83	1st Quarter	-18.60	-19.92
3rd Quarter	6.41	5.22	2nd Quarter	-4.12	-6.13	2nd Quarter	14.92	21.27
4th Quarter	3.58	1.78	3rd Quarter	-0.66	-1.20	3rd Quarter	-20.42	-27.07
<b>Year</b>	<b>22.44</b>	<b>16.13</b>	4th Quarter	7.21	8.24	4th Quarter	19.94	25.90
2011			<b>Year</b>	<b>14.09</b>	<b>12.26</b>	<b>Year</b>	<b>-10.71</b>	<b>-10.83</b>
1st Quarter	9.31	9.83						
2nd Quarter	-0.37	0.38						
3rd Quarter	-19.52	-21.35						
4th Quarter	17.99	13.51						
<b>Year</b>	<b>3.41</b>	<b>-1.57</b>						

Data for the Russell 2500™ Growth Index is sourced from FactSet and Russell Investments.

Please see the important disclosures regarding past performance.

# U.S. SMALL/MID CAP GROWTH DISCLOSURES

## Calendar Year Net-of-Fee Returns

Calendar Years	U.S. Small/Mid Cap Growth Composite	Russell 2500™ Growth Index
2015	-4.16%	-0.19%
2014	2.60	7.05
2013	41.46	40.65
2012	21.24	16.13
2011	2.38	-1.57
2010	23.46	28.86
2009	43.20	41.66
2008	-35.80	-41.50
2007	15.19	9.69
2006	12.97	12.26
2005	11.39	8.17
2004	11.64	14.59
2003	35.74	46.31
2002	-18.42	-29.09
2001	-11.69	-10.83

*The Russell 2500™ Growth Index is based on gross-of-fee returns, sourced from FactSet and Russell Investments.*

*Please see the important disclosures regarding past performance.*

# U.S. SMALL CAP GROWTH GIPS DISCLOSURES

January 1, 2006 through December 31, 2015

Year	Gross-of-Fees Return (%)	Net-of-Fees Return (%)	Benchmark Return (%)	Composite 3-Yr St Dev (%)	Benchmark 3-Yr St Dev (%)	Number of Portfolios	Internal Dispersion (%)	Total Composite Assets (USD mil)	Composite Percentage of Firm Assets (%)	Total Firm Assets (USD mil)
2006	16.55	15.40	13.35	11.25	15.57	45	0.59	4,007	46.32	8,651
2007	10.00	8.91	7.05	10.74	14.23	43	0.68	3,534	31.96	11,058
2008	-31.48	-32.19	-38.54	18.23	21.26	39	0.86	2,231	30.17	7,397
2009	39.41	38.05	34.47	21.39	24.84	37	0.53	2,874	24.37	11,795
2010	28.72	27.46	29.09	23.87	27.69	40	0.39	3,644	25.36	14,366
2011	3.40	2.38	-2.91	20.83	24.31	37	0.19	3,442	26.00	13,238
2012	15.24	14.10	14.59	18.21	20.72	37	0.50	3,662	24.85	14,738
2013	49.03	47.59	43.30	15.34	17.27	38	1.06	4,927	24.21	20,354
2014	-1.07	-2.05	5.60	12.64	13.82	39	0.30	4,473	23.79	18,802
2015	1.49	0.52	-1.38	13.69	14.95	41	0.31	4,319	25.42	16,988

# U.S. SMALL CAP GROWTH DISCLOSURES

TimesSquare 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. TimesSquare has been independently verified for the periods 10/01/00 – 12/31/15. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

## ***Firm and Composite Information***

TimesSquare Capital Management, LLC ("TimesSquare") is a registered investment adviser that is owned by the former equity management team of TimesSquare Capital Management, Inc. ("TimesSquare Inc.") and Affiliated Managers Group, Inc. TimesSquare was formed to manage TimesSquare Inc.'s growth equity investment advisory business which was sold to TimesSquare in a transaction that closed on November 19, 2004. From October 1, 2000 to November 18, 2004, the performance is that of the TimesSquare Inc. small cap composite. From November 19, 2004, the performance is that of the TimesSquare small cap composite which consists of all small cap accounts managed by the team at TimesSquare and TimesSquare Inc. There has been no change in the investment management responsibility or strategy from the prior firm.

This composite invests in stocks with market capitalizations generally between \$56 million and \$3 billion at time of purchase. The process is fundamental research driven. The investment style is growth. Primary selection criteria include exceptional management, distinct competitive advantage, and strong, sustainable growth. Portfolios will hold approximately 90-120 stocks. Historical turnover has averaged 45% per year. Composite inclusion threshold \$5mm. Fee basis is 100 basis points. The composite creation date is October 1, 2000.

Effective 04/01/2015, TimesSquare removes accounts from composites when significant cash flows occur. A significant cash flow is defined as an external flow that exceeds 10% of the composite's market value on the day of the cash flow.

In July 2014, TimesSquare modified its purchase capitalization range to match the changes in the small cap market as represented by the Russell 2000® Growth Index. The purchase range was amended to reflect a range bounded by the approximate value of the smallest security in the index (in most cases) and the approximate value of 75% of the largest security's capitalization. These targets will be maintained for the subsequent 12 months, and may be adjusted based on the above rules each July following the reconstitution. In that manner, the targets would be responsive to higher or lower capitalization profiles of the indexes over time. Previously, in June 2012, TimesSquare had modified its purchase capitalization range to match the changes in the small cap market as represented by the Russell 2000® Growth Index at that time, with a change from \$50 million to \$1.5 billion at time of purchase to \$50 million to \$2 billion.

The opinions and information expressed and provided are for general information only and are not intended to provide specific advice or recommendations but rather, a basis from which strategies can be built, taking into account the specific objectives of each portfolio, in terms of return, time horizon, and risk constraints, as well as diverging investment perspectives and assumptions. All material has been obtained from sources believed to be reliable, but its accuracy and completeness are not guaranteed.

TimesSquare's list of composites is available upon request. Past performance does not guarantee future results.

## ***Benchmark***

Performance is measured against the Russell 2000® Growth – a market capitalization-weighted index that measures the performance of those Russell 2000® companies with higher price-to-book ratios and higher forecasted growth rates. All indexes, including the Russell 2000® Growth Index, are based on gross-of-fee returns. Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto.

Benchmark returns are not covered by the report of independent verifiers.

## ***Performance Calculations***

The performance figures shown are calculated in U.S. dollars on a size-weighted basis and reflect the reinvestment of dividends and other earnings, and the deduction of brokerage commissions and other transaction costs. Performance is provided on a gross basis (before the deduction of management fees) as well as net of the highest management fee of 1.00% charged by TimesSquare to separately managed institutional accounts in this composite. Investment advisory fees generally charged by TimesSquare are described in Part 2A of its Form ADV. This composite may contain some accounts that have used performance based fees. To illustrate performance net of fees, assume \$20,000,000 is placed under management for ten years sustaining 10% compound gross total return. If an advisory fee of 1.00% of average assets under management is charged per year, for each year of the ten-year period, the resulting compound annual return would be reduced to 9.0%. The ending dollar value of the account would be \$47,347,274 compared with the unreduced account value of \$51,874,849.

Internal dispersion is calculated using the equal-weighted standard deviation of all accounts included in the composite for the entire year; it is not presented for periods less than one year or when there were four or fewer portfolios in the composite for the entire year.

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

# U.S. SMALL CAP GROWTH DISCLOSURES

## TSCM U.S. Small Cap Growth Composite Quarterly Returns, Gross of Fees, Since 9/30/2000

	<u>TSCM</u>	<u>Russell 2000® Growth</u>		<u>TSCM</u>	<u>Russell 2000® Growth</u>		<u>TSCM</u>	<u>Russell 2000® Growth</u>
2016			2010			2005		
1st Quarter	-3.59%	-4.68%	1st Quarter	5.45%	7.61%	1st Quarter	-3.17%	-6.83%
2nd Quarter	4.76	3.24	2nd Quarter	-7.20	-9.22	2nd Quarter	7.23	3.48
3rd Quarter	5.67	9.22	3rd Quarter	10.70	12.83	3rd Quarter	6.07	6.32
<b>Year</b>	<b>6.72</b>	<b>7.48</b>	4th Quarter	18.83	17.11	4th Quarter	2.94	1.61
2015			<b>Year</b>	<b>28.72</b>	<b>29.09</b>	<b>Year</b>	<b>13.37</b>	<b>4.15</b>
1st Quarter	7.64	6.63	2009			2004		
2nd Quarter	2.05	1.98	1st Quarter	-7.12	-9.74	1st Quarter	3.44	5.58
3rd Quarter	-11.10	-13.06	2nd Quarter	20.07	23.38	2nd Quarter	0.73	0.09
4th Quarter	3.97	4.32	3rd Quarter	15.47	15.95	3rd Quarter	-6.28	-6.01
<b>Year</b>	<b>1.49</b>	<b>-1.38</b>	4th Quarter	8.26	4.14	4th Quarter	15.09	15.08
2014			<b>Year</b>	<b>39.41</b>	<b>34.47</b>	<b>Year</b>	<b>12.39</b>	<b>14.31</b>
1st Quarter	-4.01	0.48	2008			2003		
2nd Quarter	-1.02	1.72	1st Quarter	-12.43	-12.83	1st Quarter	-3.36	-3.88
3rd Quarter	-5.43	-6.13	2nd Quarter	3.52	4.47	2nd Quarter	21.67	24.15
4th Quarter	10.10	10.06	3rd Quarter	-2.63	-6.99	3rd Quarter	6.08	10.47
<b>Year</b>	<b>-1.07</b>	<b>5.60</b>	4th Quarter	-22.38	-27.45	4th Quarter	11.72	12.68
2013			<b>Year</b>	<b>-31.48</b>	<b>-38.54</b>	<b>Year</b>	<b>39.34</b>	<b>48.54</b>
1st Quarter	14.03	13.21	2007			2002		
2nd Quarter	4.80	3.74	1st Quarter	1.63	2.48	1st Quarter	2.50	-1.96
3rd Quarter	13.96	12.80	2nd Quarter	8.01	6.69	2nd Quarter	-11.74	-15.70
4th Quarter	9.44	8.17	3rd Quarter	1.64	0.02	3rd Quarter	-16.01	-21.52
<b>Year</b>	<b>49.03</b>	<b>43.30</b>	4th Quarter	-1.41	-2.10	4th Quarter	8.00	7.51
2012			<b>Year</b>	<b>10.00</b>	<b>7.05</b>	<b>Year</b>	<b>-17.91</b>	<b>-30.26</b>
1st Quarter	9.12	13.28	2006			2001		
2nd Quarter	-2.97	-3.94	1st Quarter	13.78	14.36	1st Quarter	-17.01	-15.20
3rd Quarter	8.00	4.84	2nd Quarter	-3.94	-7.25	2nd Quarter	15.94	17.97
4th Quarter	0.78	0.45	3rd Quarter	0.01	-1.76	3rd Quarter	-20.24	-28.08
<b>Year</b>	<b>15.24</b>	<b>14.59</b>	4th Quarter	6.64	8.77	4th Quarter	20.94	26.17
2011			<b>Year</b>	<b>16.55</b>	<b>13.35</b>	<b>Year</b>	<b>-7.19</b>	<b>-9.23</b>
1st Quarter	8.21	9.24	2000			4th Quarter	-3.36	-20.20
2nd Quarter	1.32	-0.59						
3rd Quarter	-19.69	-22.25						
4th Quarter	17.44	14.99						
<b>Year</b>	<b>3.40</b>	<b>-2.91</b>						

Data for the Russell 2000® Growth Index is sourced from FactSet and Russell Investments.

Please see the important disclosures regarding past performance.

# U.S. SMALL CAP GROWTH HISTORICAL PERFORMANCE

## Net-of-Fee Returns as of September 30, 2016

	Annualized						Since Inception (09/30/2000)
	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	
U.S. Small Cap Growth Composite	5.93%	9.87%	4.42%	15.53%	13.82%	9.53%	7.85%
Russell 2000® Growth Index	7.48%	12.12%	6.59%	16.15%	13.32%	8.29%	4.63%

*The Russell 2000® Growth Index is based on gross-of-fee returns and sourced from FactSet.*

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# U.S. SMALL CAP GROWTH DISCLOSURES

## Calendar Year Net-of-Fee Returns

Calendar Years	U.S. Small Cap Growth Composite	Russell 2000® Growth Index
2015	0.52%	-1.38%
2014	-2.05	5.60
2013	47.59	43.30
2012	14.10	14.59
2011	2.38	-2.91
2010	27.46	29.09
2009	38.05	34.47
2008	-32.19	-38.54
2007	8.91	7.05
2006	15.40	13.35
2005	12.26	4.15
2004	11.27	14.31
2003	37.99	48.54
2002	-18.74	-30.26
2001	-8.10	-9.23

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