MARCH 31, 2022

Dana Large Cap Equity Fund Manager Commentary

Overview

The U.S. stock markets were negative for the quarter as investors began to focus on changes in monetary policy, higher inflation, rising interest rates, and slower earnings momentum. Russia's invasion of Ukraine on February 24th triggered a significant economic shift that sent many commodity prices higher and put further strain on supply chains, but also saw growth stocks rebound slightly from their early quarter swoon. Volatility was not confined to the equity markets. Bond prices also declined as the Fed increased rates in mid-March and signaled that further rate hikes lay ahead in order to thwart inflation. At the close of the quarter, the S&P 500 Index was down -4.60%. Small-cap stocks, as measured by the Russell 2000 Index, declined -7.53%. The Russell 1000 Value Index significantly outperformed the Russell 1000 Growth Index in the first part of the quarter and, despite the better performance of growth in the latter half, the Russell 1000 Value Index retained its lead, returning -0.74% by quarter end versus 9.04 for the Russell 1000 Growth Index.

The Dana Large Cap Equity Fund (the 'Fund') returned -7.58% for the quarter. Consumer Discretionary holdings including some housing and auto exposure, along with Information Technology stocks such as semiconductors, suffered as Ukraine was invaded. Energy prices spiked, which further fueled inflation and slower growth fears. The Energy sector delivered the best absolute return for both the S&P 500 Index and the Fund. We remain committed to our relative value approach that seeks companies with strong fundamentals at attractive prices relative to peers. We believe these qualities will be rewarded by the market as investors look for ways to limit certain risks while remaining invested.

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Sector Contributors

COMMUNICATION SERVICES

Our value bias was beneficial as the Fund lacked exposure to Netflix, Inc. (NFLX) and was underweight to Meta Platforms, Inc. (FB), both of which fell significantly in Q1.

MATERIALS

Nucor Corporation (NUE) performed well in Q1 on higher steel prices and the company's relative advantages in the current geopolitical and inflationary environment.

REAL ESTATE

Gaming and Leisure Properties, Inc. (GLPI) and Prologis, Inc. (PLD), while declining, performed much better than the overall sector and drove outperformance relative to the benchmark.

[Source for historical number of highs by year since 1929 is Charlie Bilello at Compound Advisors https://twitter.com/charliebilello/status/1477025540838146054]

The performance of the Fund quoted is past performance and does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less then original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data as of the most recent month may be obtained by calling 1-855-280-9648.

> *"The Fund returned -7.58% for the quarter."*

Sector Detractors

CONSUMER DISCRETIONARY

Concerns over housing led to declines in D. R. Horton, Inc. (DHI) and Home Depot, Inc. (HD), while supply chain woes and macroeconomic concerns hurt General Motors Company (GM) and Deckers Outdoor Corporation (DECK), resulting in underperformance in the Consumer Discretionary sector.

INFORMATION TECHNOLOGY

A major correction in Zebra Technologies Corporation (ZBRA) was the primary source of weakness in the IT sector. ZBRA suffered from supply constraints yet we appreciate the high demand e- and omni-commerce solutions they provide. Semiconductor holdings, most notably Lam Research Corporation (LRCX), also detracted from performance.

FINANCIALS

Lack of exposure to Berkshire Hathaway, Inc. (BRK) detracted from returns this quarter.

Select Additions

ALLSTATE CORPORATION (ALL)

Pricing power is improving and it is early in that cycle for the auto insurance industry. Used car price inflation has been a headwind and remains a wildcard, but should moderate. Catastrophe losses appear to be running below expectations, with several factors suggesting favorable trends going forward. Higher pricing, solid growth in net policies written, and lower losses should lead to higher margins.

IRON MOUNTAIN, INC. (IRM)

Physical record storage remains a durable business for Iron Mountain. Gross margins exceed 70% and the business looks to be resilient to high inflation. While facing long-term secular headwinds, storage is producing slight growth (2-3%) through pricing increases, and provides the geographic resources and cash flow to support growing asset management and data center businesses (currently 10.0% and 7.5% of revenue respectively) that are both growing 20% annually.

RAYTHEON TECHNOLOGIES CORPORATION (RTX)

The recovery in commercial aviation, an increasing defense budget, and cost savings should result in an upswing in profit and cash flow in coming years. The most profitable part of the business—aftermarket commercial aircraft parts and services—is rebounding as air travel recovers. The company also has a strong position in missile defense for which there is healthy world-wide demand.

Select Deletions

DECKERS OUTDOOR CORPORATION (DECK)

Deckers has done a good job executing and demand remains strong for the UGG and HOKA brands. Freight cost pressures will likely persist in pressuring margins into 2023 and any revenue upside is likely to be reinvested back into the business thereby limiting earnings growth. With positive topline growth offset by near-term pressures on profitability, other stocks in the same sector appear to have better risk versus reward.

DISCOVER FINANCIAL SERVICES (DFS)

Credit losses are expected to rise as prior COVID-19 related stimulus checks and tax benefits, which helped many consumers pay their credit card bills, are nearing their end. Higher charge-offs and rising labor expenses could also pressure earnings for the coming year. Within the financial services vertical, other stocks with less exposure to rising credit losses could potentially lead to being better investments.

FORTUNE BRANDS HOME & SECURITY, INC. (FBHS)

Rising interest rates could put pressure on new home starts, which would negatively affect the company. In addition, rampant cost increases may limit growth as it may be difficult to pass these costs onto their customers, crimping margins and hurting demand.

> *"We remain committed to our relative value approach that seeks companies with strong fundamentals at attractive prices relative to peers."*

Portfolio

ANNUALIZED RETURNS *as of 3/31/22*

	TICKER	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Dana Large Cap Equity Investor	DLCEX	-7.58%	-7.58%	8.57%	16.00%	13.52%	12.44%	13.52%
Dana Large Cap Equity Institutional	DLCIX	-7.53%	-7.53%	8.85%	16.28%	13.79%	N/A	12.12%
S&P 500 Index		-4.60%	-4.60%	15.65%	18.92%	15.99%	14.64%	14.55%*

Lrg Cap (I Class/N Class) – 10/28/2013 & 03/1/2010

**Represents performance of the S&P 500 Index since inception of DLCEX (3/1/2010)*

The net expense ratio of the Class N is 0.98% and 0.73% for Class I, while the gross expense ratio of the Class N is 1.16% and for 0.91% Class I. The Adviser has contractually agreed to waive its management fee and/or reimburse certain operating expenses through 02/28/2023. Results shown reflect the waiver, without which the results would have been lower.

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TOP HOLDINGS *as of 3/31/22, subject to change*

APPLE, INC.	3.75%
MICROSOFT CORP.	3.54%
ALPHABET, INC. CL A	3.54%
AMAZON.COM, INC.	3.35%
PIONEER NATURAL RESOURCES CO.	2.18%
ABBVIE, INC.	2.14%
CVS HEALTH CORP	2.09%
COGNIZANT TECH. SOLUTIONS CORP	2.09%
MERCK & CO., INC.	2.07%
ANALOG DEVICES	2.02%

Current and future portfolio holdings are subject to risk.