Investment Adviser Brochure

Westwood Management Corp.

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This brochure provides information about the qualifications and business practices of Westwood Management Corp. If you have any questions about the contents of this brochure, please contact us at (214) 756-6900 or complianceapproval@westwoodgroup.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Westwood Management Corp. also is available on the SEC's website at **www.adviserinfo.sec.gov**.

Westwood Management Corp. is an SEC registered investment adviser. Registration does not imply a certain level of skill or training.

Item 2 – Material Changes

This page discusses only the material changes to this brochure since the last annual update dated March 31, 2017. Those changes include:

All Sections: Updated strategies to remove closed strategies and add new strategies, along with fees, account minimums, descriptions, and principal risks.

Advisory Business: Updated client guideline monitoring roles and process; updated wrap fee programs and managed account platforms; updated assets under management as of December 31, 2017.

Fees and Compensation: Revised, added, and removed strategy fee schedules as needed.

Methods of Analysis, Investment Strategies and Risk of Loss: Added detail to describe investment philosophy for U.S. Value team, Global and Emerging Markets team, and Global Convertibles team; revised, added, and removed strategy descriptions as needed.

Principal Risks: Added and removed summaries of risks for strategies as needed; added and revised descriptions of risks as needed.

Disciplinary Information: Updated summary description of pending litigation to reflect conclusion of same.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading: Updated to make clarifying edits, to add detail regarding exceptions from pre-clearance requirements, and to reflect Code of Ethics being located on firm website.

Brokerage Practices: Revised to reflect new IPO allocation policies and procedures and attendant conflicts of interest; added language regarding maintenance of required documentation related to brokerage practices.

Client Referrals and Other Compensation: Added information on third-party marketing relationships.

Custody: Made clarifying edits and updated custodian for Custom Asset Allocation accounts.

Item 3 – Table of Contents

Item 4 - Advisory Business

Westwood Management Corp. ("Westwood") is an investment advisory firm that has been in business since 1983. Westwood is a wholly owned subsidiary of Westwood Holdings Group, Inc. ("WHG"), a publicly held company listed on the New York Stock Exchange since July 1, 2002. WHG is also the owner of the following entities: Westwood Advisors, L.L.C., formerly known as McCarthy Group Advisors, L.L.C. ("Westwood Advisors"), a registered investment adviser that has been in business since 1986; Westwood Trust, a Texas-chartered Trust company headquartered in Dallas, Texas; and Westwood International Advisors Inc. ("WIA"), a Canadian investment adviser registered with the Ontario Securities Commission and the *Autorité des Marché Financiers* in Quebec. Westwood, Westwood Advisors, Westwood Trust, and WIA are wholly owned by WHG.

Westwood provides portfolio management services to individuals, investment companies, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, state and municipal government entities, and pooled investment vehicles. Westwood is responsible for providing a timely update to its recommendations for the strategies for which it has contracted to provide advice. The investment advisers to whom Westwood provides investment models/buy lists have full discretion for their own clients.

In providing services to its clients, Westwood may rely on the resources of WIA, a non-U.S. affiliate that supplies services pursuant to a participating affiliate agreement ("Participating Affiliate"). WIA is further discussed under "Other Financial Industry Activities and Affiliations."

Westwood tailors its services to individual client needs. Westwood carries out its investment management responsibilities in accordance with the investment guidelines and policy directives provided by the client. In these written guidelines, clients may impose restrictions on investing in certain securities or types of securities. Clients may also impose restrictions on investments in certain industries, sectors, or asset classes.

Westwood typically implements and monitors a client's guidelines by entering restrictions in its electronic guideline monitoring tool that interfaces with its trade order management system. Before any trade activity begins, a Compliance Officer identifies all guideline restrictions and inputs the information into the guideline monitoring tool. Restrictions entered into the tool are checked and verified by investment personnel. The tool electronically monitors and enforces guideline restrictions including stock, industry, and sector specific restrictions. The Compliance Officer and investment personnel monitor account guidelines on a daily basis via the guideline monitoring tool. Any restrictions that cannot be entered into the guideline monitoring tool are monitored manually and reported to the Portfolio Teams on a periodic basis. In addition, Westwood reviews all accounts annually to ensure that the investment guidelines are current and correctly entered into the guideline monitoring tool.

Westwood provides portfolio management services for two wrap fee programs and seven non-wrap managed account platforms (platforms that charge separate fees for investment advice and brokerage services) for the following investment strategies: LargeCap Value, SMidCap, SMidCap Plus, and AllCap Value. All of these programs are managed substantially the same as

Westwood's other institutional accounts; however, wrap account and managed account trades are not aggregated with Westwood's other trades because they typically trade on the sponsors' platforms or have directed brokerage relationships. Generally, according to Westwood's trade rotation policy, the managed accounts are traded after Westwood's separate accounts. Westwood provides its model portfolio in three separate strategies to certain investment advisers for use in managing client accounts. Wrap program sponsors and other investment advisers receiving Westwood model portfolios are primarily responsible for evaluating suitability and adhering to client-imposed investment restrictions. Retail separately managed accounts are generally subject to a minimum account size requirement of $100,000. Program sponsors may have additional minimum requirements.

Westwood will provide an updated model portfolio to all model portfolio recipients at the same time. Westwood will provide updates to its model portfolio recipients within one business day after Westwood has initiated trading in its discretionary accounts managed with the corresponding investment strategy, typically after market close on the same day. Westwood will update the model if the update results in an individual position change of 0.5% by value. Westwood may continue to complete trading in discretionary accounts after an update has been provided to model portfolio recipients. Typically, trading in discretionary accounts in relatively more liquid strategies, such as LargeCap Value, will be completed on the day it is initiated.

Westwood provides non-discretionary services to certain clients on a case-by-case basis.

As of December 31, 2017, Westwood managed 508 accounts on a discretionary basis with a value totaling approximately $19,264,520,000. Westwood also managed 2 accounts on a non-discretionary basis with a value totaling approximately $14,730,000. Westwood's total assets under management on December 31, 2017 was approximately $19,279,250,000.

Item 5 - Fees and Compensation

Westwood offers investment advisory services for a percentage of assets under management. Westwood does not have a standard fee schedule for sub-advised accounts. Fees may be negotiable depending on the size of the account, the complexity of the issues involved, and the breadth of services requested. The minimum account size may be waived at Westwood's discretion. Minimum account requirements for wrap and retail separately managed accounts are described in Item 4 above.

The following fees apply to new institutional separately managed accounts:

ALLCAP VALUE (Minimum investment - $10 MM)	0.85% on the first $25 million, negotiable thereafter
BALANCED (Minimum investment - $25 MM)	0.625% on the first $25 million, negotiable thereafter
CONCENTRATED LARGECAP VALUE	0.85% on the first $25 million, negotiable

(Minimum investment - $25 MM)	thereafter
CUSTOM ASSET ALLOCATION (No minimum investment)	1.00% up to $750,000, negotiable thereafter
EMERGING MARKETS (Minimum investment - $25 MM)	0.95% on the first $25 million, negotiable thereafter
EMERGING MARKETS PLUS (Minimum investment - $25 MM)	0.95% on the first $25 million, negotiable thereafter
EMERGING MARKETS SMIDCAP (Minimum investment - $25 MM)	1.25% on the first $25 million, negotiable thereafter
FLEXIBLE INCOME (Minimum investment - $10 MM)	0.80% on the first $10 million, negotiable thereafter
GLOBAL EQUITY (Minimum investment - $10 MM)	0.85% on the first $10 million, negotiable thereafter
INCOME OPPORTUNITY (Minimum investment - $25 MM)	0.80% on the first $25 million, negotiable thereafter
INCOME OTHER (Minimum investment - $25 MM)	0.80% on the first $25 million, negotiable thereafter
INTERMEDIATE FIXED INCOME (Minimum investment - $10 MM)	0.40% on the first $10 million, negotiable thereafter
INTERNATIONAL EQUITY (Minimum investment - $10 MM)	0.85% on the first $10 million, negotiable thereafter
LARGECAP VALUE (Minimum investment - $25 MM)	0.75% on the first $25 million, negotiable thereafter
LOW VOLATILITY EQUITY	0.75% on the first $25

(Minimum investment - $25 MM)	million, negotiable thereafter
MARKET NEUTRAL INCOME (Minimum investment - $50 MM)	0.75% base fee plus 10% performance fee over the benchmark on a calendar year basis
MLP AND STRATEGIC ENERGY (Minimum investment - $2.5 MM)	0.95% on the first $10 million, negotiable thereafter
MLP INFRASTRUCTURE RENEWAL (Minimum investment - $2.5 MM)	0.95% on the first $10 million, negotiable thereafter
MLP OPPORTUNITIES (Minimum investment - $2.5 MM)	0.95% on the first $10 million, negotiable thereafter
MLP OTHER (NON-DISCRETIONARY) Closed to new investors	0.40% on the first $10 million, negotiable thereafter
MLP/INCOME OPPORTUNITY (Minimum investment - $25 MM)	0.95% on the first $25 million, negotiable thereafter
OPPORTUNISTIC HIGH YIELD (Mutual fund only; fund minimums determined on a case by case basis)	0.55% on total investment
REIT (Minimum investment - $10 MM)	0.75% on the first $10 million, negotiable thereafter
SHORT DURATION HIGH YIELD (Mutual fund only; fund minimums determined on a case by case basis)	0.70% on total investment
SMALLCAP VALUE (Minimum investment - $10 MM)	1.00% on the first $25 million, negotiable thereafter

SMIDCAP EQUITY Closed to new investors	0.85% on the first $25 million, negotiable thereafter
SMIDCAP OTHER Closed to new investors	0.85% on the first $25 million, negotiable thereafter
SMIDCAP PLUS (Minimum investment - $10 MM)	0.85% on the first $25 million, negotiable thereafter
STRATEGIC GLOBAL CONVERTIBLES (Minimum investment - $25 MM)	0.65% on first $50 million, negotiable thereafter
WORLDWIDE INCOME OPPORTUNITY (Minimum investment - $25 MM)	0.90% on the first $25 million, negotiable thereafter

Billing Practices

It is Westwood's normal practice to bill separately managed accounts quarterly in advance and pooled investments monthly in arrears. However, the billing method is negotiable. Westwood has several wrap fee/retail managed account relationships where, with the pre-approval of the sponsor, Westwood reports fees to the custodian, who automatically pays Westwood directly from account assets.

All fee calculations are based on the market value of an account. If management of an account begins at any time other than the start of the calendar quarter, then the first quarterly fee is prorated. Upon termination by either party (upon thirty (30) days' written notice), fees are prorated to the date of termination and any unearned portion of prepaid fees is refunded to the client.

To the extent that fees are based on the market value of the account, Westwood calculates fees based on the ending market value for the billing period. Typically, Westwood values the securities using an independent outside pricing vendor who furnishes prices based on readily available market information. In some instances, securities for which quotations are not readily available are addressed by an internal committee that has been established to review valuation issues. The purpose of the committee is to meet periodically and resolve any issues regarding valuation and pricing of securities. This committee sets the policies and procedures around Westwood's standard pricing function, including sources, markets, and methodology for all of Westwood's standard security types. This committee is responsible for approving and documenting any methodology used to price complex securities where Westwood goes outside of its normal pricing sources, including any manual pricing. This committee has final approval of any new security types that have not previously been traded. Securities that may require manual pricing could affect fee calculations for both asset-based fee arrangements and performance-based fee arrangements.

In addition to Westwood's fees discussed above, clients will incur brokerage fees and other transaction costs, as well as any fees charged by the clients' custodians. See the section titled "Brokerage Practices" below.

Additional Investment Advisory Fees – Mutual Fund Clients

Some advisory clients may be invested in mutual funds and/or exchange traded funds which assess fees that would be in addition to those imposed by Westwood for investment advisory services.

Item 6 - Performance-Based Fees and Side-By-Side Management

Westwood typically charges asset-based fees; however, Westwood currently has a limited number of relationships for which it receives performance-based fees. Generally, performance-based fee structures are only available to clients who have at least $500 million under management with Westwood (or $50 million under management for the Market Neutral Income strategy) at the time that performance-based fees are agreed upon, or who have a long-standing relationship with Westwood.

Westwood recognizes that incentive compensation associated with performance-based fee arrangements creates the risk for potential conflicts of interest. Performance-based fees may create an incentive for an adviser to make riskier or more speculative investments than would be made under a different fee arrangement or to allocate investments having a greater potential for higher returns to accounts of those clients paying the higher performance fee. It is Westwood's policy not to favor the interest of one client over another. Westwood addresses the conflicts of interest created by "side-by-side management" with performance-based fee accounts by requiring portfolio decisions to be made on a strategy-specific, model portfolio basis. Additionally, Westwood's trade allocation policy requires trades to be allocated among client accounts in a fair and equitable manner over time.

Investment performance for accounts with performance-based fees is measured relative to the representative benchmark. Performance-based fees are calculated quarterly or annually in arrears based on performance for the defined performance period.

Westwood portfolio managers often manage multiple client accounts in each Westwood strategy. The portfolio managers' management of other accounts may give rise to potential conflicts of interest in connection with their management of one client's investments, on the one hand, and the investments of the other clients' accounts, on the other. The other accounts may have the same investment objective as the particular client. Therefore, a potential conflict of interest may arise as a result of the identical investment objectives, whereby the portfolio manager could favor one account over another. Another potential conflict could include the portfolio manager's knowledge about the size, timing, and possible market impact of trades, whereby a portfolio manager could use this information to the advantage of other accounts and to the disadvantage of the client. However, Westwood has established policies and procedures to ensure that the purchase and sale of securities among all accounts it manages are fairly and equitably allocated over time. Westwood's trade allocation policy is to aggregate client transactions where possible when it is believed that such aggregation may facilitate Westwood's duty of best execution, as applicable. Client accounts for which orders are aggregated receive the average price of such transaction. Any transaction costs incurred in the transaction are shared pro rata based on each client's participation in the transaction. Westwood generally allocates securities among client accounts according to each account's pre-determined participation in the transaction. Westwood's policy prohibits any allocation of trades that would favor any proprietary accounts, affiliated accounts, or any particular client(s) or group of clients more over any other account(s). Accounts managed in wrap account programs and retail managed account programs are not included in the aggregated trades described above. Trade allocation practices for these programs are described in Item 4.

Item 7 - Types of Clients

See the section titled "Advisory Business" above for a description of the types of clients to which Westwood generally provides investment advice. With the exception of the Custom Asset Allocation strategy, Westwood has initial investment requirements typically ranging from $2.5 million to $25 million depending on the mandate. Clients are able to negotiate this requirement, and the minimum may be waived at Westwood's discretion.

Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

The investment philosophy for Westwood's U.S. Value Team can be summarized by the following core principles:

- Employ an active, bottom-up fundamental investment process to build a diversified portfolio of high-quality companies with undervalued earnings potential.
- Quality companies have the potential to generate superior investment returns over the long term. The team seeks well-run businesses with conservative balance sheets and strong free cash flow that can grow their business value by funding growth initiatives or returning capital to shareholders.
- Identifying undervalued companies with strong fundamentals, where the outlook for future earnings growth is underestimated by the market, offers the potential for asymmetric returns.

The investment philosophy for Westwood's Global and Emerging Markets Team is to invest in sound businesses that the team believes are mispriced by the market and can generate positive and sustainable earnings growth, thus enabling them to achieve economic profits over time.

The investment philosophy for Westwood's Global Convertible Securities can be summarized by the following core principles:

- The asymmetric return profile of balanced convertible bonds can provide competitive risk-adjusted returns over medium- to long-term time horizons.
- The convertible markets are inefficient, and opportunities exist to benefit from pricing anomalies.

- A global focus provides a more robust opportunity set and a clearer picture of the broad convertibles universe.

- Proprietary fundamental research is the best way to identify solid companies with an attractive risk-adjusted return profile.

Descriptions of each strategy are as follows:

AllCap Value Strategy

For the AllCap Value strategy, Westwood typically invests in companies with market capitalizations of greater than $100 million at the time of purchase. The strategy invests in approximately 50 to 80 securities.

Balanced Strategy

For the Balanced strategy, the broad equity investment universe is generally all stocks greater than $7.5 billion in market capitalization. The broad fixed income investment universe is the Barclays Aggregate Index which includes securities such as US Treasuries, Government Agencies, Mortgage Backed Securities, Investment Grade Corporate and Asset Backed Securities.

The strategy invests in approximately 40 to 60 equity securities and approximately 40 to 60 debt securities.

Concentrated LargeCap Value Strategy

For the Concentrated LargeCap Value strategy, Westwood typically invests in companies with market capitalizations of greater than $5 billion at the time of purchase. The strategy invests in approximately 15 to 30 securities.

Custom Asset Allocation Strategy

For the Custom Asset Allocation strategy, Westwood utilizes a diversified strategy that is customizable based upon each client's individual objectives and constraints. Westwood typically deploys a balanced investment allocation utilizing a combination of domestic and international equity and investment-grade fixed income securities.

Emerging Markets Strategy

For the Emerging Markets strategy, Westwood typically invests in securities of companies located in, or with primary operations in, emerging markets. The strategy invests in approximately 70 to 90 companies with market capitalizations greater than $500 million.

Westwood may rely on the resources of WIA with respect to this strategy.

Emerging Markets Plus Strategy

For the Emerging Markets Plus strategy, Westwood typically invests in securities of companies located in, or with primary operations in, emerging markets. The strategy invests in approximately 50 to 70 companies with market capitalizations greater than $1.5 billion.

Westwood may rely on the resources of WIA with respect to this strategy.

Emerging Markets SMidCap Strategy

For the Emerging Markets SMidCap strategy, Westwood typically invests in securities of companies headquartered in, or with primary operations in, emerging markets. The strategy invests in approximately 70 to 90 companies with market capitalizations between $150 million and $9 billion at the time of purchase.

Westwood may rely on the resources of WIA with respect to this strategy.

Flexible Income Strategy

For the Flexible Income strategy, Westwood seeks primarily to provide current income and secondarily to achieve capital appreciation. The strategy typically invests in 100 to 150 primarily income-producing securities.

Global Equity Strategy

For the Global Equity strategy, Westwood typically invests in global companies with market capitalizations of greater than $1 billion. The strategy invests in approximately 65 to 85 securities.

Westwood may rely on the resources of WIA with respect to this strategy.

Income Opportunity Strategy

For the Income Opportunity strategy, Westwood seeks to achieve an attractive rate of total return while maintaining a low volatility profile. The strategy seeks to achieve its goal by flexibly investing across a broad spectrum of income-producing securities. The strategy typically invests in 60 to 80 securities.

Income Other Strategy

For the Income Other strategy, Westwood seeks to achieve an attractive rate of total return while maintaining a low volatility profile. The strategy seeks to achieve its goal by flexibly investing across a broad spectrum of income-producing securities. The strategy typically invests in 60 to 80 securities.

Intermediate Fixed Income Strategy

For the Intermediate Fixed Income strategy, Westwood invests in fixed income securities that are, in the aggregate, investment grade securities of corporate and government issuers and commercial paper and mortgage- and asset-backed securities. The strategy invests in approximately 40 to 60 debt securities.

International Equity Strategy

For the International Equity strategy, Westwood typically invests in equity securities of companies whose headquarters are located in developed countries outside of the U.S. and whose market capitalizations are greater than $500 million. The strategy invests in approximately 45 to 60 securities.

Westwood may rely on the resources of WIA with respect to this strategy.

LargeCap Value Strategy

For the LargeCap Value strategy, Westwood typically invests in companies with market capitalizations of greater than $5 billion at the time of purchase. The strategy invests in approximately 40 to 60 securities.

Low Volatility Equity Strategy

For the Low Volatility Equity strategy, Westwood typically invests in approximately 40 to 80 equity and convertible securities.

Market Neutral Income Strategy

For the Market Neutral Income strategy, Westwood typically invests in 50 to 70 long positions plus associated hedges.

MLP and Strategic Energy Strategy

For the MLP and Strategic Energy strategy, Westwood typically invests in 25 to 40 securities across MLP subsectors with market capitalizations of any size, including MLPs or securities with MLP-like characteristics or those primarily involving energy-related activities.

MLP Infrastructure Renewal Strategy

For the MLP Infrastructure Renewal strategy, Westwood typically invests in 25 to 35 securities across MLP subsectors, and in securities with MLP-like characteristics, with market capitalizations of any size, limiting total exposure to publicly traded partnerships to 25%.

MLP Opportunities Strategy

For the MLP Opportunities strategy, Westwood typically invests in 25 to 35 securities across MLP subsectors, and in securities with MLP-like characteristics, with market capitalizations of any size.

MLP Other Strategy

For the MLP Other strategy, Westwood provides an ongoing review and non-discretionary investment advice related to a client's pre-existing portfolio of MLP securities.

MLP/Income Opportunity Strategy

The MLP/Income Opportunity Strategy is a tactical income-oriented strategy which invests 30-65% in MLPs and the remainder in other yield-producing securities.

Opportunistic High Yield Strategy

For the Opportunistic High Yield strategy, Westwood engages a subadvisor, SKY Harbor Capital Management, LLC, which typically invests in high yield securities, which may include bonds rated BB+/Ba1 or below, bonds that are unrated but judged to be of comparable quality by SKY Harbor, as well as senior secured, second lien, or other subordinated or unsecured fixed or floating rate bank loans.

REIT Strategy

For the REIT strategy, Westwood typically invests in REIT securities of companies that own, and usually operate, income-producing real estate assets. The strategy invests in approximately 50 to 75 publicly traded REITs.

SmallCap Value Strategy

For the SmallCap Value strategy, the investment universe generally includes companies within the market cap range of the Russell 2000 index. The strategy invests in approximately 50 to 70 securities.

Short Duration High Yield Strategy

For the Short Duration High Yield strategy, Westwood engages a subadvisor, SKY Harbor Capital Management, LLC, which typically invests in high yield securities, which may include bonds rated BB+, Ba1 or below, including securities that are in default.

SMidCap Strategy

For the SMidCap strategy, the investment universe generally includes companies within the market cap range of the Russell 2500 Index. The strategy invests in approximately 50 to 70 securities.

SMidCap Other Strategy

For the SMidCap Other strategy, the investment universe generally includes companies within the market cap range of the Russell 2500 Index. The strategy invests in approximately 50 to 70 securities.

SMidCap Plus Strategy

For the SMidCap Plus strategy, the investment universe generally includes companies within the market cap range of the Russell Midcap Index above $2 billion. The strategy invests in approximately 45 to 65 securities.

Strategic Global Convertibles Strategy

For the Strategic Global Convertibles strategy, Westwood typically invests in 60 to 90 global convertible securities.

Worldwide Income Opportunity Strategy

The Worldwide Income Opportunity strategy seeks to achieve an attractive rate of total return while maintaining a low volatility profile. It seeks to achieve its goal by flexibly investing across a broad spectrum of global income-producing securities. The strategy typically invests in 60 to 80 securities.

Principal Risks

As with all investments, investing in securities involves risk of loss that clients should be prepared to bear. The principal risk factors affecting client funds are set forth, by strategy, in summary format below. Following such summaries are more detailed explanations of such risks. Clients and prospective clients should carefully review the detailed explanations of each type of principal risk.

AllCap Value Strategy		
• Equity Risk • REIT Risk • Small- and Mid-Capitalization Company Risk • Foreign Company Risk	• Investment Style Risk • Small-Capitalization Company Risk • Foreign Currency Risk • Initial Public Offering (IPO) Risk	• Portfolio Turnover Risk • Royalty Trust Risk • MLP Risk • ETF Risk • Cyber Security Risk

Balanced Strategy		
• Equity Risk • REIT Risk • Foreign Currency Risk • Fixed Income Risk	• Investment Style Risk • Royalty Trust Risk • ETF Risk • U.S. Government Securities Risk	• Portfolio Turnover Risk • MLP Risk • Foreign Company Risk • Cyber Security Risk • Initial Public Offering (IPO) Risk

Concentrated LargeCap Value Strategy		
• Equity Risk • REIT Risk • Foreign Currency Risk • Non-Diversified Investment Risk	• Investment Style Risk • Royalty Trust Risk • ETF Risk • Initial Public Offering (IPO) Risk	• Portfolio Turnover Risk • MLP Risk • Foreign Company Risk • Cyber Security Risk

Custom Asset Allocation Strategy		
• Dividend Paying Stocks Risk • Emerging Markets Risk • Equity Risk • ETF Risk • Fixed Income Risk • Foreign Company Risk • Initial Public Offering (IPO) Risk	• Foreign Currency Risk • High Yield Bond Risk • Investment Style Risk • Liquidity Risk • MLP Risk • Portfolio Turnover Risk	• Preferred Stock Risk • REIT Risk • Small- and Mid-Capitalization Company Risk • Small-Capitalization Company Risk • U.S. Government Securities Risk

Emerging Markets Strategy		
• Equity Risk • Foreign Company Risk • ETF Risk • Liquidity Risk • Initial Public Offering (IPO) Risk	• Emerging Markets Risk • Foreign Currency Risk • REIT Risk • Credit Risk	• Portfolio Turnover Risk • Small- and Mid-Capitalization Company Risk • Derivatives Risk • Cyber Security Risk

Emerging Markets Plus Strategy		
• Equity Risk • Foreign Company Risk • ETF Risk • Liquidity Risk • Initial Public Offering (IPO) Risk	• Emerging Markets Risk • Foreign Currency Risk • REIT Risk • Credit Risk	• Portfolio Turnover Risk • Small- and Mid-Capitalization Company Risk • Derivatives Risk • Cyber Security Risk

Emerging Markets SMidCap Strategy		
• Equity Risk • Foreign Company Risk • ETF Risk • Liquidity Risk • Small-Capitalization Company Risk	• Emerging Markets Risk • Foreign Currency Risk • REIT Risk • Credit Risk • Initial Public Offering (IPO) Risk	• Portfolio Turnover Risk • Small- and Mid-Capitalization Company Risk • Derivatives Risk • Cyber Security Risk

Flexible Income Strategy		
• Equity Risk • Fixed Income Risk • High Yield Bond Risk • Foreign Company Risk • Foreign Currency Risk • Initial Public Offering (IPO) Risk • Valuation Risk • Convertible Securities Risk • Interest Rate Risk • Warrants Risk	• Royalty Trust Risk • Small- and Mid-Capitalization Company Risk • ETF Risk • REIT Risk • Bank Loans Risk • Liquidity Risk • Credit Risk • Derivatives Risk • Mortgage-Backed Securities Risk	• Portfolio Turnover Risk • MLP Risk • Micro-Capitalization Company Risk • U.S. Government Securities Risk • Cyber Security Risk • Zero Coupon Bonds Risk • Preferred Stock Risk • Emerging Market Company Risk • Asset-Backed Securities Risk

Global Equity Strategy		
• Equity Risk • Foreign Company Risk • Emerging Markets Risk • Credit Risk • Initial Public Offering (IPO) Risk	• Foreign Currency Risk • Small- and Mid-Capitalization Company Risk • ETF Risk	• Portfolio Turnover Risk • REIT Risk • Derivatives Risk • Liquidity Risk • Cyber Security Risk

Income Opportunity Strategy		
• Equity Risk • Fixed Income Risk • High Yield Bond Risk • Foreign Company Risk • Foreign Currency Risk • Initial Public Offering (IPO) Risk	• Royalty Trust Risk • Small- and Mid-Capitalization Company Risk • ETF Risk • REIT Risk	• Portfolio Turnover Risk • MLP Risk • Micro-Capitalization Company Risk • U.S. Government Securities Risk • Cyber Security Risk

Income Other Strategy		
• Equity Risk • Fixed Income Risk • High Yield Bond Risk	• Royalty Trust Risk • Small- and Mid-Capitalization Company Risk	• Portfolio Turnover Risk • MLP Risk • Micro-Capitalization Company

• Foreign Company Risk • Foreign Currency Risk • Initial Public Offering (IPO) Risk	• ETF Risk • REIT Risk	Risk • U.S. Government Securities Risk • Cyber Security Risk

Intermediate Fixed Income Strategy		
• Fixed Income Risk • Initial Public Offering (IPO) Risk	• U.S. Government Securities Risk	• Portfolio Turnover Risk • Cyber Security Risk

International Equity Strategy		
• Equity Risk • Foreign Company Risk • Emerging Markets Risk • Credit Risk • Initial Public Offering (IPO) Risk	• Foreign Currency Risk • Small- and Mid-Capitalization Company Risk • ETF Risk	• Portfolio Turnover Risk • REIT Risk • Derivatives Risk • Liquidity Risk • Cyber Security Risk

LargeCap Value Strategy		
• Equity Risk • REIT Risk • Foreign Currency Risk	• Investment Style Risk • Royalty Trust Risk • ETF Risk • Initial Public Offering (IPO) Risk	• Portfolio Turnover Risk • MLP Risk • Foreign Company Risk • Cyber Security Risk

Low Volatility Equity Strategy		
• Basis Risk • Equity Risk • Derivatives Risk • Convertible Securities Risk • High Yield Bond Risk • Initial Public Offering (IPO) Risk	• Preferred Stock Risk • Warrants Risk • Counterparty Credit Risk • Custodial Risk • Regional Focus Risk • Cyber Security Risk	• Portfolio Turnover Risk • Investment Style Risk • Counterparty Risk • Liquidity Risk • Basis Risk • Fixed Income Risk

Market Neutral Income Strategy		
• Basis Risk • Equity Risk • Emerging Markets Risk • Derivatives Risk • Convertible Securities Risk • High Yield Bond Risk • Foreign Currency Risk	• Preferred Stock Risk • Warrants Risk • Counterparty Credit Risk • Custodial Risk • Regional Focus Risk • Foreign Company Risk • Cyber Security Risk • Options Risk	• Portfolio Turnover Risk • Investment Style Risk • Counterparty Risk • Liquidity Risk • Basis Risk • Fixed Income Risk • Initial Public Offering (IPO) Risk

MLP and Strategic Energy Strategy		
• MLP Risk • Energy Industries Risk • High Yield Bond Risk • Exchange-Traded Note (ETN) Risk	• Equity Risk • Small- and Mid-Capitalization Company Risk • Fixed Income Risk • ETF Risk	• Portfolio Turnover Risk • Initial Public Offering (IPO) Risk • Foreign Company Risk • Foreign Currency Risk

• Cyber Security Risk	• Liquidity Risk	• Derivatives Risk • Royalty Trust Risk

MLP Infrastructure Renewal Strategy		
• MLP Risk • Energy Industries Risk • High Yield Bond Risk • ETN Risk • Cyber Security Risk	• Equity Risk • Small- and Mid-Capitalization Company Risk • Fixed Income Risk • ETF Risk • Liquidity Risk	• Portfolio Turnover Risk • Initial Public Offering (IPO) Risk • Foreign Company Risk • Foreign Currency Risk • Derivatives Risk • Royalty Trust Risk

MLP Opportunities Strategy		
• MLP Risk • Energy Industries Risk • High Yield Bond Risk • Exchange-Traded Note (ETN) Risk • Cyber Security Risk	• Equity Risk • Small- and Mid-Capitalization Company Risk • Fixed Income Risk • ETF Risk • Liquidity Risk	• Portfolio Turnover Risk • Initial Public Offering (IPO) Risk • Foreign Company Risk • Foreign Currency Risk • Derivatives Risk • Royalty Trust Risk

MLP Other Strategy		
• MLP Risk • Energy Industries Risk • High Yield Bond Risk • Exchange-Traded Note (ETN) Risk • Cyber Security Risk	• Equity Risk • Small- and Mid-Capitalization Company Risk • Fixed Income Risk • ETF Risk • Liquidity Risk	• Portfolio Turnover Risk • Initial Public Offering (IPO) Risk • Foreign Company Risk • Foreign Currency Risk • Derivatives Risk • Royalty Trust Risk

MLP/Income Opportunity Strategy		
• MLP Risk • Energy Industries Risk • High Yield Bond Risk • Exchange-Traded Note (ETN) Risk • Cyber Security Risk • Micro-Capitalization Company Risk	• Equity Risk • Small- and Mid-Capitalization Company Risk • Fixed Income Risk • ETF Risk • Liquidity Risk • REIT Risk	• Portfolio Turnover Risk • Initial Public Offering (IPO) Risk • Foreign Company Risk • Foreign Currency Risk • Derivatives Risk • Royalty Trust Risk • U.S. Government Securities Risk

Opportunistic High Yield Strategy		
• High Yield Bond Risk • Bank Loans Risk • Initial Public Offering (IPO) Risk • Regional Focus Risk • Equity Risk • Valuation Risk • Liquidity Risk	• U.S. Government Securities Risk • Zero Coupon Bonds Risk • Mortgage-Backed Securities Risk • Small- and Mid-Capitalization Company Risk • Preferred Stock Risk • Convertible Securities Risk	• Credit Risk • Interest Rate Risk • Foreign Company Risk • Emerging Market Company Risk • Warrants Risk • Derivatives Risk • Portfolio Turnover Risk • Cyber Security Risk

REIT Strategy		
• REIT Risk • Cyber Security Risk • Initial Public Offering (IPO) Risk	• Investment Style Risk • Royalty Trust Risk	• Portfolio Turnover Risk • MLP Risk

Short Duration High Yield Strategy		
• High Yield Bond Risk • Liquidity Risk • Valuation Risk • Initial Public Offering (IPO) Risk	• Credit Risk • Interest Rate Risk • Private Placements Risk	• Foreign Securities Risk • Emerging Markets Securities Risk • Portfolio Turnover Risk • Cybersecurity Risk

SmallCap Value Strategy		
• Equity Risk • REIT Risk • Small- and Mid-Capitalization Company Risk • Foreign Company Risk	• Investment Style Risk • Small-Capitalization Company Risk • Foreign Currency Risk • Initial Public Offering (IPO) Risk	• Portfolio Turnover Risk • Royalty Trust Risk • MLP Risk • ETF Risk • Cyber Security Risk

SMidCap Strategy		
• Equity Risk • Small- and Mid-Capitalization Company Risk • Foreign Company Risk • Initial Public Offering (IPO) Risk	• Investment Style Risk • REIT Risk • Royalty Trust Risk • Foreign Currency Risk	• MLP Risk • Portfolio Turnover Risk • ETF Risk • Small-Capitalization Company Risk • Cyber Security Risk

SMidCap Other Strategy		
• Equity Risk • Small- and Mid-Capitalization Company Risk • Foreign Company Risk • Initial Public Offering (IPO) Risk	• Investment Style Risk • REIT Risk • Royalty Trust Risk • Foreign Currency Risk • Cyber Security Risk	• MLP Risk • Portfolio Turnover Risk • ETF Risk • Small-Capitalization Company Risk

SMidCap Plus Strategy		
• Equity Risk • Small- and Mid-Capitalization Company Risk • Foreign Company Risk • Initial Public Offering (IPO) Risk	• Investment Style Risk • REIT Risk • Royalty Trust Risk • Foreign Currency Risk	• MLP Risk • Portfolio Turnover Risk • ETF Risk • Cyber Security Risk

Strategic Global Convertibles Strategy		
• Convertible Securities Risk • Fixed Income Risk	• Preferred Stock Risk • Warrants Risk	• Portfolio Turnover Risk • Regional Focus Risk

• High Yield Bond Risk • Equity Risk • Investment Style Risk • Emerging Markets Risk	• Foreign Company Risk • Foreign Currency Risk • Liquidity Risk • Cyber Security Risk	• Small- and Mid-Capitalization Company Risk • Derivatives Risk • Initial Public Offering (IPO) Risk

Worldwide Income Opportunity Strategy		
• Equity Risk • Preferred Stock Risk • Convertible Securities Risk • Warrants Risk • Foreign Company Risk • Small- and Mid-Capitalization Company Risk	• MLP Risk • Royalty Trust Risk • REIT Risk • ETF Risk • Foreign Currency Risk • Derivatives Risk • Portfolio Turnover Risk • Initial Public Offering (IPO) Risk	• Fixed Income Risk • High Yield Bond Risk • U.S. Government Securities Risk • Money Market Instruments Risk • Regional Focus Risk • Emerging Markets Risk • Liquidity Risk • Cyber Security Risk

Asset-Backed Securities Risk – Payment of principal and interest on asset-backed securities is dependent largely on the cash flows generated by the assets backing the securities, and asset-backed securities may not have the benefit of any security interest in the related assets.

Bank Loans Risk – Investments in bank loans (through both assignments and participations) are generally subject to the same risks as investments in other types of debt instruments, including, in many cases, investments in junk bonds. There may be limited public information available regarding bank loans and bank loans may be difficult to value. If the portfolio holds a bank loan through another financial institution or relies on a financial institution to administer the loan, its receipt of principal and interest on the loan may be subject to the credit risk of that financial institution. It is possible that any collateral securing a loan may be insufficient or unavailable, and that the portfolio's rights to collateral may be limited by bankruptcy or insolvency laws. In addition, the secondary market for bank loans may be subject to irregular trading activity, wide bid/ask spreads, and extended trade settlement periods, which may cause the portfolio to be unable to realize the full value of its investment in a bank loan. Bank loans may not be considered "securities," and purchasers therefore may not be entitled to rely on the anti-fraud protections of the federal securities laws.

Basis Risk – Basis risk may exist when there is a divergence between the price of a derivative and that of the underlying instrument in the cash market. This may result in market exposures, even in instances where derivatives positions have been taken to hedge underlying exposures, due to the unforeseen divergence of the derivative and underlying security prices. This is only relevant if the underlying instrument is traded prior to maturity.

Convertible Securities Risk – The value of a convertible security is influenced by changes in interest rates (with investment value declining as interest rates increase and increasing as interest rates decline) and the credit standing of the issuer. The price of a convertible security will also normally vary in some proportion to changes in the price of the underlying common stock because of the conversion or exercise feature.

Counterparty Credit Risk – Markets in which Westwood may effect transactions "over-the-counter" do not regulate participants to the same extent as "exchange-based" markets. Where a Westwood strategy ("Strategy") carries out transactions in these markets, it may be subject to a credit risk on the transaction counterparty and a risk of settlement default. Such transactions do not benefit from the same protections that an exchange-based clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. This may subject the Strategy to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract or because of a credit or liquidity problem. Such "counterparty risk" is increased for contracts with longer maturities when events may intervene to prevent settlement. The ability of the strategy to transact business with any one or any number of counterparties, the lack of any independent evaluation of the counterparties or their financial capabilities, and the absence of a regulated market to facilitate settlement, may increase the potential for losses.

Counterparty Risk – A strategy may have credit exposure to counterparties by virtue of investment positions in options, forward exchange rate and other contracts held by a Strategy. To the extent that a counterparty defaults on its obligation and the Strategy is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur other costs.

Credit Risk – The risk that the issuer of a security or the counterparty to a contract will default or otherwise become unable to honor a financial obligation. The credit rating or financial condition of an issuer may affect the value of a fixed income debt security. Generally, the lower the credit quality of a security, the greater the perceived risk that the issuer will fail to pay interest fully and return principal in a timely manner. If an issuer defaults or becomes unable to honor its financial obligations, the security may lose some or all of its value. The issuer of an investment-grade security is considered by the rating agency to be more likely to pay interest and repay principal than an issuer of a lower quality bond. Adverse economic conditions or changing circumstances may weaken the capacity of the issuer to pay interest and repay principal.

Custodial Risk – As the Strategy may invest in markets where the trading, settlement and custodial systems are not fully developed, its assets, which are traded in such markets and which have been entrusted to sub-custodians in such markets in circumstances where the use of such sub-custodians is necessary, may be exposed to risk in circumstances where the custodian will have no liability.

Cyber Security Risk – Westwood and its clients may be subject to cyber security risks. Those risks include, among others, theft, misuse or corruption of data maintained online or digitally; denial of service attacks on websites; the loss or unauthorized release of confidential and proprietary information; operational disruption; or various other forms of cyber security breaches. Cyber-attacks against, or security breakdowns of Westwood or its service providers may harm Westwood clients; potentially resulting in, among other things, financial losses, the inability of Westwood and/or its clients to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance and remediation costs. Cyber security risks may also affect issuers of securities in which a client invests, potentially causing the client's investment in such issuers to lose value. Despite risk management processes, there can be no guarantee that a client will avoid losses relating to cyber security risks or other information security breaches.

Derivatives Risk – Derivatives can be highly volatile and involve risks in addition to the risks of the underlying referenced securities. Gains or losses from a derivative can be substantially greater than the derivative's original cost, and can therefore involve leverage. Derivatives can be complex instruments and may involve analysis that differs from that required for other investment types utilized. If the value of a derivative does not correlate well with the particular market or other asset class to which the derivative is intended to provide exposure, the derivative may not produce the anticipated result. Derivatives can also reduce the opportunity for gain or result in losses by offsetting positive returns in other investments. Derivatives can be less liquid than other types of investments and entail the risk that the counterparty will default on its payment obligations. If the counterparty to a derivative transaction defaults, an investment would risk the loss of the net amount of the payments that it contractually is entitled to receive. To the extent that a strategy enters into short derivative positions, there may be exposure to risks similar to those associated with short sales, including the risk that losses are theoretically unlimited.

Dividend Paying Stocks Risk – A strategy's emphasis on dividend-paying stocks involves the risk that such stocks may fall out of favor with investors and underperform the market. Also, a company may reduce or eliminate its dividend.

Emerging Markets Risk – The risks of foreign investing are heightened when investing in emerging markets. Emerging markets securities involve a number of additional risks, which may result from less government supervision and regulation of business and industry practices (including the potential lack of strict finance and accounting controls and standards), stock exchanges, brokers, and listed companies, making these investments potentially more volatile in price and less liquid than investments in developed securities markets, resulting in greater risk to investors. There is a risk in developing countries that a future economic or political crisis could lead to price controls, forced mergers of companies, expropriation or confiscatory taxation, seizure, nationalization, or creation of government monopolies, any of which may have a detrimental effect on these investments. In addition, these investments may be denominated in foreign currencies and, therefore, changes in the value of a country's currency compared to the U.S. dollar may affect (positively or negatively) the value of these investments. To the extent that a strategy has a significant portion of assets in the securities of issuers in or companies of a single country or region, it is more likely to be impacted by events or conditions affecting that country or region, which could have a negative impact on performance. Some of the risks of investing directly in foreign and emerging market securities may be reduced when investments are made indirectly in foreign securities through various other investment vehicles including derivatives, which also involve specialized risks.

Energy Industries Risk – The Strategy is subject to the risk of concentrating investments in the energy industries, which makes it more susceptible to factors adversely affecting issuers within those industries than a fund investing in a more diversified portfolio of securities. A downturn in the energy industries could have an adverse impact on the Strategy. At times, the performance of securities of companies in the energy industries may lag the performance of other industries or the broader market as a whole. Energy companies are affected by worldwide energy prices and costs related to energy production. These companies may have significant operations in areas at risk for natural disasters, social unrest and environmental damage. These companies may also be at risk for increased government regulation and intervention, energy conservation efforts, litigation and negative publicity and perception. Investments in energy-related utilities companies involve special considerations, including the risk of changing commodity prices, government regulation and oversight, increased tariffs, changes in tax laws, interest rate fluctuations and changes in the cost of providing utility services. Utilities companies are also subject to potential terrorist attacks, natural disasters and severe weather conditions, as well as regulatory and operational burdens associated with the operation and maintenance of facilities.

Equity Risk – Any investment in an equity security is subject to the risk that stock prices will fall over short or extended periods of time. Historically, the equity markets have moved in cycles, and the value of the investment's equity securities may fluctuate drastically from day to day. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response. These factors contribute to price volatility, which is the principal risk of investing in any equity security.

ETF Risk – ETFs are pooled investment vehicles, such as registered investment companies and grantor trusts, whose shares are listed and traded on U.S. stock exchanges or otherwise traded in the over-the-counter market. To the extent that a Strategy invests in ETFs, the Strategy will be subject to substantially the same risks as those associated with the direct ownership of the securities on which the ETF is based and the value of the Strategy's investment will fluctuate in response to the performance of the underlying index. ETFs incur fees. Accordingly, a Strategy's investments in ETFs may result in the layering of expenses. Because the value of ETF shares depends on the demand in the market, shares may trade at a discount or premium to their net asset value. Westwood may not be able to liquidate the Strategy's holdings at the most optimal time, which could adversely affect the Strategy's performance.

ETN Risk – An ETN is a debt security of an issuer that is listed and traded on U.S. stock exchanges or otherwise traded in the over-the-counter market. Similar to other debt securities, ETNs tend to have a maturity date and are backed only by the credit of the issuer. ETNs are designed to provide investors access to the returns of various market benchmarks, such as a securities index, currency or investment strategy, less fees and expenses. The value of an ETN may be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in the underlying market, changes in the applicable interest rates, and changes in the issuer's credit rating and economic, legal, political or geographic events that affect the referenced market. When the Strategy invests in ETNs, there may be fees and expenses associated with investment in such securities. Such fees reduce the amount of return on investment at maturity or upon redemption. There may be restrictions on the Strategy's right to redeem its investment in an ETN, which are meant to be held until maturity. There are no periodic interest payments for ETNs, and principal is not protected. The Strategy could lose some of or the entire amount invested in ETNs. The Strategy's decision to sell its ETN holdings may also be limited by the availability of a secondary market.

Fixed Income Risk – The prices of fixed income securities respond to economic developments, particularly interest rate changes, as well as to perceptions about the creditworthiness of individual issuers. Generally, fixed income securities will decrease in value if interest rates rise and vice versa, and the volatility of lower-rated securities is even greater than that of higher-rated securities. Also, longer-term securities are generally more volatile, so the average maturity or duration of these securities affects risk. Credit risk is the possibility that an issuer will fail to make timely payments of interest or principal or go bankrupt. Generally, risk of a debt security rises as the rating falls. In addition, these risks are often magnified for securities rated below-investment-grade, often referred to as "junk bonds," and adverse changes in economic conditions or market perception are likely to cause issuers of these securities to be unable to meet their obligations to repay principal and interest to investors. Interest rates have been at near record lows, and, to the extent they increase, this could have a negative impact on fixed income securities in any portfolio.

Foreign Company Risk – Investing in foreign companies, including direct investments and through ADRs and Global Depository Receipts ("GDRs"), which are traded on U.S. exchanges and represent an ownership interest in a foreign company, poses additional risks since political and economic events unique to a country or region will affect those markets and their issuers. These risks will not necessarily affect the U.S. economy or similar issuers located in the United States. In addition, investments in foreign securities are generally denominated in a foreign currency. As a result, changes in the value of those currencies compared to the U.S. dollar may affect (positively or negatively) the value of the investment. These currency movements may occur separately from, and in response to, events that do not otherwise affect the value of the security in the issuer's home country. While ADRs and GDRs provide an alternative to directly purchasing the underlying foreign securities in their respective national markets and currencies, investments in ADRs and GDRs continue to be subject to many of the risks associated with investing directly in foreign securities. Securities of foreign companies may not be registered with the U.S. Securities and Exchange Commission (the "SEC") and foreign companies are generally not subject to the regulatory controls imposed on U.S. issuers and, as a consequence, there is generally less publicly available information about foreign securities than is available about domestic securities. Income from foreign securities may be reduced by a withholding tax at the source, which tax would reduce income received from the securities comprising a client's portfolio. Foreign securities may also be more difficult to value than securities of U.S. issuers.

Foreign Currency Risk – The value of investments in a foreign security will be affected by the value of the local currency relative to the U.S. dollar. When a foreign currency denominated security is sold, its value may be worth less in U.S. dollars even if the security increases in value in its home country. U.S. dollar-denominated securities of foreign issuers may also be affected by currency risk, as the value of these securities may also be affected by changes in the issuer's local currency.

High Yield Bond Risk – High yield bonds (often called "junk bonds") are debt securities rated below investment grade. Junk bonds are speculative, involve greater risks of default, downgrade, or price declines and are more volatile and tend to be less liquid than investment-grade securities. Companies issuing high yield bonds are less financially strong, are more likely to encounter financial difficulties, and are more vulnerable to adverse market events and negative sentiments than companies with higher credit ratings.

Initial Public Offering (IPO) Risk – The market value of shares in an IPO may fluctuate considerably or decline shortly after the IPO, due to factors such as the absence of a prior public market, unseasoned trading, the small number of shares available for trading and limited information about the issuer.

Interest Rate Risk – Changes in interest rates are a factor that could affect the value of an investment. Rising interest rates tend to cause the prices of fixed income securities (especially those with longer maturities) to fall. Risks associated with rising interest rates are heightened given that interest rates in the U.S. are at, or near, historic lows. The concept of duration is useful in assessing the sensitivity of a fixed income investment to interest rate movements, which are usually the main source of risk for most fixed income investments. Duration measures price volatility by estimating the change in price of a debt security for a 1% change in its yield. For example, a duration of five years means the price of a debt security will change about 5% for every 1% change in its yield. Thus, the longer the duration, the more volatile the security. Fixed income debt securities have a stated maturity date when the issuer must repay the principal amount of the bond. Some fixed income debt securities, known as callable bonds, may repay the principal earlier than the stated maturity date. Fixed income debt securities are most likely to be called when interest rates are falling because the issuer can refinance at a lower rate.

Investment Style Risk – Westwood pursues a "value style" of investing. Value investing focuses on companies with stocks that appear undervalued in light of factors such as the company's earnings, book value, revenues or cash flow. If Westwood's assessment of a company's value or its prospects for exceeding earnings expectations or market conditions is inaccurate, the client could suffer losses or produce poor performance. In addition, "value stocks" can continue to be undervalued by the market for long periods of time.

Liquidity Risk – Certain securities may be difficult or impossible to sell at the time and the price that the Strategy would like. The Strategy may have to lower the price, sell other securities instead or forgo an investment opportunity, any of which could have a negative effect on Strategy management or performance.

Micro-Capitalization Company Risk – Micro-capitalization companies may be newly formed or in the early stages of development with limited product lines, markets or financial resources. Therefore, micro-capitalization companies may be less financially secure than large-, mid- and small-capitalization companies and may be more vulnerable to key personnel losses due to reliance on a smaller number of management personnel. In addition, there may be less public information available about these companies. Micro-cap stock prices may be more volatile than large-, mid- and small-capitalization companies and such stocks may be more thinly traded and thus difficult for Westwood to buy and sell in the market.

MLP Risk – MLPs are limited partnerships in which the ownership units are publicly traded. MLP units are registered with the U.S. Securities and Exchange Commission ("SEC") and are freely traded on a securities exchange or in the over-the-counter market. MLPs often own several properties or businesses (or own interests) that are related to oil and gas industries or other natural resources, but they also may finance other projects. To the extent that an MLP's interests are all in a particular industry, the MLP will be negatively impacted by economic events adversely impacting that industry. The risks of investing in an MLP are generally those involved in investing in a partnership as opposed to a corporation. For example, state law governing partnerships is often less restrictive than state law governing corporations. Accordingly, there may be fewer protections afforded to investors in an MLP than to investors in a corporation. For example, investors in MLPs may have limited voting rights or be liable under certain circumstances for amounts greater than the amount of their investment. In addition, MLPs may be subject to state taxation in certain jurisdictions which will have the effect of reducing the amount of income paid by the MLP to its investors.

Mortgage-Backed Securities Risk – Mortgage-backed securities are affected by, among other things, interest rate changes and the possibility of prepayment of the underlying mortgage loans. Mortgage-backed securities are also subject to the risk that underlying borrowers will be unable to meet their obligations.

Mutual Fund Risk – Mutual funds involve risk of loss, and there is no guarantee that a mutual fund will achieve its goals. The mutual fund advisor's (and/or subadvisor's) judgments about the markets, the economy, or companies may not anticipate actual market movements, economic conditions, or company performance, and these judgments may affect the return on the investment. The value of an investment in a mutual fund is based on the value of the securities the fund holds. These prices change daily due to economic and other events that affect particular companies and other issuers. These price movements, sometimes called volatility, may be greater or lesser depending on the types of securities the fund owns and the markets in which they trade. The effect on a fund of a change in the value of a single security will depend on how widely the fund diversifies its holdings.

Non-Diversified Strategy Risk – The Strategy is non-diversified, which generally means that it will invest a greater percentage of its total assets in the securities of fewer issuers than a "diversified" strategy. This increases the risk that a change in the value of any one investment held by the Strategy could affect the overall value of the Strategy more than it would affect that of a diversified strategy holding a greater number of investments. Accordingly, the Strategy will likely be subject to more volatile performance.

Options Risk – Investments in options may be subject to the risk that the adviser does not correctly predict the movement of an option's underlying stock. Option purchases may result in the loss of part or all of the amount paid for the option plus commission costs. Option sales may result in a forced sale or purchase of a security at a price higher or lower than its current market price.

Portfolio Turnover Risk – Due to its investment strategy, the Strategy may buy and sell securities frequently. Such a strategy often involves higher expenses, including brokerage commissions, and may increase the amount of capital gains (in particular, short-term gains) realized by the Strategy. Shareholders may pay tax on such capital gains.

Preferred Stock Risk – Preferred stocks are sensitive to interest rate changes and are also subject to equity risk, which is the risk that stock prices will fall over short or extended periods of time. The rights of preferred stocks on the distribution of a company's assets in the event of a liquidation are generally subordinate to the rights associated with a company's debt securities.

Private Placements Risk – Investment in privately placed securities may be less liquid than in publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realized from these sales could be less than those originally paid or less than what may be considered the fair value of such securities. Further, companies whose securities are not publicly traded may not be subject to the disclosure and other investor protection requirements that might be applicable if their securities were publicly traded.

Regional Focus Risk – To the extent that it focuses its investments in a particular geographic region, the Strategy may be more susceptible to economic, political, regulatory or other events or conditions affecting issuers and countries within that region. As a result, the Strategy may be subject to greater price volatility and risk of loss than a strategy holding more geographically diverse investments.

REIT Risk – REITs are pooled investment vehicles that own, and usually operate, income-producing real estate. REITs are susceptible to the risks associated with direct ownership of real estate, such as the following: declines in property values; increases in property taxes, operating expenses, rising interest rates or competition overbuilding; zoning changes; and losses from casualty or condemnation. REITs typically incur separate fees that result in the layering of expenses such that investors will indirectly bear a proportionate share of the REITs' operating expenses.

Royalty Trust Risk – Westwood may invest in royalty trusts on behalf of client accounts. A royalty trust generally acquires an interest in natural resource companies and distributes the income it receives to the investors of the royalty trust. A sustained decline in demand for crude oil, natural gas and refined petroleum products could adversely affect income and royalty trust revenues and cash flows. Factors that could lead to a decrease in market demand include a recession or other adverse economic conditions, an increase in the market price of the underlying commodity, higher taxes or other regulatory actions that increase costs, or a shift in consumer demand for such products. A rising interest rate environment could adversely impact the performance of royalty trusts. Rising interest rates could limit the capital appreciation of royalty trusts because of the increased availability of alternative investments at more competitive yields.

The investment in royalty trusts may result in the layering of expenses such that investors will indirectly bear a proportionate share of the royalty trusts' operating expenses.

Small- and Mid-Capitalization Company Risk – The small- and mid-capitalization companies in which Westwood may invest may be more vulnerable to adverse business or economic events than larger, more established companies. In particular, these small- and mid-sized companies may pose additional risks, including liquidity risk, because these companies tend to have limited product lines, markets and financial resources, and may depend upon a relatively small management group. Therefore, small- and mid-cap stocks may be more volatile than those of larger companies.

Small-Capitalization Company Risk – The small-capitalization companies in which Westwood may invest may be more vulnerable to adverse business or economic events than larger, more established companies. In particular, these small-sized companies may pose additional risks, including liquidity risk, because these companies tend to have limited product lines, markets and financial resources, and may depend upon a relatively small management group. Therefore, small-cap stocks may be more volatile than those of larger companies.

Trust Preferred Securities Risk – Trust preferred securities are preferred stocks issued by a special purpose trust subsidiary backed by subordinated debt of the corporate parent. These securities typically bear a market rate coupon comparable to interest rates available on debt of a similarly rated company. The securities are generally senior to standard preferred stock but junior to other bondholders. Trust preferred securities are subject to unique risks, which include the fact that dividend payments will only be paid if interest payments on the underlying obligations are made, which interest payments are dependent on the financial condition of the parent corporation and may be deferred for up to 20 consecutive quarters. There is also the risk that the underlying obligations, and thus the trust preferred securities, may be prepaid after a stated call date or as a result of certain tax or regulatory events, resulting in a lower yield to maturity.

U.S. Government Securities Risk – Although U.S. government securities are considered to be among the safest investments, they are not guaranteed against price movements due to changing interest rates. Obligations issued by some U.S. government agencies are backed by the U.S. Treasury, while others are backed solely by the ability of the agency to borrow from the U.S. Treasury or by the government-sponsored agency's own resources. As a result, investments in securities issued by the government-sponsored agencies that are not backed by the U.S. Treasury are subject to higher credit risk than those that are.

Valuation Risk – A lack of reliable, objective data or market quotations may make it more difficult to value non-investment grade bonds accurately.

Warrants Risk – Warrants are instruments that entitle the holder to buy an equity security at a specific price for a specific period of time. Warrants may be more speculative than other types of investments. The price of a warrant may be more volatile than the price of its underlying security, and a warrant may offer greater potential for capital appreciation as well as capital loss. A warrant ceases to have value if it is not exercised prior to its expiration date.

Zero Coupon Bonds Risk – The value of zero coupon bonds is subject to greater fluctuation in response to changes in market interest rates than the value of bonds which make regular payments of interest. Even though zero coupon bonds do not pay current interest in cash, the portfolio is required to accrue interest income on such investments and may be required to distribute that income at least annually. Thus, the portfolio could be required at times to liquidate other investments in order to satisfy its dividend requirements.

Item 9 - Disciplinary Information

Westwood and its management persons have not been involved in any disciplinary events.

In October 2017, Westwood entered into an agreement to settle a lawsuit filed by AGF Management Limited and AGF Investments Inc. ("AGF") in August 2012 in the Ontario Superior Court of Justice against Westwood, certain officers and employees of Westwood, and certain other related parties. The agreement also settled a counterclaim filed by Westwood against AGF in November 2012 and an additional related claim filed by AGF in November 2012. The actions arose from the hiring of certain members of Westwood's global and emerging markets investment team who were previously employed by AGF. In entering into the settlement agreement, neither party admitted liability nor any of the allegations.

Item 10 - Other Financial Industry Activities and Affiliations

Westwood has three affiliated operating companies: Westwood Advisors, L.L.C., an SEC registered investment adviser; Westwood Trust, a trust company chartered by the Texas Department of Banking; and Westwood International Advisors Inc. ("WIA"), a Canadian investment adviser registered with the Ontario Securities Commission and the Autorité des Marché Financiers in Quebec, each of which is a wholly owned subsidiary of Westwood's parent company, WHG. Westwood is the investment adviser for the Westwood Funds family of mutual funds. Westwood has a sub-advisory agreement with Westwood Trust pursuant to which Westwood serves as a sub-advisor to the Westwood Trust Commingled Funds. Westwood and WIA also serve as investment managers to sub-funds of Westwood Investment Funds Plc, an Irish-domiciled UCITS fund available to certain non-U.S. investors. Westwood also has sub-advisory agreements involving private funds managed by Westwood Advisors. Westwood offers sub-advisory services to seven of the ten private funds. Westwood's strategies are also available to managed accounts established for clients of Westwood Advisors through the Direct Advisory Program.

With respect to Westwood's advisory services, WIA, its Participating Affiliate, is registered with the Ontario Securities Commission and the Autorité des Marché Financiers in Quebec. In reliance on a series of SEC no-action letters, Westwood has entered into arrangements with its Participating Affiliate whereby Westwood utilizes the investment management capabilities and related services, including certain personnel, of the Participating Affiliate in providing advice to Westwood's clients. The Participating Affiliate is not registered with the SEC as an investment adviser. However, employees of the Participating Affiliate that assist in providing investment advice to Westwood are subject to the regulatory oversight of both Westwood and the SEC and are subject to Westwood's Code of Ethics and other compliance policies and procedures adopted by Westwood pursuant to the requirements of the Investment Advisers Act of 1940, as amended.

Certain Westwood employees are licensed as Registered Representatives of Foreside Fund Services, LLC, an unaffiliated broker-dealer. They do not receive sales compensation for investments in the Westwood Funds.

Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Westwood has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. The Code of Ethics is applicable to all employees of WHG and its subsidiaries and is administered on a group-wide basis. The Code is based on the principle that the officers, directors and employees of Westwood owe a fiduciary duty to clients to conduct their personal securities transactions in a manner that does not interfere with client portfolio transactions or otherwise take advantage of their relationship with clients, and which reflects the principle referenced above. The Code of Ethics requires employees to pre-clear all personal securities transactions (with certain exceptions described below), political contributions, and outside business activities, and to report gifts and entertainment through the Chief Compliance Officer (CCO) or his or her designee.

The Code generally requires employees to pre-clear their personal securities transactions. However, pre-clearance is not required for: (a) participation in an ongoing automatic investment plan or an issuer's dividend reinvestment or stock purchase plan, (b) participation in any transaction over which the employee had no influence or control (mergers, inheritances, gifts, etc.), (c) non-affiliated mutual funds, (d) transactions for an account formed for the sole purpose of product development, (e) non-convertible fixed income securities rated at least "A," and (f) municipal securities.

The Code generally prohibits Westwood employees from purchasing or selling individual securities for their own account that are owned in a Westwood strategy, with a limited exception for *de minimis* trades. For purposes of the Code, Westwood strategies do not include Custom Asset Allocation accounts or accounts in the WealthCoach Program managed by one of Westwood's affiliates. The exception allows employees to personally transact in securities that are owned in a Westwood strategy if the security has a market cap greater than $5 billion and the value of the trade is $5,000 or less. Employees are restricted to five such *de minimis* trades per month, in aggregate. If an employee personally holds any securities that are also owned in a Westwood strategy and such securities have a market cap of $5 billion or less, Westwood will place those holdings on "restricted status" and the employee may not sell the securities until Westwood has exited the security for client accounts managed with a Westwood strategy. The Code provides for "black-out periods" during which employees may not purchase or sell a stock that Westwood is in the process of purchasing or selling for Westwood strategies unless such trade qualifies for the *de minimis* exception. To monitor compliance with its Code of Ethics, the firm's CCO receives duplicate brokerage statements and transaction confirmations for every employee with personal brokerage accounts, and all employees must certify on a quarterly basis that they have reported all relevant securities transactions in compliance with the Code of Ethics.

The Code also requires employees to obtain pre-clearance for all political contributions and outside business activities. The firm's CCO must approve any political contribution before it is made and any outside business activity before the employee has engaged in such activity. On an annual basis, employees must submit disclosure certifications regarding their political contributions and outside business activities.

The Code prohibits employees from accepting any gift or other item valued at more than $100 from any client, competitor, or any person or entity that does business with or on behalf of any client. If an employee is offered, receives, or anticipates receiving something of value, the employee must report the matter to his or her supervisor. Employees also must report any gift or other item valued at more than $100 that is given to any client, competitor, vendor or any person or entity that does business with or on behalf of any client. In addition, employees must report accepted offers of entertainment from all such persons or entities. The Code requires employees to certify quarterly that they have reported all gifts and entertainment.

Westwood also has an Insider Trading Policy that, along with the Code of Ethics, prohibits the use of material non-public information in a personal or professional capacity. Westwood requires that all employees act in compliance with all applicable Federal and State regulations governing registered investment advisory practices. Any employee not in observance of the above may be subject to disciplinary action, up to and including termination. Westwood has a compliance committee that meets throughout the year to, among other responsibilities, review employee accounts and personal trading, Code of Ethics exceptions, employee and director transactions in WHG stock, and the annual brokerage budget.

Westwood does not invest client funds in the securities of its parent company, Westwood Holdings Group, Inc.

Upon request, Westwood will provide a complete copy of its Code of Ethics to any client or prospective client. Clients can submit requests by contacting their Westwood representative or the firm's CCO. It is also posted on Westwood's website.

Item 12 - Brokerage Practices

In arranging for the execution of client transactions, Westwood seeks to obtain best execution at favorable prices on behalf of its clients. The procedures used to direct client trades to a specific broker incorporate all information that Westwood deems relevant, including, without limitation:

- price of the security;
- size and difficulty of the order;
- quality of execution and liquidity services provided by the broker-dealer;
- commission rates;
- broker-dealer's research and investment ideas;
- broker-dealer's ability to obtain a timely execution;
- broker-dealer's execution policies and commitment to providing best execution;

- size and volume of the broker-dealer's order flow;
- reliability, efficiency, accuracy, integrity of the broker-dealer's general execution and operational capabilities; and
- financial condition of broker-dealer.

Broker Selection

The Custom Asset Allocation accounts use TD Ameritrade. For all other strategies, the following description of Westwood's broker selection process applies.

Each employee involved with the broker selection process submits broker rankings to a committee comprised of senior investment personnel on a semi-annual basis; the investment team ranks research and market data resources, research tools, and data feeds based on value added to the investment process; the trading group ranks brokers based on execution capabilities and the quality of market information; and, the operations group ranks data sources necessary to support the portfolio management function (e.g., FactSet). Then the committee will review the current rankings from the groups, as well as client commission directives and existing contractual commitments, and develop a brokerage allocation budget based on their assessment of all of these inputs.

Westwood also has another committee that, among other responsibilities, reviews and monitors commission rates and brokerage allocation throughout the year.

Westwood does not choose brokers based on their referral of clients to Westwood. Westwood does not currently receive any referrals of clients from any of the brokers used for client trading or client commissions.

Research and Other Soft Dollar Benefits

Westwood may pay a brokerage commission in excess of that which another broker-dealer may charge for effecting the same transactions in recognition of the value of the brokerage and research services provided by or through the broker-dealer, and such commission costs are borne by the client. Westwood will make a good faith determination that the amount of commissions paid is reasonable in relation to the value of the brokerage and research services provided. The brokerage and research services received by Westwood generally include proprietary or third-party research, general economic and market information, portfolio strategy advice, industry and company comments, technical data, evaluations of securities, pricing services, credit research analysis, general reports, consultations, performance measuring data, on-line pricing, brokerage execution-related services, and special execution capabilities, newswire and quotation services (e.g., Reuters, Bloomberg, First Call), and recommendations as to the purchase or sale of securities.

To the extent that certain items have research and non-research components ("mixed-use"), Westwood allocates commissions for only those portions of the service or product that are research or execution-related. This analysis is conducted on a case-by-case basis depending upon the total costs for a service or product and the extent to which the product or service is used by Westwood for research or brokerage execution-related services.

Westwood may use the products and services received from broker-dealers to service all Westwood accounts. Thus, not all such services may be used for the benefit of the client that pays the brokerage commission which procures the receipt of such research or brokerage services.

The use of brokerage commissions to obtain research and brokerage-related products and services creates a conflict of interest between Westwood and its clients because the clients pay for such products or services, which may not be exclusively for the benefit of advisory clients and which may be primarily or exclusively for the benefit of Westwood. To the extent that Westwood is able to acquire products and services without expending its own resources (including management fees paid by clients), Westwood's use of commission sharing arrangements would tend to increase its profitability. In addition, the availability of these non-monetary benefits may influence Westwood to select one broker-dealer over another to perform services for clients. Moreover, the use of "mixed-use" products or services creates a conflict to the extent that Westwood allocates the cost of the product or service to soft dollars.

Westwood generally will only use commission sharing for brokerage and research related products and services. Non-brokerage and non-research products and services received by Westwood from broker-dealers in connection with client trades will be paid for directly by Westwood. Notwithstanding Westwood's good faith determination that certain products and services are research or brokerage-related, Westwood may inadvertently use commissions to pay for non-brokerage or non-research products or services to the extent that Westwood's good faith determination is not accurate.

Westwood intends to use commission sharing only for those products and services that fall within the safe harbor provisions of the Securities Exchange Act of 1934.

Westwood will provide a commission sharing report to clients upon request. Clients may direct Westwood as to how to prepare this report.

Directed Brokerage

Westwood permits clients to select brokers to execute securities transactions for the client's account (known as "directed brokerage"). If the client elects to direct brokerage transactions to a particular broker-dealer, Westwood may not be able to aggregate such client's order with orders for other clients. Consequently, Westwood may not be able to obtain best execution for a client that directs brokerage, and this may cost the client more money. Further, a client that directs brokerage may pay higher commissions because Westwood may not participate in the negotiation of commission rates for those transactions.

Trade Aggregation and Allocation

Pursuant to Westwood's trade allocation policy, on occasions when Westwood deems the purchase or sale of a security to be in the best interests of more than one of its clients, Westwood may aggregate multiple contemporaneous client purchase or sell orders into a block order for execution.

Client accounts for which orders are aggregated receive the average price of such transaction, which could be higher or lower than the price that would otherwise be paid by a client absent the aggregation. Any transaction costs incurred in the transaction are shared pro rata based on each client's participation in the transaction. In some cases, this procedure could have an adverse effect on a particular account. In the opinion of Westwood, however, the results of such procedures will, on the whole, be in the best interests of each of its advisory accounts.

When a decision is made to aggregate orders, Westwood seeks to allocate securities among its client accounts in a fair and equitable manner. Under Westwood's trade allocation policy, securities generally are allocated among client accounts according to each account's pre-determined participation in the transaction, as Westwood seeks to allocate transactions before execution of a block order. However, under certain circumstances, trades may not be allocated prior to entering the trade order. In such event, Westwood will seek to allocate such orders at the earliest practicable time.

Pre-allocated and unallocated block trades that are partially filled are generally allocated on the basis of the relative net assets of the participating accounts. If the aggregate order is partially filled, Westwood typically will allocate trades on a pro rata basis among the client accounts in proportion to the contemplated allocation in the written record, subject to rounding to ensure that each account receives round lots. Where pro rata allocation is not practicable, Westwood will allocate trades in a fair and equitable manner taking into consideration such factors as:

- The investment objective, policies and strategy of the account;
- The appropriateness of the investment to an account's time horizon and risk objectives;
- Existing levels of account ownership in the investment and in similar securities; and
- The immediate availability of cash or buying power to fund the investment.

When aggregating trades among client accounts, retail managed account trades cannot be included in the aggregation due to the separate trading platform used for such accounts. Therefore, Westwood has chosen to execute such trades after the separate account trades have been completed.

Westwood may execute transactions in the same securities on behalf of a number of accounts, including accounts in which Westwood and/or its officers or employees may have a financial interest, such as the mutual funds managed by Westwood. Thus, there may be a conflict of interest to the extent that trades are allocated to accounts in which Westwood or its officers and employees have a financial interest and are not allocated to other client accounts. These transactions may be executed separately, or they may be aggregated when, in Westwood's reasonable judgment, aggregation may result in an overall economic benefit to those accounts in terms of pricing, brokerage commissions, or other expenses. Westwood will not aggregate client trades with proprietary (insider) accounts of Westwood.

In general, trades are allocated among Westwood's investment strategies on a pro rata basis (to the extent a portfolio team decides to participate fully in the trade), for further allocation by each portfolio team across that portfolio's eligible accounts. Where pro rata allocation is not practicable, Westwood will seek to make trade allocations consistent with the factors identified above, and in a fair and equitable manner. Once trades are allocated, they may be reallocated only in unusual circumstances due to recognition of specific account restrictions.

From time to time, Westwood has access to security distributions during an initial or secondary public offering ("IPO"). However, due to the small size of Westwood's business compared to other asset managers and market participants, Westwood sometimes does not obtain access to a sufficient number of IPO shares so as to make a material allocation of such shares among all of its client accounts for which such investments otherwise might be appropriate. Westwood acknowledges the potential conflicts of interest that could arise in such a situation. For example, an account may have higher immediately available cash or buying power and be allocated IPO shares in a preferential manner, an account could be given preference based on the size of the account and the overall effectiveness of an IPO allocation on the performance of that account, or Westwood or its officers or employees may have a financial interest in an account and there may be a conflict of interest to the extent IPOs are allocated to these accounts and not allocated to other client accounts.

To mitigate these potential conflicts of interest, Westwood allocates IPO shares on a pro rata basis among participating accounts within each investment strategy whose portfolio managers have elected to participate.

The portfolio managers for each strategy have discretion to determine whether their strategy will participate in an IPO. In situations where Westwood is not allocating an IPO to all IPO-eligible strategies, Westwood will document, prior to or at the time of submitting an indication of interest, which strategies will participate in the IPO, how the decision was made, and why any strategies were omitted. Reasons for non-participation include, but are not limited to, inappropriate sector or geographic exposure, inappropriate market capitalization, inappropriate asset class, inappropriate fit with mandate, insufficient liquidity, or undesirable risk profile for the strategy. Although Westwood seeks to define reasons for non-participation in its documentation, certain biases may exist. For example, portfolio managers of a strategy that may be closing imminently may choose not to participate in an IPO for which the strategy is otherwise eligible, instead limiting participation in the IPO to other eligible Westwood strategies that will remain open.

Westwood has a committee whose responsibilities during its regular meetings include, among others, reviewing the documentation of initial IPO allocation decisions against final IPO allocations.

Clients that direct the entirety of their brokerage to a specific broker-dealer, including any wrap account clients, will not participate in IPO allocations.

Westwood will document each allocation and maintain appropriate books and records.

Step-out Transactions

The Trading Desk has the discretion to employ “step-out” procedures to accommodate all clients in an aggregated trade in certain thinly traded stocks, or where best execution would be attained by using a single broker for execution rather than several brokers. In addition, an executing broker for a block trade may step-out a portion of the aggregated trade to a broker when a client has directed that trades be executed or settled through that particular broker. In these circumstances, a broker other than the broker settling a trade may have executed the trade. As a result, clients may incur additional transaction costs.

Agency or Internal Cross Trading

As a general rule, Westwood prohibits agency or internal cross trades between accounts. If a cross trade situation was warranted, the investment team would work with the trader, the Legal and Compliance Department, and the client, when necessary, to ensure that the cross trade was initiated with no associated broker commissions and in compliance with the relevant laws and regulations and that the proper contemporaneous documentation was maintained.

Wrap Accounts and Separately Managed Accounts

In wrap account programs and in retail separately managed account programs in which clients pay an asset-based brokerage fee, Westwood will typically send trades for these accounts to the sponsor or designated broker for execution.

Item 13 - Review of Accounts

Client reviews are scheduled and structured according to the client’s stated guidelines or in response to specific client requests. In the absence of guidelines, client meetings are generally scheduled annually and to a lesser degree, on a semi-annual or quarterly basis. Client reviews generally involve a meeting between the client and the Westwood relationship manager to review strategy, objectives, key concerns, and outlooks. The materials reviewed may include, but are not limited to, monthly and/or quarterly performance numbers, portfolio holdings, and summaries setting forth asset mix, cash flow and liquidity requirements, specific guidelines and objectives applicable to the account, and other pertinent matters. In addition to account reviews with the client, the Portfolio Team formally reviews the portfolio on a weekly basis looking at items such as recent events, the performance of each holding, and sector and industry metrics versus the market using a variety of tools including formal attribution analysis. The Portfolio Team also reviews the portfolio to evaluate changes or additions to the portfolio that might be appropriate. The Portfolio Team meets informally to monitor the portfolio and its holdings. Westwood has also established a committee that meets regularly throughout the year to review performance dispersion for each investment management account. The committee also reviews account guidelines on an annual basis to ensure they are current and accurate.

Monthly reports are distributed based upon client request and generally include an asset statement, performance typically for the month and quarter-to-date, and status of the portfolio. On a quarterly basis, Westwood includes all of the above information, as well as an overall review of results for the quarter, year-to-date, and inception-to-date. Westwood may also include a strategic forecast, highlighting Westwood's investment outlook for the capital markets. Monthly and quarterly reports are written.

Custom Asset Allocation accounts will receive statements that present account valuation and transactions from the bank or brokerage firm that acts as custodian of their securities. These statements will be provided as contracted for with the custodian. In most cases, the statements are provided monthly, but they may be provided quarterly. These clients also receive quarterly reports from Westwood that present quarter-end valuation, asset allocation, account performance information, and fees.

Item 14 - Client Referrals and Other Compensation

Westwood does not currently utilize placement agents for its domestic strategies. However, its affiliate, WIA, which manages Westwood's global and emerging markets equity strategies, has one placement agent agreement in place. In 2013, WIA entered into an agreement with DPN Capital, Inc., a firm focused on introducing Westwood global equity and emerging markets products to international prospects. As of March 2018, one client has been acquired as a result of DPN's third party agent efforts. The placement agent is paid a percentage of the fee that WIA earns, for as long as the client's assets remain under management.

Westwood has also retained Piedmont Capital Distributors, LLC and Patrick Capital Markets, LLC to market the Westwood Funds, and Fuchs & Associes Finance S.A. and The Cardinal Partners Global, S.à.r.l. to promote the Westwood Investment Funds UCITS funds in Europe. Westwood may also compensate DPN and Fuchs/Cardinal for future referrals to non-U.S. separate account clients if permitted under, and in compliance with, applicable U.S. and foreign laws.

Westwood Funds Shareholder Servicing Plans and Other Payments

In certain instances, Westwood may invest client assets in the Westwood Funds. When Westwood does invest client assets in the Westwood Funds, no investment management fee is charged on those assets. The following disclosures pertain to the clients of the Westwood Funds:

<u>Potential Payments by the Westwood Funds</u>

The Westwood Funds may compensate financial intermediaries for providing a variety of services to shareholders, which may include record-keeping, transaction processing for shareholders' accounts, and other shareholder services. Financial intermediaries include affiliated or unaffiliated brokers, dealers, banks (including bank trust departments), trust companies, registered investment advisers, financial planners, retirement plan administrators, insurance companies, and any other institution having a service, administration, or any other similar arrangement with the Funds, their service providers, or their respective affiliates. The Funds generally pay financial intermediaries a fee that is based on the assets of each Fund that are attributable to investments by customers of the financial intermediary.

Potential Payments by Westwood

From time to time, Westwood and/or its affiliates, in their discretion, may make payments to certain affiliated or unaffiliated financial intermediaries to compensate them for the costs associated with distribution, marketing, administration, and shareholder servicing support for the Funds, to the extent permitted by the SEC and Financial Industry Regulatory Authority ("FINRA") rules and other applicable laws and regulations. These payments are sometimes characterized as "revenue sharing" payments, are made out of Westwood's resources, and are not paid by the Funds. Any such payments will not change the NAV or price of the Funds' shares.

Item 15 - Custody

Westwood does not maintain custody of client funds or securities other than the ability to debit fees from client accounts. However, an affiliate, Westwood Trust, which is a qualified custodian, does maintain custody of certain common trust funds for which Westwood serves as subadvisor. Westwood reconciles these common funds monthly and reports any differences to Westwood Trust personnel for reconciliation. No other accounts managed by Westwood are custodied at Westwood Trust.

Custody of Custom Asset Allocation account funds and securities is maintained by TD Ameritrade. These clients will receive monthly/quarterly account statements from both their custodian and Westwood.

Clients should carefully review the statements sent to them by Westwood and compare them with account statements sent by their custodian.

Item 16 - Investment Discretion

Westwood accepts discretionary authority to manage securities accounts on behalf of its clients pursuant to a signed investment management agreement and any necessary accompanying documentation (*e.g.*, board resolutions, list of individuals authorized to direct disbursements and/or contributions, client's driver's license in the case of individuals) and has broad authority to determine, without specific client approval, the amount and type of securities to be bought and sold, the broker-dealer to be used, and the commission rate to be paid to such broker-dealer.

Any limitations on this authority are as follows:

(1) any restrictions or prohibitions as set forth in the client investment guidelines;
(2) the client's request to direct brokerage to a specific broker dealer, which Westwood would follow subject to best execution requirements; and
(3) commission rates which are competitively set by the market.

In wrap fee programs and other retail managed account programs in which clients pay an asset-based brokerage fee, Westwood typically sends trades to the program sponsor or designated broker-dealer for execution.

In model portfolio programs, Westwood provides a model update that is consistent with the corresponding strategy, but the ultimate discretion to implement those models is exercised by the sponsor or overlay manager.

Westwood provides non-discretionary services to certain clients on a case-by-case basis.

Item 17 - Voting Client Securities

Westwood typically has authority to vote client securities and has engaged Broadridge Financial Solutions, Inc. for proxy voting services and Glass Lewis & Co., LLC for proxy research for its clients. Broadridge is a leading provider to the global financial industry for full-service proxy support. Glass Lewis provides complete analysis and voting recommendations on all proposals and is designed to assist investors in mitigating risk and improving long-term value. In most cases, Westwood agrees with the recommendations of Glass Lewis; however, ballots are reviewed bi-monthly by Westwood analysts, who may choose to vote differently than Glass Lewis if they believe it in the best interest of Westwood's clients.

Westwood maintains complete proxy record keeping files for all clients. These files include a listing of all proxy material sent on behalf of clients along with individual copies of each response. Client access to these files can be arranged upon request. A summary of voting will be furnished upon request.

Westwood will identify any conflicts of interests that exist or are perceived to exist between Westwood or its employees and the client and/or client holdings. If a material conflict exists, Westwood will determine whether it is appropriate to inform the affected clients, to give the clients an opportunity to vote the proxies themselves, or to address the voting issue through other objective means such as voting in a manner consistent with a predetermined voting policy or the independent third-party Glass Lewis recommendation. Westwood will maintain a record of the resolution of any proxy voting conflict of interest.

Clients may request a complete copy of Westwood's Proxy Voting policies and procedures by contacting their representative or the firm's CCO.

Clients can retain the authority to vote their securities, or they can request to receive proxy research and voting recommendations and can direct Westwood as to how to vote.

Item 18 - Financial Information

Westwood does not require or solicit prepayments of more than $1,200 in fees per client six months or more in advance.

There is no financial condition that is reasonably likely to impair Westwood's ability to meet contractual commitments to clients.

Westwood has not been the subject of a bankruptcy petition.