ClarkCapital MANAGEMENT GROUP

Navigator® Unified Solutions

K. Sean Clark, CFA, Chief Investment Officer

Second Quarter — Portfolio Commentary

K. Sean Clark, CFA
Chief Investment Officer

As Clark Capital's Chief Investment Officer, Sean oversees all of the Firm's investment activities and heads the Firm's portfolio team. Sean joined the Firm in 1993 and is responsible for asset allocation and investment selection for Navigator Investment Solutions as well as directing ongoing market research and contributing to the development of proprietary products. Sean is a member of the Clark Capital Board of Directors, the Investment Committee and the Management Committee. He graduated from the University of Delaware, earning a B.S. and an M.A. in Economics. Sean is a Chartered Financial Analyst and a member of the CFA Institute (formerly AIMR) and the Financial Analysts of Philadelphia, Inc. Sean is considered an industry expert and is often asked to appear on CNBC and Bloomberg television to share his views on the market. In addition, Sean has been featured in a number of articles in nationally distributed business journals and newspapers.

MARCHING TO THE BEAT OF FED LIQUIDITY

The market overcame a myriad of external challenges in the second quarter, including a disastrous report on first quarter economic growth, which had many calling an end to the five-year economic expansion, and more geopolitical strife in the Middle East. The economy contracted at a 2.9% annual pace in the first quarter as consumption plummeted. The combined GDP growth for the last four quarters fell from 2.6% to only 1.5% – lower than the trend of 2.0% for the last five years. Investors appear to have taken the negative news in stride as we have already seen signs that economic activity has rebounded strongly in the second quarter and none of these factors have spoiled investor sentiment. As the quarter came to an end, the major indices were sitting at or near record highs and appear to be primed for further upside. The S&P 500 is just a stone's throw from 2000 and the Dow Jones Industrial Average closed above the 17,000 for the first time ever on the last day of the quarter.

Executive Summary

Advances Across the Markets: U.S. and foreign stocks, bonds, and even commodities advanced higher despite geopolitical and economic challenges.

Volatility Remains Low: The CBOE Volatility Index (VIX) fell to 10.61, its lowest level since February 2007.

Outlook for the Remainder of 2014: Investors have become complacent. That is cause of concern given the stretched valuations as we move into the second half of the year.

The advance in the second quarter was broad based with U.S. and foreign stocks higher, bonds up, and even commodities gaining on the back of oil and gold, evidently getting a lift in large part due to the geopolitical tensions in the Middle East and the Ukraine. Global equity markets faired the best with the S&P 500 higher by 5.22%, MSCI EAFE up 4.31%, MSCI Europe gaining 3.64%, and the MSCI Emerging Markets index gaining 6.60%. Bonds performed well with both Treasuries and high yield bonds posting gains. The Barclays Aggregate Bond index gained 2.04%, Barclays 7-10 Year Treasury index was up 2.49%, and the Barclays High Yield index posted a 2.41% gain.

While the gains seem paltry to what investors have become accustomed to over the past several years, the S&P 500 is still up 7.12% total return through the first six months of the year. That is the weakest showing for the first six months since 2011, but it is still better than the median first-half gain of 5% since 1926. In addition, the second quarter's advance pushed the S&P 500's quarterly winning streak to six, something that has only happened seven other times in history. The last stretch of uninterrupted quarterly gains for the index was 14 quarters ending in the second quarter of 1998.

The market is still awash in liquidity fueled by the Federal Reserve (Fed). During the quarter the Fed did taper their bond buying program at each of their FOMC meetings and are now buying $35 billion of bonds a month, down from a peak of $85 billion at the end of last year. Even so, the Fed is still purchasing a larger share of treasuries today than at any other time during Quantitative Easing (QE). The reason for this is the government is issuing debt at a

slower pace than the Fed is tapering QE. Over the last two months the amount of outstanding treasuries has been reduced by about $100 billion while the Fed was in the market buying $58 billion. The government was reducing debt at the same time the Fed was buying treasuries from the shrinking supply. On a six-month rolling basis the Fed has purchased 73% of new treasury issuance. That leaves very little for normal investors to buy and a good reason that yields fell during the quarter. The benchmark 10-year Treasury fell from 2.72% to as low as 2.44%, before settling at 2.52% to end the quarter.

A defining characteristic of the first half was the lack of volatility in the markets. The CBOE Volatility Index (VIX) fell to 10.61, its lowest level since February 2007. The 100-day average volatility of the S&P 500 also hit a seven-year low. Investors have become complacent and that is cause for concern given the stretched valuations as we move into the second half of the year.

Q2 Portfolio Analysis & Performance

Key Contributors and Detractors

Core

U.S. Equity Core

Top Contributors
- Clearbridge Aggressive Growth
- iShares S&P 500 Growth

Top Detractors
- JPMorgan Small Cap Growth
- Artisan Mid Cap Value

U.S. stocks continued to enjoy gains in the second quarter. As the S&P 500 makes new all-time highs, many are remarking that markets are undergoing a blow-off top. With the S&P 500 up just over 5% through June 30th, we have to be reminded that the gains are modest overall. Though the market is richly priced, we believe sentiment can become even more optimistic. One major change has been that the market has become narrower in 2014, and that has affected the U.S. Equity Core portfolio. Small cap stocks have lagged behind the large cap S&P 500, dragged down by valuations very much on the rich side. Individual mutual funds such as Artisan Mid Cap Value and JPMorgan Small Cap Growth have particularly lagged behind, as the rotation away from the Consumer Discretionary sector and aggressive health care stocks took a toll. Clearbridge Aggressive Growth and the iShares S&P 500 Growth have both been positive contributors. When the S&P 500 leaves mid and small cap stocks in the dust as it has in 2014, we feel any portfolio that allocates down the capitalization scale will lag behind, and that has been true for the U.S. Equity Core portfolio in 2014.

U.S. Equity Income Core

Top Contributor
- American Century Value

Top Detractor
- iShares Russell 2000

The Equity Income Core Sleeve for a number of years has had 70% of the portfolio allocated to equities and 30% to fixed income. We have for some time been looking for a point at which we could pare back risk and shift towards a more conservative 60/40 mix. We are glad that we have yet to do so, as markets ground steadily higher in 2014. While markets are richly priced and we believe that the global stock market rally is in the late innings, we do not see strong enough warning signs yet to cause us to reduce these equity allocations. A strong and surging S&P 500 is substantially ahead of the Russell 2000 in 2014, making our allocation to the Russell 2000 a detractor for the portfolio. A resurgence in the market's appetite for dividend paying quality stocks helped make American Century Value the top contributor. The portfolio's fixed income allocation continues to focus on lower quality corporate bonds, accepting the maximum amount of credit risk that the portfolio's risk constraints allow.

International Equity Core

Top Contributors
- Vanguard Emerging Markets ETF
- iShares Core MSCI Emerging Markets

Top Detractors
- Artisan International Small Cap
- Oppenheimer International Growth

International equities have been resurgent since March 2014, particularly emerging markets issues. Emerging Markets ETFs were the portfolio's top two contributors. During the quarter the portfolio increased its allocations to Emerging Markets to 25%, approximately their weight in our benchmark. The reasons for increasing Emerging Markets' allocation were twofold. In our view, Emerging Markets have 1) regained their relative strength within the universe of global stocks and 2) remain among the most compelling valuations in the global equity universe. Upon any substantial decline that we might see during the late summer and early fall, we anticipate we would look to increase rather than decrease Emerging Markets exposure. Oppenheimer International Growth and Artisan International Small Cap both lagged during the quarter. However, in prior quarters both were strong performers, and in view of both management teams' long-term records, we expect to ride out any short-term underperformance.

Fixed Income Core

Top Contributors

- Loomis Sayles Investment Grade Bond
- Legg Mason Brandywine Global Opportunities Bond

Top Detractors

- Navigator Duration Neutral Bond
- Western Asset Unconstrained Bond

Fixed income investments have performed much more strongly in 2014 than many expected. Fears of rising interest rates have proven to be unfounded, surprising many. We can be counted among those that are very uncomfortable with the risk-return relationship that fixed income offers, particularly longer-term Treasury bonds. In that sense, our defensiveness with regard to interest rates in 2014 has been wrong. However, the portfolio's now multiyear weighting towards and embrace of credit risk over interest rate risk continues to fare well and contribute to performance. Corporate and higher yielding credits continue to lead among fixed income's various categories, and this year international fixed income in particular has been on fire as confidence has returned to emerging markets. Thus our allocation in that space, Legg Mason Brandywine Global Opportunities Bond, was the portfolio's top contributor. Loomis Sayles Investment Grade Bond Fund, one of the most aggressively oriented investment grade bond funds available, has been a favorite of ours for some time and continues to be a top contributor. Navigator Duration Neutral Bond and Western Asset Unconstrained Bond were detractors, largely due to their more cautious stance on interest rates. We believe that these funds' caution with regard to interest rates will serve our investors well over the long run and continue to be willing to wait for that caution to pay off. Higher yielding corporate and international bonds continue to be our most favored segments of the fixed income markets, while Treasuries and longer duration in general remains least favored.

Explore

U.S. Style Opportunity

Top Contributor

- PowerShares S&P 500 High Beta

Top Detractor

- iShares Russell 2000 Growth

The Style Opportunity portfolio has undergone a shift in emphasis from mid and smaller capitalization growth companies towards stable, larger capitalization and value companies. After peaking in price and relative strength in early March, small cap stocks have fallen to the bottom of our relative strength rankings and hence out of the portfolio. Since then, our matrix that ranks the relative strength of style-box oriented U.S. equity ETFs has not changed much. The portfolio now particularly emphasizes mid and large cap value stocks in its top two holdings, the iShares Russell Mid Cap Value and PowerShares S&P 500 High Beta. The PowerShares S&P 500 High Beta ETF was the top contributor for the quarter, while the small cap iShares Russell 2000 Growth was the biggest detractor. The portfolio remains fully invested, as cash is down to a minimal 3%.

U.S. Sector Opportunity

Top Contributors

- iShares NASDAQ Biotechnology
- iShares PHLX Semiconductor ETF

Top Detractors

- Health Care Select Sector SPDR
- iShares U.S. Broker Dealers

During the second quarter many of the biggest headlines came from the Middle East. What had been a relatively peaceful region spiked in violence as events in Iraq and Syria were likely contributors to additional volatility surrounding energy prices. While these events dominated the headlines and probably influenced some portfolio allocations, in our opinion the bigger picture of a slow and steady global economic recovery was more important. Our relative strength driven methodology continues to lead the Sector Opportunity portfolio towards cyclical sectors that would be likely to benefit from global growth returning. The portfolio has maintained a fairly longstanding overweight in the Technology sector, which continues to show relative strength in our rankings. Technology ETF holdings include the NASDAQ 100 (QQQ), broad technology, and Semiconductors. The biggest new addition to the portfolio has been a large weighting to the Energy sector, which appears to have made a major base in relative strength early in 2014. Semiconductors and Biotechnology (IBB) were the portfolio's biggest contributors while Health Care and Financials were the biggest detractors. The portfolio's current sector weightings are as follows: Technology 36.5%, Energy 30.0%, Health Care 14.5%, Industrials 11.0%, Basic Materials 5.0%, and Cash 3.0%.

International Opportunity *(Developed, Emerging & Frontier)*

Top Contributors

- Market Vectors India Small Cap ETF
- WisdomTree India Earnings ETF

Top Detractors

- iShares MSCI Frontier Markets 100
- iShares MSCI Italy

The International Opportunity portfolio shifted away from a multi-quarter emphasis on Europe during the second quarter. While Europe's relative strength has not particularly fallen, the momentum of that relative strength has faded. Thus the portfolio's position in

Europe has been reduced to 20%, leaving only previously distressed Italy and Spain as holdings. In an odd dichotomy, both aggressive and volatile emerging markets and the defensive-oriented U.S. and Canada are now the majority of the portfolio's weight. Emerging markets appear to have made a major relative strength bottom in early March as current account financing concerns and the Ukraine crisis both eased at the same time. A resulting return in confidence in Emerging Markets caused the sector to quickly rise in our relative strength rankings. Brazil, Turkey, Taiwan, and South Africa have been added to the portfolio alongside the U.S. and Canada. . Anticipation of the election of a pro-business regime in India – followed by that regime's big electoral victory – helped make India and India Small Cap top contributors; Italy and Frontier Markets were the portfolio's largest detractors. The portfolio's current regional weightings are as follows: Emerging Markets 42.0%, United States and Canada 25.0%, Europe 20.0%, Frontier Markets 8.0%, and Cash 5.0%.

Alternative Strategy *(Commodities, Currency, Real Estate, Absolute Return)*

Top Contributors

- VelocityShares Inverse VIX Short-Term
- JPMorgan Alerian MLP ETN

Top Detractors

- Market Vectors Agribusiness ETF
- 361 Capital Managed Futures Strategy

The Alternative Opportunity portfolio contains a well-diversified mix of themes which breaks down as follows: Alternative-Oriented Mutual Funds 36.0%, Tactical Global Equity 31.0%, Fixed Income 12.0%, Commodities 10.0%, and Cash 11.0%. The portfolio's mutual fund holdings are longer-term allocations that target proven and respected managers that have disciplined approaches toward a number of areas: long/short U.S. equities, long/short global fixed income, alternative asset manager selection, and managed futures. Each of these managers are conscious of managing volatility and potential downside in their methodologies. Within the rest of the portfolio, we take a targeted and tactical approach to managing equity, fixed income, and commodity exposure. The portfolio continues to allocate towards equity and fixed income assets that are likely to benefit disproportionally from an economic recovery. Recently that has led us towards U.S. equity, particularly commodity-oriented equity, along with high yield and convertible bonds. Within commodities, we rely on our proprietary relative strength rankings along with others' technical trading models. Palladium, Livestock, Cocoa, and Oil highlight current commodity holdings. VelocityShares Inverse VIX Short-Term and JPMorgan Alerian MLP ETN were top contributors during the quarter while Market Vectors Agribusiness and 361 Capital Managed Futures were the top detractors.

Global Tactical *(Unconstrained)*

Top Contributor

- SPDR S&P 500 ETF

Top Detractor

- iShares MSCI EMU

The philosophy of the Global Tactical portfolio is to use our proprietary matrix ranking the relative strength of various asset classes, and then allocate to those asset classes with the highest rankings. Stocks have occupied the top of our Global Tactical portfolio for well over a year now, and they can and have been 100% of the portfolio. Over the past year U.S. equity has remained at the core of the portfolio with international equity the only other area of focus. Despite strong performance by fixed income so far in 2014, bonds have not earned a place in the Global Tactical portfolio. Risk-on remains the market's mentality, and only a minor correction in the markets back in January provided any real concerns. Recently Emerging Markets replaced European equities as our international equity allocation because European relative strength has stalled. The U.S. still dominates the portfolio with a 72% weight.

Fixed Income Total Return *(Low Quality, High Quality, Short Term Cash)*

Top Contributor

- Blackrock High Yield Bond

Top Detractor

- Eaton Vance Income Fund of Boston

The credit markets have given investors a clear signal as to what to think about the report of first quarter GDP falling 2.9%: don't worry about it! One would think that such a negative report would perhaps foreshadow recession and cause investors to flee risky assets, but that has not been the case in stocks or in fixed income. High yield bonds continue to perform very well, and in our view their rock-solid price action shows that investors as a group are simply not very concerned about the global economy for the near term. Spikes of violence in Iraq and Syria and higher oil prices have not been a deterrent so far, either. It is amazing what can happen when central banks around the globe coordinate to keep interest rates and volatility low. The Fixed Income Total Return (FITR) portfolio moved to a 100% fully invested position in High Yield Bonds nearly a year ago on July 18th, 2013. The portfolio's primary evaluation regarding which asset class to own involves comparing the relative strength of High Yield Bonds versus Treasuries. By that measure, high yield bonds remain very strong. From July 18, 2013 until June 30th of this year, High Yield Bonds as measured by the Barclays High Yield Bond SPDR gained 8.13% while the iShares 7-10 Year U.S. Treasury ETF gained 3.20%. The FITR model remains very close to new all-time highs. Our best forecast

for the markets' path this year predicts a more volatile and turbulent third and early fourth quarter – but nothing close to a full blown bear market. As much as we believe in that forecast, the Fixed Income Total Return portfolio is not influenced by any forecast. It is only influenced by its model, which has been undeterred and very bullish. While we are always watchful for deterioration in credit conditions that might force us to become defensive, we see no evidence of any need to become cautious at this time.

Sentry Strategy *(Hedge/Volatility)*

It is often brutal to one's finances to pay an "insurance" premium for the comfort of knowing that you have at least some protection from the worst happening in the markets – particularly when the much feared "worst event" simply doesn't develop. The S&P 500 has not seen a 10% correction since 2011 – nearly three years now. Hedging one's equity exposure during such a bull market is difficult and ultimately a losing endeavor – all one can do is responsibly manage the cost of hedging while maintaining a minimal hedge required to safeguard client assets. Under these circumstances, the Sentry fund is a net loser in client portfolios, waiting for its day when protection will shine. Despite our forecast that the market might undergo weakness in the second quarter, when the seasonally rough period of May came our broad market indicators did not point towards any real weakness. As a result, we have not increased the size and scope of our hedge and we have kept the hedge losses as low as possible – which is not to say that they still were not there.

Within the Sentry Managed Volatility Fund 15% of the portfolio remains invested in S&P 500 December 2014 puts with a strike of 1750. These puts have absorbed substantial losses, and were the portfolio's biggest detractor by far. 10% of the portfolio owns the iPath S&P 500 Dynamic VIX ETN, which is a cost effective way to hedge the S&P 500 that can go up to 30% short the VIX. Another 15% of the portfolio owns a combination of the VelocityShares Inverse VIX Short-Term and the VelocityShares 2x VIX Short-Term . For these two holdings we apply a strategy that gradually shifts the weights between the two positions according to the short-term trend of the VIX. This strategy has been net short volatility during the second quarter and has been a net positive contributor. The remaining roughly 60% of the portfolio is in cash. As the third quarter begins, the S&P 500 is surging towards 2000 – the top end of our target range for 2014. As we approach those price levels, we very much expect to increase our hedge position because in our view downside risk is becoming greater than upside potential.

Outlook

With the S&P 500 up over 7% so far this year we still find bullish underlying indications such as the lack of any stress in the credit markets and the low levels of volatility in the market. So, will the second half of the year be a repeat of the first six months with a steady climb higher and record low volatility? Probably not! At some point in the second half of the year we are likely see some volatility. The S&P 500 has gone more than 50 consecutive days without a 1% move and that is the longest stretch since 1995. In addition, it has been over two years without a 10% correction. The risks for the market haven't disappeared; valuations are stretched, escape velocity for the economy is once again being pushed into next year, and sentiment is optimistic. We do have some concern that August and September could be rocky. They normally are in a midterm election year, as the political mudslinging associated with an election cycle can take a toll on investor sentiment. However, the market's trend is still positive and strong momentum can persist. Many investors have lost a lot of money fighting the Fed and the positive trend. At this point a big key to keeping the market on solid ground is going to be earnings growth, or more importantly revenue growth for the second quarter. The earnings over the last several quarters have been engineered from stock buybacks and cost cutting, with revenues barely rising. We believe we need to see the revenue growth pick up to have earnings supportive of the current valuations.

The opinions expressed are those of Clark Capital Management Group Investment Team. The opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. There are no guarantee of the future performance of any Clark Capital Investments portfolio. Material presented has been derived from sources considered to be reliable, but the accuracy and completeness cannot be guaranteed. Nothing herein should be construed as a solicitation, recommendation or an offer to buy, sell or hold any securities, other investments or to adopt any investment strategy or strategies. For educational use only. This information is not intended to serve as investment advice. This material is not intended to be relied upon as a forecast or research. The Investment or strategy discussed may not be suitable for all investors. Investors must make their own decisions based on their specific investment objectives and financial circumstances. Past performance does not guarantee future results.

The Dow Jones Industrial Average is a stock market index that shows how 30 large publicly owned companies based in the U.S. have traded during a standard trading session in the stock market.

The MSCI EAFE Index is a free float-adjusted market capitalization index that is designed to measure the equity market performers of developed markets outside the U.S. and Canada.

The MSCI Emerging Markets Index is a freefloat-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

The Russell 3000® Index measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market.

The Barclays U.S. Government and Credit Bond Index measures the performance of U.S. dollar denominated U.S. Treasuries, government-related, and investment grade U.S. corporate securities that have a remaining maturity of greater than 1 year. In addition, the securities have $250 million or more of outstanding face value, and must be fixed rate and non-convertible.

The Barclays U.S. Corporate High-Yield Index covers the USD-denominated, non-investment grade, fixed-rate, taxable corporate bond market. Securities are classified as high-yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below.

The Barclays 30-Year U.S. Treasury Bellwethers Index is a universe of Treasury bonds, and used as a benchmark against the market for long-term maturity fixed-income securities. The index assumes reinvestment of all distributions and interest payments.

The Barclays 10-Year U.S. Treasury Bellwethers Index is a universe of Treasury bonds, and used as a benchmark against the market for long-term maturity fixed-income securities. The index assumes reinvestment of all distributions and interest payments.

The Barclays 5-Year Municipal Bond Index is the 5 Year (4-6) component of the Municipal Bond index. It is a rules-based, market-value-weighted index engineered for the tax-exempt bond market. The index tracks general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds rated Baa3/BBB- or higher by at least two of the ratings agencies.

The Barclays U.S. Aggregate Bond Index covers the U.S. investment-grade fixed-rate bond market, including government and credit securities, agency mortgage pass-through securities, asset-backed securities and commercial mortgage-based securities. To qualify for inclusion, a bond or security must have at least one year to final maturity and be rated investment grade Baa3 or better, dollar denominated, non-convertible, fixed rate and publicly issued.

The B of A Merrill Lynch U.S. High Yield Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market.

The Barclays 7-10 Year Treasury Index tracks the investment results of an index comp

rised of the U.S. Treasury bonds with remaining maturities between seven and ten years.

The Barclays 20+ Year Treasury Index tracks the investment results of an index comprised of the U.S. Treasury bonds with remaining maturities greater than twenty years.

The Barclays Long-Term Year Treasury Index tracks the performance of the long-term U.S. government bond market.

Index returns include the reinvestment of income and dividends. The returns for these unmanaged indexes do not include any transaction costs, management fees or other costs. It is not possible to make an investment directly in any index.

Morningstar is the largest independent research organization serving more than 5.2 million individual investors, 210,000 Financial Advisors, and 1,700 institutional clients around the world.

For each separate account with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a separate account's monthly performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of separate accounts in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The Overall Morningstar Rating for a separate account is derived from a weighted average of the performance figures associated with its three-, five- and ten-year Morningstar Rating metrics.

© 2012 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

This information is for one-on-one client use only. Past performance is not indicative of future results. This material is not financial advice or an offer to sell any product. Not every client's account will have these exact characteristics. The actual characteristics with respect to any particular client account will vary based on a number of factors including but not limited to: (i) the size of the account; (ii) investment restrictions applicable to the account, if any; and (iii) market exigencies at the time of investment.

Clark Capital Management Group, Inc. reserves the right to modify its current investment strategies and techniques based on changing market dynamics or client needs. The information provided in this report should not be considered a recommendation to purchase or sell any particular security, sector or industry. There is no assurance that any securities, sectors or industries discussed herein will be included in an account's portfolio. Asset allocation will vary and the samples shown may not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any of the securities transactions, holdings or sectors discussed were or 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.

The relative strength measure is based on historical information and should not be considered a guaranteed prediction of market activity. It is one of many indicators that may be used to analyze market data for investing purposes. The relative strength measure has certain limitations such as the calculation results being impacted by an extreme change in a security price.

The CBOE Volatility Index® (VIX®) is a key measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices and which shows the market's expectation of 30-day volatility. It is constructed using the implied volatilities of a wide range of S&P 500 index options. This volatility is meant to be forward looking and is calculated from both calls and puts. The VIX is a widely used measure of market risk. The S&P 500 measures the performance of the 500 leading companies in leading industries of the U.S. economy, capturing 75% of U.S. equities. The Barclays Capital U.S. Aggregate Bond Index is a market capitalization-weighted index, meaning the securities in the index are weighted according to the market size of each bond type. Most U.S. traded investment grade bonds are represented. Municipal bonds, and Treasury Inflation-Protected Securities are excluded, due to tax treatment issues. The index includes Treasury securities, Government agency bonds, Mortgage-backed bonds, Corporate bonds, and a small amount of foreign bonds traded in U.S. The Barclays Capital Aggregate Bond Index is an intermediate term index.

The volatility (beta) of a client's portfolio may be greater or less than its respective benchmark. It is not possible to invest in these indices.

Returns are presented gross of investment advisory fees and include the reinvestment of all income. Gross returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. For example, a 0.50% annual fee deducted quarterly (.125%) from an account with a ten year annualized growth rate of 5% will produce a net result of 4.4%. Actual performance results will vary from this example. The Firm's policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Clark Capital Management Group, Inc. is an investment adviser registered with the U.S. Securities and Exchange Commission. Registration does not imply a certain level of skill or training. More information about Clark Capital's advisory services and fees can be found in its Form ADV which is available upon request.

CCM-525