First Quarter 2025

Quarterly Commentary

Market Overview

The Trump Tariff Tailspin

When President Trump announced his tariff policy on April 2nd, the market was not anticipating such an aggressive, stringent policy and it had a strong reaction. Adding fuel to the fire, companies were confused by the guidance and were trying to find clarity amidst inconsistent messaging. The uncertainty that has prevailed throughout the subsequent trade negotiations has created further ripple effects, especially posturing and comments surrounding China. While certain actions taken by the Trump Administration, through DOGE and the evolving tariff policy, can be seen as tough medicine for the economy, we are also focusing on potential pro-growth aspects that may eventually bear out such as financial deregulation, as well as a Congressional budget bill that may include pro-growth measures like targeted tax subsidies or cuts. If enacted, these measures may be helpful stimulus for lending and for the building of critical infrastructure.

Ultimately, the situation remains extremely fluid; as a result, the market is continuing to move with caution. It is worth noting that bear markets are always fearful, and that thankfully, because of our deep experience in various market cycles, we are not afraid of this market volatility.

Richard Lockwood Chilton, Jr.
Founder, Chairman & Portfolio Manager – Equities

Timothy W. A. Horan
Executive Vice President & Chief Investment Officer: Fixed Income

Jennifer L. Foster
Executive Vice President, Co–Chief Investment Officer & Portfolio Manager – Equities

Louisa M. Ives
Managing Director & Head of Manager Research

Nick Frelinghuysen
Executive Vice President, Co–Chief Investment Officer & Portfolio Manager – Equities

Equity Markets

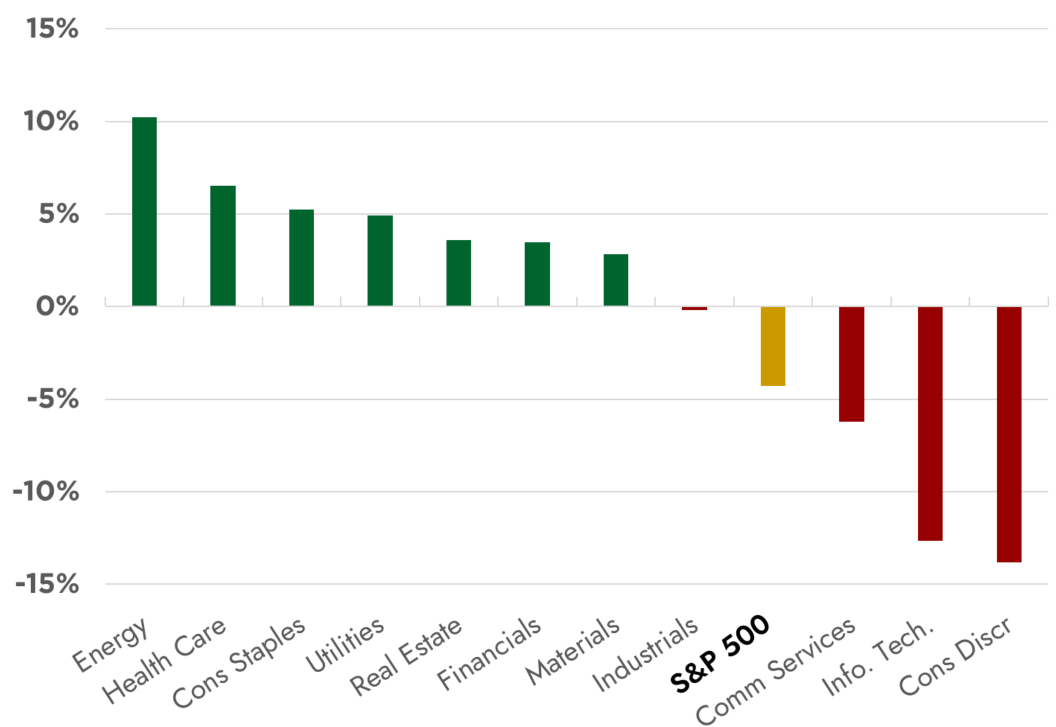
Markets entered 2025 in an exuberant mood, largely on expectations of continued healthy economic readings, greater fiscal discipline, and an easing of significant regulatory burden on American companies. That exuberance quickly faded, however, as investors reacted to the sudden injection of political and geopolitical uncertainty coupled with very real trade tensions by moving into “risk off” positioning. New concerns about tariff-activated inflation and slowing economic growth here in the U.S. led to a quick repricing downward for equities, with technology and AI related stocks hardest hit. Markets in the U.S. were hammered into corrective territory while fundamental shifts in leadership took place; growth stocks were hardest hit while value names outperformed and international markets broadly outperformed those in the U.S.

The S&P 500 fell 4.3% during the first quarter while the tech-heavy Nasdaq retreated 10.3%. International markets performed better, with the MSCI All-Country World Ex-U.S. Index advancing 5.0%, indicative of a reinvigorated willingness of European governments, led by Germany, to increase defense and infrastructure payments, as U.S. financial support retreats.

A closer look at the composition of returns of the S&P 500 illustrates the underperformance of those sectors of the market that both carry the Magnificent Seven, and those sectors that carried the highest valuations entering the year.

S&P 500 Performance by Sector

Q1 2025



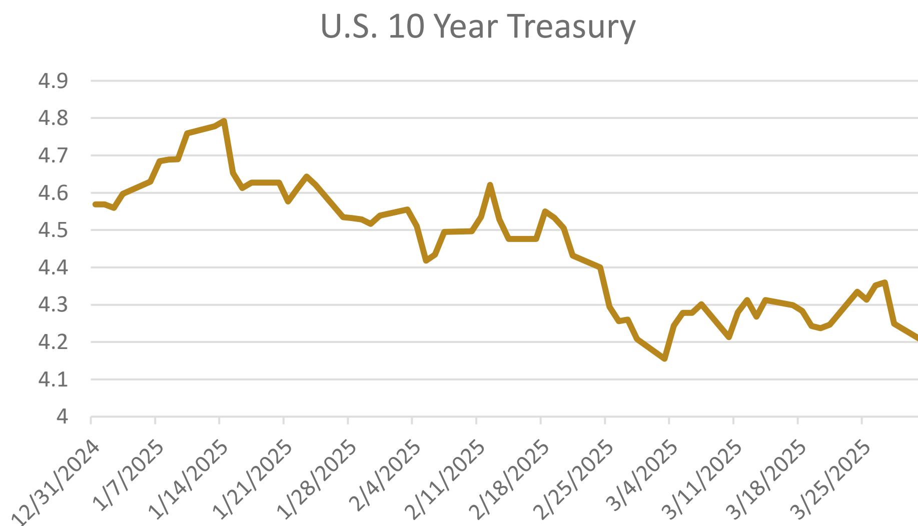
Source: Bloomberg

Fixed Income Markets

Almost immediately upon arrival in Washington, the Trump Administration set out to substantially alter a wide range of Federal policies on trade, immigration, and fiscal/tax to more successfully position the U.S. economy for long term growth and productivity. As the quarter unfolded markets gained more information concerning the President's agenda and the sequencing of his Executive Orders. Amidst the backdrop of enormous uncertainty, the Powell led Fed took the position, starting at its January Meeting, that it would wait to observe further developments before altering its monetary policy stance. Even by quarter-end the Fed remained on hold – confident that the economy and employed consumer had solid enough footing in the near term. It was at the March press conference following the Fed Meeting that Chair Powell took the opportunity to focus on the escalating uncertainties surrounding the economy, the consumer, and inflation all of which the Trump Tariff policies had impacted. He reaffirmed that the Fed would continue to hold back and await more data points before proceeding to a more accommodative policy stance.

Meanwhile, a substantial exit from the safe haven qualities of U.S. dollar assets in favor of gold and other currencies, such as the Japanese Yen, was already underway. By the end of the first quarter markets began to experience a "deleveraging" trade largely driven by programmed trading and quantitative strategies that upset the liquidity in the depth and breadth of the US Treasury market. The U.S. Treasury 10-year price action reflected the growing concerns about the escalating Trump Tariff Policy. The punitive examples made of two of the US's closest trading partners, Canada and Mexico, boded negatively for the direction of travel on tariffs, especially as directed against China.

US 10 Year Treasury Q1 2025



Source: Bloomberg

Federal Reserve Outlook: Q2 and Beyond

We expect that the Federal Reserve will remain focused on both the price stability and full employment mandates as it attempts to model the possible inflationary or deflationary impacts of Trump Tariff Policy "2.0". The Fed must walk an exceptionally careful line as soft data points, such as the Regional Fed surveys, Consumer Confidence surveys and the University of Michigan Consumer surveys, have all pointed in the direction of a much slower growth economy. Without good models, much of the Fed's work will be to remain pragmatic in its policy approach so as not to fall behind the policy curve before its next rate cut. While we look for a pragmatic cut at the June Meeting, we also understand that the Fed does not want to risk an outright "stagflation episode," in which growth collapses as inflation accelerates. This would be the result of cutting too soon when the inflationary negative feedback of tariff policy remains so uncertain. However, we believe waiting to resume rate cuts until September 2025 may end up risking a much bigger negative impact on the economy than resuming cuts by 25-basis point at the June meeting. The Powell Fed will have to evaluate all of this in addition to the current challenge of an independent Fed by the Trump administration and the possible removal of Powell as Chairman.

Our Portfolios

Equities: A Reckoning for Technology

The exuberance of the Trump election win carried forth into January but was punctuated by the DeepSeek announcement and the resulting tailspin that it caused in the technology and communication service sectors. We have been talking about the excessively high valuations in technology shares combined with the historic concentration risk in the S&P 500 of the Magnificent Seven for a while. The DeepSeek announcement, however real and important it might be, provided the catalyst of doubt surrounding the durability of these business models and the resulting valuation. The stampede out of technology provided a further catalyst for the broadening of the market as the S&P 500 Equal Weight outperformed the S&P 500 Index.

Our equity strategies fared very well as our long-standing investments in **Republic Services, Brown & Brown, Arthur J. Gallagher, Progressive, W. R. Berkley and Cintas** continued to report earnings that exceeded expectations, and the market rewarded them with continued outperformance.

As we'd discussed, after the quarter's end, President Trump issued sweeping global tariffs on virtually all our trading partners, which exceeded initial expectations and the large-scale confusion surrounding the tariff implementation and punitive nature caused the broad market to stage a significant and historic decline, falling approximately 15% in four trading sessions. The fear gauge, which is commonly referred to as the VIX or volatility index, reached levels that were last experienced during the great financial recession and the COVID pandemic.

As the market tries to adjust and recalibrate the effects of this new economic world order, the resulting chaos has continued to cause widescale breakdowns in the correlation of global assets on a historic level. With risk assets under tremendous pressure, the normal correlations between stocks, bonds, gold, currency and government interest rates have eroded as the United States experienced a global loss of confidence and a resulting loss of investment dollars.

It is, in fact, this widespread loss of confidence that has created panic in the equity markets and the resulting volatility, which we do believe will repair itself but will indeed take time. When damage of this level is done to the markets there are no "V bottoms" as it generally takes some time to restore both confidence and valuation levels.

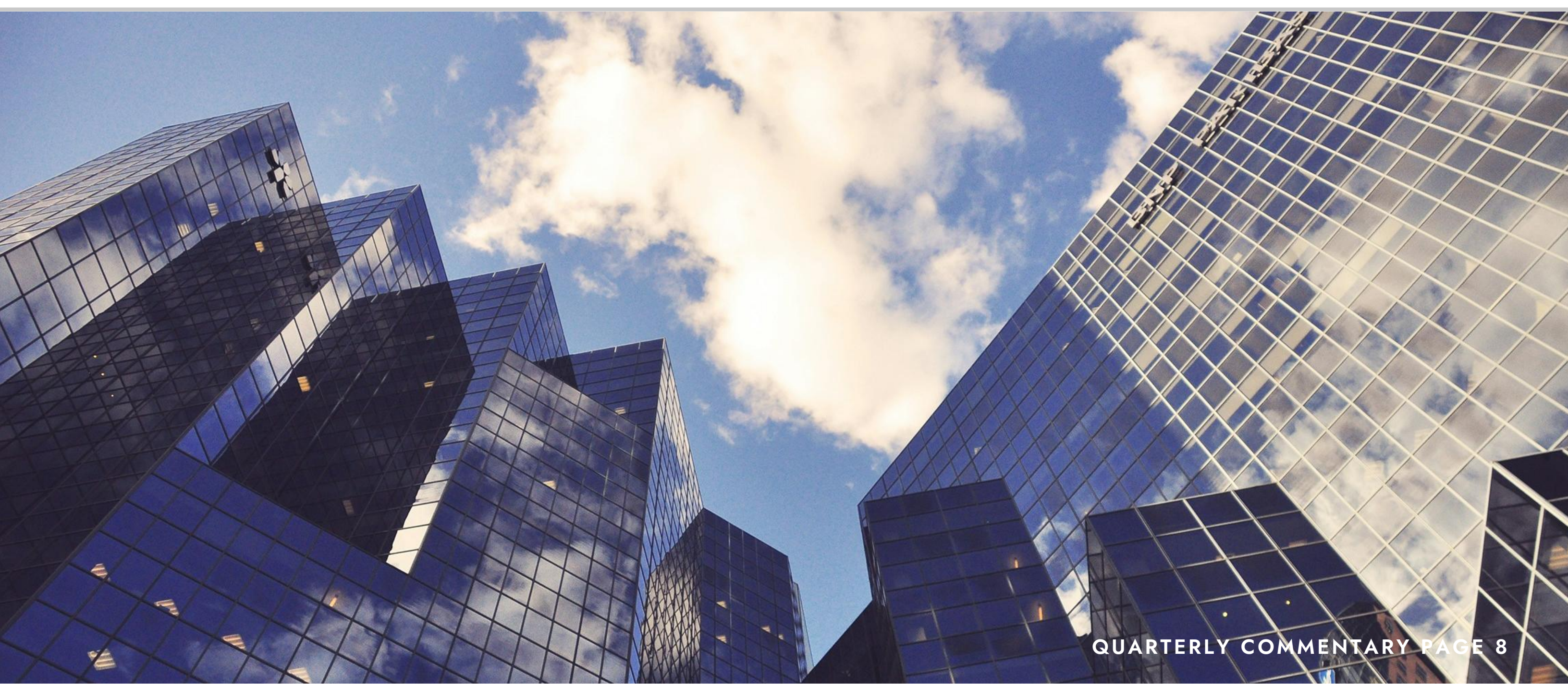
During excessive periods of volatility and uncertainty, investors feel the need to respond with activity and do things to their portfolios based on current fact patterns and the overstimulation of new information. This is human nature as investors manifest their own fears and confusion with the flurry of activity.

We could not be happier with our current portfolio investments; they represent some of the best durable and dominant business models in the markets today coupled with the enduring strength for the future. As you well know, Jennifer and I are highly disciplined about our business model and valuation criteria and as a result exited our investments in **Canadian Pacific Kansas City Limited**, **Apple** and greatly reduced our investment in **Murphy USA** – all due to what we felt were excessive valuations given their future earnings power.

We have always felt that during these periods it is prudent to rethink why equity ownership is so important and to focus on the long-term potential of what we own. The continued ownership of fractional pieces of high quality, dominant and largely United States centric businesses will continue to prevail and prosper.

Over the course of our Investment Team's tenured careers, we have each experienced many periods of stock market declines, coupled with chaos and uncertainty, but through it all the one common denominator is that truly great businesses will always continue to grow and prosper. When we reflect on the times we've navigated, probably the scariest time was the Great Financial Recession. However, if you look back you will find the high-quality companies, that were sold out of fear, are all up many multiples of what they were selling for in 2009.

Given this fact, we have sharpened our pencils and are on the hunt for new investments that we believe will be our performance generators for the next five to ten years.



Portfolio Spotlight: PROGRESSIVE

Many investors ignore the insurance industry due to its confusing accounting and jargon. What those investors inevitably miss are many quality attributes, such as growth potential and durability. This is particularly true for the market leader, Progressive (PGR).

Progressive is a company that has consistently taken market share in a growing and durable industry. The personal auto insurance industry (Progressive's core business) grew 6.6% over the last decade, significantly outpacing GDP. The business rarely declines because auto insurance is federally mandated, and P&C insurers rarely go bankrupt due to liquid balance sheets.

We particularly like Progressive's ability to take market share due to their advantages in underwriting, distribution, and marketing. The key to winning in the insurance business is accurate underwriting. PGR has a data analytics advantage which informs smart underwriting as evidenced by their best-in-class combined ratio that is nearly 10 pts better than the industry average over the last 10 years.

This advantage, combined with marketing and distribution scale, gives Progressive a competitive cost structure that they use to offer consistently lower prices than competitors.

Consumers have responded strongly to this value proposition, pushing Progressive market share from 3% in 1996 to 15% today. We expect these structural advantages, lower prices, and market share gains to continue for many years to come.

Our Portfolios

Fixed Income: Shifting Sands Amidst Uncertainty

There was much anticipation around the first quarter of 2025, as we began a second term with President Trump in January, held two Fed press conferences, and navigated further economic data releases amid varying global uncertainties.

The Chilton Fixed Income Team continues to believe that current bond yields and overall market outlook remain attractive, despite the prevailing market uncertainty. The rates and yields provides opportunities not seen in several years. We have seen some price dislocations from an increase in global volatility. In this uncertain market, credit selection and active management are of utmost importance. Investors should capitalize on elevated yields and price dislocation by locking in higher rates and extending durations. In a volatile market, proactive and disciplined management is crucial for capitalizing on opportunities while efficiently managing risks.

Within portfolios, we believe our Tax Advantaged Fixed Income strategies are the most attractive at these current ratios rather than U.S. Treasury yields. For investors seeking Taxable Fixed Income, we continue to like higher quality Corporates, we are seeing yields that are greater than 5.0% - 5.5% in certain Intermediate 5+ year maturities. This a good time because the right fixed income allocation can produce both yield and stability in client portfolios.

Short-Term

As the market digested data and responded to tariff threats, we saw yields reprice accordingly. The US Treasury Bill market was a point of stability throughout the quarter, with yields staying almost unchanged quarter over quarter with the largest repricing from the 1-year US Treasury bill yield which declined by ~13 basis points. The 2- and 3-year treasuries became more sensitive to the environment with yields declining ~36 and ~40 basis points, respectively. For the first half of the quarter, we saw a positive slope between the 3-month US Treasury Bill and the 10-year note but mid-quarter we started to see more dislocation in the shape of the curve. This unnatural shape has typically been seen as a signal of a looming recession, but this threat had been somewhat dismissed throughout the inversion in 2022-2024; however, the recent repricing caught some investors' attention and raised the question of whether this new inversion was different.

In this environment, we remain focused on quality and stability in our portfolios. We continued to add high quality corporate bonds, notably newly issued bonds offering attractive coupons and attractive concessions. We notably added to the healthcare, technology, and banking sectors via the new issue market. Additionally, we slightly increased our overall allocation to US Government bonds, including callable agencies which add incentivizing call structures to our holdings. We did increase our 2-3-year exposure when we were at the higher end of rates; but we also utilized the US Treasury Bill market during the more uncertain times.

In our crossover portfolios, we continue to maintain an anchor in municipal bonds. The tax-advantaged holdings offer stability and strong relative value. Issuance remained robust throughout the quarter, but we also continued to find attractive opportunities on the secondary market as well, especially in state-specific securities. Within our municipal holdings, we increased our exposure to pre-refunded municipal bonds which hold the AAA-rating as they are backed by US Treasuries but offer the full tax-advantage of municipal bonds. Additionally, we focused on General Obligation issued debt within the municipal space as we saw more stability in this sector. In addition to our municipal holdings, we maintained a 25-30% allocation to investment grade corporate bonds. Corporate exposure offers enhanced income on an after-tax basis and can act as a complement to the municipal exposure during varying market cycles.

Corporates/ Preferreds

During the first quarter of 2025, the U.S. Investment Grade bond market produced solid returns despite volatile markets and a dynamic geopolitical landscape. The Bloomberg U.S. Intermediate Corporate Bond Index increased by 2.27%. Returns were primarily propelled by the decline in Treasury Rates across the 2yr to 10yr year maturities.

The positive performance in the US bond market, stemming from the decline in rates, was offset somewhat by an increase in credit spreads. Credit spreads, which are the additional yield that investors receive for buying corporate bonds, remained stable and near historic lows. The option-adjusted spread (OAS) of the Bloomberg U.S. Corporate IG Bond Index widened from 77 basis points to 89 basis points. While still near historic tights, reflecting investor confidence in the market and solid corporate credit fundamentals, the credit markets showed some concern with uncertainty primarily coming from headlines out of Washington DC.

The primary bond market remained robust in the first quarter of 2025 after a record setting 2024. New issuance set record volumes with over $1.4 trillion coming to the market last year. The first quarter of 2025 remined at a record setting tempo. Large deals in energy, healthcare and consumer sectors lead the offerings. Utility companies tapped the bond market as they looked to increase capital expenditures to build out demand stemming from data centers and an increase in electrification.

The US preferred market posted modest gains during the first quarter. The ICE BofA Fixed Rate Preferred Index returned 0.08%. Preferreds were buoyed by the decline in rates but held back by the increase in credit spreads. Additionally, preferred securities are generally longer duration assets and the flattening of the yield curve didn’t benefit preferreds as much as short duration credit.

Municipal

The municipal market started the year on a constructive note due to strong technicals associated with the "January effect," high redemptions, and large coupon reinvestments. This reversed throughout the quarter due to U.S. Treasury volatility and the sell-off in equity markets.

Municipal issuance increased and remained above average throughout the first quarter thus weighing on supply and demand imbalances and putting some additional pressure on the municipal market. Sector specific headlines also had a negative impact on first quarter performance and credit spreads, specifically noise around the status of tax-exemption throughout the administration's budget negotiation phase. In addition, the lack of price discovery rose in the municipal market and rich ratios continued to put pressure on the primary and secondary markets, causing yields to move higher in the in the intermediate and long-end of the municipal yield curve. Although fund flows remained positive in the first quarter, long-term new issue supply was overwhelming as dealers were already carrying an abundance of inventory. Long-term new issuance was $118.7 billion, a 14% increase over the same period last year when issuers sold $103 billion. For the quarter, yields in the 1-year sector declined 40 basis points, while yields in the 2-to-5-year sectors declined 3 to 16 basis points. Meanwhile, yields in the intermediate and long-end witnessed the largest increases, 23 to 41 basis points, thus negatively impacting performance. In addition, the curve steepened as long-dated securities significantly underperformed shorter-dated securities. The spread between 1 and 30-year securities widened 79 basis points from 88 basis points in December to 167 basis point, month-end March.

There was a strong difference in relative performance between municipals and US Treasuries, over the December 2024 to March 2025 period, as municipal's underperformed across the curve relative to their US Treasury counterpart. By the end of the first quarter, the 2-year was the best performing sector on the municipal yield curve widening only 2 percentage points. The 5, 10 and 30-year sectors experienced significant widening, 6, 8 and 12 percentage points, respectively. Overall, current 5, 10 and 30-year municipal bonds appear attractive with ratios above 70% to 90% of U.S. Treasury yields but we remain cautious as we enter April tax-season and expect supply to further increase.

Our Portfolios

External Managers: Conviction Amid Dislocation

Many of our external managers in public equity markets had a challenging first quarter, as very few seemed immune from the more challenging macro backdrop for markets. Equity hedge funds generally fared a bit better, buoyed by some alpha generated on the short side.

Our managers with heavy growth and tech exposure, however, seemingly had very little place to hide as capital retreated, particularly from those names with elevated valuations. In contrast, our international managers, focusing on investments primarily in Western Europe, had solid quarters, benefitting from both reinvigorated investor interest as the valuation disparity between equities in the U.S. and Europe was significant, and the fact that Europe, prodded on by a retreat of U.S. financial support, has now demonstrated a clear willingness to invest in its own infrastructure.

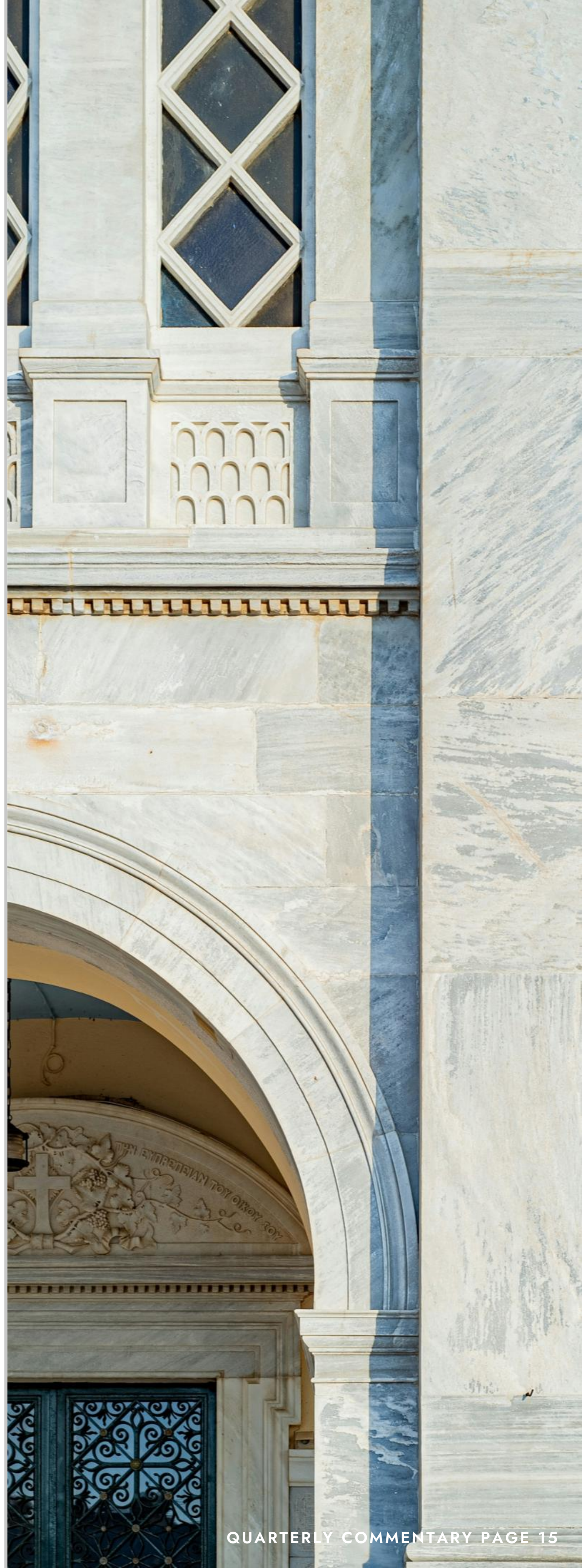
Credit markets proved more resilient than equities during the first quarter, despite a healthy widening of spreads, particularly in the high yield market. Our partners that specialize in opportunistic investments across the capital structure have been able to take advantage of dislocations created by volatility to lean into more attractive total return opportunities.

Private markets outperformed public markets, as portfolios are not subject to the day-to-day volatility of public markets. Private equity deal flow, while showing signs of picking up early in the first quarter, quickly went quiet again, as the uncertainty created by tariffs caused both buyers and sellers to go "pencils down" until there is greater clarity out of Washington and what the near and longer-term implications of policy changes will be.

While this death of liquidity event has created frustration from investors, who have found their normal pace of capital flows interrupted, it is creating a very attractive environment for dry powder, and we anticipate pockets of dislocation to create opportunities for longer term strong alpha generation.

Market dislocations and volatility can force a healthy re-underwriting of both our asset-class mix and the managers with whom we partner. Throughout this challenging backdrop, our long-term conviction remains in the high-quality outside managers that bring in diversification, volatility dampening, lower correlation and overall improvement to risk/return profiles of portfolios.

Manager selection is more important than ever; our work continues to be to find and partner with experienced teams to navigate shifting waters and deliver strong long-term performance in select public and private market opportunities.



Our Outlook

“Be greedy when others are fearful”

At the beginning of April, the Trump Administration launched an audacious plan to reorder Global Trade by introducing stringent tariffs by individual country that were much higher than what investors, companies and countries had anticipated. In addition, the Trump administration suggested they stand ready to negotiate on an individual country basis and warned against retaliation.

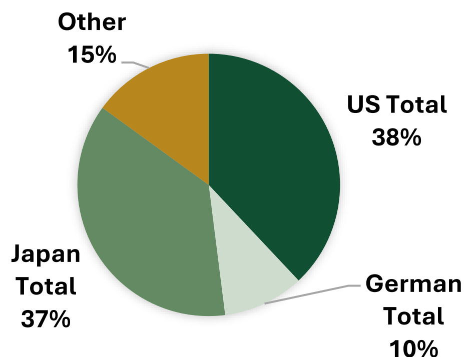
This “shock and awe” moment sent global equity markets into a tailspin and corporate decision-making ground to a halt amid confusion and panic. The impetus for this aggressive tariff policy was perceived inequities born out of 25 years of globalization where “free trade” led to a loss of US manufacturing jobs while at the same time US companies were increasingly kept from accessing foreign markets in the same way that foreign companies accessed the US market. A quick look at the market share by country in select Global Automotive markets illustrates this point:

Global Automative:

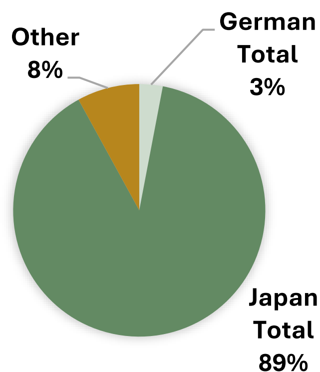
Market Share by Country

Q1 2025

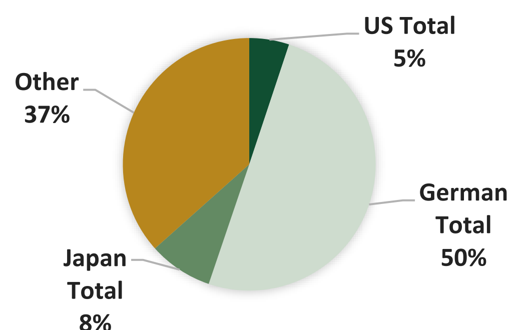
US AUTO MARKET



JAPAN AUTO MARKET



GERMAN AUTO MARKET

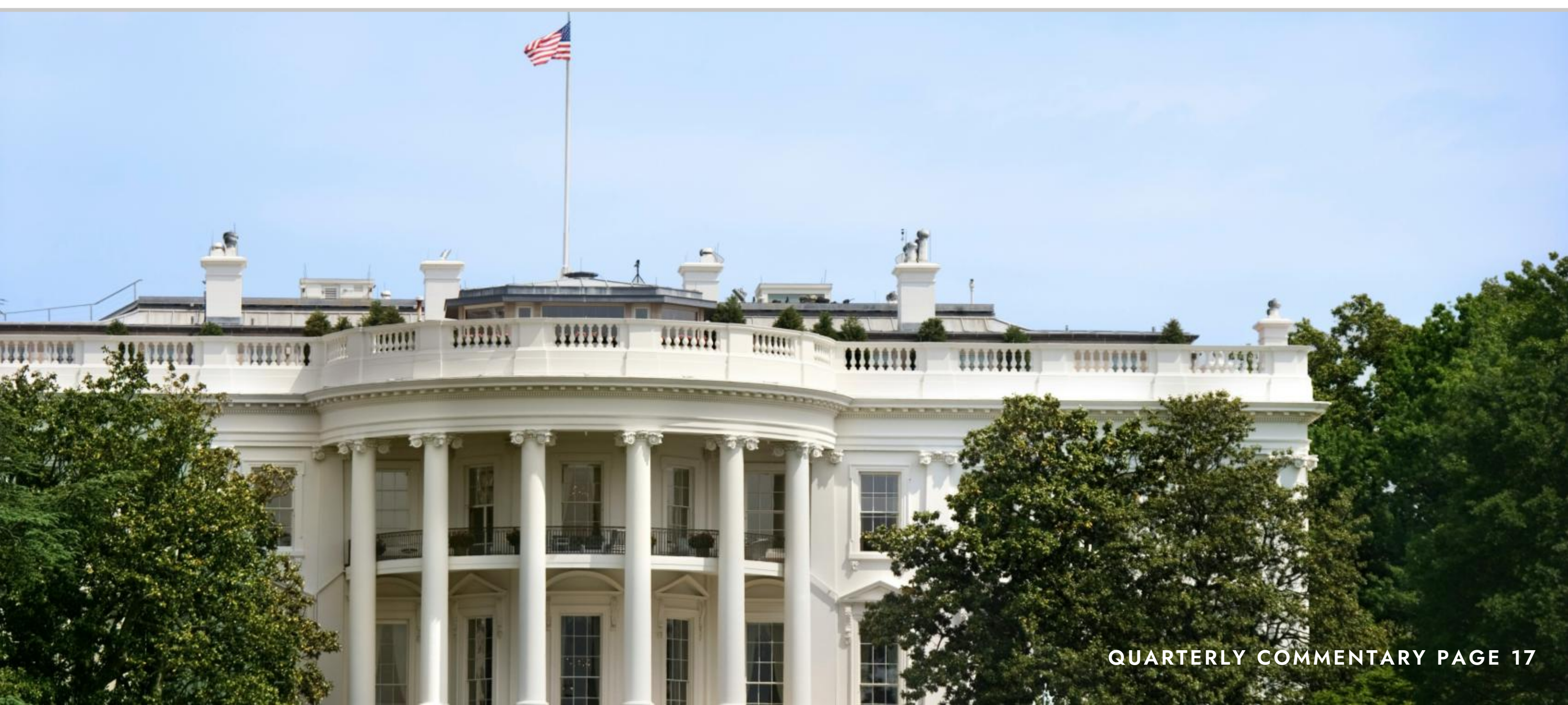


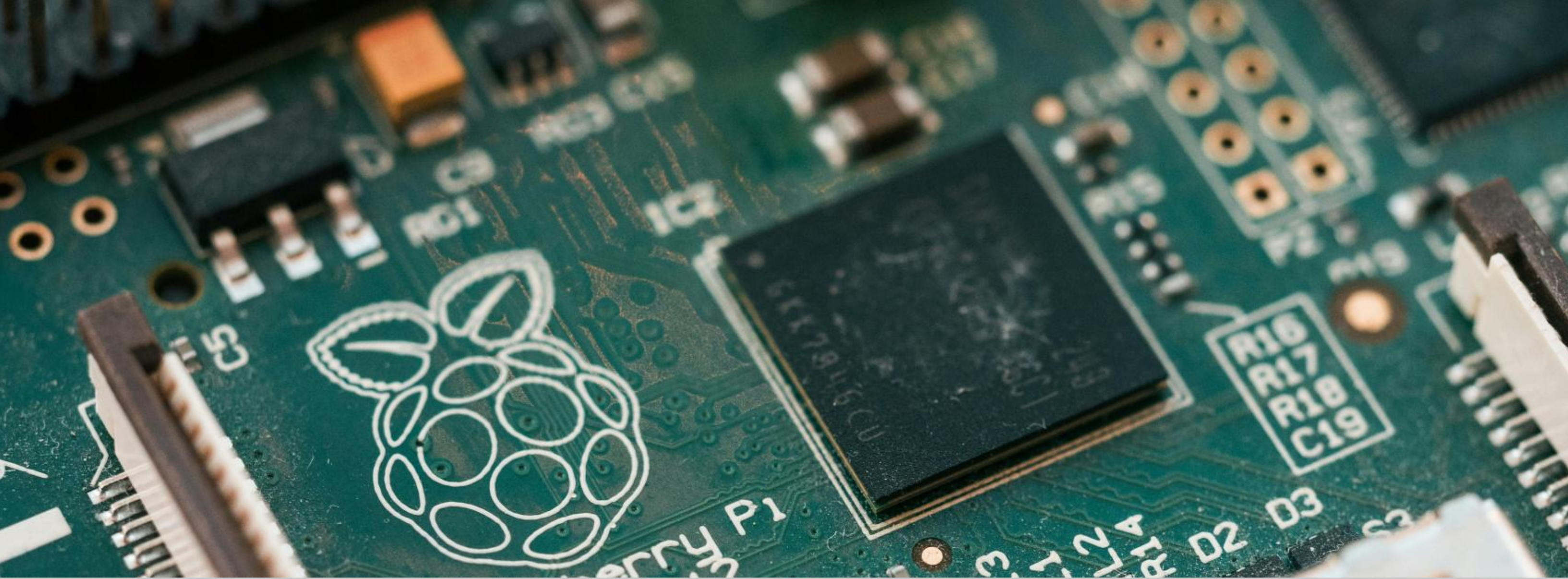
Source: Chilton research, automotive registration data

The initial tariff levels proposed on April 2 were a shock, to us included, but in retrospect, likely set as a high-water mark from which to negotiate down to drive urgency around bilateral trade deals. Despite encouragement not to retaliate, China announced higher tariffs on US imports the very next day, which in turn led to escalation from the US and then again with China. On April 9 as new global tariffs went into effect and the bond market showed increasing signs of stress, the Trump administration announced a 90-day delay in implementation to allow time for negotiations with all countries that did not escalate. During this time, a minimum 10% tariff is in effect for all trading partners other than China. And just over these past few days, reports emerged of a pause on certain tariffs in the electronics industry given the intricate supply chains that run through China and are considered crucial for so many industries. Needless to say, the situation remains extremely fluid.

Where we go from here is the question of the day, and it is of course impossible to predict with any level of certainty how this will play out. Given that U.S. GDP is comprised of only 11% imports while most of our major trading partners have a much larger dependence on exports, it is reasonable to conclude that tariffs will be less disruptive to the US than to others, and that there is mutual advantage to a quick resolution. But politics and personalities will clearly complicate the timeline for resolution.

We came into this moment with a healthy but fragile economy. Both AI spending as well as fiscal spending, two forces which propelled economic growth for the last two years in the face of extremely tight monetary policy, are facing future challenges.





The emergence of Deepseek and other large language models that run on more efficient compute configurations compared to ChatGPT may cause large Cloud companies to reconsider AI infrastructure investment levels which were constructed when ChatGPT was the only game in town. Our view is that the productivity of AI is so compelling that many companies will line up to adopt it, and AI spending will remain healthy for years to come even if more efficient configurations materialize. On the margin, we believe infrastructure spending may be curtailed but it will still be robust.

DOGE and the efforts to identify wasteful Federal spending has thus far identified at least $150B of spending cuts. While this is positive news for long term US fiscal health and will reduce the unsustainably high current US Treasury deficit, the near-term effects of these cuts will contribute to economic pressure and squeeze some businesses that have benefited from government largesse.

Given these existing spending concerns, higher prices resulting from tariffs have many investors worried about the economic consequences of a trade war. Taken together, some conclude that these forces are enough to push the US into recession and equity markets lower.

We cannot rule out this perspective and agree that now is a time to be more thoughtful about risk. However, when sentiment and panic readings in markets reach levels of negativity seen only 2- 3 times over 25 years, we are forced to consider more benign or even potentially positive outcomes. One such scenario would examine the proposed tariff policy as an opening salvo in a grand negotiation which seeks to rebalance world trade and anticipates that the Trump Administration will be pragmatic throughout the negotiation, making moves that lessen the chances for financial calamity.

Examples of this have already emerged in the 90-day pause of reciprocal tariffs, in the potential exclusion of electronics and semiconductors to elevated tariffs, and in naming Treasury Secretary Scott Bessent in charge of the individual country negotiations. Bessent is a learned, serious, credible voice with a clear understanding of market mechanics and economic consequences. If he negotiates an initial deal that improves US access to foreign markets with limited tariffs, it may serve as a model for other agreements which would be welcome news to investors. There is probably a tariff level that will not push the US economy to recession – some have suggested 10% is manageable – and it is our belief that Bessent will be in search of this equilibrium point in his negotiations.

Additionally, Congress has started the reconciliation process for a budget bill that will likely include pro-growth policies, possibly even targeted tax subsidies or cuts - which help to ease the tariff burden, and we still expect meaningful financial deregulation to help banks more easily lend, especially to small and medium businesses, and for critical infrastructure to get permitted and built. It is true that the Fed remains on pause currently, but as signs of economic slowdown emerge it is possible they will move to cut rates. We believe the housing market will respond quickly and favorably to a decline in rates given the pent-up demand for housing, and this would be a strong support for the economy. Should some or all of these possibilities transpire, a recession might well be averted.

Our greatest concerns are timing and China. The longer it takes for resolution on this grand negotiation to materialize, the higher the chances are for recession. And regarding China, we believe they have more to lose than we do given the trade deficit, but that's not to say it won't hurt our economy if we are in a protracted trade war. How far will President Trump take this?

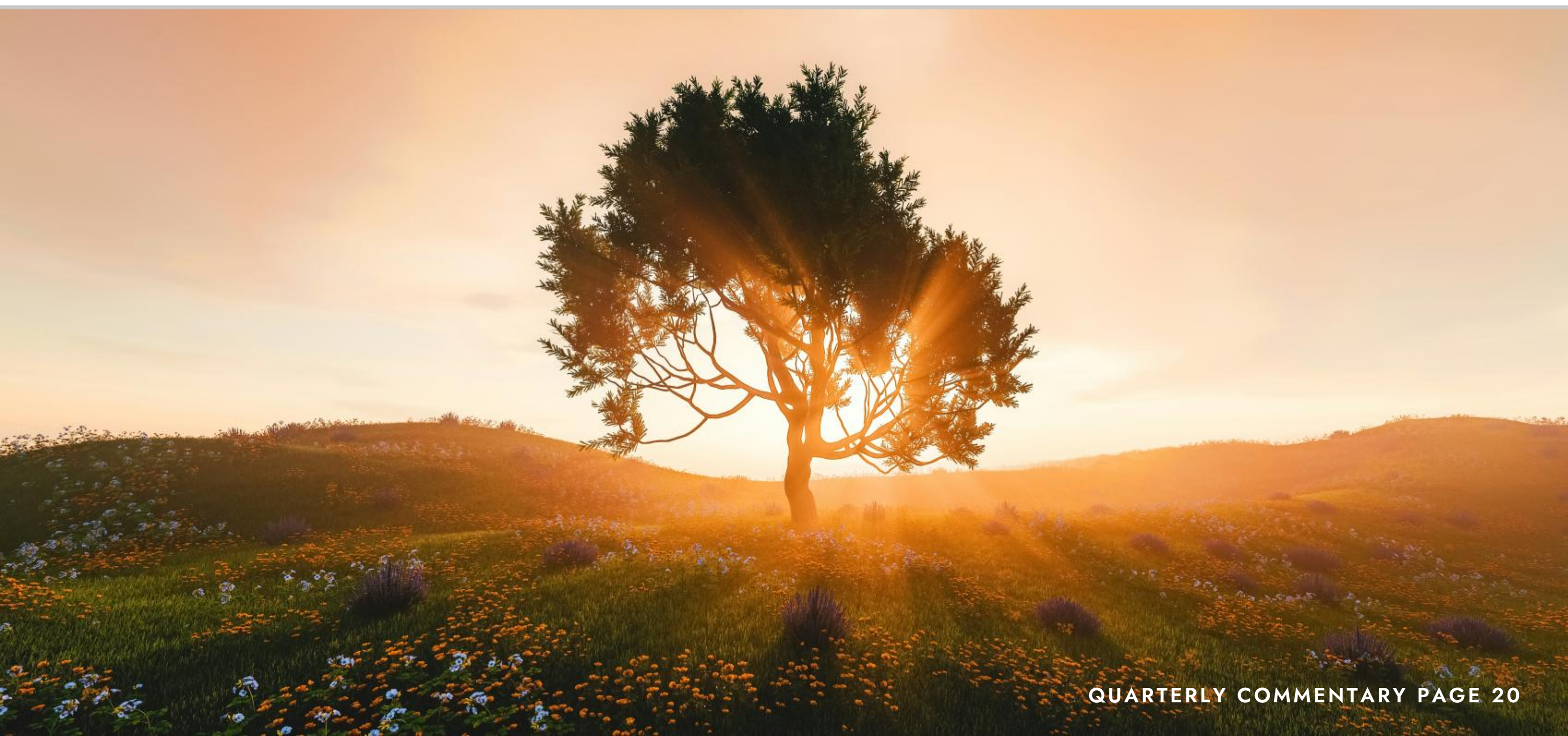
Does he have an off-ramp to offer China? We believe the negative political consequences of protracted trade war might prevent him from being overly dogmatic in his approach to China.

While the S&P has corrected meaningfully, Index level valuations are still somewhat elevated at 20x forward earnings, and earnings themselves face downward pressure in the face of tariffs. We see many individual companies where valuations are attractive at current levels and leave room for positive forward returns on a long-term basis. Without perfect clarity in a highly fluid situation, we believe trying to trade this market is a fool's errand.

We are very happy with our portfolio positioning in many high quality, domestic service companies which are under-indexed to tariff risk, and we believe that in the long run, high quality equities are still the best game in town.

We see volatility continuing as tariff negotiations continue, and we will look to lean into opportunities in high quality companies at attractive prices as they present themselves. We keep Warren Buffet's adage close at hand during these turbulent markets: "Be greedy when others are fearful, and fearful when others are greedy."

As always, thank you for the trust that you place in us, and we look forward to visiting with you soon.



Our Team

RICHARD LOCKWOOD CHILTON, Jr. is the Founder and Chairman of Chilton Trust Company. Since founding Chilton Investment Company with his Flagship Strategy in 1992, Mr. Chilton has built a broad organization and a team of investment professionals focused on long term capital growth. The Chilton Flagship Strategy has generated impressive and consistent returns with moderate volatility since inception. In addition, in 2010 Mr. Chilton founded Chilton Trust Company which is a nationally chartered broad-based wealth management trust company focusing on services to high-net-worth individuals and families. Mr. Chilton is vice chairman of the Metropolitan Museum of Art, trustee emeritus of the Robin Hood Foundation, chairman emeritus of Greenwich Academy and a trustee of Classic American Homes Preservation Trust.

JENNIFER L. FOSTER is a Portfolio Manager and Co-Chief Investment Officer—Equities. Jennifer has worked at Chilton for 24 years. Jennifer joined Chilton as an equity analyst and later became Director of Research and then Portfolio Manager. During her tenure at Chilton, Jennifer has served on the Risk Committee, the Executive Committee and the Board of Directors. Before Chilton, she worked at GE Capital as part of GE's Financial Management Training program. Jennifer graduated summa cum laude with a B.A. in English from Boston College and earned an M.B.A. with distinction from Harvard Business School. She currently serves as the chair of the Board of Trustees at St. Luke's School in New Canaan, CT and as a trustee for the Mather Homestead Foundation in Darien, CT. Jennifer is married and has three children.

NICK FRELINGHUYSEN is a Portfolio Manager and Co-Chief Investment Officer – Equities. Nick is responsible for investments on clients' equity portfolios, with more than 29 years of experience in equity research and portfolio management. Most recently, he was a partner at the boutique investment firm, Eagle Ridge Investment Management, LLC where he served as a portfolio manager and Co-Head of Research for an organization with $950m in assets focused on high net worth individuals and institutions. Prior to his role at Eagle Ridge, Nick worked at Oppenheimer Capital (Allianz Global Partners) as Co-Portfolio Manager on a $2B Mid Cap value mutual fund and served as Cohead of Mid-Cap and All-Cap investments for the $25B firm. He began his career on the sell side at Donaldson, Lufkin & Jenrette. Nick attended Princeton University as an undergraduate and holds an MBA from The Wharton School at the University of Pennsylvania.

LOUISA M. IVES is a Managing Director & Head of External Manager Group. Ms. Ives is responsible for external manager selection and due diligence for Chilton clients and is also a member of the Executive and Investment Committees at Chilton Trust. Prior to joining Chilton, Ms. Ives was a Managing Director at Chilton Investment Company, where she was a research analyst covering the financial services sector. She also served on the company's Board of Directors. Prior to joining Chilton, she worked at Coopers & Lybrand Consulting Group, reporting directly to the CEO, and began her career at Chemical Bank in their Middle Market Lending Group. Ms. Ives graduated cum laude from St. Lawrence University with a B.A. in English Literature and earned an M.B.A. from Harvard Business School.

Ms. Ives serves on the boards of The First National Bank of Long Island, The Project Y Theatre Company, and on the Investment Committee of Vinalhaven, ME Land Trust.

TIMOTHY W.A. HORAN is an Executive Vice President & Chief Investment Officer—Fixed Income.
With over 30 years of experience, Mr. Horan is a specialist in fixed income investing, ranging from municipal and US taxable securities to international bons and currencies. He leads a team of professionals managing client assets across a variety of strategies including liquidity, tax-advantaged, taxable, international and global.

Prior to joining Chilton Trust, Mr. Horan was a Managing Director at Morgan Stanley Smith Barney and served as MSSB's Chief Investment Officer of Fixed Income Investment Advisers, a division of MSSD, foundations, and family offices, primarily in North America, the Caribbean and Latin America. Earlier, Mr. Horan led Morgan Stanley's Private Wealth Management Fixed Income business in London serving European, Middle Eastern and Swiss private bank clients. Mr. Horan also served on the Morgan Stanley Global Asset Allocation Committee. Before joining Morgan Stanley, Mr. Horan was Director of International Fixed Income at Lord Abbett & Co. He also held senior management positions in fixed income and foreign exchange portfolio management at Credit Suisse, Aubrey G. Lanston & Company, Inc. and Bankers Trust. At Bankers Trust, he helped pioneer the portfolio management at Credit Suisse, Aubrey G. Lanston & Company, Inc. and Bankers Trust. At Bankers Trust, he helped pioneer the fixed income risk management frameworks. Mr. Horan began his career at the Federal Reserve. During the Volcker years, he was an Economist in the Sovereign Debt Unit at the New York Fed, working on the debt restructuring of Brazil, Mexico and Argentina. Following the Plaza Accord, he also served as a foreign exchange trader for the Federal Reserve Bank of New York. Mr. Horan earned an AB with honors in Economics and History from the University of Pennsylvania, Wharton-Sloan Program. He was an Andrew Mutch Scholar in Economics and Politics at the University of Edinburgh and holds a post graduate law degree from the University of Cambridge, where he was a Thouron Scholar.

NOTE: This document was prepared by Chilton Trust. Any use of Chilton Trust herein refers to Chilton Trust Company, N.A. and its affiliates, including but not limited to Chilton Investment Services, LLC, and their owners, employees, and agents. Fiduciary services are provided to clients by Chilton Trust Company, N.A. Investment advisory and portfolio management services are provided to clients, by delegation, by Chilton Investment Services. LLC and other affiliates. This document was prepared by Chilton Trust solely for the benefit and internal use of the client to which it is provided (together with such client's affiliates, the "Client") in order to assist the Client in evaluating, on a preliminary basis, the matters addressed herein. Neither this document nor any of its contents may be disclosed to any other party or used for any other purpose without the prior written consent of Chilton. Not withstanding the foregoing, Chilton Trust and the Client (and each of their employees, representative, or other agents) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of any transaction described herein and all materials of any kind (including opinions and other tax analyses) that have been provided to them relating to such tax treatment and structure. Past performance is not indicative of future results. Any investment in a separately managed account or limited partnership is speculative and involves a high degree of risk. This does not constitute a solicitation to buy or sell securities. The recipient understands that this is prepared for Chilton Trust clients only and that this material includes confidential or proprietary information which may not be shared, in whole or in part. with third parties without Chilton Trust's express written consent.

CHILTON TRUST
www.chiltontrustcompany.com

CHARLOTTE: 5925 Carnegie Boulevard, Charlotte, NC 28209
(980) 227–3101

CHARLOTTESVILLE: 301 East High St, Charlottesville, VA 22902

(434) 224-3360

NAPLES: 850 Park Shore Drive, Naples , FL 34103
(239) 488-1051

NEW YORK: 300 Park Avenue, New York, NY 10022
(212) 843–6882

PALM BEACH: : 396 Royal Palm Way, Palm Beach, FL 33480
(561) 598-6330

STAMFORD: 1290 East Main Street, Stamford, CT 06902
(212) 843–6882

WILMINGTON: 1105 North Market Street, Wilmington, DE 19801
(302) 466–3501