WINDWARD CAPITAL

Risk Averse Asset Management

2022 First Quarter Review

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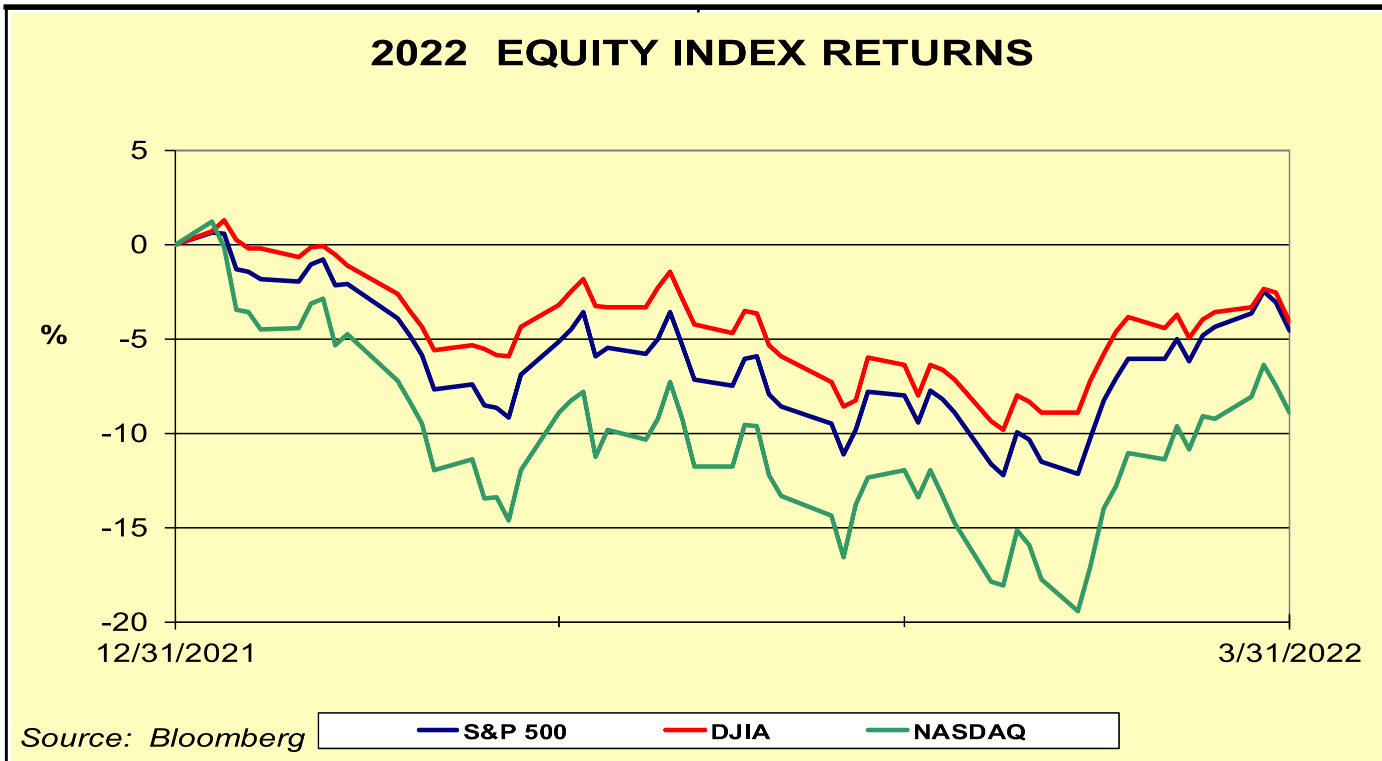

The Fog of War

"But it more often happens that the correction of one premise, and the knowledge of chance events which have arisen, are not sufficient to overthrow our plans completely, but only suffice to produce hesitation. Our knowledge of circumstances has increased, but our uncertainty, instead of having diminished, has only increased."

— from *On War* (1832)
Carl von Clausewitz (1780 – 1831)
Prussian General and Military Theorist

After reaching historic highs during the Fourth Quarter of 2021, the major U.S. equity market indices declined anywhere from –10-20% during the First Quarter of 2022 before recovering a significant portion of those losses by the end of the period. As a result, the Standard & Poor's 500 Index (S&P 500), Dow Jones Industrial Average (DJIA), and NASDAQ Composite Index (NASDAQ) eventually ended up returning –4.60%, –4.10%, and –8.94%, respectively, for the First Quarter of 2022. Despite these recent losses, the indices have still increased by approximately +100% since the March 2020 coronavirus pandemic lows.

Among other things, the recent bout of financial market volatility appears to be related to significant uncertainties regarding the impacts of tighter monetary policy, inflation, and geopolitical conflict on the global macroeconomy and the resultant effect that these issues could have on the corporate revenue and earnings outlook. Indeed, the Russian invasion of Ukraine adds to the uncertainty about the outlook for economic activity and inflation, as the conflict carries the risk of further exacerbating supply chain disruptions and of putting additional upward pressure on inflation by boosting the prices for energy, food, and other key commodities. The extent and duration of these impacts remains unknowable. As a result, until there is greater clarity regarding the ultimate resolution of these uncertainties, we believe that the current inter-, and intra-, day financial market volatility may persist.

Fortunately, despite expectations for a near-term tightening of financial conditions and concomitant slowdown in growth, the U.S. economy remains in a relatively strong position and continues to be supported by factors that we have discussed in the past: (still) accommodative fiscal and monetary policies, employment-driven increases in household income, rising net worth of the household sector, and a high level of savings accumulated during the course of the pandemic.

Predictably, some of the factors providing underlying support to the U.S. economy over the last few years have also had the unintended consequence of creating speculative excesses in specific areas of the financial markets. Recent examples include trading activity in near-bankrupt companies, microcaps, penny stocks, cryptocurrencies, non-fungible tokens (NFTs), special purpose acquisition companies (SPACs), and thematic ETFs, among other financial instruments. Liquidity effects, excessive leverage, and momentum "investing" have combined with high-frequency trading, algorithms, the pervasive use of ETFs, and a variety of social media-driven commission-free retail trading platforms to exacerbate this trend. In addition, economic sectors with generally-suspect long-term business fundamentals (e.g., Energy, Materials, and Financials) have traded in and out of favor based upon an unwinding (via higher yields) of the extraordinary bond market rally of mid-2020, projections of substantive and sustained inflation, and expectations regarding a renewed commodity supercycle.

As we have noted in the past, the ultimate unwinding of these speculative excesses and rotational sector moves may result in increased volatility and, potentially, a near-term market correction. We do not believe, however, that these factors represent a systemic risk to the overall financial markets. In addition, we believe that the risk associated with any resultant financial market volatility is mitigated in *Windward* portfolios—especially over the long run—to a large degree by the fact that we are invested in "high quality," dominant, financially-strong, leading companies with best-in-class managements, high incremental returns on invested capital, and business models with sustainable competitive advantages.

Historically, periods of excessive ex-ante savings, combined with demand that is too weak to justify investment, cause certain areas of the financial markets to become driven by the speculative rearranging of portfolios rather than by the underlying business fundamentals (like return on capital investment). We are not "traders;" we are investors. As such, it is irrelevant to us whether or not "the market" agrees with us over the short term. For speculators, on the other hand, daily market affirmation remains essential.

Although our strategies may underperform relative to the market indices over the short term given the degree to which other market participants make ungrounded assumptions and/or high-frequency trading and algorithmic "investment" strategies engage in daily speculative financial market trading, we believe that we will continue to be successful in making profitable long-term investments for *Windward*'s portfolio strategies.

As you know, *Windward*'s goal is to protect our clients' capital and mitigate market-related risks by investing in specific, high-quality businesses that have long-term, secular growth opportunities. Indeed, we prefer to take a proactive approach to managing risk by investing in specific companies that are taking advantage of the changes in their operating environment to create long-run opportunities for their businesses. Our long-term performance results demonstrate the success of this disciplined investment approach.

As always, we continue to monitor domestic and international political and economic developments as they unfold. As a result, from our long-term perspective, ongoing equity market volatility continues to revolve around numerous global macroeconomic and geopolitical risks that we have elucidated upon in the past. We closely monitor these, as well as other, risks when managing *Windward*'s portfolios of investments. Since we take a long-term view, we typically do not react to short-term financial market fluctuations driven by near-sighted market participants. However, should there be a change in the global macroeconomic indicators and/or corporate fundamentals that we monitor, we are prepared to take whatever action is necessary to protect our clients' capital.

Boomtown

The U.S. economy is entering this period of uncertainty with considerable momentum in demand and a strong labor market—factors that should provide significant support during a potential economic slowdown.

U.S. Real Gross Domestic Product (GDP) accelerated in the Fourth Quarter of 2021, increasing at an annualized rate of +6.9% after increasing +2.3% in the Third Quarter. The acceleration in GDP primarily reflected an increase in private inventory investment, exports, residential fixed investment, and consumer spending. For 2021 overall, U.S. Real GDP increased at a +5.7% annualized rate—compared to a decrease of –3.4% in 2020—and has now reached historic levels.

The U.S. labor market also has substantial momentum. As of the March 2022 report, payroll employment has increased at a pace of 600,000 jobs per month over the past six months, and the unemployment rate has fallen by a percentage point over that period to 3.6%—down from its 14.7% pandemic high, and close to its 3.5% pre-pandemic, historic low. By many measures, the labor market remains extremely tight.

U.S. consumers continue to spend, and the underlying fundamentals for consumption are positive. Retail sales adjusted for inflation increased +9% over the 12 months ending in February 2022—far above the average +2.5% pace observed in the decade prior to the pandemic. As we have discussed in the past, this burst of consumption has been particularly apparent for long-lasting durable goods as the pandemic scrambled typical spending patterns away from services and towards goods. Although we expect spending patterns will eventually return to pre-pandemic trends, the demand for goods has shown only modest signs of abating so far, and spending on many services, although improving, still remains depressed on a relative basis.

Overall consumption has been supported by strong income growth. Since the beginning of 2020, personal income has increased at a faster rate than in any two-year period in the past 15 years—first as the result of stimulus checks and enhanced unemployment benefits, and then with the rapid recovery in the labor market as employment improved and wages rose. As a result, U.S. households now hold over $2 trillion in additional savings relative to pre-pandemic trends—an amount which represents more than 10% of U.S. Real GDP and that should serve as significant support in the event of an economic disruption.

U.S. economic growth over the coming months will be impacted by a variety of factors—not the least of which is the tightening bias of monetary policymakers, whose dual mandate is necessitating a concerted response to recent inflationary pressures (see discussion below). Besides the obvious expectation for an economic slowdown (as evidenced by the Federal Reserve Bank of Atlanta's most recent *GDPNow* forecast for First Quarter 2022 annualized U.S. Real GDP growth of +1.1%), the ultimate magnitude of these impacts remains uncertain.

We will continue to monitor the economic situation as it evolves over time.

Pay More, Get Less

As we have discussed in the past, the coronavirus pandemic and the associated rapid shutdown and uneven reopening of the global macroeconomy caused serious upheaval—snarling supply chains, constraining labor supply, and creating a major boom in demand for goods and a bust in demand for services. Among other factors, the combination of the surge in goods demand with supply chain bottlenecks led to sharply-rising goods prices.

Many forecasters had been expecting inflation to cool in the second half of last year, as the U.S. economy started going back to normal after vaccines became widely available. Expectations were that the supply-side damage would begin to heal. Schools would reopen—freeing parents to return to work—and labor supply would begin bouncing back, kinks in supply chains would begin resolving, and consumption would start rotating back to services—all of which could reduce overall price pressures. While schools are open and labor participation rates have improved, several of the other expectations have not been fully realized. Part of the reason may be that, contrary to expectations, global COVID-related disruptions have not gone away with the arrival of vaccines (as China's ongoing zero-COVID policy lockdowns most painfully demonstrate). Although it continues to seem likely that supply-side healing will come, the timing and scope of that relief remain highly uncertain.

Signs of improvement are slowly emerging, however. The Federal Reserve Bank of New York's Global Supply Chain Pressure Index—which is based upon global transportation cost, delivery time, backlog, and purchased stocks data—fell notably in January and February of 2022 and points to an easing in global supply chain pressures (even though they remain at historically-high levels). In addition, the monthly rate of change in Total U.S. Business Inventories rose faster in the last three months of 2021 than at any time since 2011, suggesting that many companies are finding ways to work around these constraints. Finally, demand growth is also expected to cool as fiscal policy becomes less expansionary and monetary policy accommodation is removed in order to stabilize prices, moderate U.S. economic growth, and alleviate these pressures.

In the interim, however, inflation readings have been higher and are more persistent and widespread than previously anticipated, with the most recent measures of headline and core Personal Consumption Expenditures inflation running at annualized rates of +6.4% and +5.4%, respectively, over the 12 months through February 2022.

The recent conflict in Ukraine presents a variety of additional risks to the inflation outlook—both on the supply and the demand side. Prices have moved up sharply for a number of commodities as Ukrainian production has been affected and as sanctions limit Russian exports. Given Russia's importance in global energy production, there has been a sharp rise in oil and natural gas prices. As a result, the conflict has further boosted inflation, and it threatens to extend or worsen supply chain disruptions. This geopolitical event also poses a downside risk to global macroeconomic growth.

From a longer-term, historical perspective, as we have discussed numerous times in the past, it is important to remember that, since the 1990s, inflation in many advanced economies has run consistently below +2%—even during periods of sustained economic growth. This pattern of low inflation likely reflects sustained disinflationary forces, including technology, globalization, and demographic factors, as well as a stronger and more successful commitment by central banks to maintain price stability. With regard to global inflation dynamics, from a long-term investment perspective, the most important development is the secular deflationary trend that we have discussed in detail over the past several years. Namely, from a global macroeconomic perspective, there remains a surfeit of supply and dearth of demand which is serving as an overall constraint on any secular inflationary dynamic. While underlying global disinflationary factors are likely to evolve over time, there is little reason to believe that they have suddenly reversed or abated because of the pandemic or a geopolitical shock. Indeed, we believe that the same structural forces that have driven this dynamic over recent decades (e.g., the global savings glut, demographic aging, etc.) should continue after these issues wane.

Although continued vigilance is warranted, in our view the inflation data thus far appear to reflect a temporary misalignment of supply and demand that should fade over time as the demand surge normalizes, reopening is completed, and supply adapts to the post-pandemic environment. It remains uncertain, however, how long it will take for this realignment to occur, but moderating economic growth precipitated by less-accommodative monetary policy should accelerate this process.

Tight Spot

As we noted several times over the last two years, the inflation question is not about inflation alone, but inflation combined with how quickly the economy recovers. The risk for the interest rate outlook (i.e., the risk of higher rates) was that the economy would recover to full capacity operating levels faster than policymakers or financial market participants expected. As we have discussed in the past, we expect inflation pressure to moderate, over time. However, given the rapidity with which the U.S. economic output and employment gaps have subsequently closed, we cannot entirely discount the possibility that a variety of factors could cause inflation to remain elevated for longer than anticipated and that the Federal Reserve (Fed) could be "behind the curve" in its efforts to control it. If true, the Fed will need to face the challenge of letting inflation remain persistently high in the intermediate term or risk causing a recession through more aggressive monetary policy actions.

Given that the U.S. is now operating near "maximum employment" and economic growth remains strong, persistent near-term inflationary data has caused the Fed to reevaluate its recent monetary policy stance and err on the side of caution by initiating a reduction in monetary policy accommodation. Specifically, the Fed has indicated that it will continue tightening monetary policy methodically through a series of interest rate increases and by starting to reduce its balance sheet at a rapid pace. As always, these anticipated monetary policy actions remain data dependent, allowing the Fed to maintain its flexibility to adjust the details of its approach to "normalization" in response to changing economic and financial developments.

At the December 2021 Federal Open Market Committee (FOMC) meeting, the Fed took the first step in this process by announcing a doubling of the pace at which it would taper its bond purchases to $30 billion per month—$20 billion for U.S. Treasuries and $10 billion for agency mortgage-backed securities. This subsequently resulted in the Fed concluding its asset purchase program in March 2022. Net purchases under this two-year program totaled roughly $4.6 trillion and were instrumental in supporting the flow of credit to the U.S. economy and fostering accommodative financial conditions—preventing, along with other significant monetary and fiscal policy measures, a much deeper economic downturn during the coronavirus pandemic.

The Fed is now preparing to launch the next phase of its asset policy normalization by starting to *draw down* its balance sheet (i.e., "Quantitative Tightening," or QT). This will start as soon as its May 04 meeting and is intended to boost interest rates out along the fixed income maturity spectrum and to keep inflation expectations anchored. The reduction may be as large as $95 billion per month as securities are allowed to run off the balance sheet. (Fed officials have generally agreed to a cap of $60 billion from U.S. Treasury bonds and $35 billion from mortgage-backed securities.) The reduction could also eventually involve the *sale* of mortgage-backed securities.

In terms of its interest rate policy, at its March 16 meeting, the FOMC initiated the first of several expected increases in the short-term Federal Funds (Fed Funds) interest rate by raising the target range by 25 basis points, to a range of 0.25%-0.50%. This is the first rate hike since the FOMC reduced the target range to 0.00%-0.25% at the onset of the coronavirus pandemic in early 2020. The Fed currently projects a central tendency Fed Funds rate range of 2.4% -3.4% by 2024. (Note that this is in line with the level of rates seen during 2018-2019.)

Balancing Act

With the current stance of monetary policy out of sync with the present state of the U.S. economy, the

Fed faces a challenging set of global and domestic dynamics as they begin the process of removing monetary policy accommodation.

Continued risks to the economic outlook are associated with further pandemic-related disruptions in Europe and Asia as well as spillovers from the Russia-Ukraine conflict. While much of the economic fallout so far has been directed towards further disruptions to supply, both of these risks also have implications for demand. Assessing the balance in real time will be difficult. Recognition of these risks is not an argument for stalling the removal of accommodation, but it does suggest a steady, deliberate approach to the path of policy adjustment could provide space to monitor developments as they unfold.

Another consideration for policymakers is judging how responsive economic activity is to the rising level of interest rates. This responsiveness is likely to change over time and with the state of the economy. For example, with consumption skewed towards durable goods (whose demand tends to be more interest-sensitive than other components of spending), it is possible that higher rates will have a more pronounced impact on those sectors of the economy than observed in the past. On the other hand, high levels of liquidity in the economy and healthy household balance sheets might make consumption more resilient to higher interest rates than expected, requiring a steeper path of rate increases to slow demand growth and bring inflation down. Again, a steady, deliberate approach to removing accommodation will allow policymakers to observe where this equilibrium lies.

Despite the recent run-up in short- and long-term nominal interest rates, it is critical to realize that *real* interest rates remain negative, are still broadly accommodative for economic growth, and are significantly below their pre-pandemic levels. To maintain some perspective regarding the recent rise in nominal interest rates: only now have the increases in long-term (10- and 30-year) U.S. government bond yields approached what has been a narrow range in rates that has remained in place for the last 10 years, pre-pandemic. Intermediate (2- and 5-year) U.S. government bond yields, on the other hand, are only now back to 2018 levels. (From an even longer-term perspective, U.S. government bond yields still remain within the secular downtrend that started in the early 1980s.) As U.S. Real GDP hits historic highs, this provides some economic headroom for an even higher move in interest rates, in our opinion.

Finally, the interaction of higher policy rates with a large balance sheet will need to be monitored. The Fed's balance sheet now stands at a record $9 trillion. By holding a substantial share of U.S. Treasury debt as well as mortgage-backed securities, these asset holdings are putting significant *downward* pressure on longer-term interest rates. Raising the Fed Funds (i.e., short-term) interest rate while the balance sheet continues to depress longer-term yields will contribute to a flattening (and possible inversion) of the "yield curve."

Flat as a Pancake

As you know, the bond "yield curve" plots interest rates as a function of maturity and is specifically focused on the difference between interest rates on short-term U.S. government bonds (e.g., two-year Treasury notes) and long-term U.S. government bonds (e.g., 10-year Treasury notes). Typically, when an economy seems in good health, the rate on the longer-term bonds will be higher than on the shorter-term bonds (i.e., a "normal," or "steep," yield curve). The extra interest is to compensate, in part, for the risk that strong economic growth could set off a broad rise in prices (i.e., inflation). During monetary tightening cycles, the yield curve "flattens" as rates on short-term bonds rise more quickly than rates on long-term bonds. The curve tends to flatten nearly completely as the economy reaches the mature stage of the business cycle and the Fed pushes policy rates toward their neutral level. An "inverted" yield curve is one in which the term structure of interest rates is such that short-term interest rates are above long-term interest rates.

Since the beginning of 2021, the yield curve has flattened significantly—with only a brief inversion at the start of April 2022. This is notable because an inverted yield curve has historically been a very prescient recession indicator: every U.S. recession of the past 60 years has been preceded by an inverted yield curve. Curve inversions have correctly signaled all nine recessions since 1955 and had only one false positive, in the mid-1960s, when an inversion was followed by an economic slowdown but not an official recession. An important caveat to the predictive power of the yield curve is that it cannot predict precisely *when* a recession will begin. In the past, the recession has come in as little as six months, or as long as two years, after the inversion.

In the current environment, however, it could be possible that the yield curve may be a misleading indicator due to lower yields on longer-dated assets compared with past tightening cycles. The lower yields are attributable to a lower neutral interest rate and a low term premium (the additional return required by investors to compensate for the added risk of holding longer-dated bonds). Low term premiums arise from a number of potential sources, including the Fed's large-scale asset purchases via their Quantitative Easing strategy that was designed specifically to suppress long-term yields.

Remember, even though they are reversing course now, the Fed will still own massive amounts of long-term bonds on its balance sheet, and that may keep long-term interest rates lower than they would otherwise be—thereby artificially flattening the yield curve as the Fed raises short-term interest rates. This opens up the possibility that the yield curve could invert at a policy rate that is not high enough to induce a recession.

It is also important to emphasize that the flattening yield curve is associated with a policy path that is calibrated to sustain full employment and inflation around a flexible average target. A flat yield curve can coexist with an extended period of economic growth, such as during the mid- to late-1990s. So while we keep a close watch on the yield curve as an important signal on how tight financial conditions are becoming, we consider it as just one among several important indicators. Yield curve movements will need to be interpreted within the broader context of financial conditions and the economic outlook and will be one of many considerations informing our assessment of appropriate monetary policy responses.

Keeping the Faith

As always, financial markets remain vulnerable to economic and monetary policy uncertainty. Given the current state of the U.S. economy—with inflation at a 40-year high and the unemployment rate near record lows—moving expeditiously to a neutral stance of monetary policy is appropriate, in our opinion. At the same time, the factors we noted earlier—including monitoring risks, the responsiveness of economic activity to interest rate changes, and yield curve developments—will be important guides in adjusting the pace of that transition.

The resolution of pandemic-induced supply/demand disruptions and the lagging impact of tighter monetary policy should contribute to an easing of inflationary pressures via the resultant moderation in economic growth. In the meantime, the start of a monetary tightening cycle is always fraught with challenges. However, the rationale for removing accommodation is obvious when inflation is high, demand is strong, and the labor market is tight. Under those conditions, an economic "soft landing" is probable but not guaranteed—and the risk of recession still exists. While an outlook of easing supply constraints and moderating demand growth is consistent with inflation stepping down even as the labor market remains strong, less favorable outcomes are certainly possible. In the event high inflation persists while demand turns down and the labor market falters, monetary policymaker resolve could be tested.

Our strategy during the current investment environment remains consistent with the investment strategy that we have followed in the past—essentially: to invest in high-quality businesses at the right valuations and hold them for as long as they remain high-quality businesses. In addition, we continue to believe that the long-term secular investment themes that we have previously identified remain intact.

Our investment process utilizes a combined topdown/bottom-up approach whereby, based upon our analysis of the components of global macroeconomic GDP, we identify a variety of investment themes, both secular and cyclical, that drive further fundamental analyses of individual businesses that meet our investment criteria. Currently, some of our investment themes include:

Rise of The Rest
Globalization and the development of the middle class in emerging markets is a long-term secular trend.

Disruptive Innovation
Companies that are disruptive innovators are well positioned to outperform their peers in the current economic environment.

Regulation
Information Technology regulation, Healthcare reform, Infrastructure investment, and Climate Change policy are all currently areas of government focus, and the economic sectors within these areas may, therefore, be subject to challenges or opportunities based upon how successful the government is in implementing its programs.

Continued De-leveraging
De-leveraging and the shrinking of private and public balance sheets will be a multi-year process that will restrain global macroeconomic growth.

The Great Unwind
The eventual "normalization" of monetary policy may result in unforeseen and unintended consequences.

China Rebalancing
The rebalancing of China's economy from investment- to consumer-driven has significant global macroeconomic ramifications.

Supply and Demand
Global macroeconomic growth remains anemic due to a surfeit of supply and a dearth of demand.

Demographics
Demographically, the aging of the populations of the developed, and some developing, economies will have important implications for future demand growth and entitlement costs.

As you know, we do not predict, nor does your *Windward* portfolio own, "the market." Instead, we seek to mitigate market risk and generate excess returns by making long-term investments in individual businesses with the following underlying fundamental characteristics:

Quality
Dominant, financially strong, leading companies with best-in-class managements, high incremental returns on invested capital, and business models with sustainable competitive advantages

Growth
Companies with predictable and sustainable above-average growth in revenue, earnings, and free cash flow

Value
Companies that are undervalued on either an absolute or relative basis, based upon our projections of future cash flow and earnings

Our goal, as always, is to identify those companies and invest in them for your *Windward* portfolio. Our risk averse approach to managing your investments causes us to take a more measured and unemotional view of extremes in bullish or bearish sentiment and find ways to outperform the market with less volatility by focusing on specific companies' fundamentals. Our results over the course of various market cycles demonstrate our success.

Windward's portfolios of individual businesses, with their own company-specific fundamental dynamics, are continuing to thrive and prosper. In the short term, this fact may be obscured by "market action"—

which results in highly-correlated security price movements during periods of increased volatility—and/or the negative influences of ETFs, asset allocators, speculators, and algorithmic traders—whose focus is on baskets of securities or on stock symbols, not on underlying business model fundamentals. However, financial history has proven, time and again, that, over the long term, investors are ultimately rewarded by being owners of these types of companies.

We have been investing this way for decades, and have successfully navigated a variety of historic market environments.

We believe that the "indices" will become less relevant as time goes on and that successful wealth creation and capital preservation in the years to come will become increasingly dependent upon the identification and ownership of those businesses that, although possibly impacted by exogenous events in the short run, remain relatively immune to these global macroeconomic issues over the long run due to their own underlying growth dynamics.

We remain exceedingly optimistic on the prospects for the individual companies that we own in *Windward* portfolios and encourage you to contact us should you have any questions or concerns.

Sources: Bloomberg
Congressional Budget Office
Council of Economic Advisers
Federal Reserve Banks of Atlanta, New York, and St. Louis
International Monetary Fund
Organisation for Economic Co-operation and Development
Reuters
U.S. Bureau of Economic Analysis
U.S. Bureau of Labor Statistics
U.S. Congress
U.S. Department of the Treasury
U.S. Federal Reserve

HAS YOUR FINANCIAL CONDITION CHANGED?

Portfolio decisions are based on an individual's income requirements, tax bracket, time to retirement, risk tolerance, and other characteristics. If your financial condition has changed, or is about to change, please call us. We strive to prepare a portfolio that meets each investor's objectives, and the more information we have, the better the job we can do. If you have any questions regarding your portfolio, your asset allocation, or any investment within your portfolio, please let us know.

THE FUTURE IS NOW

As you may know, we post a weekly commentary on our website every Friday afternoon. We only mail some of these comments out when markets are particularly unsettled. Please be aware that these notes will continue to be available on-line, and we want to encourage you to sign up to receive a password for access to our secure website.

Our website provides the capability for clients to review their portfolios, their year-to-date realized capital gains, and income and expenses. Clients also have access to our weekend market comments. These reports are updated at 8:00 pm each Friday, and are available to clients who have requested access. Clients may also request that their accountants and/or attorneys have access to the same information. We hope you will visit us at www.windwardcapital.com.

If you have interest in these capabilities, or if you would like to receive a copy of our Form ADV Part II or Form CRS free of charge, please email Steve Pene at : spene@windwardcapital.com, or call Mr. Pene at our main number: (310) 893-3000.

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