

# Concentrated Value Equity Strategy

## Firm Overview:

|                                       |  |
|---------------------------------------|--|
| <b>Firm Inception:</b>                | 1985                                     |
| <b>Assets Under Management:</b>       | \$11.4 Billion                           |
| <b>Concentrated Strategy Assets:</b>  | \$86.2 Million                           |
| <b>Concentrated Composite Assets:</b> | \$86.2 Million                           |
| <b>Concentrated Inception:</b>        | October 31, 1998                         |
| <b>Holdings:</b>                      | 25-35                                    |
| <b>Benchmarks:</b>                    | Russell 2500® and<br>Russell 2500 Value® |

## Investment Philosophy

The basis of the investment philosophy for the Concentrated Value Equity Strategy (CONC) is fundamental research predicated on a value-based special situations approach. The investment team seeks to preserve and grow capital for clients through a conservative investment posture. The team also attempts to limit market risk through careful stock selection made only at measured prices. As a result of this risk averse, contrarian approach to individual stock selection, investments may be made in undervalued companies that are generally under temporary price pressure, are misunderstood, or unwanted. The CONC strategy does not invest to mimic a specific benchmark, but rather to develop a portfolio based on independent research.

## Portfolio Team:

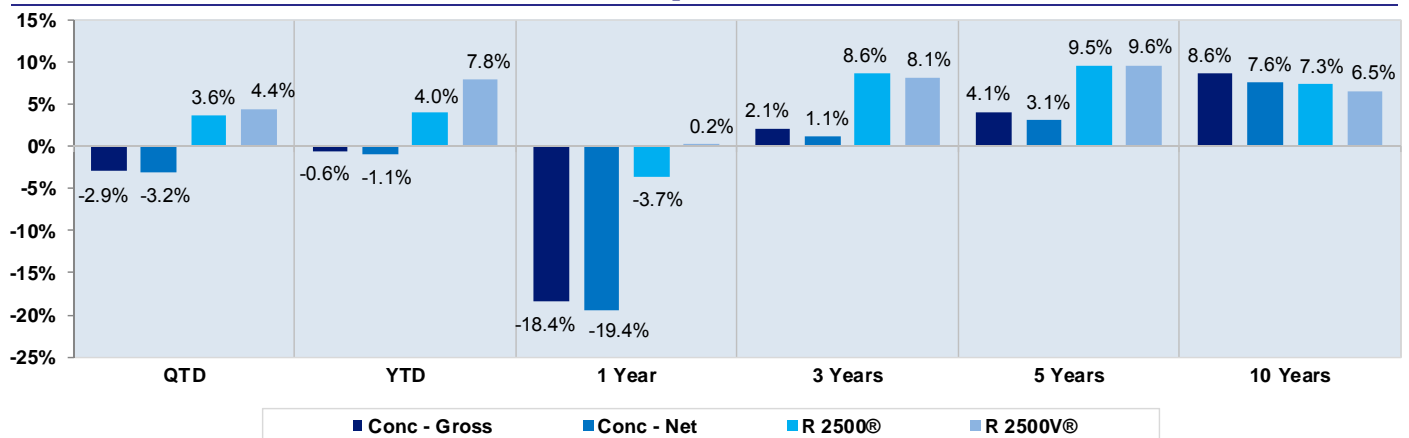
J. Dennis Delafield, CFA, Co-Lead Portfolio Manager  
 Vincent Sellecchia, CFA, Co-Lead Portfolio Manager  
 Donald Wang, CFA, Co-Lead Portfolio Manager  
 Joshua Kaufthal, Co-Portfolio Manager  
 James Maxwell, CFA, Co-Portfolio Manager  
 Michael Sellecchia, Equity Research Analyst

## Investment Strategy

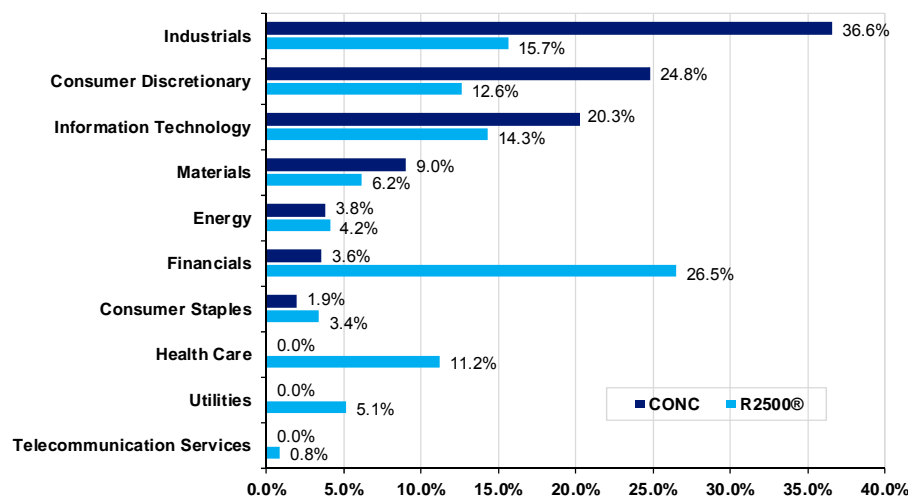
The investment approach is driven by bottom-up value analysis with an emphasis on uncovering special situations and undervalued investments. Money is managed on the premise that internally generated proprietary research and a focus on smaller capitalization companies not generally followed by Wall Street will produce above average returns over a market cycle. The investment team's investment process focuses on assessing value in relation to earnings power, emphasizing free cash flow, and evaluating management philosophy, capability, and commitment. The market cap parameters for the CONC Strategy are defined as the rolling 12-month smallest of the Russell 2000® Index and largest of the Russell Midcap Index. The strategy is managed in a tax-efficient manner.

## \*Annualized Performance Highlights For The Period Ending June 30, 2016

(Please see notes on reverse side for disclosures on this Composite.)



## Sector Distribution<sup>1</sup>



\* Past performance is not indicative of future results.

| Top Ten Holdings <sup>2</sup>  | % of Portfolio |
|--------------------------------|----------------|
| Horizon Global Corp.           | 6.69%          |
| J2 Global, Inc.                | 5.48%          |
| Stanley Black & Decker, Inc.   | 5.24%          |
| Web.com Group, Inc.            | 4.84%          |
| Flextronics International Ltd. | 4.66%          |
| Dover Corp.                    | 4.64%          |
| Minerals Technologies, Inc.    | 4.55%          |
| TrueBlue, Inc.                 | 4.55%          |
| TEGNA, Inc.                    | 4.01%          |
| EPAM Systems, Inc.             | 3.89%          |
| <b>% of Total Portfolio</b>    | <b>48.55%</b>  |

| Characteristics <sup>2</sup>             | CONC  | R2500 <sup>®</sup> | R2500V <sup>®</sup> |
|--|-------|--------------------|---------------------|
| Price/Earnings Ratio                     | 16.2x | 19.5x              | 17.0x               |
| Price/Book Ratio                         | 2.01x | 2.06x              | 1.43x               |
| Price/Sales Ratio                        | 0.51x | 1.21x              | 1.00x               |
| Dividend Yield (%)                       | 1.22  | 1.67               | 2.32                |
| Weighted Average Market Cap (\$ million) | 3,961 | 3,848              | 3,746               |
| Weighted Median Market Cap (\$ million)  | 2,175 | 3,422              | 3,396               |
| 3-5 Year EPS Growth Rate Est. (%)        | 11.09 | 10.98              | 7.27                |
| Number of Holdings                       | 24    | 2,503              | 1,712               |
| Turnover Rate (%)                        | 45    |                    |                     |

| 3 Year Risk Statistics <sup>3</sup> | vs. R2500 <sup>®</sup> | vs. R2500V <sup>®</sup> |
|-------------------------------------|------------------------|-------------------------|
| Annualized Alpha                    | -6.96                  | -6.44                   |
| Beta                                | 1.16                   | 1.17                    |
| Annualized Standard Deviation (%)   | 15.00                  | 15.00                   |
| Tracking Error (%)                  | 8.46                   | 9.21                    |
| Information Ratio (%)               | -0.77                  | -0.66                   |
| R-Squared                           | 69.52                  | 63.60                   |

## Annual Performance

(Please see notes below for disclosures on this Composite.)

| Year  | 2006   | 2007   | 2008    | 2009   | 2010   | 2011    | 2012   | 2013   | 2014   | 2015    |
|---|--------|--------|---------|--------|--------|---------|--------|--------|--------|---------|
| CONC - Gross                                | 23.36% | 3.71%  | -37.72% | 64.93% | 39.80% | -11.01% | 14.09% | 39.36% | 5.73%  | -15.10% |
| CONC - Net                                  | 22.13% | 2.68%  | -38.34% | 63.93% | 38.75% | -12.03% | 13.09% | 38.36% | 4.73%  | -16.10% |
| R2500 <sup>®</sup>                          | 16.17% | 1.38%  | -36.79% | 34.39% | 26.71% | -2.51%  | 17.88% | 36.80% | 7.07%  | -2.90%  |
| R2500V <sup>®</sup>                         | 20.18% | -7.27% | -31.99% | 27.68% | 24.82% | -3.36%  | 19.21% | 33.32% | 7.11%  | -5.49%  |
| Excess Gross - R2500 <sup>®</sup>           | 7.19%  | 2.33%  | -0.93%  | 30.54% | 13.09% | -8.50%  | -3.79% | 2.56%  | -1.34% | -12.20% |
| Excess Net - R2500 <sup>®</sup>             | 5.96%  | 1.30%  | -1.55%  | 29.54% | 12.04% | -9.52%  | -4.79% | 1.56%  | -2.34% | -13.20% |
| Assets in Composite (\$mm)                  | \$30   | \$42   | \$26    | \$52   | \$78   | \$97    | \$105  | \$133  | \$136  | \$95    |
| % of Firm Assets                            | 1.00%  | 1.30%  | 3.00%   | 0.64%  | 0.71%  | 0.91%   | 0.96%  | 1.17%  | 1.13%  | 0.90%   |
| Accounts in Composite                       | ≤ 5    | ≤ 5    | ≤ 5     | ≤ 5    | ≤ 5    | ≤ 5     | ≤ 5    | ≤ 5    | ≤ 5    | ≤ 5     |
| Internal Composite Dispersion               | N/A    | N/A    | N/A     | N/A    | N/A    | N/A     | N/A    | N/A    | N/A    | N/A     |
| Composite 3-Yr Standard Deviation           | N/A    | N/A    | N/A     | N/A    | N/A    | 28.20%  | 22.20% | 17.60% | 13.30% | 15.72%  |
| R2500 <sup>®</sup> 3-Yr Standard Deviation  | N/A    | N/A    | N/A     | N/A    | N/A    | 23.40%  | 19.00% | 15.60% | 11.67% | 12.42%  |
| R2500V <sup>®</sup> 3-Yr Standard Deviation | N/A    | N/A    | N/A     | N/A    | N/A    | 24.20%  | 18.40% | 15.10% | 11.25% | 12.02%  |

## Notes

### Past performance is not indicative of future results.

- Sector Distribution is based on a representative account and calculated by FactSet Research Systems based on GICS sector classifications, and is shown as Supplemental Information. Please note cash is excluded from the sector weight calculation.
- Top 10 Holdings and Portfolio Characteristics are based on a representative account, and are shown as Supplemental Information. The portfolio is actively managed and holdings will change over time. Top 10 Holdings are provided for informational purposes only and should not be deemed a recommendation to purchase or sell the securities mentioned. Portfolio Characteristics are calculated by FactSet Research Systems. P/E excludes negative earnings.
- Risk Statistics are based on the past three years, and have been calculated by FactSet Research Systems utilizing gross of fee composite returns.
- Tocqueville Asset Management L.P. (the "Firm") is a U.S. based registered investment advisor, which offers investment advisory services to individuals and institutional investors. The Delafield Team joined Tocqueville as of September 28, 2009. Prior to that, the Delafield Team operated as a separate division of another investment advisory firm. The performance record of the Composite (defined below) includes the performance of accounts managed by the Delafield Team while it was part of such other investment advisor. The Delafield Team exercises complete discretion over the management of the account included in the Composite and is operated in substantially the same manner as a separate division of its prior firm. Substantially all key decision makers responsible for managing the account at the prior firm have remained with the Delafield Team following its move to Tocqueville. A complete list and description of The Delafield Team's composites are available upon request. The Firm claims compliance with the Global Investment Performance Standards (GIPS<sup>®</sup>) and has prepared and presented this report in compliance with the GIPS standards. The Firm has been independently verified for the periods January 1, 2002 through June 30, 2006. The verification reports are available upon request. 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. Verification does not ensure the accuracy of any specific composite presentation. For a list of composite descriptions, please call 212.698.0800. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.
- The Concentrated Value Equity Composite (the "Composite") consists of only fee-paying, fully discretionary managed accounts using this strategy managed by The Delafield Team of Tocqueville Asset Management L.P. The Composite has a market capitalization range defined as the rolling 12-month smallest of the Russell 2000<sup>®</sup> Index and the largest of the Russell Midcap Index. The Composite includes accounts that invest in dollar denominated equities of companies domiciled in the U.S. and consists of discretionary accounts and limited partnerships. Accounts meeting the Composite criteria are included in the Composite in the first complete month after being under management. The Composite returns are benchmarked against the Russell 2500<sup>®</sup> Index and the Russell 2500<sup>®</sup> Value Index. The Composite was created in October 1998. Stocks of small-sized companies carry special risks, such as limited product lines, markets, and financial resources, and greater market volatility than securities of larger, more established companies. The minimum account size for the composite is \$1 million.
- The Composite results are time-weighted rates of return net of commissions and transactions costs and have been presented both gross and net of investment advisory fees. The Firm values all portfolios monthly and records all transactions on a trade date basis. Monthly Composite returns are calculated by weighting each account's monthly return by its beginning market value as a percent of the total Composite beginning market value. Net of fee composite returns reflect the deduction from gross performance of an investment management fee of 1.00% annually, reduced at a rate of 0.25 basis points per quarter. Annual composite returns are calculated by linking the monthly returns through compounded multiplication. Performance on this Composite has been calculated using U.S. dollars. Performance results are total return, i.e. include the reinvestment of all income. Composite dispersion is a measure of variability, which is often used in the investment industry as an indicator of risk. The composite dispersion of annual account returns is calculated from the measurements of variance from the mean annual account return on an equal-weighted basis. Composite dispersion is not meaningful for populations of less than five accounts. The 3-yr annualized standard deviation presented measures the variability (using monthly returns) of the composite and the benchmark returns over the preceding 36 months.
- The standard fees charged by the Firm applicable to the Composite are 1.00% on the first \$50 million, 0.75% thereafter. There are no non-fee paying accounts in the Composite.
- The benchmarks for the Composite are the Russell 2500<sup>®</sup> Index and the Russell 2500<sup>®</sup> Value Index. The Russell 2500<sup>®</sup> Index measures the small to mid-cap segment of the U.S. equity universe, commonly referred to as "smid" cap, and is constructed to provide a comprehensive and unbiased barometer for the small to mid-cap segment. The Russell 2500<sup>®</sup> Value Index measures the performance of the small to mid-cap value segment of the U.S. equity universe. It includes those Russell 2500<sup>®</sup> companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2500<sup>®</sup> Value Index is constructed to provide a comprehensive and unbiased barometer of the small to mid-cap value market. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small to mid-cap opportunity set and that the represented companies continue to reflect value characteristics. Indices include reinvestment of all dividends and other income earned. Benchmark returns are presented gross of withholding taxes. Indices are unmanaged and investors cannot invest in an index.
- The information presented in this material has been prepared by Tocqueville Asset Management L.P. and/or obtained from sources which it believes to be reliable. However, it does not guarantee the accuracy, adequacy, or completeness of such information.

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