

# Netols Small Cap Value Strategy

## Netols Asset Management Composite and Disclosures – as of March 31, 2017

Year Ended Dec. 31	Annual Composite Gross Return (%)	Russell 2000 Value Benchmark Return (%)	Russell 2000 Benchmark Return (%)	Composite 3-Yr St Dev Return (%)	Russell 2000 Value Benchmark 3-Yr St Dev (%)	Russell 2000 Benchmark 3-Yr St Dev (%)	Number Of Portfolios	Composite Dispersion (%)	Percent of Non-Fee Paying Portfolios	Total Composite Assets (USD MM)	Total Firm Assets (USD MM)
2000**	6.39	8.11	-6.91				1	*	100%	1.35	3.40
2001	44.56	14.02	2.49				2	*	73%	2.69	7.42
2002	-17.27	-11.42	-20.48				5	*	38%	3.70	6.70
2003	79.64	46.03	47.25	28.60	18.42	21.64	6	*	32%	8.15	15.60
2004	17.96	22.25	18.33	25.11	17.51	18.96	15	0.58	0%	88.39	185.22
2005	7.16	4.70	4.56	18.32	14.09	15.08	22	0.49	0%	212.83	221.72
2006	17.95	23.48	18.37	12.34	12.33	13.75	29	0.20	0%	393.27	470.64
2007	8.08	-9.78	-1.57	11.64	12.59	13.16	46	0.28	0%	525.50	597.80
2008	-25.47	-28.93	-33.80	18.50	19.14	19.85	65	0.55	0%	635.35	658.73
2009	20.01	20.58	27.17	23.07	25.62	24.83	61	0.66	0%	886.40	924.20
2010	22.21	24.50	26.85	26.48	28.37	27.69	61	0.29	0%	1,193.16	1,193.16
2011	-3.59	-5.50	-4.18	25.68	26.05	24.99	57	0.41	0%	959.27	960.23
2012	14.77	18.05	16.35	21.98	19.83	20.13	55	0.31	0%	1,036.89	1,036.89
2013	39.59	34.52	38.82	18.22	16.45	15.82	49	0.41	0%	894.61	1,062.97
2014	7.11	4.22	4.89	13.29	12.79	13.12	46	0.19	0%	963.67	963.67
2015	-5.39	-7.47	-4.41	13.85	13.46	13.96	39	0.21	0%	789.01	789.01
2016	20.70	31.74	21.31	14.72	15.64	15.76	36	0.29	0%	677.41	677.41
YTD 2017	-0.44	-0.13	2.47	14.24	15.31	15.46	37	N/A	0%	626.03	627.24

\*Measure not considered significant with 5 or less accounts in the composite for the entire year.  
\*\* Partial year from October 1, 2000 (firm inception) to December 31, 2000.  
Disclaimer: Returns are shown gross of fees. Please refer to accompanying disclosures.

- Netols Asset Management, Inc. ("NAM") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. NAM has been independently verified for the periods October 1, 2000 through December 31, 2016. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS 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 standards. The Small Cap Value Composite has been examined for the periods October 1, 2000 through December 31, 2016. The verification and performance examination report is available upon request.
- Firm Information:** NAM, a registered investment adviser, was established in 2000. NAM provides asset management services focused on providing competitive returns using a specialized small cap investment approach.
- Composite Characteristics:** The Small Cap Value Composite (the "composite") was created in October 2000. The composite contains all assets under management from discretionary portfolios that are fully invested in NAM's small cap investment strategy. The composite excludes assets from portfolios that have not been fully invested into the portfolios designated investment strategy. Prior to 2010, the composite excluded portfolios with values of less than \$250,000. Effective January 1, 2010, there were no portfolio exclusions based upon value. Once a portfolio has met the above criteria, it is included in the composite in the following month. The history of terminated portfolios is included in the composite for all periods prior to termination. Portfolios that change investment strategies are transferred to other composites in the first full monthly reporting period that the portfolios are managed under the new strategy. No alteration of the composites, as presented, has occurred due to changes in personnel.
- Calculation Methodology:** Valuations and returns are computed and stated in U.S. dollars, and individual portfolios are revalued daily. NAM calculates quarterly composite returns using a time-weighted monthly linked percentage return formula. The composite calculations weight portfolio returns for the size of each portfolio using beginning of the month values. Performance is shown gross of fees paid by the client. Gross performance figures do not reflect the deduction of investment advisory fees and custodial fees, but do reflect trading commissions. A client's returns will be reduced by investment advisory fees and any other expenses incurred in the management of the account. Descriptions of NAM's fees are described below. Performance shown includes the reinvestment of income dividends as well as realized capital gains. Interest income is recognized on an accrual basis. Dividend income is recognized upon the date of declaration. Security transactions are recognized on a trade date basis. Leverage is not used in equity composite accounts. Investment advisory fees are based upon a percentage of assets. The standard fee for equities is 1.00% (100 basis points), but is subject to negotiation in certain instances. The following example reflects the effect of investment advisory fees on returns: if an account was charged a 1% annual management fee and \$1,000,000 was invested and achieved a 10% annual return, the balance in the account would grow to \$1,331,000 and \$1,610,510 after three and five years, respectively, gross of fees. Net of fees the account would grow to \$1,291,468 and \$1,531,579 after three and five years, respectively.
- Benchmark:** The primary benchmark is the Russell 2000 Value Index. This Index measures the performance of approximately 1,300 small capitalization stocks. NAM industry classifications may vary from those assigned by Russell to the Russell 2000 Value Index and the Russell 2000 Index.
- Composite Dispersion:** Composite dispersion measures represent the consistency of NAM's composite performance with respect to the individual portfolio returns within a composite. The dispersion of returns is measured as the asset-weighted standard deviation of the returns within the composite. Dispersion only includes those portfolios that have been included in the composite for the entire year. Composite dispersion is not presented for periods with five or fewer accounts because they are not considered statistically representative.
- 3-Year Standard Deviation:** The three-year annualized standard deviation measures the variability of the composite and benchmark returns over the preceding 36-month period.
- Other Disclosures:** Past performance is not indicative of future results, and investing in securities may result in a loss of principal. Other methods may produce different results and the results for individual portfolios and for different periods may vary depending on market conditions and the composition of the portfolio. Care should be used when comparing these results to those published by other investment advisers, other investment vehicles and unmanaged indices due to possible differences in calculation methods. Data provided is related to the composite holdings as of 3/31/17 and is subject to change at any time.