Large Cap Growth Fund

William Blair

Quarterly Review

September 2016

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Please refer to the final two pages of this Quarterly Review for definitions of the financial terms used in this report.

The views expressed in this report and the information about the Large Cap Growth Fund holdings are as of the quarter ended 9/30/2016 and are subject to change thereafter. Information about the Fund's holdings should not be considered investment advice. There is no guarantee that the Fund will continue to hold any one particular security or stay invested in any one particular sector. Holdings are subject to change at any time.

The Fund's returns will vary, and you could lose money by investing in the Fund. The Fund invests most of its assets in equity securities of large cap domestic growth companies where the primary risk is that the value of the equity securities it holds might decrease in response to the activities of those companies or market and economic conditions. Individual securities may not perform as expected or a strategy used by the Adviser may fail to produce its intended result. Different investment styles tend to shift in and out of favor depending on market conditions and investor sentiment, and at times when the investment style used by the Adviser for the Fund is out of favor, the Fund may underperform other equity funds that use different investment styles. The Fund invests most of its assets in equity securities of domestic growth companies, including common stocks and other forms of equity investments (e.g., convertible securities). Convertible securities are at risk of being called before intended, which may have an adverse effect on investment objectives. The Fund is not intended to be a complete investment program. The Fund is designed for long-term investors.

Performance cited represents past performance. Past Performance does not guarantee future results and current performance may be lower or higher than the data quoted. Investment returns and principal will fluctuate with market and economic conditions and you may have a gain or loss when you sell shares. Current performance may be lower or higher than the data quoted.

Most recent month-end performance information for the Large Cap Growth Fund is available by visiting the William Blair Funds Web site at www.williamblairfunds.com, or by calling the William Blair Funds at 1-800-742-7272.

Investing includes the risk of loss. Please carefully consider the Fund's investment objective, risks, charges, and expenses before investing. This and other information is contained in the Fund's prospectus, which you may obtain by calling 1-800-742-7272. Read it carefully before you invest or send money.

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Following an initial sell-off after the Brexit vote, the market ended the second quarter with a three-day rally that spilled over into the third quarter as positive momentum and optimism pushed most major U.S. equity benchmarks higher to start the quarter. Leading economic indicators in the U.S., such as the ISM Manufacturing Index and initial jobless claims, were encouraging and global central banks pledged to keep accommodative monetary policies in place pushing equity indices in the U.S. to at or near all-time highs by mid-August. While equity market returns were strongly positive through mid-August, investors then became concerned that the Federal Open Market Committee (FOMC) could raise the target level for the federal funds rate at their meeting in September. Softer economic reports in early September dampened the expectation of a rate hike later that month which ultimately proved to be true as the target rate was left unchanged. Returns for major U.S. equity indices, while positive for the quarter overall, were relatively flat in the final two months as investors digested what the mixed data points and lack of action by the FOMC meant for the overall economy. Company earnings growth was not robust with many companies citing headwinds such as a strong U.S. Dollar, wage growth and a continuation of slow overall economic growth. Outperforming in the quarter were stocks of cyclical companies while more defensive segments of the market lagged. Volatility, as measured by the VIX Index, reached its lowest level of 2016 in August and was muted for much of the third quarter.

The Large Cap Growth Fund (Class N) underperformed relative to the Russell 1000 Growth Index in the third quarter primarily as a result of stock specific challenges as style factors were mostly offsetting. From a stock specific standpoint, our largest detractors were Dollar General (Consumer Discretionary) and Kroger (Consumer Staples). Dollar General reported disappointing second quarter results due to headwinds faced by their core customer and pricing concerns. Shares of Kroger declined throughout the quarter as business results softened and sentiment grew more negative as a result of headwinds from commodity price deflation. Other holdings that detracted significantly from relative return included Apple (Information Technology), Bristol-Myers Squibb (Health Care) and Mead Johnson Nutrition (Consumer Staples). Apple was a detractor from relative performance, primarily due to the stock's outperformance after we liquidated our position given Apple is the largest position within our benchmark. In terms of positives, Biogen (Health Care) and Union Pacific (Industrials) were our top stock contributors. Biogen outperformed on strong earnings and positive results for an investigational treatment for spinal muscular atrophy. Union Pacific outperformed given improved data points on prospective rail volume trends, particularly with respect to coal and grain dynamics. Other strong performing holdings included Amazon.com (Consumer Discretionary), IDEXX Laboratories (Health Care) and Alphabet (Information Technology). From a style perspective, the dividend yield dynamic that was a significant headwind earlier in the year abated somewhat and provided a tailwind to performance in the quarter. However, offsetting this dynamic was the recovery of more cyclically-oriented and speculative areas of the market as the stocks of companies with more consistent business models, to which we typically gravitate, were generally not rewarded during the quarter. Stock specific contributors and detractors for the third quarter are discussed in greater detail at the end of this quarterly review.

For the year-to-date period, underperformance resulted from a mix of style headwinds and disappointing stock performance. From a style perspective, headwinds were most pronounced early in the year when investor preference for high dividend-yielding stocks dominated the market. Our portfolio tends to be significantly underweight high dividend yielders, preferring sustainable growth companies with substantial reinvestment opportunities that enable superior, durable long-term growth. Despite the reprieve from this dynamic in the third quarter, it remained a significant headwind to relative performance on a year-to-date basis. On a stock specific basis, performance was mixed. Notable detractors included Kroger (Consumer Staples), Apple (Information Technology), Bristol-Myers Squibb (Health

Care), BorgWarner (Consumer Discretionary) and Chipotle Mexican Grill (Consumer Discretionary). As mentioned above, shares of Kroger declined chiefly on investor concerns surrounding food price deflation, while Apple's impact on relative performance came largely in the third quarter as the stock outperformed following our sale. Conversely, our holdings in Health Care, including a position in IDEXX Laboratories, outperformed in the quarter. Shares of IDEXX Laboratories advance based on strong business fundamentals as strategic investments related to its move to a direct salesforce began to pay off. Our positions in Union Pacific (Industrials), Texas Instruments (Information Technology), Amazon.com (Consumer Discretionary) and TransDigm Group (Industrials) also contributed positively to performance. As mentioned above, Union Pacific is a structurally advantaged rail transportation company that outperformed on improved data points for prospective rail volume trends and a recovery in market sentiment for more cyclical companies. While our portfolio is generally underweight to cyclicality, we do hold a number of high quality cyclicals, including Union Pacific, that have structural advantages relative to other cyclicals, resulting in higher sustainable return profiles.

Looking forward, at the forefront of investors' minds in the U.S. are the potential rate hike by the FOMC and the looming presidential election. It is unlikely that the FOMC will raise the target federal funds rate when it meets ahead of the U.S. presidential election in November, but they have been signaling an increased likelihood that they will increase the target rate when they meet in December. Recent statements by the FOMC seem to support a rate increase in December although the committee continues to be "data dependent" and closely monitor domestic inflation and global economic and financial developments. Investors have also focused their attention on the upcoming U.S. presidential election. Hillary Clinton appears to be the "status-quo" candidate while there is more uncertainty as to what policies Donald Trump will pursue if he is elected. While we discuss the investment risks and implications of potential rate hikes and the presidential election, we do not position the portfolio based on possible outcomes from either event. We believe that we can add the most value by investing in quality companies that can grow their earnings faster than the market over the long term.

Globally, many risks remain such as the potential effects of Brexit, geopolitical concerns in the Middle East and possible effects of rising interest rates on Emerging Markets. It is likely that the United Kingdom will enact Article 50 of the European Union's Treaty of Lisbon in 2017 which will begin the process of the UK formally exiting the EU. Few details are known as to how this process will play out, but it is likely to have ramifications beyond both the UK and EU. In Syria and the broader Middle East, regional conflict continues and the risk of spillover into a wider conflict with countries such as the U.S. and Russia remains. In many Emerging Markets including China, growth has slowed in recent years. Higher interest rates in the U.S. could mean higher borrowing costs for some emerging economies which have the potential to slow global growth. China in particular remains in a precarious position with rising debt levels, an inflated real estate segment and a slowing economy as government stimulus begins to wane.

We believe it is likely that we are past the midpoint in post-Global Financial Crisis recovery and, hence, the risks of an economic slowdown are higher than they have been in the recent past. Slow U.S. and global growth, potential adverse effects from Brexit, rising wages, and currency headwinds are all likely to keep corporate profit growth challenging. In this challenging environment, it is our view that earnings growth is likely to be the driver of stock performance. As always, we believe our time is best spent focusing on companies with durable, consistent business models that are less dependent on the macroeconomic or political environment to grow earnings over time.

	Value	Core	Growth
Month to Date			
Russell 3000	-0.13	0.16	0.45
Russell 1000	-0.21	0.08	0.37
Russell Midcap	0.42	0.20	-0.05
Russell 2500	0.66	0.48	0.29
Russell 2000	0.79	1.11	1.44
Quarter to Date			
Russell 3000	3.87	4.40	4.92
Russell 1000	3.48	4.03	4.58
Russell Midcap	4.45	4.52	4.59
Russell 2500	6.18	6.56	6.98
Russell 2000	8.87	9.05	9.22
Year to Date			
Russell 3000	10.40	8.18	6.12
Russell 1000	10.00	7.92	6.00
Russell Midcap	13.72	10.26	6.84
Russell 2500	14.51	10.80	6.95
Russell 2000	15.49	11.46	7.48

Market Performance

- Investor enthusiasm waivered in September as a disappointing employment report and a deceleration in wage growth early in the month seemed to raise concerns that the domestic economic momentum of the last few months may have slowed, resulting in the Federal Reserve again to hold off on raising interest rates.
- Globally, central bank meetings and the risks associated with policy decisions will continue to be a major focus for investors. In addition, the upcoming U.S. presidential election will be monitored closely and volatility could increase off near lows leading up to and after the election.

Style Performance

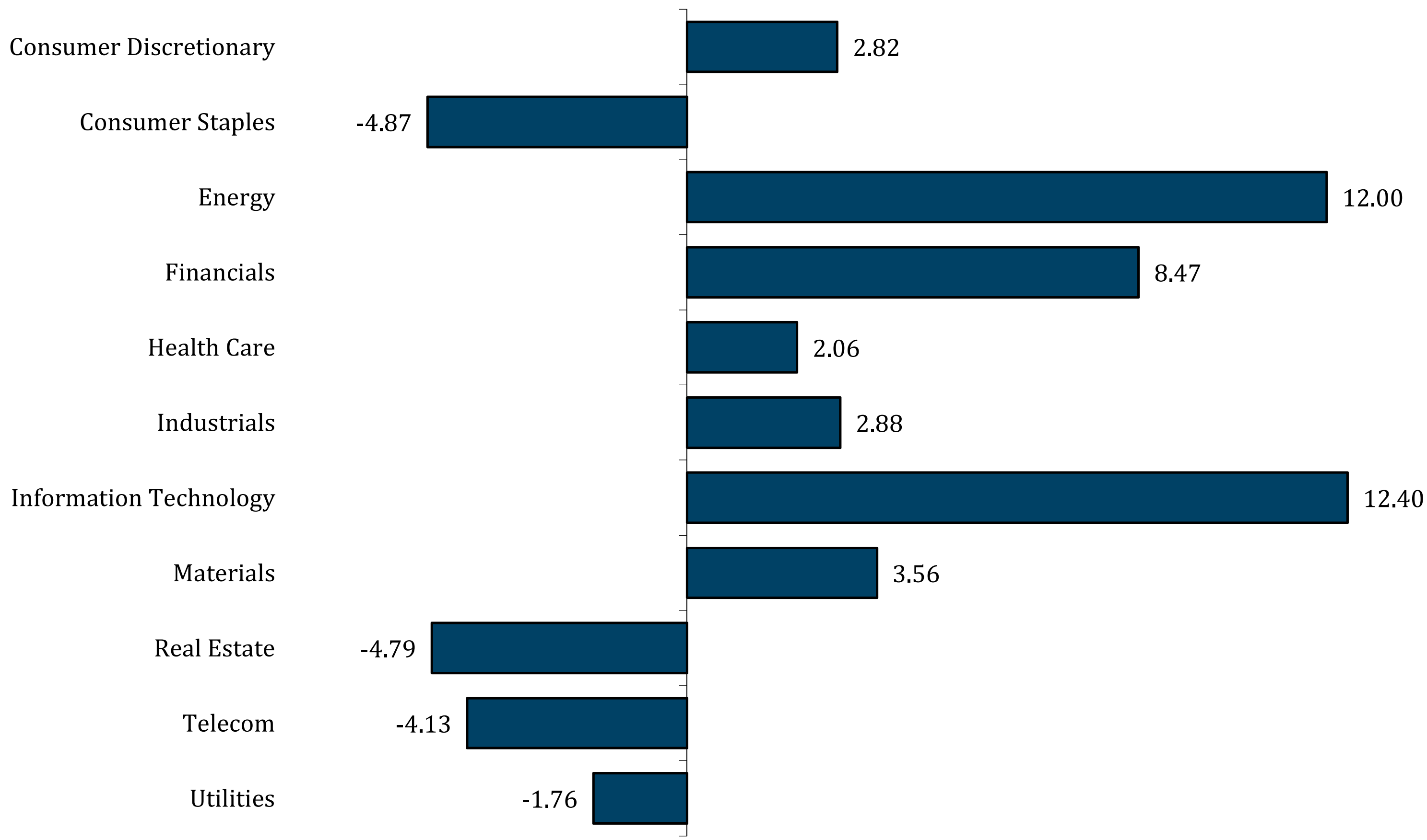
- Style performance was mixed in September with growth outperforming value in the large and small cap segments while value led growth in the mid cap segments.
- While growth outperformed value during the quarter, value continues to outperform growth YTD with the dispersion of returns between the value and growth benchmarks increasing down the market cap spectrum.

Market Cap Performance

- Small caps again outperformed large and mid caps in September with large caps trailing in the value benchmarks and mid caps trailing in the growth benchmarks.
- Performance for the quarter and YTD was linear across the market cap spectrum with small caps outperforming large caps in both the growth and value benchmarks.

Performance data calculated in Eagle and FactSet. Past returns are no guarantee of future performance. A direct investment in an index is not possible. The Russell 3000 Index measures the performance of the all-cap segment of the U.S. equity universe. The Russell 1000 Index measures the performance of the large-cap segment of the U.S. equity universe. It includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership. The Russell Midcap Index measures the performance of the mid cap segment of the U.S. equity universe. It includes approximately 800 of the smallest securities in the Russell 1000 Index based on a combination of their market cap and current index membership. The Russell 2500 Index measures the performance of the small to mid-cap segment of the U.S. equity universe. It includes approximately 2500 of the smallest securities in the Russell 3000 Index based on a combination of their market cap and current index membership. The Russell 2000 Index measures the performance of the small cap segment of the U.S. equity universe. It includes approximately 2000 of the smallest securities in the Russell 3000 Index based on a combination of their market cap and current index membership. Core returns represent the Total Return indices. The value segments of these indices include companies with lower price-to-book ratios and lower forecasted growth values. The growth segments of these indices include companies with higher price-to-book ratios and higher forecasted growth values.

Russell 1000 Growth Total Return
Q3 2016



Data calculated in FactSet. Past returns are no guarantee of future performance. A direct investment in an index is not possible. The Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. Real Estate was added as a GICS sector effective 9/1/16. Assignment to this sector has been applied retroactively to the index holdings.

The table below shows the fund performance in comparison to its benchmark, the Russell 1000 Growth.

Periods ended 9/30/2016	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
Large Cap Growth Fund (LCGNX) Class N	4.06%	3.65%	9.79%	12.47%	17.08%	7.65%
Large Cap Growth Fund (LCGFX) Class I	4.17%	3.88%	10.09%	12.73%	17.34%	7.90%
Russell 1000 Growth	4.58%	6.00%	13.76%	11.83%	16.60%	8.85%

Large Cap Growth Fund Expense Ratios:

	Gross	**Capped**
Class N Shares	1.28%	1.05%
Class I Shares	0.95%	0.80%

Expense ratios shown are as of the Fund's most recent prospectus.

The Fund's Adviser has contractually agreed to waive fees and/or reimburse expenses to limit operating expenses until 4/30/17.

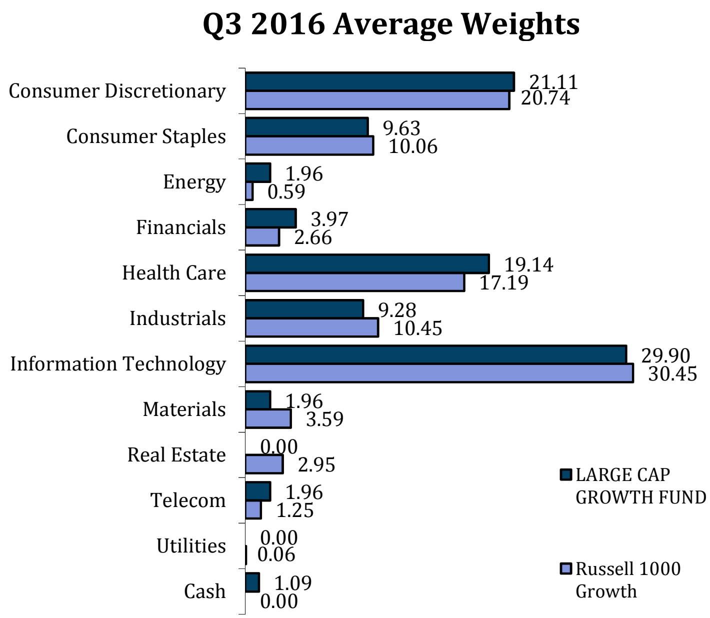
Performance cited represents past performance. Past Performance does not guarantee future results and current performance may be lower or higher than the data quoted. Results shown are average annual returns, which assume reinvestment of dividends and capital gains. Investment returns and principal will fluctuate with market and economic conditions and you may have a gain or loss when you sell shares. For the most current month end performance information, please call 1-877-962-5247, or visit our Web site at www.williamblairfunds.com. Class N shares are available to the general public without a sales load. Class I Shares are available only to investors who meet certain eligibility requirements.

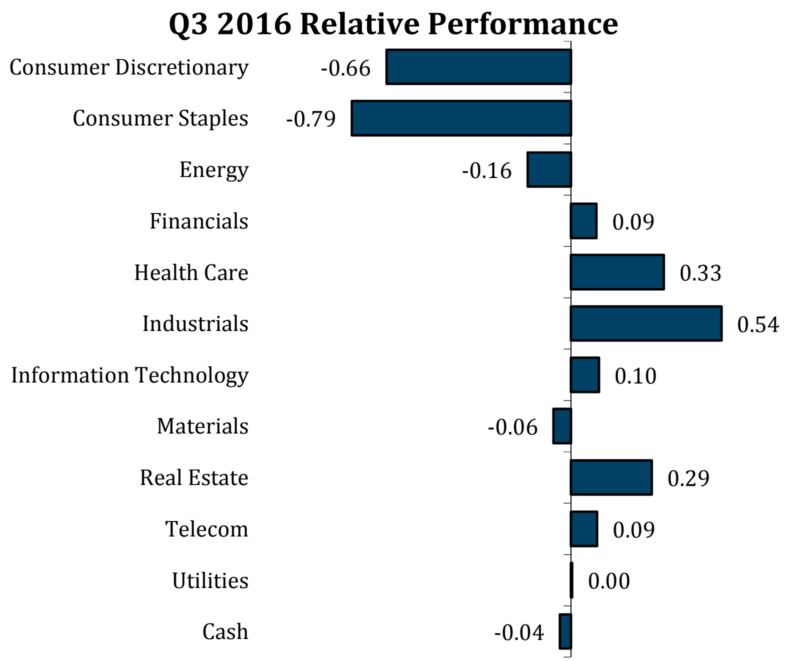
Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

The index is unmanaged, does not incur fees or expenses, and cannot be invested in directly.

Periods greater than one year are annualized.

The charts below show the average sector weights and relative performance, by sector, for the fund vs. its benchmark.





Calculated in Opturo. Past performance does not guarantee future results. Real Estate was added as a GICS sector effective 9/1/16. Assignment to this sector has been applied retroactively to the portfolio and benchmark holdings. The Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to book ratios and higher forecasted growth values. It is a capitalization-weighted index as calculated by Russell on a total return basis with dividends reinvested. This benchmark is a comparable market proxy. Performance shown assumes reinvestment of dividends and capital gains and is gross of investment management fees. Deduction of fees would reduce the returns shown.

Biogen (BIIB) is a biotechnology company with a strong focus on neurological diseases and is a dominant player in the multiple sclerosis (MS) market where it has three main products: Avonex, Tysabri and Tecfidera. The company outperformed after reporting financial results for the second quarter that beat consensus expectations and also raised forward earnings guidance for the remainder of the year. Strength in the company's MS franchise and hemophilia business were the primary drivers of the strong financial results. Prior to the announcement of second quarter financial results, we added to the position after weakness in the stock during the previous month. Also in the quarter, Biogen announced positive test results for nusinersen, its investigational treatment for spinal muscular atrophy (SMA). SMA is a rare but devastating disease where infants and children fail to develop muscular strength. The positive test results resulted in investor optimism that the drug could get quick approval by the FDA and be available for use by patients in 2017. We believe the share price does not reflect the long-term value of Biogen's existing franchises and pipeline opportunities.

Union Pacific (UNP) is a transportation company, operating in an effective regional railroad duopoly. The stock outperformed during the quarter given improved data points on prospective rail volume trends, particularly with respect to coal and grain dynamics. We maintained our position in this structurally advantaged mega cap transportation company. We believe volumes should see support in 2016 with an eventual end to industrial destocking and that cost controls and positive pricing trends should continue.

Amazon.com Inc. (AMZN) operates the internet's leading e-commerce website and a cloud computing business, Amazon Web Services (AWS). The company continues to disrupt traditional business models in both of its main businesses as witnessed by robust revenue growth in its AWS and retail businesses. Management has executed remarkably well, managing rapid growth and, more recently, driving profitability higher. We trimmed our position on strength and we continue to believe in Amazon's long-runway for growth and improving returns given further penetration by its core ecommerce business and its AWS business in both the U.S. and non-U.S. markets.

IDEXX Laboratories (IDXX) develops and markets products and provides services for the veterinary and the food and water testing markets. IDEXX outperformed after reporting a strong quarter, with organic revenue growth of 12% and record EBIT margins as strategic investments into a direct salesforce began to pay off. We trimmed our position on strength but continue to believe IDEXX remains engrained with its customers' veterinarian practices, creating a durable and above average growth profile for the company.

Alphabet Inc. (GOOG), formerly Google Inc., is an internet search engine company and an industry leader in online advertising. The company topped consensus revenue and earnings expectations when it reported second-quarter financial results in late July. Product improvement in its search business was the main driver of stronger-than-expected revenue growth while expense control and lower-than-expected capital expenditures were the primary reasons for earnings above consensus expectations. We maintained our position in the stock during the quarter. Alphabet remains the clear leader in Internet search and other emerging online mediums such as video (YouTube) and should benefit from the secular shift in spending by advertisers to the Internet and on mobile devices.

Dollar General (DG) is the leading U.S. small-format value retailer, operating 13,000 stores in 43 states. Shares of Dollar General declined significantly following disappointing second quarter results; notably, comparable stores sales growth was below consensus expectations and traffic trends were negative. Softness in business trends was driven by a reduction of Supplement Nutrition Assistance Program (SNAP) benefits, adverse impacts from deflation across a number of food items, a decline in the health of Dollar General's lower income core customer and a strengthened competitor in Walmart, which is investing in price as well as in-store labor. Given a potentially deteriorating competitive environment and overall greater uncertainty, we liquidated our position in favor of names where we have higher confidence given the concentrated nature of our portfolio.

The Kroger Co. (KR) is one of the largest grocery retailers in the United States. The company has become the one-stop shop with prices competitive to Walmart and a similar selection of natural and organic foods as Whole Foods Market, positioning the company at the intersection of the two main trends in the grocery industry. Shares of Kroger declined throughout the quarter as business results softened and sentiment grew more negative as a result of headwinds from commodity price deflation. Given the deflationary environment, the ability of some competitors to sharpen price created nervousness among investors. We maintained our position as we believe the deflationary headwinds faced by Kroger likely to revert in 2017 and Kroger, with its diversified mix of categories, robust produce offering and national presence should continue to take share.

Bristol-Myers Squibb (BMY) is a diversified pharmaceutical company with a strong focus in the areas of oncology, virology, neuroscience and cardiovascular. The company is a market leader in Immuno-Oncology, a potentially disruptive technology in the treatment of cancer, where Bristol-Myers Squibb has one of the most advanced pipelines. Shares fell after Bristol-Myers announced a failed trial for its Opdivo drug in first line lung cancer settings. The failed trial puts Bristol-Myers at a disadvantage relative to Merck who now will command the first line lung cancer market until combination therapies come to market. In addition, investors digested the forthcoming negative impact to margins from lower anticipated sales of higher-margin Opdivo. We have maintained our position given our confidence in the ultimate outcomes of a number of Immuno-Oncology combination trials, which have shown very promising results thus far, as well as the attractive valuation, which appears to discount a relatively bearish view of Bristol's Immuno-Oncology opportunity.

Apple Inc. (AAPL) designs, manufactures and sells personal computer, portable digital music players and mobile communications devices as well as related software, services, peripherals and networking solutions worldwide. Apple was a detractor from relative performance, primarily due to the stock's outperformance after we liquidated our position in late July. Positive initial data points from the launch of iPhone 7 drove shares higher in September. Our sale was driven by the belief that the growth of company earnings will be slower in the future primarily due to slowing iPhone sales growth caused by a maturing of the smartphone industry. With seemingly no significant new features imminent on future iPhone models, current customers are waiting longer to upgrade their phones, which is causing sales growth to slow. Also, we believe margins on future iPhones may be at risk in the maturing industry as pricing may not keep pace with the higher-cost hardware necessary to drive differentiation.

Mead Johnson Nutrition (MJN) is a global leader in child and infant nutrition. Its brand portfolio consists of over 70 products including Enfamil, the world's leading brand franchise in pediatric nutrition. The stock came under pressure early in the quarter after the company reported that sales in China were negatively impacted due to increased Chinese government regulation. This created delays in shipments of its products sold within the country as well as a heightened level of discounting as competitors reduced inventory to meet new regulations. While this was a negative development for the stock in the short term, we believe this is a positive development for Mead Johnson's products in China over the long term as it will support more disciplined pricing and a better competitive environment as lower quality brands will be forced to exit the market. Also in the quarter, the company announced it had seen a more competitive pricing environment in the U.S. and weakness in its Emerging Markets business excluding China. We believe both of these issues are short term and do not impact our long-term thesis on the stock. We added to our position on the weakness in the quarter and believe the stock remains attractive given the company's long-term growth prospects in China and relative valuation versus its peer group.

Top 10 Holdings by Weight

	Large Cap Growth Fund	Russell 1000 Growth
	% in Portfolio	% in Index
Alphabet Inc	7.34	4.44
Amazon.Com Inc	5.55	3.10
Microsoft Corp	5.46	4.15
Home Depot Inc	4.70	1.52
Union Pacific Corp	4.44	0.12
Mastercard Inc - A	4.02	0.93
Facebook Inc-A	4.01	2.74
Texas Instruments Inc	3.75	0.67
Biogen Inc	3.57	0.65
Unitedhealth Group Inc	3.56	1.25
Total:	46.39	19.57

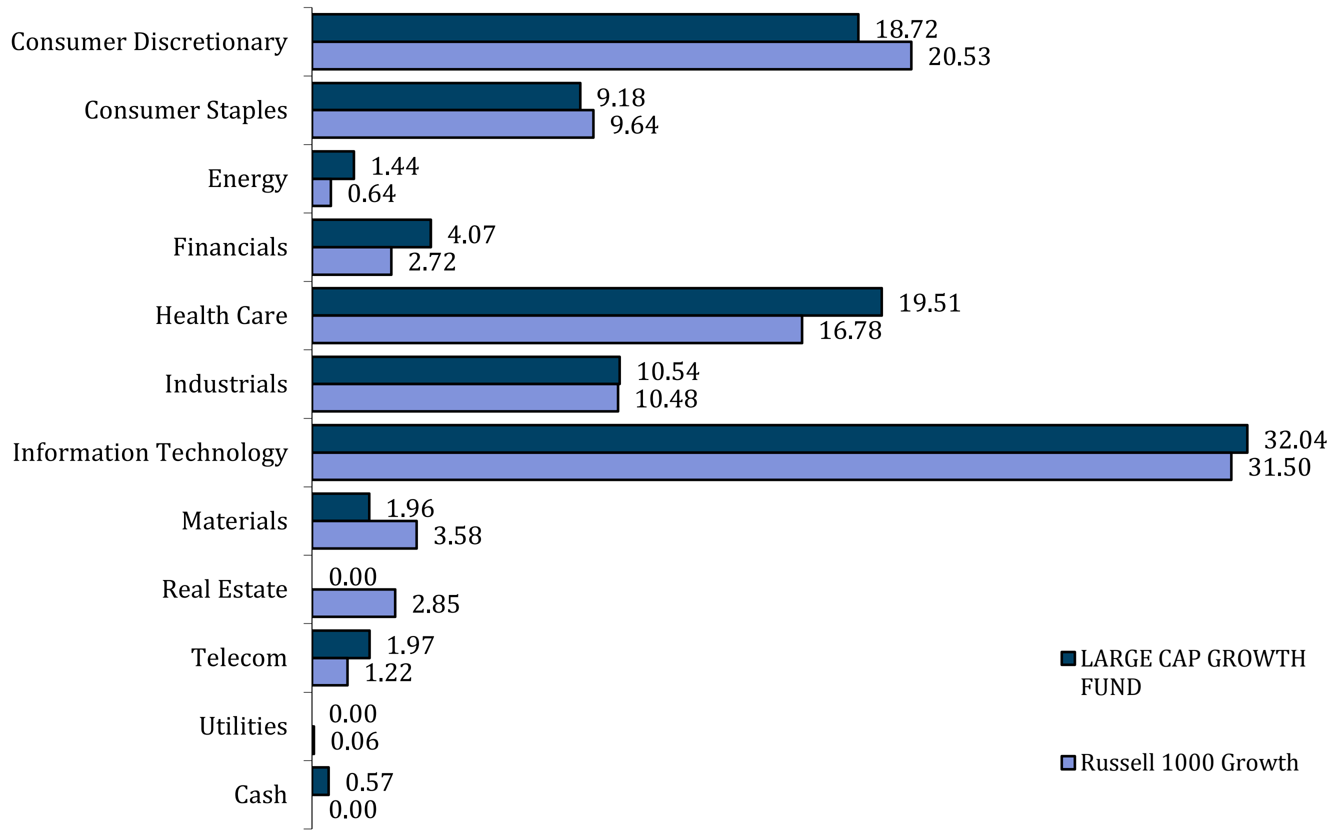
Calculated in Eagle. Individual securities listed in this report are for informational purposes only. Holdings are subject to change at any time. This information does not constitute, and should not be construed as, investment advice or recommendations with respect to the securities listed. Holdings are shown as a percentage of total gross assets.

	Large Cap Growth Fund	Russell 1000 Growth
Growth		
EPS Growth Rate (LT forecast)*	16.1%	14.4%
Quality		
Return on Assets (5-year average)	11.1%	9.9%
Free Cash Flow Margin	14.8%	12.1%
Debt to Total Capital	44.2%	46.7%
Valuation		
PE Ratio (1 year forecast)	22.0x	19.0x
Dividend Yield	1.0%	1.5%
Capitalization ($M)		
Weighted Average Market Cap	$145,029	$151,667
Weighted Median Market Cap	$70,405	$72,731
Portfolio Positions		
Number of Securities	35	599
Cash		
% Cash in Portfolio	0.6%	0.0%
Active Share		
% Active Share	75%	

Calculated in FactSet, market cap calculated in Eagle. The projected P/E value is calculated using First Call Data.

**This measure represents the weighted average of forecasted growth in earnings expected to be experienced by stocks within the portfolio over the next 3-5 years. This projected earnings growth should not be considered an indication of future performance. From a portfolio perspective, the portfolio P/E ratio and EPS Growth Rate are weighted averages of the individual holdings' P/E ratios and EPS Growth Rates.*

Sector Weights as of 9/30/2016



Based on Global Industry Classification Sectors (GICS). Calculated in Eagle. Past returns are no guarantee of future results. The Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price to book ratios and higher forecasted growth values. It is a capitalization weighted index as calculated by Russell on a total return basis with dividends reinvested. This is a comparable market proxy.

	Portfolio Weight	Benchmark Weight
CONSUMER DISCRETIONARY	**18.72**	**20.53**
Amazon.Com Inc	5.55	3.10
Home Depot Inc	4.70	1.52
O'Reilly Automotive Inc	2.59	0.25
Chipotle Mexican Grill Inc	2.24	0.11
Starbucks Corp	2.09	0.73
Vf Corp	1.55	0.18
CONSUMER STAPLES	**9.18**	**9.64**
Kroger Co	3.20	0.27
Mead Johnson Nutrition Co	2.45	0.05
Estee Lauder Companies-Cl A	2.09	0.18
Monster Beverage Corp	1.44	0.19
ENERGY	**1.44**	**0.64**
Schlumberger Ltd	1.44	0.00
FINANCIALS	**4.07**	**2.72**
Moody's Corp	2.15	0.16
Affiliated Managers Group	1.92	0.06
HEALTH CARE	**19.51**	**16.78**
Biogen Inc	3.57	0.65
Unitedhealth Group Inc	3.56	1.25
Zoetis Inc	3.51	0.22
Cerner Corp	3.36	0.17
Bristol-Myers Squibb Co	2.37	0.86
Idexx Laboratories Inc	1.60	0.09
Danaher Corp	1.54	0.12
INDUSTRIALS	**10.54**	**10.48**
Union Pacific Corp	4.44	0.12
Transdigm Group Inc	2.76	0.14
Verisk Analytics Inc	1.84	0.12
Fortive Corp	1.50	0.04
INFORMATION TECHNOLOGY	**32.04**	**31.50**
Microsoft Corp	5.46	4.15
Alphabet Inc-Cl A	4.52	2.25
Mastercard Inc	4.02	0.93
Facebook Inc-A	4.01	2.74
Texas Instruments Inc	3.75	0.67
Adobe Systems Inc	3.02	0.50
Alphabet Inc-Cl C	2.81	2.19
Red Hat Inc	2.32	0.14
Accenture Plc-Cl A	2.14	0.72
MATERIALS	**1.96**	**3.58**
Ppg Industries Inc	1.96	0.26
REAL ESTATE	**0.00**	**2.85**
TELECOMMUNICATION SERVICES	**1.97**	**1.22**
Sba Communications Corp-Cl A	1.97	0.08
UTILITIES	**0.00**	**0.06**
Cash	**0.57**	**0.00**
Total	**100.00**	**100.00**

As of 9/30/2016.
Information about the Fund's holdings should not be considered investment advice. There is no guarantee that the Fund will continue to hold any one particular security or stay invested in any one particular sector. Holdings are subject to change at any time. The benchmark is the Russell 1000 Growth.

Glossary - Terms

Alpha: A measure of a portfolio's return in excess of the market return, after both have been adjusted for risk. It is a mathematical estimate of the amount of return expected from a portfolio above and beyond the market return at any point in time. For example, an alpha of 1.25 indicates that a stock is projected to rise 1.25% in price in a year over the return of the market, or the return when the market return is zero. When an investment price is low relative to its alpha, it is undervalued, and considered a good selection.

Beta: A quantitative measure of the volatility of the portfolio relative to the overall market, represented by a comparable benchmark. A beta above 1 is more volatile than the overall market, while a beta below 1 is less volatile, and could be expected to rise and fall more slowly than the market.

Developed Markets: Using the Morgan Stanley Capital International (MSCI) geographic definition, this region includes: United Kingdom, Europe (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Netherlands, Norway, Spain, Sweden and Switzerland), Japan, Pacific Asia (Australia, Hong Kong, New Zealand, and Singapore) and the Western Hemisphere (Canada and other Americas).

Debt to Total Capital Ratio: This figure is the percentage of each company's invested capital that consists of debt. Companies with a high Debt to Total Capital level may be considered more risky. From a portfolio perspective, the portfolio Debt to Total Capital Ratio is a weighted average of the individual holdings' Debt to Total Capital Ratio.

Emerging Markets: Using MSCI's geographic definition, this region includes: Emerging Markets Asia (China, India, Indonesia, Malaysia, S Korea, Taiwan, and Thailand), Emerging Markets Europe, Mid-East and Africa (Czech Republic, Hungary, Poland, Russia, Turkey, Egypt, Morocco, and S Africa), and Latin America (Argentina, Brazil, Chile, Columbia, Mexico, Peru and Venezuela).

EPS (Earnings Per Share) Growth Rate (Projected): This measure represents the weighted average of forecasted growth in earnings expected to be experienced by the stocks within the portfolio over the next 3-5 years. From a portfolio perspective, the portfolio P/E ratio and EPS Growth Rate are weighted averages of the individual holdings' P/E ratios and EPS Growth Rates. Data calculated in FactSet.

EV/EBITDA: (Enterprise Value / Earnings Before Interest, Taxes and Depreciation-Amortization): The EV/EBITDA ratio is useful for global comparisons because it ignores the distorting effects of individual countries' taxation policies. It's used to find attractive takeover candidates. Enterprise value is a better measure than market cap for takeovers because it takes into account the debt which the acquirer will have to assume. Therefore, a company with a low EV/EBITDA ratio can be viewed as a good takeover candidate.

EV/IC: (Enterprise Value / Invested Capital) Ratio: Enterprise Value (EV), which is market capitalization minus cash plus debt divided by Invested Capital (IC), which is the sum of common stock, preferred stock and long-term debt. This number will get you a simple multiple. If it is below 1.0, then it means that the company is selling below book value and theoretically below its liquidation value.

Information Coefficient: A measure of the correlation between expected and actual returns.

Information Ratio: A measure of risk-adjusted return. The annualized excess return of the portfolio relative to a respective benchmark, divided by the annualized tracking error relative to that same benchmark. The higher the measure, the higher the risk-adjusted return.

PBV: (Price/Book Value) Ratio: The PBV Ratio measures the value of a company's common stock relative to its shareholder's equity. A price-to-book multiple above one means that the price of the company's common stock is higher than its common shareholder's equity. A price-to-book multiple below one means that the price of the company's common stock are less than its break-up value, and the shares may be undervalued.

PCF: (Price/CashFlow): Some analysts favor the price/cash flow over the price-earnings (PE) ratio as a measure of a company's value. Cash flow is a measure of a company's financial health. It equals cash receipts minus cash payments over a given period of time.

Glossary - Terms

P/E: (Price/Earnings) Ratio: This is the most common measure of how expensive a stock is. Simply, it is the cost an investor in a given stock must pay per dollar of current annual earnings. A high P/E generally indicates that the market is paying more to obtain the stock because it has confidence in the company's ability to increase its earnings. Conversely, a low P/E often indicates that the market has less confidence that the company's earnings will increase rapidly or steadily, and therefore will not pay as much for its stock.

R-squared: A measurement of how closely the portfolio's performance correlates with the performance of its benchmark, such as the MSC AC World Free ex US Index. In other words, it is a measurement of what portion of a portfolio's performance can be explained by the performance of the overall market or index. Ranges from 0 to 1, where 0 indicates no correlation and 1 indicates perfect correlation.
Risk (Standard Deviation): A measure of the portfolio's risk. A higher standard deviation represents a greater dispersion of returns, and thus a greater amount of risk. The annualized standard deviation is calculated using monthly returns.

Sharpe-Ratio: A risk-adjusted measure calculated using standard deviation and excess return (Portfolio return – Risk Free Rate) to determine reward per unit of risk. The higher the Sharpe ratio, the better the portfolio's historic risk-adjusted performance.

Tracking Error: Tracking Error measures the extent to which a portfolio tracks its benchmark. The tracking error of an index portfolio should be lower than that of an active portfolio. The tracking error will always be greater than zero if the portfolio is anything other than a replication of the benchmark.

Trailing 1-Year Turnover: This figure reflects the portfolio's trading activity by calculating the amount of the portfolio's holdings bought or sold over the prior year, expressed as a percentage of the portfolio's average market value. Turnover figures may be related to the amount of trading costs experienced by the portfolio.

Weighted Average Market Capitalization: Market capitalization refers to the total market value of each company's outstanding shares. The Weighted Average Market Capitalization for a portfolio is calculated as the average market capitalization of the stocks within the portfolio, weighted by the amount of each stock owned.

Weighted Median Market Capitalization: This calculation represents the median market capitalization of the stocks in the portfolio, weighted by the amount of each stock owned.