Polen Focus Growth

Portfolio Manager Commentary – September 2020

Summary

- During the third quarter of 2020, the Polen Focus Growth Composite Portfolio (the "Portfolio") returned 10.15% gross of fees versus 13.22% for the Russell 1000 Growth Index (the Index") and 8.93% for the S&P 500. Year to date, the Portfolio has returned 22.25% gross of fees versus 24.33% for the Russell 1000 Growth and 5.57% for the S&P 500.

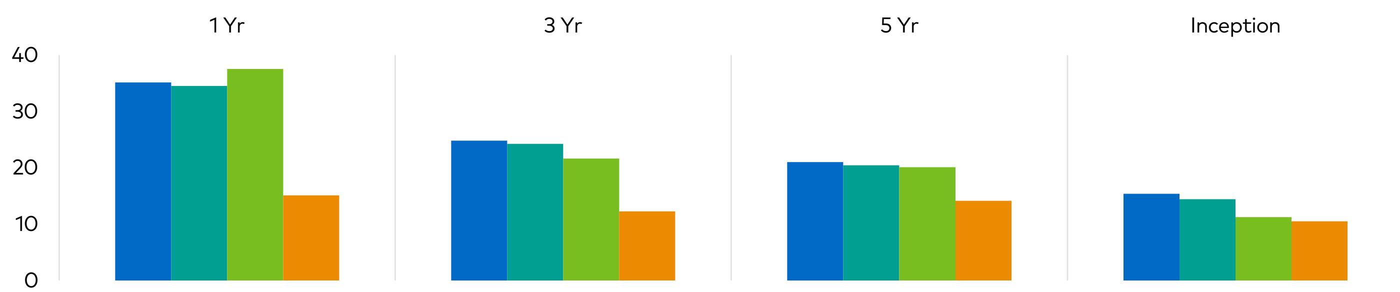
- The U.S. election is just around the corner, and while the outcome is uncertain, we believe the operating environment for our businesses over the long run is unlikely to change materially.

- Valuations in the U.S. equity market continued to climb in the third quarter. While we feel comfortable with the businesses we own and their valuations, we have seen some ebullient behavior in certain companies that gives us pause.

- Gambling-like behavior in the market should give anyone pause in our view, and we are remaining conservative in our estimates of future earnings growth and the prices we are willing to pay.

- In the third quarter, we initiated new positions in UnitedHealth Group and Intuitive Surgical and eliminated our position in ADP. We also trimmed our positions in MSCI, ServiceNow, PayPal, Align Technology, and Microsoft.

Seeks Growth & Capital Preservation (Performance (%) as of 9-30-2020)



	Qtr	YTD	1 Yr	3 Yr	5 Yr	Inception
Polen Focus Growth (Gross)	10.15	22.25	35.17	24.83	21.04	15.42
Polen Focus Growth (Net)	10.01	21.81	34.53	24.24	20.46	14.43
Russell 1000 Growth TR	13.22	24.33	37.54	21.68	20.11	11.24
S&P 500 TR	8.93	5.57	15.15	12.28	14.15	10.53

The performance data quoted represents past performance and does not guarantee future results. Current performance may be lower or higher. Periods over one-year are annualized. Please reference the supplemental information to the composite performance which accompanies this commentary.

The commentary is not intended as a guarantee of profitable outcomes. Any forward-looking statements are based on certain expectations and assumptions that are susceptible to changes in circumstances.

Commentary

During the third quarter of 2020, the Polen Focus Growth Composite Portfolio (the "Portfolio") returned 10.15% gross of fees versus 13.22% for the Russell 1000 Growth Index (the "Index") and 8.93% for the S&P 500. Year to date, the Portfolio has returned 22.25% gross of fees versus 24.33% for the Russell 1000 Growth and 5.57% for the S&P 500.

Politics and the Pandemic

The U.S. equity market was strong but volatile, similar to what occurred in the second quarter. As we stated three months ago, the dizzying market moves are not easy to explain with any certainty, and we will refrain from doing so.

We are still in the midst of a global pandemic, and in many states in the U.S., COVID-19 cases are on the rise again. At the same time, therapeutics are beginning to reach the market, and there are promising indicators about viable vaccines. One of our holdings, **Regeneron**, recently disclosed some promising data in its antibody cocktail therapy for COVID-19. Shortly thereafter, the U.S. President received the same antibody cocktail as part of his treatment regimen in his battle with the virus. Regeneron's therapy and some others could allow for a significant leap in treating the virus fairly soon.

> **We are optimistic that science will ultimately triumph as it has in other instances that seemed dire in the past.**

The U.S. presidential election is also just around the corner. While the outcome is uncertain, we believe the operating environment for our businesses over the long run is unlikely to change materially. Yes, there are differences between the candidates' policies. Still, drug price reform, trade with China, and potential regulation of large technology companies are bipartisan issues that we believe are unlikely to be significantly different no matter who wins the presidency.

The one area that could have a negative impact on some of our Portfolio holdings would be a significant increase in corporate tax rates. Former Vice President Biden has proposed raising the federal corporate tax rate from 21% to 28% and increasing the tax rate on foreign earnings for U.S. companies to 21% from what we believe today is in the low teens. Of course, these rates do not include any significant credits or other tax-related mitigants that our companies would likely be able to utilize. In addition, many of our companies typically have pricing and other strategies to consider as offsets in environments where operating or income tax expenses could be rising. Even if these tax hikes eventually become law, which is not a certainty, we would expect the commensurate earnings reduction to conservatively be in the single-digit percentage range for companies impacted by the change. The U.S. federal corporate tax rate held steady at 35% for a very long time, until Trump reduced the rate to 21% just a couple of years ago. Biden's proposed increase to 28% remains well below the long-term rate.

Stock Splits as a Signaling Mechanism?

Valuations in the U.S. equity market continued to climb in the third quarter. While we feel comfortable with the businesses we own and their respective valuations, we have seen some ebullient behavior in certain companies that gives us pause. For example, the tremendous share price appreciation in Tesla and Apple year to date have been striking to us—we believe it was fairly clear that their share prices were leaping on non-economic news such as stock splits, particularly in the third quarter. Some believe that stock split announcements can be a signaling mechanism of confidence from a corporate board. In these recent cases, we believe the signal is coming from traders that are showing their risk appetite versus any endorsement from the companies themselves. Algorithmic funds and hedge funds are likely amplifying the impact as well, in our view.

In another example over the summer, Hertz filed for bankruptcy as its huge debt burden and plunging profits from the pandemic overwhelmed the business. Yet, traders seeking lottery-type returns bid the stock up so far that Hertz attempted to issue common equity while in bankruptcy proceedings! Typically in bankruptcy, a company must convince its bondholders to swap the debt the company cannot pay off for equity in a newly capitalized and less leveraged business. During these dark times, particularly for Hertz's underlying business, it is extremely rare to see equity investors line up for what is likely worthless stock, in our view, unless they think they can flip it to the greater fool.

> **As long-term investors we believe that returns are driven by the long-term performance of the underlying businesses.**

Gambling-like behavior in the market that drives company share prices should give anyone pause, in our opinion. We are remaining conservative in our estimates of future earnings growth and the prices we are willing to pay.

Index Concentration

Most of our clients benchmark our performance to the Russell 1000 Growth Index (the "R1000G" or the "Index"). Over the last few years, this benchmark has become highly concentrated, with the top ten weightings accounting for nearly 45% of the Index. Apple alone accounts for 11% of the R1000G and nearly three percentage points of the Index's 13% return in the third quarter. We owned Apple from early 2009 until late 2016. Apple provided attractive returns during our ownership, driven by massive increases in its revenues and earnings growth.

Since 2016, however, Apple's revenue and profit growth has been very slow. We believe the company has largely penetrated the high-end of the smartphone market, which had been much less saturated in years past and a significant source of the firm's growth. Meanwhile, its fast-growing services business has not been large enough to replicate its previous growth rates. While Apple's earnings per share growth has improved, it has been supported by the company's ability to buy back tens of billions of dollars worth of stock every year.

Essentially, Apple's staggering share price appreciation seems driven mostly by valuation expansion rather than organic business growth for some time. Yet, Apple's valuation rocketed higher to a new level in the third quarter—the stock price reached approximately 35x next-twelve-months earnings estimates and a $2.4 trillion market capitalization after the company announced a stock split.

You can sense our skepticism of these recent moves, but to be fair, we think Apple is a highly competitively advantaged company with a loyal customer base, a growing services business, and excellent financial strength. We will continue to monitor whether our views around the company's long-term growth prospects change from here, but our current expectation is that Apple's earnings per share growth will remain below our Portfolio's average, and this includes the heavy contribution from share buybacks. At this valuation level, we prefer highly competitively advantaged companies that we see as having much clearer paths to mid-to-high teens growth and are driven more by organic revenue growth, like Visa, Microsoft, and Google, rather than share buybacks.

Our research takes us to where we think we have the best combination of financial superiority, competitive strength, growth opportunity, and valuation.

It does not consider the size of a company's Index weighting. Index weighting is not a factor that drives long-term business performance and is, therefore, not a factor that should drive long-term investment returns. We always seek to create a Portfolio of companies that can compound their earnings growth at a mid-teens rate through the easiest possible way.

Portfolio Activity

In the third quarter, we initiated new positions in **UnitedHealth Group** and **Intuitive Surgical**. We eliminated our position in **ADP**. We trimmed our positions in **MSCI**, **ServiceNow**, **PayPal**, **Align Technology** and **Microsoft**. Each trim served as a source of cash to fund new investments, using some of the strength in companies that have meaningfully appreciated.

UnitedHealth Group is both the leading health insurance company in the U.S. and the largest primary care provider. It has been building an integrated healthcare model that provides medical care and health insurance to individuals and corporations and to Medicare and Medicaid beneficiaries. Insurance accounts for roughly half of the company's profits, and medical care delivery and technology accounts for the other half.

We believe this integrated, data-driven model is the future of healthcare delivery in the U.S. and should lead to lower medical costs over time without sacrificing quality of care. UnitedHealth is moving to a practice of rewarding providers that demonstrate strong wellness and health outcomes and away from a "pay for consumption of medical care" model that treats people only when they are already sick and where costs are very high. By focusing on preventative care and wellness, medical utilization could decline, and costs should follow.

We expect UnitedHealth Group to be able to grow earnings per share at a low-to-mid-teens rate over time with low cyclicality. In addition, we see little chance of a government-run health system in the U.S. due to the massive cost, especially at a time when federal budget deficits are tremendously high, plus several other factors. As such, we believe scaled players with strong integrated models that are already being utilized to run large parts of government programs will likely continue to play a large role for many years to come.

Intuitive Surgical is the pioneer of robotic surgery and maker of da Vinci surgical systems and related instruments and accessories for minimally invasive surgery. Today, the da Vinci robot is used in more than one million surgical procedures per year. Since inception, greater than seven million procedures have been performed using the da Vinci, approximately 21,000 peer-reviewed scientific and clinical articles have been published, and the installed base of da Vinci systems now stands at approximately 6,000.

In our view the company holds a monopoly position in robotic surgery and a 20+ year head start in the development and commercialization of robotic surgery. Surgeons like the da Vinci because it enables enhanced flexibility and dexterity in hand movement. Additionally, the patient experience and recovery improves because of reduced length of stay, fewer conversions to open surgery, and reduced complications. Switching costs are very high, driven by the capital cost of robotic systems and the time required to train surgeons on any robotic platform. We expect Intuitive to grow nicely within existing and new procedures as it continues to innovate, demonstrate strong outcomes relative to alternatives, and lowers per-procedure costs.

We have eliminated our position in **ADP** after a nearly seven-year holding period to fund what we believe is a better investment in UnitedHealth Group. ADP remains a competitively advantaged company with decent growth prospects. Unfortunately, high levels of unemployment in the U.S. and low interest rates have had a doubly negative impact on the business in the short term. At the same time, we believe competitive intensity at the high and low end of the human capital management industry has increased. We believe UnitedHealth is a stronger safety-like candidate for this strategy because it has a similar growth profile to ADP with a much lower valuation, less cyclicality and less competitive intensity in our view.

Portfolio Performance & Attribution

Our top absolute performers (Portfolio average weight multiplied by return) in the third quarter were **Salesforce.com, Facebook**, and **Abbott Laboratories**. The largest detractors during the quarter were **Regeneron**, **ADP**, and **Autodesk**.

We think **Salesforce.com** is a good example of a dynamic we are seeing in this "new normal." Today, our software businesses that are almost entirely cloud-based and subscription revenue models are proving to be highly resilient even in difficult economic times. In fact, across our software holdings, we are seeing extremely high retention rates and continued robust revenue growth even through the pandemic and recession.

We typically speak of the balance of growth and safety that we seek in our Portfolios. In the past, the safety-like holdings were slower growth and more consumer or healthcare-oriented businesses.

> **In this environment, we are finding that some of our faster-growing technology businesses are showing "safety" features as well.**

Much of this is because cloud subscription businesses, by nature, are more stable and recurring so long as the underlying services being provided remain mission critical to customers, which is exactly the point. Software businesses often already had network effects and monopoly or oligopoly like market structures in place. The subscription model can add the additional benefits of more stability through economic cycles and less piracy. We believe combining mission critical offerings with highly recurring business models can make these companies "new safeties."

Regeneron was our largest absolute detractor in the third quarter, although year to date, the shares have appreciated nearly 60%. Before the end of the third quarter, Regeneron released early data on its COVID-19 antibody cocktail therapy. Data showed a strong reduction in viral load for patients who had not yet produced their own antibodies and almost no adverse events in approximately 275 patients. Soon after Regeneron's data was released, it was announced that the President received the same therapy early in his own COVID battle.

We have not included revenues from this drug in our expectations for Regeneron as we are unsure how big or how long any sales would last. That said, we believe the speed and accuracy of bringing this drug to market is a testament to Regeneron's R & D prowess. In six months, this therapy went from idea to development to real patient treatment with strong efficacy data thus far.

We believe Regeneron's proprietary VelocImmune technology is a key reason the company was able to bring such a targeted therapy to patients so quickly. Furthermore, Regeneron has developed effective therapies for a wide array of diseases, including age-related macular degeneration, atopic dermatitis, asthma, hypercholesteremia, lung cancer, Ebola, and now COVID-19. Its proprietary technology has allowed the company to work on a variety of diseases that have a large unmet medical need and bring many of these candidates into the clinic faster than competitors.

Outlook

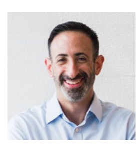
We are encouraged by the strength of the businesses we own in the Focus Growth strategy and are excited about our new holdings as well. We believe we remain well-positioned to deliver the robust earnings growth that our clients expect from a Polen Capital portfolio and that the Portfolio's returns should continue to follow this robust earnings growth as they generally have for the last 32 years.

Thank you for your interest in Polen Capital and the Focus Growth strategy. Please feel free to contact us with any questions or comments, and we hope everyone is staying healthy during this period.

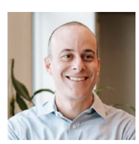
Sincerely,

Dan Davidowitz and Brandon Ladoff

Experience in High Quality Growth Investing



Dan Davidowitz, CFA
Co-Head of Team, Portfolio Manager & Analyst
21 years of experience



Brandon Ladoff
Portfolio Manager & Director of Research
7 years of experience

Historical Performance

	Polen (Gross) (%)	Polen (Net) (%)	R1000G (%)	S&P 500 (%)
3 Months	10.15	10.01	13.22	8.93
YTD	22.25	21.81	24.33	5.57
1 Year	35.17	34.53	37.54	15.15
3 Years	24.83	24.24	21.68	12.28
5 Years	21.04	20.46	20.11	14.15
7 Years	20.33	19.74	17.4	12.69
10 Years	18.62	17.98	17.26	13.75
15 Years	14.3	13.57	11.96	9.19
20 Years	10.96	10.17	6.41	6.42
25 Years	13.83	12.94	9.9	9.31
30 Years	15.32	14.36	11.19	10.59
Since Inception (01-01-1989)	15.42	14.43	11.24	10.53

Returns are trailing through 9-30-2020. Annualized returns are presented for periods greater than one-year.
Source: Archer.

GIPS Disclosure

Polen Capital Management
Large Capitalization Equity Composite—Annual Disclosure Presentation

		UMA	Firm	Composite Assets		Annual Performance Results					3 Year Standard Deviation		
Year End	Total ($Millions)	Assets ($Millions)	Assets ($Millions)	U.S. Dollars ($Millions)	Number of Accounts	Composite Gross (%)	Composite Net (%)	S&P 500 (%)	Russell 1000 G (%)	Composite Dispersion (%)	Composite Gross (%)	S&P 500 (%)	Russell 1000 G (%)
2019	34,784	12,681	22,104	8,831	939	38.80	38.16	31.49	36.40	0.3	12.13	12.10	13.07
2018	20,591	7,862	12,729	6,146	705	8.98	8.47	-4.38	-1.51	0.2	11.90	10.95	12.30
2017	17,422	6,957	10,466	5,310	513	27.74	27.14	21.83	30.22	0.4	10.66	10.07	10.69
2016	11,251	4,697	6,554	3,212	426	1.72	1.22	11.96	7.09	0.2	11.31	10.74	11.31
2015	7,451	2,125	5,326	2,239	321	15.89	15.27	1.38	5.68	0.1	10.92	10.62	10.85
2014	5,328	1,335	3,993	1,990	237	17.60	16.95	13.69	13.06	0.2	10.66	9.10	9.73
2013	5,015	1,197	3,818	1,834	245	23.77	23.07	32.39	33.49	0.3	11.91	12.11	12.35
2012	4,527	889	3,638	1,495	325	12.43	11.75	16.00	15.26	0.1	16.01	15.30	15.88
2011	2,374	561	1,812	555	171	9.04	8.25	2.12	2.63	0.2	15.98	18.97	18.01
2010	1,181	322	860	316	120	15.65	14.70	15.06	16.72	0.2	20.16	22.16	22.42
2009	626	131	494	225	120	39.71	38.50	26.45	37.21	0.3	16.99	19.91	20.01
2008	266	10	256	137	112	-27.81	-28.42	-37.01	-38.44	0.3	15.26	15.29	16.63
2007	682	-	682	491	149	10.78	9.86	5.49	11.81	0.2	8.36	7.79	8.66
2006	730	-	730	524	219	15.00	14.04	15.80	9.07	0.1	7.25	6.92	8.43
2005	1,849	-	1,849	945	419	-0.53	-1.43	4.91	5.26	0.2	8.08	9.17	9.67
2004	2,017	-	2,017	1,124	665	8.72	7.76	10.88	6.30	0.2	10.08	15.07	15.66
2003	1,617	-	1,617	907	513	17.73	16.67	28.68	29.75	0.7	12.98	18.32	22.98
2002	970	-	970	518	407	-6.69	-7.53	-22.10	-27.88	0.9	13.15	18.81	25.58
2001	703	-	703	408	289	-4.61	-5.50	-11.89	-20.42	1.0	13.58	16.94	25.56
2000	622	-	622	359	236	-3.50	-4.44	-9.10	-22.42	0.7	16.52	17.67	23.11
1999	640	-	640	377	228	23.89	22.65	21.04	33.16	0.6	18.27	16.76	19.27
1998	418	-	418	257	202	31.61	30.19	28.58	38.71	0.7	17.95	16.23	18.15
1997	252	-	252	145	158	37.14	35.63	33.36	30.49	0.9	13.17	11.30	12.79
1996	140	-	140	89	118	31.94	30.40	22.96	23.12	0.7	10.61	9.72	10.49
1995	70	-	70	45	61	48.07	46.33	37.58	37.18	1.0	9.72	8.34	9.26
1994	32	-	32	17	27	10.13	8.96	1.32	2.62	1.6	-	-	-
1993	24	-	24	16	26	13.07	11.85	10.08	2.87	2.9	-	-	-
1992	16	-	16	11	24	-	-	-	-	-	-	-	-

Total assets and UMA assets are supplemental information to the Annual Disclosure Presentation.

GIPS Disclosure

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

Polen Capital Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Polen Capital Management has been independently verified by ACA Performance Services, LLC for the periods January 1, 2016 through June 30, 2019. A verification covering the periods from April 1, 1992 through December 31, 2015 was performed by Ashland Partners & Company LLP, whose report expressed an unqualified opinion thereon. Ashland Partners & Company LLP was acquired by ACA Performance Services, LLC.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Large Capitalization Equity Composite has been examined for the periods April 1, 1992 through June 30, 2019. The verification and performance examination reports are available upon request.

Polen Capital Management is an independent registered investment adviser. The firm maintains a complete list and description of composites, which is available upon request. In July 2007, the firm was reorganized from an S-corporation into an LLC and changed names from Polen Capital Management, Inc. to Polen Capital Management, LLC.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. From July 1, 2002 through April 30, 2016, composite policy required the temporary removal of any portfolio incurring a client initiated significant cash outflow of 10% or greater of portfolio assets. The temporary removal of such an account occurred at the beginning of the month in which the significant cash flow occurred and the account re-entered the composite the first full month after the cash flow. Additional information regarding the treatment of significant cash flows is available upon request. Effective January 1, 2018, accounts must be fully invested at the market open on the first business day of the month, in order to be included in that month's composite.

Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The management fee schedule is as follows:
Institutional: Per annum fees for managing accounts are 75 basis points (.75%) on the first $50 Million and 55 basis points (.55%) on all assets above $50 Million of assets under management. HNW: Per annum fees for managing accounts are 150 basis points (1.5%) of the first $500,000 of assets under management and 100 basis points (1.0%) of amounts above $500,000 of assets under management. Actual investment advisory fees incurred by clients may vary.

Past performance does not guarantee future results and future accuracy and profitable results cannot be guaranteed. Performance figures are presented gross and net of management fees and have been calculated after the deduction of all transaction costs and commissions. Polen Capital is an SEC registered investment advisor and its investment advisory fees are described in its Form ADV Part 2A. The advisory fees will reduce clients' returns. The chart below depicts the effect of a 1% management fee on the growth of one dollar over a 10 year period at 10% (9% after fees) and 20% (19% after fees) assumed rates of return.

The S&P 500® Index is a widely recognized, unmanaged index of 500 common stocks which are generally representative of the U.S. stock market as a whole. The Russell 1000® Growth Index is an unmanaged index that measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000® Index companies with higher price-to-book ratios and higher forecasted growth values.

The information provided in this document should not be construed as a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in the composite or that the securities sold will not be repurchased. The securities discussed do not represent the composites' entire portfolio. Actual holdings will vary depending on the size of the account, cash flows, and restrictions. It should not be assumed that any of the securities transactions or holdings discussed will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein. A complete list of our past specific recommendations for the last year is available upon request.

Return	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
10%	1.10	1.21	1.33	1.46	1.61	1.77	1.95	2.14	2.36	2.59
9%	1.09	1.19	1.30	1.41	1.54	1.68	1.83	1.99	2.17	2.37
20%	1.20	1.44	1.73	2.07	2.49	2.99	3.58	4.30	5.16	6.19
19%	1.19	1.42	1.69	2.01	2.39	2.84	3.38	4.02	4.79	5.69