

**IVY INVESTMENTS
CORE EQUITY COMPOSITE**

Period	Total Return (gross of fees) (%)	Total Return (net of fees) (%)	Benchmark Return* (%)	Number of Portfolios at End of Period	Composite Dispersion - Equal Weighted Std Dev (%)	Composite 3-year Annualized Standard Deviation (%)	Benchmark 3-year Annualized Standard Deviation *	Total Composite Assets (End of Period) (\$mm)	Composite Assets as Percent of Total Firm Assets (%)	Total Firm Assets (End of Period) (\$mm)
2007	15.24%	14.56%	5.49%	10	0.91%	8.12%	7.68%	\$431	5.19%	\$8,294
2008	-33.70%	-34.11%	-37.00%	10	0.73%	14.69%	15.08%	\$284	4.62%	\$6,141
2009	23.47%	22.74%	26.46%	12	1.16%	18.75%	19.63%	\$334	4.40%	\$7,593
2010	21.63%	20.91%	15.06%	12	0.67%	21.54%	21.85%	\$412	4.24%	\$9,727
2011	1.90%	1.29%	2.11%	18	0.48%	19.52%	18.71%	\$1,147	11.02%	\$10,409
2012	19.61%	18.90%	16.00%	28	0.45%	16.61%	15.09%	\$2,405	20.72%	\$11,606
2013	35.42%	34.61%	32.39%	33	0.44%	13.03%	11.94%	\$3,727	24.16%	\$15,423
2014	10.61%	9.95%	13.69%	33	0.36%	9.94%	8.97%	\$5,616	32.81%	\$17,115
2015	0.46%	-0.19%	1.38%	32	0.36%	11.94%	10.47%	\$9,897	9.50%	\$104,205
2016	4.51%	3.79%	11.96%	28	0.65%	12.04%	10.59%	\$8,268	10.30%	\$80,263

* Benchmark Index= S&P 500 Index

ORGANIZATION: Waddell and Reed Investment Management Company (“WRIMCO”) is an investment adviser registered with the Securities and Exchange Commission (“SEC”) that provides investment management and advisory services across multiple investment styles. WRIMCO is an indirect subsidiary of Waddell and Reed, Inc., which is a direct subsidiary of Waddell and Reed Financial, Inc. Certain officers and investment staff of WRIMCO also hold offices with Ivy Investment Management Company (“IICO”), another investment adviser registered with the SEC that is also a subsidiary of Waddell and Reed Financial, Inc.

For purposes of compliance with the Global Investment Performance Standards (“GIPS®”), the company holds itself out as Ivy Investments which includes all portfolios managed by WRIMCO and IICO, excluding portfolios owned by Waddell & Reed Financial Inc. and its subsidiaries.

Effective September 1, 2016 the firm’s GIPS® name changed from Waddell & Reed Investment Management Company (“WRIMCO”) to Ivy Investments. Effective July 1, 2015 the firm includes all portfolios managed by WRIMCO and IICO. Prior to July 1, 2015 the firm included all institutional separate accounts managed by WRIMCO and IICO.

DESCRIPTION OF COMPOSITE: The Core Equity composite consists of portfolios seeking to provide capital growth & appreciation. Portfolios within the composite primarily invest in U.S. common stocks of large capitalization companies, which are typically companies with market capitalizations of at least \$10 billion at time of acquisition. Portfolios within the composite invest in securities that have the potential for capital appreciation or that are expected to resist market declines. Portfolios within the composite invest in securities of companies across the valuation spectrum, including securities issued by both growth & value companies. The Core Equity Composite was created March 28, 2005. The performance presentation is in U.S. dollars.

Effective July 1, 2015 the composite definition/description was revised in order to provide further clarity of the composite’s investment strategy.

ADDITIONAL COMPOSITE INFORMATION: For periods prior to February 1, 2009, the composite included carve-outs of the equity segments of balanced portfolios. Cash was allocated to the carve-out segments by first allocating up to the maximum equity allocation, with the remaining balance of the cash then being allocated to the fixed income segment of the portfolio. Allocated cash could not exceed total portfolio cash. If the cash required to be allocated to the equity segment was greater than the total cash of the portfolio, the cash balance was allocated to the equity segment and no cash was allocated to the fixed income segment.

Percent of composite assets that include carve-outs are as follows: 2007 – 3.43%, 2008 – 4.27%.

COMPLIANCE STATEMENT: Ivy Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Ivy Investments has been independently verified for the periods from January 1, 1995 through December 31, 2016. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm’s policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

FEES: The schedule outlined below represents fees charged for account management according to the Core Equity discipline. The fees reflected below are not necessarily the same as those charged to portfolios included in the composite during the periods presented:

0.60% on the first \$25 million
0.50% on the next \$25 million
0.40% on the balances above \$50 million

MEASURES OF DISPERSION: Internal dispersion is calculated using the equal-weighted standard deviation of annual gross-of-fees returns of those portfolios that were included in the composite for the entire year. Periods where the internal dispersion is not presented and reflects N/A indicates the information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

The three-year annualized standard deviation is not presented and reflects N/A for any date that the composite did not yet have 36 monthly returns as of that specific date.

BENCHMARK: For comparative purposes, the composite is measured against the S&P 500 Index.

The S&P 500 Index is a float-adjusted market capitalization weighted index that measures the large-cap U.S. equity market. The index includes 500 of the top companies in leading industries of the U.S. economy. Source: Standard & Poor's.

OTHER MATTERS: The composite has been co-managed by Erik Becker and Gus Zinn from July 2006 – current date. Jim Wineland managed the composite from July 1999 – July 2006. Russ Thompson and Jim Wineland co-managed from July 1997 – July 1999. Russ Thompson managed from inception – July 1997.

A complete list of composite descriptions is available upon request.

IMPORTANT PERFORMANCE INFORMATION: Past performance is no guarantee of future results. Returns may be impacted by ongoing market volatility. Please inquire for more current performance information.

Returns reflect the reinvestment of all dividends and other earnings. Portfolio returns are net of all foreign reclaimable and non-reclaimable withholding taxes, if applicable. Withholding taxes are recognized on an accrual basis or cash basis depending on client and/or account type. Additional information regarding treatment of withholding taxes is available upon request. Returns shown gross of fees reflect the deduction of commissions paid, but are gross of all other expenses. Net-of-fees returns are calculated by deducting the highest applicable advisory fee from the monthly gross composite return. The highest applicable advisory fee from composite inception date to 6/30/2015 was 0.60% and from 7/1/2015 to current is 0.70%. The actual fees paid by a client may vary based on assets under management and other factors.

A client's return will be reduced by investment management fees and other expenses incurred in the management of a client's account. Investment advisory fees are described in Part 2 of the ADV. Investment returns and the actual value of each client account will fluctuate, and at any given time an account could be worth more or less than the amount invested. The benchmark selected for the composite is intended to provide a method to compare the composite's performance to an index including securities that are generally similar to those that are included in the composite. However, composite holdings (and, accordingly, risk and volatility) may differ significantly from the securities tracked by their benchmarks. Our registration as an Investment Adviser does not imply any level of skill or training.

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