

## RISK MATTERS:

### *SYMONS VALUE* RISK CONTROLS RESULT IN CONSISTENT LONG-TERM PERFORMANCE OVER EXTENDED TIME PERIODS

**SYMONS VALUE COMPOSITE (net of fees) PEER RANKINGS – for periods ending 3-31-2018**

Metric	Category % Ranking*			
	5 Yr	7 Yr	10 Yr	Since 1/1/2000
Std Dev	4%	1%	1%	1%
Sharpe Ratio	97%	42%	13%	3%
Sortino Ratio	81%	6%	8%	2%
Max Drawdown	1%	1%	1%	1%
Beta	1%	1%	1%	1%
Downside Capture	1%	1%	1%	1%

Symons Value Composite (net of fees) Percentile Ranking vs. Zephyr Large Value Universe (Morningstar)\*

**SYMONS VALUE COMPOSITE (net of fees) & BENCHMARK DATA – for periods ending 3-31-2018**

Metric	5 Yr		7 Yr		10 Yr		Since 1/1/2000	
	SCM Value	S&P 500®	SCM Value	S&P 500®	SCM Value	S&P 500®	SCM Value	S&P 500®
Std Dev	6.54	7.03	7.41	10.96	10.60	15.93	11.84	15.72
Sharpe Ratio	0.77	1.85	0.87	1.14	0.58	0.58	0.54	0.23
Sortino Ratio	2.08	4.59	2.33	2.16	1.05	0.93	1.18	0.50
Max Drawdown	-4.11%	-6.44%	-4.48%	-13.87%	-21.08%	-38.09%	-24.28%	-45.80%
Max Drawdown Recovery Length	12 Months	3 Months	3 Months	6 Months	12 Months	21 Months	18 Months	36 Months
Beta	0.43	1.00	0.46	1.00	0.57	1.00	0.61	1.00
Downside Capture	51.68%	100.00%	38.36%	100.00%	48.32%	100.00%	41.54%	100.00%
Zephyr K-Ratio	12.41	17.05	19.30	24.08	24.79	21.65	40.66	13.34
Annualized Net Return	5.37%	13.31%	6.67%	12.71%	6.41%	9.49%	8.03%	5.28%
Risk-Adjusted Performance	5.73%	13.31%	9.66%	12.71%	9.12%	9.49%	9.85%	5.28%

Symons Value Composite (net of fees) vs. S&P 500® – Actual Data (SOURCES: Morningstar, Zephyr StyleADVISOR)

*The statistics presented above are provided as supplemental information to the full disclosure presentation, which can be found on page 2.*

\* Zephyr creates domestic equity universes based on investment style / fund behavior using the Morningstar Mobius, Nelson's, PSN, and eVestment Alliance databases. Data rankings are prepared using the Zephyr Large Value Universe (Morningstar) — this universe uses the Morningstar Mutual Funds database for managers of which 378 managers were included in our peer group analysis for 5 yr, 351 managers for 7 yr, 319 managers for 10 yr and 174 managers for the period since 1/1/2000. Ratings were presented by Zephyr StyleADVISOR as the result of surveys created and conducted by Zephyr. SCM did not pay a fee to participate in these surveys.

## METRICS DEFINITIONS

### Standard Deviation –

Measures the degree of variation of a portfolio's returns around the portfolio's mean (average) return. A high standard deviation means that the portfolio is volatile. A low standard deviation means that the portfolio is generally consistent in producing similar returns.

### Sharpe Ratio –

Measures a portfolio's return relative to its risk, with the return being the portfolio's return above the risk-free Treasury bill rate and the risk being the portfolio's standard deviation. The higher the Sharpe ratio the better the portfolio's risk-adjusted performance.

### Sortino Ratio –

Similar to the Sharpe Ratio, but measures only a portfolio's downside risk. The higher the Sortino Ratio the better the portfolio's downside risk protection.

### Maximum Drawdown –

Measures the maximum loss in any losing period during a portfolio's investment record. It is the percentage retrenchment from the portfolio's peak value to its valley value.

### Maximum Drawdown Recovery Length –

As part of measuring Drawdown, this measures the number of periods it takes to reach the recovery level from maximum drawdown end date.

### Beta –

Measures a portfolio's volatility relative to broad market movements. With the market given a beta of 1.00, a portfolio with a beta of 0.50 will participate only half as much in market movements, so that a lower number means less portfolio volatility than the market.

### Downside Capture –

Measures the percentage of market losses incurred by a portfolio when markets are down, compared to losses incurred by the market. The lower the number the better.

### Zephyr K-Ratio –

Measures the rate at which wealth is created and the consistency of the path of wealth creation. The higher the number the better. This answers the two questions many investors care about most: "At what rate did I grow my wealth?" and "Was that growth of wealth consistent?" A portfolio with a high K-Ratio has more consistent returns because the returns have a tighter distribution than market returns.

### Risk-Adjusted Performance

Risk-adjusted performance is the annualized rate of return of a blend consisting of the manager's portfolio and cash. The blend is built in such a way that the resulting portfolio has the same standard deviation as the market benchmark. In other words, risk-adjusted performance "normalizes" a manager's standard deviation to equal that of the market benchmark.

## SCHEDULE OF COMPARATIVE PERFORMANCE STATISTICS (3-31-2018)

YEAR	GROSS OF FEES	NET OF FEES	S&P 500 <sup>a</sup>	S&P 500 <sup>a</sup> VALUE	NUMBER OF ACCOUNTS IN COMPOSITE	ANNUAL COMPOSITE DISPERSION	3 YEAR EX-POST STD DEVIATION COMPOSITE	3 YEAR EX-POST STD DEVIATION S&P 500 <sup>a</sup>	3 YEAR EX-POST STD DEVIATION S&P 500 <sup>a</sup> VALUE	VALUE OF COMPOSITE (USD MILLIONS)	% NON-FEE PAYING ASSETS	% TOTAL FIRM ASSETS IN COMPOSITE	TOTAL FIRM ASSETS (USD MILLIONS)
2000	22.53%	21.15%	-9.10%	-0.52%	114	8.32%	n/a	n/a	n/a	50.18	0.00%	62.88%	79.80
2001	18.96%	17.58%	-11.89%	-8.18%	126	1.74%	n/a	n/a	n/a	70.65	0.00%	76.94%	91.82
2002	-13.15%	-14.17%	-22.10%	-16.61%	179	1.43%	n/a	n/a	n/a	81.48	0.00%	79.53%	102.45
2003	21.81%	20.42%	28.68%	30.35%	182	1.83%	n/a	n/a	n/a	97.98	0.00%	82.53%	118.71
2004	20.06%	18.71%	10.88%	15.02%	188	1.22%	n/a	n/a	n/a	117.51	0.00%	78.43%	149.81
2005	11.97%	10.71%	4.91%	8.71%	211	1.11%	n/a	n/a	n/a	139.56	0.00%	76.17%	183.22
2006	16.00%	14.73%	15.79%	20.78%	244	0.82%	n/a	n/a	n/a	177.68	0.00%	64.83%	274.04
2007	3.60%	2.49%	5.49%	1.99%	250	1.27%	n/a	n/a	n/a	187.95	0.00%	62.41%	301.13
2008	-12.03%	-12.98%	-37.00%	-39.22%	251	1.39%	n/a	n/a	n/a	180.07	0.00%	71.00%	253.59
2009	16.92%	15.65%	26.46%	21.18%	250	1.18%	n/a	n/a	n/a	177.31	1.38%	57.56%	308.03
2010	11.36%	10.17%	15.06%	15.10%	254	0.71%	n/a	n/a	n/a	200.62	1.36%	50.87%	394.36
2011	7.68%	6.64%	2.11%	-0.48%	307	0.53%	n/a	n/a	n/a	303.11	1.49%	68.02%	445.63
2012	7.98%	6.93%	16.00%	17.68%	322	0.38%	9.15%	15.09%	15.75%	331.76	1.41%	71.53%	463.79
2013	18.57%	17.43%	32.39%	31.99%	332	0.92%	7.59%	11.94%	12.97%	392.37	1.46%	74.57%	526.15
2014	8.94%	7.89%	13.69%	12.36%	329	0.35%	7.17%	8.97%	9.46%	403.61	1.64%	77.53%	520.60
2015	0.28%	-0.67%	1.38%	-3.13%	312	0.32%	7.69%	10.47%	10.60%	358.81	1.91%	77.96%	460.26
2016	7.86%	6.83%	11.96%	17.40%	300	0.45%	7.87%	10.59%	10.73%	367.55	1.97%	75.95%	483.91
2017	10.35%	9.32%	21.83%	15.36%	257	0.35%	7.47%	9.92%	10.32%	324.21	1.83%	77.11%	420.43
2018*	-3.00%	-3.24%	-0.76%	-3.57%	238	n/a	n/a	n/a	n/a	290.75	1.84%	78.21%	371.75

\* Performance represents a partial year-to-date return through 03/31/2018.

n/a - Annual Dispersion and/or 3 Year Ex-Post Standard Deviation not applicable for this period.

### Composite Notes

- The Symons Value Composite was created in October 1986 and consists of all fully discretionary portfolios that are managed in the Value style. The Symons Value investment discipline seeks to invest in securities of companies with established, sustainable businesses whose current prices provide the prospect of long-term appreciation with limited downside price risk. The minimum account size for this composite is \$50,000.
- For comparison purposes the composite is measured primarily against the S&P 500<sup>a</sup> index, and secondarily against the S&P 500<sup>a</sup> Value index. Effective October 1, 2005, Symons Capital Management, Inc. substituted the benchmark FTSE Russell 3000<sup>a</sup> Value Index for the FTSE Russell 2000<sup>a</sup> Index because the FTSE Russell 3000<sup>a</sup> Value Index provided a better representation of our portfolio management and stock selection style, being a broad-based index that includes large-, mid-, and small capitalization stocks, in contrast to the FTSE Russell 2000<sup>a</sup> Index, which primarily encompasses only small-capitalization stocks. Effective April 1, 2017, the S&P 500<sup>a</sup> index replaces the FTSE Russell 3000<sup>a</sup> Value index as a primary benchmark, and the S&P 500<sup>a</sup> Value index replaces the S&P 500<sup>a</sup> index as a secondary benchmark, since FTSE Russell index returns are no longer available without paying substantial annual licensing fees. The S&P 500<sup>a</sup> index is an unmanaged index generally representing the performance of the broad domestic economy through changes in the aggregate market value of 500 stocks, representing all major industries. And the S&P 500<sup>a</sup> Value index is a much better differentiated index for marketing purposes. Both benchmarks are unmanaged indices that primarily include large capitalization stocks that are representative of Symons Capital Management, Inc.'s Value portfolio management and stock selection style. A direct investment in an index may involve different liquidity, risks and tax considerations. The Adviser may invest in securities outside of those represented in the indices. S&P 500<sup>a</sup> returns are shown for the entire composite history.
- Returns are presented since the beginning of Colin Symons' tenure as portfolio manager on January 1, 2000. Results are based on fully discretionary accounts under management, including those accounts no longer managed by the firm. The U.S. Dollar is the currency used to express performance. Composite performance is presented net of foreign withholding taxes on dividends, interest income, and capital gains. Returns include the effect of foreign currency exchange rates. Returns are presented gross and net of management fees and include the reinvestment of all income. Gross of fees returns are presented before management and custodial fees, but after all trading expenses. Net of fee performance was calculated using actual management fees. Prior to July 2015, net of fee performance was calculated using actual management and sub-advisory fees. Past performance is not indicative of future results.
- The investment management fee is: 1.25% on the first \$1 million; 1.00% on the next \$4 million; 0.90% on the next \$5 million; 0.80% on the next \$15 million; 0.70% on the next \$25 million; and 0.60% above \$50 million. Actual investment advisory fees incurred by clients may vary.
- The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Three-year annualized ex-post standard deviation of the composite and benchmark are not presented prior to 2012, because 36 monthly composite returns were not available until December 31, 2012.
- Securities purchased by Symons Capital Management, Inc. are listed on a major exchange with published values. Generally, month-end valuations as shown on custodian account statements are used to calculate portfolio assets and returns. Any cash flow equal to or greater than 5% of a portfolio's market value would cause the portfolio to be revalued and accounted for properly so as not to distort performance. Additional information regarding the policies for valuing portfolios, calculating performance and preparing compliant presentations is available upon request.
- Symons Capital Management, Inc. is an independent investment management firm, not affiliated with any parent organization, established in 1983 and registered with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940. Prior to October 1, 2001, the firm was known as Dollins Symons Management, Inc. The firm maintains a complete list and description of composites, which is available upon request.
- Symons Capital Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS<sup>®</sup>) and has prepared and presented this report in compliance with the GIPS<sup>®</sup> standards. Symons Capital Management, Inc. has been independently verified for the periods January 1, 1996 through March 31, 2017 by Ashland Partners & Company, LLP; and from April 1, 2017 through December 31, 2017 by ACA Performance Services LLC. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS<sup>®</sup> 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<sup>®</sup> standards.
- The Symons Value composite has been examined for the periods July 1, 1998 through March 31, 2017 by Ashland Partners & Company, LLP; and from April 1, 2017 through December 31, 2017 by ACA Performance Services LLC. The verification and performance examination reports are available upon request.