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Alpha Performance Verification Services

Independent Verifier's Performance Examination Report

Mr. Edward D. Nowell, President
South Atlantic Capital Management Group, Inc.
Wilmington, North Carolina

We have verified whether South Atlantic Capital Management Group, Inc. (the "Firm") has, for the periods from January 1, 2022 through December 31, 2023, established policies and procedures for complying with the Global Investment Performance Standards (GIPS®) related to composite and pooled fund maintenance and the calculation, presentation, and distribution of performance that are designed in compliance with the GIPS standards, as well as whether these policies and procedures have been implemented on a firm-wide basis. We have also examined the Firm's *Core Equity Composite* for the periods January 1, 2022 through December 31, 2023.

The Firm's management is responsible for its claim of compliance with the GIPS standards, the design and implementation of its policies and procedures, and for the *Core Equity Composite's* GIPS composite report. Our responsibilities are to be independent from the Firm and to express an opinion based on our verification and performance examination. We conducted this verification and performance examination in accordance with the required verification and performance examination procedures of the GIPS standards, which includes testing performed on a sample basis. We also conducted such other procedures as we considered necessary in the circumstances.

In our opinion, for the periods from January 1, 2022 through December 31, 2023, the Firm's policies and procedures for complying with the GIPS standards related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been, in all material respects:

- Designed in compliance with the GIPS standards, and
- Implemented on a firm-wide basis.

Also, in our opinion, the Firm has, in all material respects:

- Constructed the *Core Equity Composite* and calculated the *Core Equity Composite's* performance for the periods from January 1, 2022 through December 31, 2023 in compliance with the GIPS standards, and
- Prepared and presented the *Core Equity Composite's* GIPS composite report for the periods from January 1, 2022 through December 31, 2023 in compliance with the GIPS standards.

This report does not relate to or provide assurance on any specific performance report of the Firm other than the Firm's *Core Equity Composite's* GIPS composite report, or on the operating effectiveness of the Firm's controls or policies and procedures for complying with the GIPS standards.

A handwritten signature in black ink that reads "Alpha Performance Verification". The signature is written in a cursive, flowing style.

Alpha Performance Verification Services
Michael W. Hultzapple, CPA, CFA, CIPM
September 4, 2023

SOUTH ATLANTIC CAPITAL MANAGEMENT GROUP, INC.
CORE EQUITY COMPOSITE
GIPS COMPOSITE REPORT

| Year End | Total Firm Assets (millions) | Composite Assets (USD) (millions) | Number of Accounts in Composite | Annual Performance Results Composite | | S&P 500 | Composite Dispersion | Three Year Annualized Ex-Post Standard Deviation | |
|----------|---------------------------------|---|---------------------------------------|---|----------|----------|----------------------|--|---------|
| | | | | Gross | Net | | | Core Equity | S&P 500 |
| 2023 | 52.2 | 34.6 | 71 | 7.05% | 5.99% | 26.29% | 0.81% | 18.05% | 17.29% |
| 2022 | 55.3 | 42.1 | 78 | (14.41%) | (15.26%) | (18.11%) | 1.26% | 24.59% | 20.87% |
| 2021 | 66.4 | 50.1 | 80 | 30.19% | 28.90% | 28.71% | 0.95% | 21.67% | 17.17% |
| 2020 | 52.8 | 38.1 | 71 | (2.68%) | (3.65%) | 18.40% | 1.84% | 22.02% | 18.53% |
| 2019 | 54.9 | 44.8 | 82 | 27.23% | 25.96% | 31.49% | 1.11% | 12.57% | 11.93% |
| 2018 | 46.1 | 36.2 | 77 | 1.52% | 0.51% | (4.38%) | 0.72% | 12.74% | 10.80% |
| 2017 | 41.6 | 37.6 | 77 | 23.79% | 22.57% | 21.83% | 1.20% | 13.43% | 9.92% |
| 2016 | 35.6 | 29.7 | 71 | 10.66% | 9.56% | 11.96% | 1.63% | 12.81% | 10.59% |
| 2015 | 42.0 | 23.4 | 70 | (4.41%) | (5.36%) | 1.38% | 1.11% | 11.57% | 10.47% |
| 2014 | 40.7 | 26.8 | 67 | 8.19% | 7.16% | 13.69% | 0.98% | 7.99% | 8.97% |
| 2013 | 37.2 | 23.1 | 55 | 26.97% | 25.77% | 32.39% | 2.15% | 9.88% | 11.94% |
| 2012 | 28.6 | 17.3 | 46 | 13.02% | 11.94% | 16.00% | 1.69% | 11.19% | 15.09% |
| 2011 | 25.3 | 15.2 | 42 | 3.63% | 2.59% | 2.11% | 2.48% | 15.55% | 18.71% |
| 2010 | 22.0 | 14.4 | 40 | 20.19% | 19.00% | 15.06% | 3.42% | 17.94% | 21.85% |
| 2009 | 18.6 | 13.0 | 36 | 46.20% | 44.76% | 26.46% | 5.32% | 17.26% | 19.63% |
| 2008 | 12.4 | 8.4 | 38 | (25.98%) | (26.68%) | (37.00%) | 2.30% | 12.59% | 15.08% |
| 2007 | 17.4 | 11.9 | 37 | (1.90%) | (2.82%) | 5.49% | 3.03% | 9.31% | 7.68% |
| 2006 | 22.4 | 12.6 | 36 | 12.11% | 11.12% | 15.80% | 2.52% | 8.75% | 6.82% |
| 2005 | 12.4 | 10.8 | 33 | 0.78% | (0.16%) | 4.91% | 3.12% | 11.08% | 9.04% |
| 2004 | 12.3 | 11.1 | 30 | 20.38% | 19.25% | 10.88% | 3.37% | 12.60% | 14.86% |
| 2003 | 9.2 | 8.5 | 23 | 35.31% | 33.93% | 28.68% | 4.38% | 13.67% | 18.07% |
| 2002 | 6.9 | 6.4 | 21 | (3.21%) | (4.22%) | (22.10%) | 6.43% | 14.21% | 18.55% |
| 2001 | 7.6 | 6.7 | 17 | 5.18% | 4.14% | (11.89%) | 2.36% | 14.06% | 16.71% |
| 2000 | 7.1 | 5.9 | 14 | 13.89% | 12.86% | (9.10%) | 3.77% | 13.65% | 17.42% |
| 1999 | 6.4 | 5.4 | 13 | 8.94% | 7.89% | 21.04% | 10.61% | 12.67% | 16.52% |
| 1998 | 6.5 | 5.4 | 13 | 6.11% | 4.93% | 28.58% | 5.60% | 12.07% | 16.01% |
| 1997 | 5.1 | 4.7 | 11 | 41.04% | 39.60% | 33.36% | 5.15% | 11.12% | 11.14% |
| 1996 | 3.6 | 3.3 | 8 | 23.65% | 22.40% | 22.96% | 3.34% | 11.76% | 9.58% |
| 1995 | 2.9 | 2.7 | 6 | 48.47% | 47.05% | 37.58% | 3.31% | 10.46% | 8.22% |
| 1994 | 2.0 | 1.9 | 5 | 7.76% | 6.69% | 1.32% | 8.02% | 11.05% | 7.95% |
| 1993 | 1.8 | 1.7 | 4 | 23.26% | 22.05% | 10.08% | 3.33% | | |
| 1992 | 1.3 | 1.2 | 3 | 13.88% | 12.87% | 7.62% | 0.00% | | |

Core Equity Composite contains all fully discretionary accounts invested in equities excluding accounts that use significant leverage and, for comparative purposes, is measured against the total return for the S&P 500. It includes accounts managed for capital appreciation as well as accounts managed for a combination of capital appreciation and current income. The equity securities are generally large cap value-oriented U.S. equities. The portfolios also include equity securities that provide higher current income such as master limited partnerships, real estate investment trusts and similar securities that “pass through” most of their cash flow as distributions. The portfolios are invested in approximately 20-25 positions but have held fewer than 15 positions in the past. The minimum account size for this composite is \$50,000. The composite has an inception date of January 1, 1992. The Core Equity composite was created on March 1, 2011.

South Atlantic Capital Management Group, Inc. (“South Atlantic Capital”) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the

GIPS standards. South Atlantic Capital has been independently verified by Ashland Partners & Company LLP for the periods January 1, 1992 to September 30, 2016; by ACA Performance Services for the periods September 30, 2016 to December 31, 2021; and by Alpha Performance Verification Services for the periods December 31, 2021 to December 31, 2023. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis.

The Core Equity Composite has had a performance examination for the periods January 1, 1992 to December 31, 2023. The verification and performance examination reports are available upon request by calling (910) 763-4113, or by emailing info@southatlanticcap.com.

South Atlantic Capital is an independent registered investment adviser registered with the State of North Carolina and the Commonwealth of Virginia. The firm maintains a complete list and description of composites and limited distributed pooled funds, as well as GIPS Reports, which are available upon request by calling (910) 763-4113, or by emailing info@southatlanticcap.com.

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Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite policy requires a three month, temporary removal of any portfolio incurring a client initiated external significant cash inflow of at least 25% of portfolio assets. The temporary removal of such an account occurs at the end of the prior month in which the external significant cash flow occurs and the account re-enters the composite at the end of the second full month after the cash flow. Effective 12/1/1992 - 7/1/2014, net of fee performance was calculated using actual management fees. In 2014, South Atlantic Capital switched to a new database reporting software and switched our composite fee calculation methodology to utilize model fees, using the highest fee in the composite, 1.0%, effective 7/1/2014 - Present. Additional information regarding the treatment of significant cash flows is available upon request. Composite returns represent investors domiciled primarily in the United States. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Returns are presented after trading expenses but before any applicable taxes. The annual composite dispersion presented is a size-weighted standard deviation calculated for the accounts in the composite the entire period. The annual dispersion and the standard deviation were calculated based on net returns prior to 12/31/2014, and gross of fees beginning 1/1/2015. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request, as are GIPS Reports and lists and descriptions of South Atlantic Capital's composites and limited distributed pooled funds, by emailing info@southatlanticcap.com or calling (910) 763-4113.

South Atlantic Capital's management fee schedule for accounts with assets up to \$5,000,000 is generally set at 1.0% per annum, and is negotiable for accounts with assets over \$5,000,000. Actual investment advisory fees incurred by clients may vary.