

# ClariVest Emerging Markets Equity Collective Fund R3

(Supplemental Information)

All Data as of March 31, 2017



## Top Ten Holdings<sup>1</sup>

	Port.	Index <sup>2</sup>
Samsung Electronics Co., Ltd.	4.79	4.14
Tencent Holdings Ltd.	4.50	3.72
Taiwan Semiconductor Manufacturing Co., Ltd.	3.65	3.50
China Construction Bank Corporation Class H	2.29	1.54
NetEase, Inc. Sponsored ADR	2.28	0.52
Naspers Limited Class N	2.27	1.73
Alibaba Group Holding Ltd. Sponsored ADR	2.10	2.76
Hon Hai Precision Industry Co., Ltd.	2.01	1.07
KB Financial Group Inc.	1.80	0.40
Public Joint-Stock Company Gazprom	1.77	0.55

## Statistical Information

	Portfolio	Index <sup>2</sup>
Number Holdings	130	830
Wtd Avg Market Cap (\$B)	\$67.7	\$64.3
5-Yr Historical EPS Growth	9.94	9.70
1-Yr Historical EPS Growth	13.32	7.29
Current P/E	12.87	13.79
1-Yr Forecast P/E	10.87	12.45
Annual Turnover	72%	

## Fund Facts

Inception:	August 2013
CUSIP:	41023V280
Benchmark:	MSCI Emerging Markets
Investment Category:	Emerging Markets Equity
Expense Ratio:	63 bps (\$6.30 per \$1,000 invested)

The expense ratio includes no service fees payable to the plan's service providers.

## Fund Allocation

Equity	73.79%
ADR/GDR:	23.14%
Cash:	3.07%

## Portfolio Managers

David Vaughn, CFA  
 Alex Turner, CFA  
 Priyanshu Mutreja, CFA  
 Stacey Nutt, PhD

<sup>1</sup>Holdings from a representative account. The securities identified and described do not represent all of the securities purchased, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable.

<sup>2</sup>The Index is the MSCI Emerging Markets Index.

## ClariVest Emerging Markets Equity Collective Fund R3 Performance:<sup>3</sup>

Supplemental Information

	MTD	Three Months	One Year	Three Year	Since Inception
Emerging Markets R3	Net 2.76%	14.38%	n/a	n/a	15.30%
MSCI EM Index	2.52%	11.44%	n/a	n/a	11.70%

<sup>3</sup>Inception date: 7/15/16. Periods less than 1 year are not annualized. The performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that an investor's portfolio, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information quoted. Please see attached disclosures, which form an integral part of this presentation.

## About the Fund

The ClariVest Emerging Markets Equity Collective Fund is a collective investment fund ("CIF") created by the Hand Composite Employee Benefit Trust and sponsored by Hand Benefits & Trust Company, a BPAS company, that invests in the strategies of ClariVest Asset Management LLC, which serves as the sub-advisor to the CIF.

## Fund Objective

- Seeks long-term capital appreciation

## Investment Strategy

- The manager's philosophy centers on two core beliefs about investing. First, all things - (e.g., companies, industries, sectors, and economies) - cycle. Second, most people forget or inefficiently react to this first thing. The manager focuses on identifying companies that surprise the market by their participation in an earnings growth cycle. The team seeks to earn excess return as corresponding investor cynicism about this participation declines from elevated levels.
- Initial investments are focused on companies that have recently entered or are extending an earnings cycle. They tend to have an improving foundation of earnings, cash flow, sales, etc., and are typically surrounded by some level of cynicism or investor neglect.
- The selection process is built on the idea that good investing discipline starts with an explicit identification of what one is looking for combined with the willingness and ability to look broadly for it. The manager believes quantitative tools are particularly good at addressing both these requirements. They force the investor to clearly identify the type of investment opportunity he or she seeks while allowing the investor to objectively look across a broad universe for those opportunities.
- Starting the process with quantitative tools provides confidence that opportunities fit within the team's philosophy but the manager believes that the subjective nature of investing requires the steady hand of an experienced professional. The manager's long-tenured investment professionals use their judgment and expertise to confirm potential investment ideas uncovered by the process. The final decision is theirs to make.

## Related Performance of the ClariVest Emerging Markets Composite<sup>4</sup>

		Quarter to Date	One Year	Three Year	Five Year	Since Inception (Inception Date 3/31/06)
EM Composite	Gross	14.62%	19.83%	1.99%	2.07%	7.36%
	Net	14.44%	19.08%	1.39%	1.51%	6.53%
MSCI EM Index		11.44%	17.21%	1.18%	0.81%	4.23%

<sup>4</sup>The related performance of the ClariVest Emerging Markets Composite is the historical performance for a composite of separately managed accounts for the time periods referenced. This performance is representative of the ClariVest Emerging Markets strategy employed by the ClariVest Emerging Markets Equity Collective Fund R3. Net returns reflect fees for the ClariVest composite and do not reflect fees for the CIF. The 1, 3, 5 year and Since Inception returns are annualized. Periods less than 1 year are not annualized. The performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that an investor's portfolio, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information quoted. To obtain current month-end performance information, please visit clarivest.com. Please see attached disclosures, which form an integral part of this presentation.

## Risks

**High Portfolio Turnover:** Active trading may create high portfolio turnover, or a turnover of 100% or more, resulting in increased transaction costs. These higher costs may have an adverse impact on performance and generate short-term capital gains, creating potential tax liability even if an investor does not sell any shares during the year.

**Issuer:** A stake in any individual security is subject to the risk that the issuer of that security performs poorly, resulting in a decline in the security's value. Issuer-related declines may be caused by poor management decisions, competitive pressures, technological breakthroughs, reliance on suppliers, labor problems or shortages, corporate restructurings, fraudulent disclosures, or other factors. Additionally, certain issuers may be more sensitive to adverse issuer, political, regulatory, market, or economic developments.

**Loss of Money:** Because the investment's market value may fluctuate up and down, an investor may lose money, including part of the principal, when he or she buys or sells the investment.

**Market/Market Volatility:** The market value of the portfolio's securities may fall rapidly or unpredictably because of changing economic, political, or market conditions, which may reduce the value of the portfolio.

**Suitability:** Investors are expected to select investments whose investment strategies are consistent with their financial goals and risk tolerance.

**Management:** Performance is subject to the risk that the advisor's asset allocation and investment strategies do not perform as expected, which may cause the portfolio to underperform its benchmark, other investments with similar objectives, or the market in general. The investment is subject to the risk of loss of income and capital invested, and the advisor does not guarantee its value, performance, or any particular rate of return.

**Depository Receipts:** Investments in depository receipts generally reflect the risks of the securities they represent, although they may be subject to increased liquidity risk and higher expenses and may not pass through voting and other shareholder rights. Depository receipts cannot be directly exchanged for the securities they represent and may trade at either a discount or premium to those securities.

**Equity Securities:** The value of equity securities, which include common, preferred, and convertible preferred stocks, will fluctuate based on changes in their issuers' financial conditions, as well as overall market and economic conditions, and can decline in the event of deteriorating issuer, market, or economic conditions.

**Currency:** Investments in securities traded in foreign currencies or more directly in foreign currencies are subject to the risk that the foreign currency will decline in value relative to the U.S. dollar, which may reduce the value of the portfolio. Investments in currency hedging positions are subject to the risk that the value of the U.S. dollar will decline relative to the currency being hedged, which may result in a loss of money on the investment as well as the position designed to act as a hedge. Cross-currency hedging strategies and active currency positions may increase currency risk because actual currency exposure may be substantially different from that suggested by the portfolio's holdings.

**China Region:** Investing in the China region, including Hong Kong, the People's Republic of China, and Taiwan, may be subject to greater volatility because of the social, regulatory, and political risks of that region, as well as the Chinese government's significant level of control over China's economy and currency. A disruption of relations between China and its neighbors or trading partners could severely impact China's export-based economy.

**Country or Region:** Investments in securities from a particular country or region may be subject to the risk of adverse social, political, regulatory, or economic events occurring in that country or region. Country- or region-specific risks also include the risk that adverse securities markets or exchange rates may impact the value of securities from those areas.

**Custody:** Foreign custodial and other foreign financial services are generally more expensive than they are in the United States and may have limited regulatory oversight. The investment may have trouble clearing and settling trades in less-developed markets, and the laws of some countries may limit the investment's ability to recover its assets in the event the bank, depository, or agent holding those assets goes into bankruptcy.

**Emerging Markets:** Investments in emerging- and frontier-markets securities may be subject to greater market, credit, currency, liquidity, legal, political, and other risks compared with assets invested in developed foreign countries.

**Foreign Securities:** Investments in foreign securities may be subject to increased volatility as the value of these securities can change more rapidly and extremely than can the value of U.S. securities. Foreign securities are subject to increased issuer risk because foreign issuers may not experience the same degree of regulation as U.S. issuers do and are held to different reporting, accounting, and auditing standards. In addition, foreign securities are subject to increased costs because there are generally higher commission rates on transactions, transfer taxes, higher custodial costs, and the potential for foreign tax charges on dividend and interest payments. Many foreign markets are relatively small, and securities issued in less-developed countries face the risks of nationalization, expropriation or confiscatory taxation, and adverse changes in investment or exchange control regulations, including suspension of the ability to transfer currency from a country. Economic, political, social, or diplomatic developments can also negatively impact performance.

**ETF:** Investments in exchange-traded funds generally reflect the risks of owning the underlying securities they are designed to track, although they may be subject to greater liquidity risk and higher costs than owning the underlying securities directly because of their management fees. Shares of ETFs are subject to market trading risk, potentially trading at a premium or discount to net asset value.

**New Fund:** Investments with a limited history of operations may be subject to the risk that they do not grow to an economically viable size in order to continue operations.

**Shareholder Activity:** Frequent purchases or redemptions by one or multiple investors may harm other shareholders by interfering with the efficient management of the portfolio, increasing brokerage and administrative costs and potentially diluting the value of shares. Additionally, shareholder purchase and redemption activity may have an impact on the per-share net income and realized capital gains distribution amounts, if any, potentially increasing or reducing the tax burden on the shareholders who receive those distributions.

# Emerging Markets Performance Disclosures

YEAR END	TOTAL FIRM ASSETS (\$MILLIONS)	COMPOSITE ASSETS (\$MILLIONS)	STRATEGY ASSETS (\$MILLIONS)*	PORTFOLIOS IN COMPOSITE	ANNUAL COMPOSITE PERFORMANCE (GROSS OF FEES)	ANNUAL COMPOSITE PERFORMANCE (NET OF FEES)	MSCI EMERGING MARKETS NET	COMPOSITE DISPERSION	COMPOSITE 3-YR STANDARD DEVIATION	BENCHMARK 3-YR STANDARD DEVIATION
2006 <sup>1</sup>	682	1	1	5 or fewer	19.17%	18.30%	17.99%	N/A <sup>1</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>
2007	4021	<1	<1	5 or fewer	53.46%	51.98%	39.39%	N/A <sup>1</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>
2008	2988	<1	<1	5 or fewer	-52.74%	-53.24%	-53.33%	N/A <sup>1</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>
2009	2174	<1	<1	5 or fewer	78.72%	77.02%	78.51%	N/A <sup>1</sup>	33.38%	32.34%
2010	2630	<1	<1	5 or fewer	24.26%	23.04%	18.88%	N/A <sup>1</sup>	33.61%	32.58%
2011	2518	128	128	5 or fewer	-10.74%	-11.60%	-18.42%	N/A <sup>1</sup>	26.04%	25.76%
2012	3113	167	394	5 or fewer	20.89%	20.39%	18.23%	N/A <sup>1</sup>	22.40%	21.50%
2013	3409	447	457	5 or fewer	0.57%	0.05%	-2.60%	N/A <sup>1</sup>	19.41%	19.04%
2014	3854	553	574	5 or fewer	2.58%	2.03%	-2.19%	N/A <sup>1</sup>	14.87%	15.00%
2015	4615	806	806	9	-18.87%	-19.36%	-14.92%	N/A <sup>1</sup>	14.29%	14.06%
2016	5057	684	882	9	9.87%	9.18%	11.19%	N/A <sup>1</sup>	15.91%	16.07%

<sup>1</sup>Results shown for the year 2006 represent partial period performance from March 31, 2006 through December 31, 2006

\*Strategy assets are presented as supplemental information.

N.A.<sup>1</sup> – Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

N.A.<sup>2</sup> – Three-year standard deviation is only shown where 3 years of data are available.

2017 gross and net quarterly performance for the composite is as follows: 1Q17: 14.62% and 14.44% respectively. 2017 quarterly benchmark performance is as follows: 1Q17: 11.44%.

Performance results are shown “gross” and “net” of investment management fees, net of foreign withholding taxes and reflect the reinvestment of dividends and capital gains. Returns include the effect of foreign exchange rates. Performance results are shown in U.S. dollars. Percentage returns include portfolios under management which are discretionary institutional accounts with comparable investment objectives and risks.

ClariVest Asset Management LLC (the “Firm”) does not guarantee any minimum level of investment performance or the success of any investment strategy. It should not be assumed that future results of any product will be profitable or similar to past performance. As with any investment, there is a potential for profit as well as the possibility of loss. There are risks associated with investing in a product of this type, and returns may vary over time as a result of changing market conditions, economic instability, investment decisions and the composition of the portfolio.

The Emerging Markets composite includes all discretionary accounts primarily invested in Emerging Markets equities. Securities in ClariVest’s Emerging Markets portfolio are primarily selected from investment universes consisting of stocks traded in all countries represented in the MSCI Emerging Markets Index. Investments in equities are subject to the risk that stock prices will fall over short or long periods of time. In the past, the equity markets have moved in cycles, and the value of a client’s equity securities may fluctuate drastically from day to day. Investing in foreign securities poses additional market risks since political and economic events unique in a country or region will affect those markets and their issuers. As a result, investments in foreign securities may experience greater volatility than U.S. securities. These securities may be traded over-the-counter or listed on an exchange. Accounts are included in the composite once they are fully transitioned to our investment strategy.

Account returns are net of all foreign non-reclaimable withholding taxes from the tax perspective of the client account jurisdiction. Reclaimable withholding taxes are recognized if and when received. Benchmark returns are net of withholding taxes.

The Emerging Markets composite was created on 3/31/2006 and is managed to an emerging markets strategy. Prior to December 1, 2011, the composite included only accounts that were not fee-paying accounts. However, the “net” return numbers shown include the fees that would have been paid had these been fee-paying accounts, calculated based upon the highest applicable annual management fee schedule set forth in the Firm’s Form ADV, as set forth below:

First \$50,000,000	0.90%
Next \$50,000,000	0.80%
Over \$100,000,000	negotiable

After December 1, 2011, the Emerging Markets composite consists entirely of fee-paying accounts. The “net” performance numbers shown reflect the actual fee rate incurred with respect to each account. Actual investment advisory fees incurred by clients may vary.

Beginning July 1, 2012, accounts with inflows or outflows greater than 20% of account value individually or cumulatively over the span of one calendar month and which take more than one business day to invest are excluded from the composite.

In presentations prior to December 31, 2009, returns for the MSCI Emerging Market index were presented as gross of foreign withholding taxes. ClariVest determined that it would be more appropriate to present the MSCI Emerging Market index net of foreign withholding taxes, since ClariVest’s composite performance reflects accounts that are subject to foreign withholding taxes. Returns for the MSCI Emerging Market index are presented as net of foreign withholding taxes retroactive to composite inception.

The MSCI Emerging Markets Index is published by Morgan Stanley Capital International Inc. Index returns are obtained from the following data source(s): FactSet. The MSCI Emerging Markets Index is the benchmark, and is shown for comparison purposes only. Investors cannot invest in a benchmark directly.

The Firm claims compliance with the Global Investment Performance Standards (GIPS)® and has prepared and presented this report in compliance with the GIPS standards. The Firm has been independently verified for the period March 9, 2006 through March 31, 2017. The verification reports 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.

Certain economic and market information contained herein has been obtained from published sources prepared by other parties, which in certain cases has not been updated through the date of the distribution of this letter. While such sources are believed to be reliable for the purposes used herein, ClariVest does not assume any responsibility for the accuracy or completeness of such information. Further, no third party has assumed responsibility for independently verifying the information contained herein and accordingly no such persons make any representations with respect to the accuracy, completeness or reasonableness of the information provided herein. Unless otherwise indicated, market analysis and conclusions are based upon opinions or assumptions that ClariVest considers to be reasonable.

ClariVest Asset Management LLC is a registered investment adviser under the Investment Advisers Act of 1940 with the U.S. Securities and Exchange Commission. Founded in 2006, the Firm manages domestic and international equity portfolios primarily for institutional clients. A list of composite descriptions and policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. For more complete information about any of the products available from ClariVest, including management fees and other charges and expenses, or to receive a presentation that complies with the GIPS standards, please call 858-480-2440.

List of composite descriptions is available upon request.

Eagle Asset Management (“Eagle”) purchased 45 percent of ClariVest Asset Management LLC (“ClariVest”) in 2012, creating a strategic relationship and providing additional distribution opportunities for ClariVest products. Eagle entered into a Sales, Marketing and Client Services Agreement with ClariVest. In 2016, that agreement was assigned to Carillon Tower Advisers (“CTA”), an affiliate of Eagle. Pursuant to the agreement, ClariVest, an affiliate of CTA, has retained CTA to act as a solicitor on ClariVest’s behalf, whereby CTA introduces prospective investment advisory clients to ClariVest. ClariVest pays CTA a percentage of the investment management fee ClariVest receives from certain investment clients who engage ClariVest during the term of the agreement. In addition, Eagle has entered into a service agreement with ClariVest for sharing certain personnel and expenses.

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If holdings are included, they are provided for informational purposes only and are in no way intended to be a recommendation for the purchase or the sale of any security. The Firm, its affiliates or their respective employees may have a position in the securities listed. The holdings, if included, are presented for a representative portfolio as of each of the dates noted.

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