



Investment Objective

Essex Global Life Sciences seeks long-term capital appreciation by investing in both long and short positions in the Healthcare sector. These companies are diversified across Healthcare subindustries to help manage risk. The subindustries include medical devices, diagnostic tools, healthcare information technology, biotechnology, healthcare services and specialty pharma.

About Essex Investment Management Company, LLC

Essex Investment Management, founded in 1976, has a singular focus as a boutique growth manager offering portfolio management services to both institutions and high net worth individuals. As of quarter end, Essex has 18 employees of whom 11 are investment professionals.

“Early identification of growth, wherever growth exists”

Essex Global Life Sciences Composite

Composite Returns as of 9/30/18

	Current Year		Annualized Returns					
	QTD	YTD	1 YR	3 YR	5 YR	10 YR	15 YR	Since Inception*
Essex Global Life Sciences (Gross)	6.0%	11.1%	6.3%	9.1%	11.0%	13.2%	11.2%	19.0%
Essex Global Life Sciences (Net)	4.6%	8.1%	4.2%	6.0%	7.4%	9.5%	7.9%	14.2%
S&P 500 Index	7.7%	10.6%	17.9%	17.3%	14.0%	12.0%	9.7%	6.9%

(*Inception: 4/1/98)

Average Quarterly Exposure (9/30/18)

Long Exposure	89%
Short Exposure	33%
Gross Exposure	122%
Net Exposure	56%

Includes option/delta adjustments

Quarterly Risk Measures (9/30/18)

Average Beta	0.64
Average 5% VaR (1 Day)	-1.29
Max Return (1 Day)	1.48
Min Return (1 Day)	-1.92

Data Source: Bloomberg

Essex Global Life Sciences - Monthly Gross and Net Performance

		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
2013	Gross	7.3%	-1.9%	5.2%	3.4%	2.9%	0.4%	6.5%	-1.8%	6.6%	0.1%	5.7%	3.3%	44.2%
	Net	5.8%	-1.6%	4.1%	2.6%	2.3%	0.3%	5.2%	-1.5%	5.2%	0.0%	4.5%	2.5%	33.1%
2014	Gross	7.8%	7.3%	-3.2%	-3.5%	0.7%	4.2%	1.9%	2.7%	0.7%	5.5%	0.5%	-0.3%	26.0%
	Net	6.2%	5.7%	-2.7%	-2.9%	0.5%	3.3%	1.4%	2.1%	0.5%	4.3%	0.3%	-0.3%	19.4%
2015	Gross	2.4%	4.4%	-0.3%	-2.8%	2.8%	-1.0%	1.8%	-6.6%	-5.7%	1.0%	0.1%	0.3%	-4.2%
	Net	1.9%	3.4%	-0.4%	-2.3%	2.1%	-0.8%	1.3%	-5.5%	-5.8%	0.9%	0.0%	0.2%	-5.2%
2016	Gross	-7.6%	-2.6%	1.1%	2.3%	0.8%	0.5%	4.1%	-2.3%	3.2%	-6.8%	3.8%	0.5%	-4.0%
	Net	-7.7%	-2.7%	1.0%	2.2%	0.7%	0.4%	4.1%	-2.4%	3.1%	-6.8%	3.7%	0.4%	-5.0%
2017	Gross	2.2%	5.9%	3.5%	-0.2%	-1.6%	1.5%	2.0%	10.4%	-0.3%	-1.2%	-3.6%	0.5%	20.0%
	Net	1.7%	4.7%	2.7%	-0.3%	-1.4%	1.1%	1.5%	8.3%	-0.3%	-1.0%	-3.0%	0.3%	14.8%
2018	Gross	3.4%	-0.7%	2.4%	-0.9%	2.7%	-2.1%	0.2%	4.5%	1.3%				11.1%
	Net	2.7%	-0.7%	1.8%	-0.8%	2.1%	-1.7%	0.1%	3.5%	1.0%				8.1%

IMPORTANT DISCLOSURE

Risks of Essex Global Life Sciences: The **Essex Global Life Sciences** portfolio returns may show a high level of variability and volatility. In addition to market risk, additional risks in these portfolios may result from Essex's selection of specific securities, since individual holdings may represent a significant percentage of a portfolio's holdings from time to time.

Performance Calculations: performance returns are of the **Essex Global Life Sciences**

Composite, inception 04/01/1998. The Essex Global Life Sciences Composite includes all actual, fee-paying, fully discretionary accounts managed by Essex to seek capital appreciation by investing in a portfolio consisting primarily of equity securities of issuers in the Life Sciences area. Accounts in this composite may simultaneously have long and short equities. The use of derivatives may be utilized in the management of the accounts. The S&P 500 index is capitalization-weighted and quoted in USD. The volatility of the index may be materially different from the individual performance attained by a specific investor. In addition, the Composite's holdings may differ significantly from the securities that comprise the indices. The index has not been selected to represent an appropriate benchmark to compare the Composite's performance, but rather are disclosed to allow for comparison of an Composite's performance to that of certain well-known and widely recognized indices. An index is unmanaged, does not incur fees or expenses, and cannot be invested in directly.

Performance Calculation Methodology: Gross performance results presented are net of transaction costs, withholding taxes and direct expenses, but before management fees, custody fees and other indirect expenses. Composite returns include the reinvestment of income and class action proceeds, if applicable. Net performance returns will be reduced by investment advisory fees, administrative fees, and performance fees on net profits. Fees are generally collected quarterly or annually, which produces a compounding effect on the total rate of return net of management, administrative, and performance fees. As an example, the effect of investment advisory fees on the total value of a client's portfolio assuming \$1,000,000 portfolio return of 10% a year, a 1.0% annual investment advisory fee, a .09% annual administrative fee, and a 20% performance fee on net profits would be \$17,611 in the first year, with a cumulative effect of \$101,367 over five years. The five year compounded gross rate of return of 61.1% would be reduced to 40.2% after taking into account investment advisory fees, administrative fees and performance fees on net profits. The actual fee charged to an individual account may differ from the standard schedule depending on a number of factors including account type and size.

Past performance is not necessarily predictive of how an investors' individual account will perform. Wherever the potential for profit exists, there is also a potential for loss.

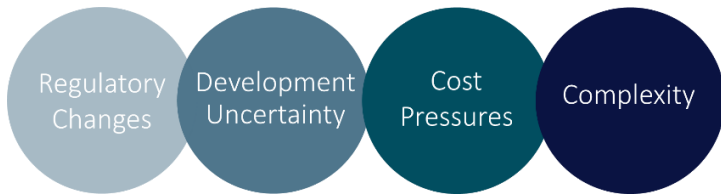


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Essex Global Life Sciences Strategy

The Case for Health Care

Several exploitable inefficiencies in the Healthcare Sector provide opportunities for the Essex Global Life Sciences Strategy.



Investment Philosophy

We believe that significant outperformance can be found by aiming to recognize growth early in a company's life cycle. By identifying companies in three different groups (early Dynamic Growth, event-driven Development Stage and steady business model Sustainable Growth) the Essex Global Life Sciences strategy can build a high conviction long/short portfolio that provides opportunities for superior investment returns.

Investment Process



- Idea Generation: Screen for stocks exhibiting signs of improving/deteriorating financial performance based on change in earnings growth rate; screen for catalysts using events calendar for development stage companies
- Research: Identify and analyze catalysts and reasons for improving fundamentals
- Portfolio Construction: 60-90 holdings with \$100m minimum market cap
- Sell/Cover Discipline: Reach target price, change in fundamentals or more compelling idea

Risk Management

- Manage exposure: -10% to 70% net exposure, 125% gross exposure
- Monitor and maintain desired exposure levels
- Option strategies

Performance Disclosures

This material is for your private information. The views expressed are the views of Essex only through the period ended 9/30/18 and are subject to change based on market and other conditions. The information above does not constitute investment advice and it should not be relied on as such. It should not be considered a solicitation to buy or an offer to sell a security. All material has been obtained from sources believed to be reliable, but its accuracy is not guaranteed.

Past performance is no guarantee of future results.

The Essex Global Life Sciences representative account has been selected on the basis that its investment objective, historical performance record, and growth characteristics are consistent with those accounts in the Essex Global Life Sciences composite. The portfolio's trades are executed in accordance with all other accounts in the composite. The representative account is fully discretionary and has been in the Essex Global Life Sciences composite for at least three years.