



Emerald Advisers is an investment management firm founded in 1991 that specializes in actively managed investment portfolios, with an emphasis on fundamental, hands-on research analysis anchored by our proprietary 10-step research process. We believe our products provide investors with a convenient way to benefit from the knowledge and insights of an experienced investment team. In addition, we believe clients are advantaged by our low turnover in investment staff which continues to enhance our collective experience and delivers competitive risk-adjusted performance.

## Investment Philosophy/Objective

Emerald seeks to maximize returns and minimize risks by capitalizing on the inefficiencies inherent in today's mid cap markets. Emerald is dedicated to fundamental, bottom-up research. The Mid Cap Growth product's objective is to outperform the Russell Mid Cap Growth Index and rank in the upper echelon to its peer group over a full market cycle by constructing portfolios similar to our Small Cap Growth portfolios but in addition, considering companies with increasing Return on Invested Capital (ROIC).

## Investment Process/Portfolio Construction

Emerald uses a ten-step research process to assist in identifying companies that qualify for inclusion in its mid cap growth portfolio. The process reveals competitive advantage, an assessment of management, specific growth drivers, risk, valuation metrics (and its comparable). Emerald portfolio managers and research analysts are in constant communication and also participate in weekly structured research meetings. To control volatility, Emerald diversifies its portfolios not only between the broad economic sectors, but also among subgroups or industries within these sectors.

In addition to incorporating fundamental research in the investment process, quantitative and technical analysis is used in generating ideas. The Emerald Mid Cap Growth portfolio includes companies with market capitalizations equal to or less than the largest R-MCG company. Company selection criteria include: competitive advantage, increasing ROIC, leadership position, growth rate exceeding peer group, and differentiated growth drivers. The portfolio will generally hold between 80 - 100 stocks consisting of 1/2 - 3% positions providing both sector and industry diversification.

### PORTFOLIO WEIGHTINGS

#### Sector

Up to 3x Russell MCG Index  
(45% Max)

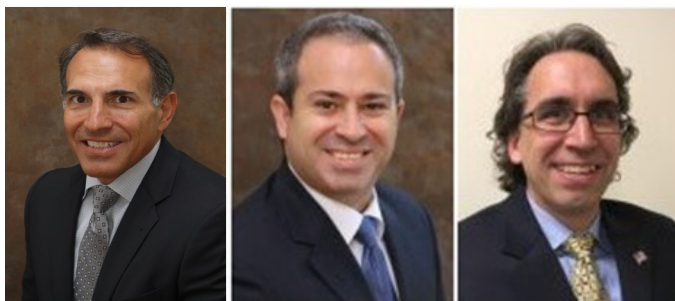
#### Industry

Up to 25% Max

#### Individual Stock

Up to 5% Max

## Portfolio Managers



### **David A. Volpe, CFA**

Deputy Chief Investment Officer  
Managing Director - 30 Years Experience

### **Stephen L. Amsterdam**

Associate Portfolio Manager - 29 Years Experience

### **Joseph Hovorka**

Associate Portfolio Manager - 24 Years Experience

*As of December 31, 2020*

### **Emerald Advisers, LLC**

3175 Oregon Pike • Leola, PA 17540 • Tel: 800-722-4123 • 717-556-8900 • Fax: 717-556-8895 • [www.teamemerald.com](http://www.teamemerald.com)