

# Healthcare & Life Sciences

## Model-Delivered Separately Managed Account

### Fact Sheet

December 31, 2023

The Eventide Healthcare & Life Sciences Model-Delivered SMA seeks to recommend investments in securities that provide long-term capital appreciation by investing in equities of healthcare companies, including within biotechnology, identified as having strong fundamentals, creating value for stakeholders (customers, employees, supply chain, community, environment, society and shareholders), and that, in its opinion, represent above-average long-term investment opportunities or have significant near-term appreciation potential.

Hypothetical Trailing Returns <sup>2</sup> (%)	31 Dec 2023							
	YTD	3-mos	1-year	3-year <sup>3</sup>	5-year <sup>3</sup>	10-year	Since Inception <sup>3</sup>	Inception Date <sup>3</sup>
Healthcare & Life Sciences Model-Delivered SMA	22.47	17.64	22.47	-8.56	7.09	—	7.31	02/28/2017
S&P Biotechnology Select Industry Index <sup>4</sup>	7.76	22.18	7.76	-13.91	4.58	—	3.77	02/28/2017

Hypothetical Calendar Year Returns <sup>2</sup> (%)	2018–2023					
	2018	2019	2020	2021	2022	2023
Healthcare & Life Sciences Model-Delivered SMA	-8.11	43.47	28.39	-19.01	-22.90	22.47
S&P Biotechnology Select Industry Index <sup>4</sup>	-14.99	32.34	48.10	-20.38	-25.62	7.76

On Fact Sheets produced between Q2 2023 and Q3 2023, 3YR, 5YR and SI performance was understated due to the exclusion of the positive return contribution of one security between the periods of February–August 2021. The maximum understatement of performance over the period as presented in Fact Sheets was as follows; 3YR: 0.85%, 5YR: 0.56%, SI: 0.44%.

On Fact Sheets produced through Q2, 2022, Eventide's methodology in calculating performance differed from the actual target weights and instructions delivered to Model-Delivered SMA clients. Specifically, the calculation methodology that Eventide used assumed a full rebalance to a Model-Delivered SMA portfolio even on an intra-quarter basis, whereas the Model-Delivered SMA is not intended to be rebalanced with respect to all positions on an intra-quarter basis. This makes the performance calculations for those periods on prior Fact Sheets inconsistent with Eventide's model and its instructions delivered to Model-Delivered SMA clients. In addition, on Fact Sheets produced between Q1 2021 through Q2, 2022, Eventide incorrectly displayed gross performance displays as net performance. Any prospects interested in Eventide's Model-Delivered SMA or existing clients who use the Model-Delivered SMAs should carefully review the updated performance display, in addition to the disclosures below.

The Performance displayed above is hypothetical and is not based on the actual returns of any portfolio managed by Eventide. The hypothetical performance shown for the Model-Delivered SMA depicts a model strategy that represents target allocations to equities and some cash/other in this strategy that is typically rebalanced quarterly. Hypothetical performance returns are based on criteria and assumptions and subject to significant risks and limits and are for informational purposes only and should not be solely relied upon to make an investment decision. There is no guarantee that any results shown will align with the results of an actual portfolio, which could be lower. The hypothetical performance shown will be higher than the actual performance achieved by a portfolio because it does not reflect all of the fees and expenses that could be charged. It is possible that there will be material differences between the holdings and hypothetical performance results and the actual holdings and results achieved by a portfolio, and an investor's returns can be substantially lower. See more below for more information about the basis for the hypothetical presentation, the assumptions and the risks and limitations associated with it. Past performance does not guarantee future results. Hypothetical returns are displayed relative to an index. Investors cannot directly invest in an index, and unmanaged index returns do not reflect any fees, expenses, or sales charges. The volatility of an index can be materially different than that of the model, and those who implement a Model-Delivered SMA should not expect identical returns to an index.

1. Top model weights displayed represent the actual percentage of net assets in the Model-Delivered SMA portfolio in the position, as of the applicable quarter-end. These do not represent target weights of the Portfolio Manager. Top model weights can change at any time. References to specific securities or weightings should not be considered investment advice. Model-Delivered SMA are rebalanced by Eventide at non-specified intervals. Subscribers may rebalance a Model-Delivered SMA at any time. Does not include cash/money market funds/equivalents.
2. Model performance is based on an investment methodology applied to a hypothetical portfolio. The weights of each

security are based on actual target weights set by Eventide's portfolio manager. The model may be rebalanced when the target weights are updated. All purchases and sales are assumed to be executed at the market closing price per share on the day the transaction was executed. Actual performance after implementing the model portfolio may differ substantially. Because of ongoing market volatility, model performance may be subject to substantial short-term changes. Performance is shown net of a hypothetical management fee of 0.65%, but does not deduct costs related to trading, execution, and other administrative costs that may be associated with the model portfolio. Total investment returns include realized

#### TOP MODEL WEIGHTS<sup>1</sup>

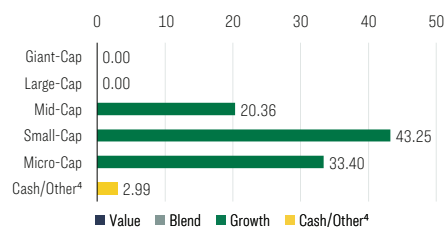
- Karuna Therapeutics Inc (5.91%)** Novel therapies for disabling neuropsychiatric disorders and pain
- Zentalis Pharmaceuticals (3.83%)** Biotechnology company focused on novel small molecule therapies
- Celldex Therapeutics Inc (3.63%)** Applications of immunology to prevent and treat diseases
- Exact Sciences Corp (3.62%)** Non-invasive molecular screening for colorectal cancer
- 908 Devices Inc (3.18%)** Medical devices for chemical and biomolecular analysis
- IDEXX Laboratories Inc (3.12%)** Diagnostics for veterinary and water testing applications
- Blueprint Medicines Corp (3.01%)** Kinase therapies for genomically defined diseases
- Cytokinetics (2.92%)** Develops next-generation therapies for heart diseases
- Marinus Pharmaceuticals (2.52%)** Developing novel therapies for unmet needs in epilepsy
- Miram Pharmaceuticals Inc (2.51%)** Treating rare pediatric cholestasis diseases with IBAT inhibitors

and unrealized gains and losses and dividends. Dividends are accounted for on an accrual basis and are reinvested back into the model. Actual performance would be reduced by investment advisory fees and other expenses that may be incurred in the management of an account that has implemented the model. The collection of fees produces a compounding effect on the total rate of return net of management fees. Model performance does not represent actual trading and does not reflect the impact of material economic and market factors that might impact an adviser's decision in the management of actual client portfolios. It should not be assumed that actual investments will follow the model. Actual investments are made by advisers with their client's investment objective, risk tolerance, and income needs in mind. Actual subscribers may receive varying access to investment recommendations of the model depending on their model platform and financial consultant, which can affect the actual returns of their clients and so may differ substantially from the returns figures posted here.

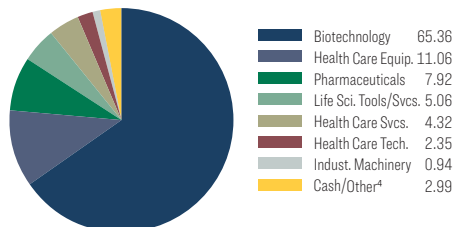
3. Performance figures for periods greater than 1 year are annualized. Annualized since inception hypothetical returns assume the inception date of 02/28/2017 unless otherwise noted.
4. The S&P Biotechnology Select Industry Index represents the biotechnology sub-industry portion of the S&P Total Markets Index.

## OVERVIEW

Eventide Asset Management, LLC is a Boston-based Registered Investment Adviser<sup>1</sup> and serves as the Adviser to Eventide's non-discretionary Model-Delivered SMAs. Founded in 2008, Eventide's vision is to serve individuals, financial advisors, and institutions by providing potentially high-performing investments that create compelling value for the global common good. Eventide is the Adviser to the Strategic Growth, Dividend Growth, Healthcare & Life Sciences, and Large Cap Model-Delivered SMAs.<sup>2</sup>

Portfolio Composition<sup>3</sup> (%) 31 Dec 2023

Equity market capitalization: \$6.6B average, \$3.3B median  
Number of holdings: 57

Industry Allocation<sup>5</sup> 31 Dec 2023

1. Registration of an investment adviser does not imply certain level of skill or training, nor does it imply endorsement by the U.S. Securities and Exchange Commission.
2. Eventide's Model-Delivered SMA are generally implemented by intermediaries serving as investment advisers and/or service agents to their clients. Eventide does not accept or maintain discretionary authority related to the implementation of model portfolios for the accounts of investors, including any overlay services that may impact whether all or a portion of a model portfolio is implemented, how and when securities are traded, or other decisions that may affect management of investor accounts, such as reasonable restrictions requested by investors, tax advice, or other guidance that advisers may provide to their clients.

3. Market cap definitions are based on those used by Morningstar, where Giant-Cap are those companies that account for the top 40% of capitalization, Large-Cap is the next 30%, Mid-Cap is the next 20%, Small-Cap is the next 7%, and Micro-Cap is the last 3%. Eventide applies Morningstar's U.S. style zone to evaluate securities. Value is defined as having a current earnings yield greater than 10%. Growth is defined as having a current earnings yield less than 5%. Blend is defined as having a current earnings yield between 5% and 10%.
4. Includes cash, cash equivalents, and money market funds.
5. Allocation percentages are subject to change at any time, and should not be considered investment advice.

**All investments involve risk including the possible loss of principal. Past performance does not guarantee future results. Application of Eventide's ethical values screening criteria could cause the Model-Delivered SMA to under-perform similar funds that do not have such screening criteria. The Model-Delivered SMA uses a long-only strategy. Some allocation to cash can be recommended in the model when deemed prudent by Eventide's investment team. Eventide's Model-Delivered SMA is managed by Eventide on a non-discretionary basis and implemented by parties having investment discretion. Actual investments are made by intermediaries serving as investment advisers and/or service agents to their clients with their client's investment objective, risk tolerance and income needs in mind. It should not be assumed that actual investments in a portfolio will be implemented in accordance with the Model-Delivered SMA, and individual performance results can vary. Please see included risks and limitations associated with relying on this hypothetical performance display.**

Investing in the Healthcare & Life Sciences Strategy involves risk, including the possible loss of principal. The Healthcare & Life Sciences Strategy invests in biotechnology and pharmaceutical companies, which present risks including that they may be heavily dependent on clinical trials with uncertain outcomes and decisions made by the U.S. Food and Drug Administration. These companies are dependent on patent protection, and the expiration of patents may adversely affect the profitability of the companies. Additionally, the profitability of some healthcare and life sciences companies may be dependent on a relatively limited number of products, and their products can become obsolete due to sector innovation,

changes in technologies or other market developments. Risks associated with investments in foreign companies include exposure to currency fluctuations, less efficient trading markets, political instability and differing auditing and legal standards. ADRs are certificates that evidence ownership of shares of a foreign company and are alternatives to purchasing foreign securities directly in their national markets and currencies. ADRs are generally subject to the same risks as direct investment in foreign companies. The Healthcare & Life Sciences Strategy can invest in the stocks of smaller-sized and mid-sized companies, which generally have earnings and prospects that are more volatile than larger companies. These companies may experience higher failure rates than larger companies. Small- and mid-sized companies normally have a lower trading volume than larger companies, which may tend to make their market price fall more disproportionately than larger companies in response to selling pressures. Small- and mid-sized companies may also have limited markets, product lines or financial resources and may lack management experience. The RAISE initiative might have an effect of limiting investment opportunities in healthcare companies available to the Healthcare & Life Sciences Strategy, or the amount of profits that can be realized by such companies, which may have the effect of limiting the Healthcare & Life Sciences Strategy's investment returns. "Growth" stocks can react differently to issuer, political, market, and economic developments than the market as a whole and other types of stocks. Growth stocks also have special risks, including that they tend to be more expensive relative to their earnings or assets compared to other types of stocks and as a result, such stocks tend to be sensitive to changes in their earnings and more volatile in price than the stock market as

## MANAGER



**Finny Kuruvilla, MD, PhD**, serves as co-Chief Investment Officer for Eventide and Senior Portfolio Manager for the Eventide Gilead Fund and the Eventide Healthcare & Life Sciences Fund, and Portfolio Manager for Eventide's Strategic Growth and Healthcare strategies for Institutional SMA and Model-Delivered SMA. Dr. Kuruvilla also is a Managing Director of Eventide Ventures, Eventide's private investing line of business. He has a unique background in healthcare, statistics, and investing. He holds an MD from Harvard Medical School, a PhD in Chemistry and Chemical Biology from Harvard University, a master's degree in Electrical Engineering and Computer Science from MIT, and a bachelor's degree from Caltech in Chemistry. He completed his residency and fellowship at the Brigham & Women's Hospital and Children's Hospital Boston where he cared for adult and pediatric patients suffering from a variety of hematologic, oncologic, and autoimmune disorders. Subsequently, he was a research fellow at MIT where he designed and implemented statistical algorithms involving logistic regression and pseudo-Bayesian expectation maximization.

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a whole. Investors should consider the Healthcare & Life Sciences Strategy's investment objectives, risks, charges, and expenses carefully before investing or sending money. Investors should also carefully review a current copy of Eventide's Brochure for an additional disclosure of Eventide's investment strategies, approach, and relevant risks, as updated from time to time. For more information, please contact Eventide at 1-877-771-EVEN (3836).

## Hypothetical Performance

The performance presented herein is hypothetical, does not represent actual trading results for a single account or composite of accounts similar to the hypothetical portfolio described. There is no guarantee that Eventide would have achieved similar results if it had made such investments on behalf of an account similar to the hypothetical portfolio described.

## Basis of Presentation

This presentation is based on a hypothetical portfolio comprised solely of the securities recommended in each Model-Delivered SMA (the "Investments"). The hypothetical performance information presented herein is provided for illustrative purposes only and should not be the basis for making an investment decision. It is designed to help potential clients of Model-Delivered SMAs (and the financial intermediaries or sponsors of wrap fee programs that retain the discretionary authority over the

client's financial accounts) as there are no actual trading results available for a single account or composite of accounts.

Eventide's hypothetical performance presentation includes the investment returns on the Investments in the Strategic Growth Model-Delivered SMA from an inception date of 02/28/2017, through the most recent quarter end. Although Eventide began making recommendations on the Healthcare & Life Sciences Model-Delivered SMA prior to 02/28/2017, the underlying data on which performance calculations would be based prior to 02/28/2017 is not available. Therefore, Eventide considers the inception date for the Healthcare & Life Sciences Model-Delivered SMA to be 02/28/2017.

Eventide generally updates its Model-Delivered SMA portfolios on a quarterly basis, but also might provide instructions regarding a specific security or securities on an ad hoc basis.

Eventide's hypothetical performance presentation assumes that the client would implement trades in a manner consistent with the instructions received from Eventide. Eventide recommends both full rebalances as well as ad hoc adjustments to specific security weights. Full rebalances are generally recommended on a quarterly basis while intra-quarter updates are generally weight adjustments to specific securities. Eventide manages the Model-Delivered SMAs on a non-discretionary basis and recognizes some clients may choose to implement the Model-Delivered SMA in a manner not consistent with Eventide's instructions. Therefore, as a result, there may be differences between Eventide's hypothetical performance display, and the actual performance achieved by an Eventide Model-Delivered SMA client.

This hypothetical performance presentation contains both realized and unrealized gains and losses of the Investments. For realized gains or losses, if the Model-Delivered SMA recommends a sale, the Investment is valued based on the value of the position on the recommended sell date (e.g., the market value of the security at the close of the market, on the day a sale was recommended). For unrealized Investments, Eventide uses a valuation based on the market price of such Investment on the most recent applicable quarter end.

### Net Performance Calculations

Net performance calculations for the Healthcare & Life Sciences Model-Delivered SMA are based on an assumed management fee of 0.65%, the maximum fee Eventide charges for non-discretionary Model-Delivered SMAs. Eventide reduces the gross returns by 0.05417% monthly to derive net returns for the applicable time periods. Eventide's hypothetical performance presentation does not include fees charged by financial intermediaries, brokerage commissions, transaction fees, and other costs and expenses incurred by financial intermediaries or their clients in connection with implementing the Model-Delivered SMAs. Had such fees been included, the results in this hypothetical performance presentation would be lower.

### Risks and Limitations

Hypothetical performance might show markedly better results than actual management and should not be the basis for an investment decision.

Rather, the performance presentation is based on the application of certain criteria and assumptions described above. Financial institutions and clients of Model-Delivered SMAs should consider the following additional limitations in evaluating the performance presented herein.

There is no guarantee that Eventide's recommended Investments in the Model-Delivered SMAs over a similar period, if actively traded on a discretionary basis, would have achieved similar results. There is no guarantee that Eventide would have made similar investment or trading decisions if managing Investments for a portfolio invested in a similar strategy as the Model-Delivered SMA or that any actively managed portfolio would achieve similar results.

A variety of factors could impact investment decision making or otherwise differ between the Model-Delivered SMA performance and an actual result achieved by a portfolio, including:

- Unrealized investments might not be able to be realized at current values;
- Future market conditions in which Eventide recommends investments could be less favorable than market conditions during the time in which the Model-Delivered SMA returns are shown;

- We deliver investment recommendations to Eventide discretionary clients first, which might impact the actual performance of a non-discretionary portfolio if trades are effectuated at a less desirable time or price;
- Eventide's practice to trade on behalf of its discretionary clients first can result in less favorable transaction execution or prices for clients choosing to implement the Model-Delivered SMAs, negatively impacting the performance of the Model-Delivered SMAs compared with other investment programs and strategies offered by Eventide;
- The Investments managed in a non-discretionary Model-Delivered SMA portfolio can be subject to different considerations than a discretionary account in the same Strategy such as cash management considerations;
- Similar quality investments or pricing might not be available at the time of implementation due to delays between when Eventide makes investment recommendations on behalf of the Model-Delivered SMA, and it is implemented by the party with discretionary authority;
- The Model-Delivered SMA will be implemented by another party, who might make investment recommendations that differ from the results shown here, including recommendations influenced by restrictions and a particular person's investment profile;
- The Model-Delivered SMA does not account for real world trading and related fees and expenses; and
- The Model-Delivered SMA does not include all fees and expenses, including those of the party with discretion, and the additional fees and expenses experienced by an actual account will reduce the performance experienced.

**Eventide's Model-Delivered SMAs are offered to Financial Advisers and/or Intermediaries. They do not address or account for the individual circumstances of specific investors including, but not limited to, financial needs, objectives, goals, time horizon, and risk tolerance. You should consider a model's investment objectives, risks, fees and expenses carefully before investing. For additional information, please contact your financial consultant.**