Essential Growth Portfolio℠

Report for the Second Quarter of 2018

Philosophy

We believe that high quality companies will deliver excellent risk-adjusted returns for investors over a complete market cycle, if chosen according to a disciplined, value-oriented process.

Objective

We seek long-term capital appreciation by investing in a diversified portfolio of common stocks of companies that demonstrate long histories of strong returns on equity and consistent earnings growth. Dividend income is a secondary consideration.

Essential Investment Partners

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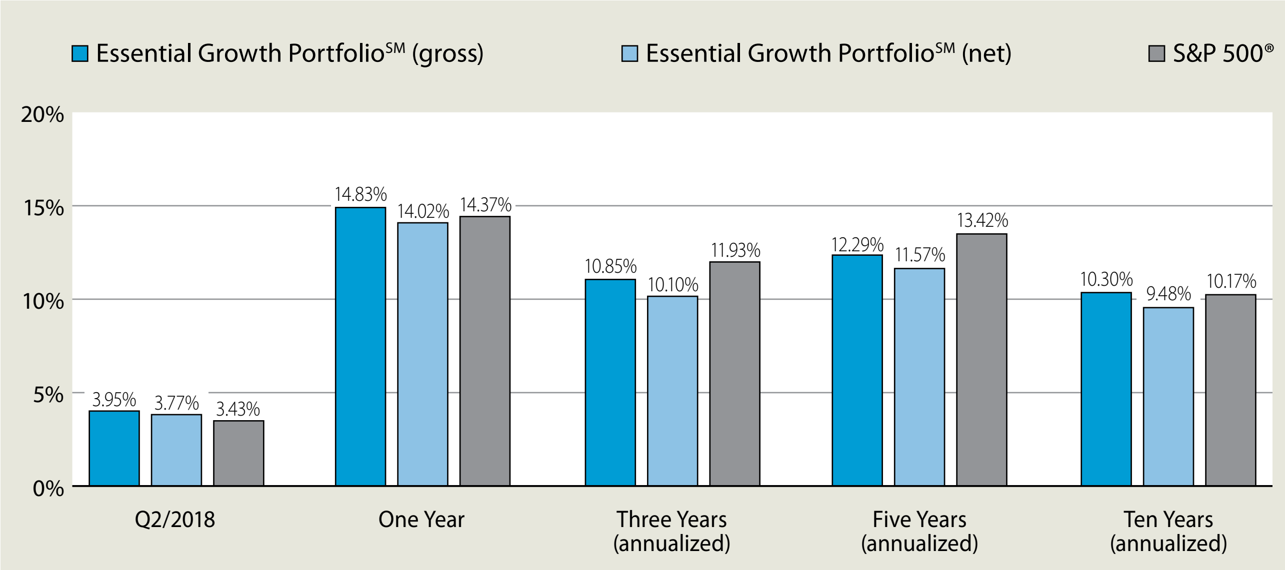
Essential Growth Portfolio℠
Total Returns for Periods Ended June 30, 2018



Portfolio Manager's Commentary for Second Quarter of 2018

The markets for US stocks and non US stocks sharply diverged in the second quarter. In the US, markets were buoyed by continued strong earnings growth while international stocks were hurt by a strong dollar and concerns about the impact of sharp trade talk from the Trump administration.

Top Ten Holdings as of 6/30/18

UnitedHealth Group Incorporated	6.6%
Alphabet Inc. Classes A and C	6.2%
The TJX Companies, Inc.	5.0%
Apple Inc.	4.7%
Mastercard Incorporated	4.7%
Cognizant Technology Solutions Corp-Cl A	4.5%
Becton, Dickinson and Company	4.4%
Booking Holdings Inc.	4.3%
Johnson & Johnson	4.0%
Microsoft Corporation	3.9%

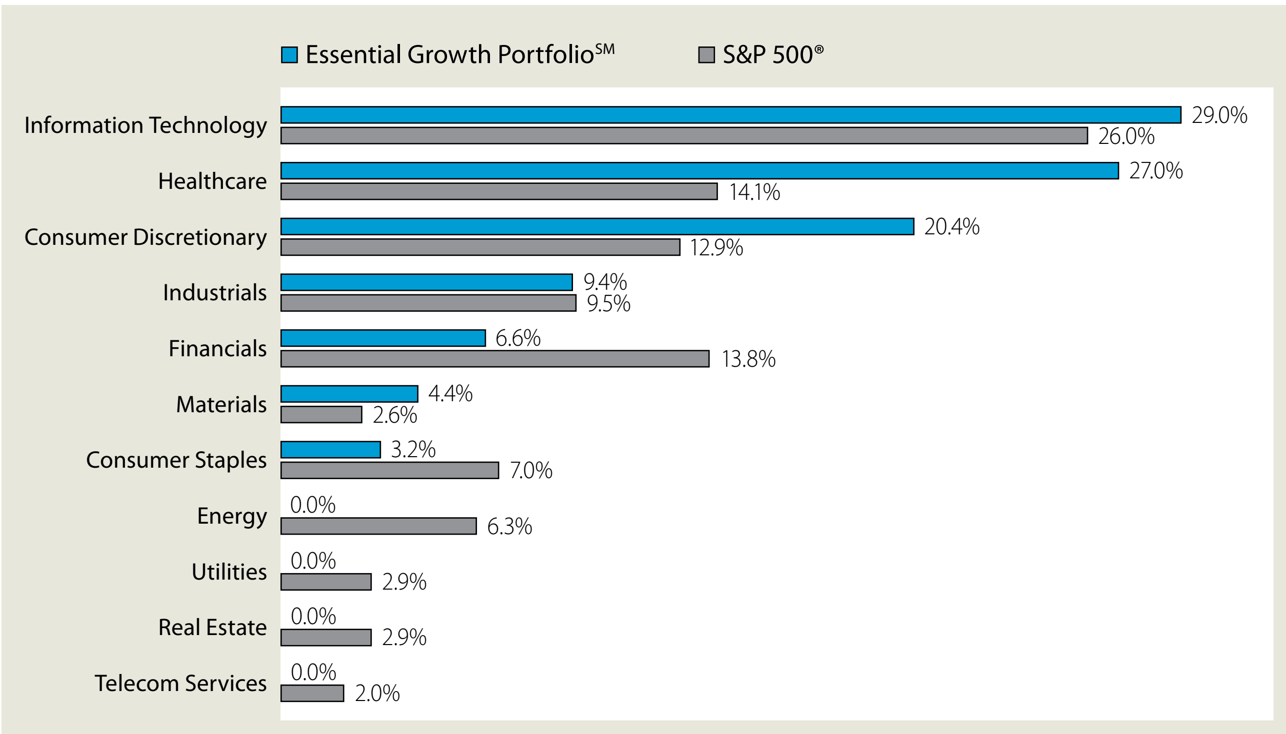
Portfolio Characteristics as of 6/30/18

	EGP	S&P500®
Market capitalization ($bil)	$210	$217
Dividend yield	1.22%	1.95%
Sharpe ratio	1.31	1.37

For the second quarter, US stocks, as represented by the S&P 500 Index®, gained 3.43%. Meanwhile, small cap stocks jumped 7.75% (Russell 2000 Index®) as they were viewed as being protected from the impact of tariffs. The MSCI EAFE Index fell 1.07% and emerging markets fell much further.

The Essential Growth Portfolio℠ composite modestly exceeded the return of the S&P 500 Index® in the second quarter with a return of +3.95% (gross) and +3.77% (net of fees). For the preceding twelve months, the Essential Growth Portfolio℠ composite finished in line with the index, returning +14.83% (gross) and +14.02% (net of fees), compared to a gain of 14.37% for the S&P 500 Index®.

Sector Comparison vs. S&P 500® as of June 30, 2018



We have long managed the Growth Portfolio as a concentrated strategy, focusing the largest weights on the stocks of companies in which we have the highest conviction. Those large positions paid off this past quarter as the top five holdings – UnitedHealth, Alphabet, TJX, Mastercard and Apple – all delivered strongly positive returns. Unfortunately, we also had three significant detractors, among smaller positions, which offset some of these gains. Starbucks dropped precipitously after a weak sales forecast and a poor debut by the new CEO. Dollar

Tree posted disappointed progress on the integration of its acquisition of Family Dollar. Finally, Ball fell on the belief that aluminum tariffs would hurt the company (when in fact their major contracts protect them from fluctuations in the price of aluminum).

We did add to the Ball holding and also added a new holding, Marsh & McLennan, a large insurance brokerage which we believe could benefit from an improvement in insurance pricing. We trimmed both Mastercard and TJX after significant increases in their stock prices. We also trimmed Starbucks early in the quarter but in hindsight should have trimmed the position much more than we did.

Looking at sectors, health care was the biggest contributor to positive results during the quarter, followed by technology. These two sectors are by far the biggest weightings in the Growth Portfolio. Consumer discretionary, the third biggest sector weight, was a mixed bag with the gains of TJX reduced by declines in Starbucks and Dollar Tree.

Our "quality growth" philosophy remains unchanged and we focus on the long term results of the strategy. We are pleased with the ten year results, which encompass a full market cycle, and show that we largely achieved our objective of providing returns very similar to those of the US large cap market with somewhat less risk.

Jon Zeschin, CPA/PFS, CFP®
Portfolio Manager

Important Information

Essential Investment Partners, LLC ("EIP") is registered as an investment adviser with the U.S. Securities and Exchange Commission and will transact investment advisory business in states only to the extent EIP has made or is exempt from the requisite notice filings. No follow up or individualized responses to persons in other jurisdictions that involve either rendering or attempting to render personalized investment advice for compensation will be made absent compliance with applicable legal requirements, or an applicable exemption or exclusion.

The Essential Growth Portfolio℠ is a composite of portfolios managed by EIP in this strategy. This Portfolio may be used as a model for recommendations to other advisory clients, depending on the clients' individual needs, financial condition and risk tolerance. Holdings in an individual client's portfolio may vary from the holdings presented herein.

All composite returns are calculated as time-weighted total returns, reflecting the reinvestment of dividends and capital gains, the effects of cash holdings and the deduction of brokerage commissions on transactions. Dividends and other distributions are recorded when received in cash or additional shares, regardless of when such distributions may be recognized for income tax purposes. "EGP Gross" means the total return composite for the Essential Growth Portfolio℠ without the effect of management fees charged by EIP. "EGP Net" reflects the "EGP Gross" returns adjusted for the actual fees charged to clients. For non-fee paying accounts, EGP Net reflects EGP Gross returns adjusted for the effects of charging a hypothetical fee using EIP's standard fee schedule of 1% of assets per annum up to $2 million, 0.75% of assets per annum on the next $3 million of assets and 0.50% of assets per annum on assets in excess of $5 million, billed quarterly in arrears. This is the highest fee schedule charged to any client using the Essential Growth Portfolio℠. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. The composite contains all fee-paying accounts which are or were managed as standalone portfolios using this strategy. *Past performance does not guarantee future results.* Investing in stocks involves substantial risks, including the risk of losing some or all of the amounts invested.

Prior to 2007, the Essential Growth Portfolio℠ included stocks of all market capitalizations. Since the beginning of 2007, a stock must have a market capitalization of greater than $1 billion to be considered for purchase (and legacy positions were eliminated by the end of 2007). The portfolio management team changed in October, 2015.

The S&P 500® is an unmanaged index of U.S. stocks weighted by market capitalization. The S&P 500® returns presented are time-weighted total returns, including the reinvestment of dividends.

All portfolio characteristics for the Essential Growth Portfolio℠ are weighted averages, except the Sharpe Ratio. The Sharpe Ratio measures the amount of return per unit of risk taken and is calculated by dividing the five year gross annualized return by the five year annualized standard deviation. The sources for other portfolio characteristics are Morningstar, Inc. and internal calculations performed by Essential Investment Partners, LLC.

This information is for illustrative purposes only; nothing contained herein is intended as investment advice or an opinion regarding the appropriateness of any investment, or a solicitation of any type.

 Please obtain and read the SEC Form ADV for Essential Investment Partners, LLC for more complete information regarding the firm and its services.

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