



DGHM AllCap Value

Team Leader: Jeff Baker, CFA

Fourth Quarter 2017

Assets: \$446mm*

THE FIRM

DGHM employs a fundamental, value-driven investment philosophy that focuses specifically on domestic equity across the market capitalization spectrum. Our team of Sector Specialists combines quantitative tools with rigorous fundamental analysis. These specialists are experts in their fields and utilize a time-tested, disciplined approach to purchase high quality companies at compelling valuations. We are committed to value creation over the long term. We strive for consistent alpha generation, yielding superior risk-adjusted results across our product line. Established in 1982, DGHM currently manages \$2.0 billion* in assets.

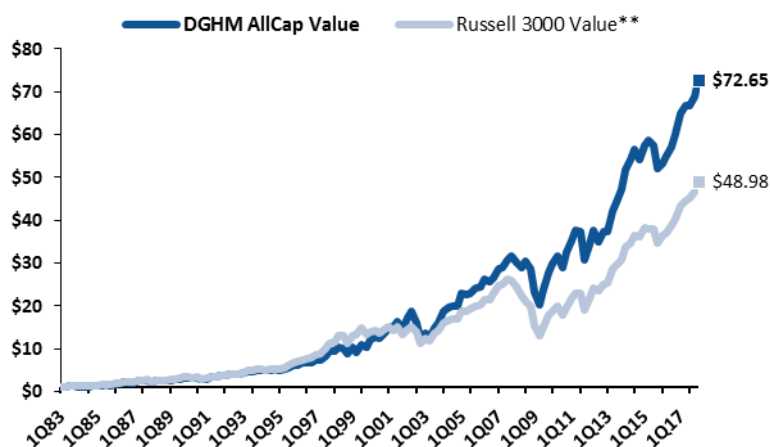
DGHM ALLCAP VALUE PORTFOLIO

DGHM's AllCap Value portfolio has achieved an annualized return of 13.0% since its inception in 1983. The investment objective is long-term capital appreciation achieved through a diversified portfolio of US-listed equity securities. The fund will comprise approximately 30 to 40 equity securities above \$1 billion in market capitalization with initial and maximum position sizes of 2.5% and 6% of assets, respectively. The fund will remain within a 75% to 125% band of the benchmark sector weight (Russell 3000 Value) and target cash to 3% of assets. Agnostic to market capitalization, the portfolio has the flexibility to invest in the most compelling small, mid, and large cap companies. Investors benefit from one relationship across the capitalization spectrum.

ANNUALIZED COMPOSITE PERFORMANCE

	DGHM AllCap Value	Russell 3000 Value**
1YR	11.9%	13.2%
3YR	8.1%	8.7%
5YR	14.1%	14.0%
10YR	9.1%	7.2%
15YR	11.9%	9.6%
20YR	10.8%	7.5%
25YR	11.9%	10.1%
Inception	13.0%	11.8%

VALUE OF A DOLLAR



DGHM AllCap Value returns are gross since inception (1/1983). See the provided Explanation of Performance.

QUARTERLY REVIEW

DGHM AllCap Value returned approximately 5.4% for the fourth quarter of 2017. This return was slightly better than that of the Russell 3000 Value Index, which returned 5.1% during the fourth quarter of 2017. On a year to date basis, DGHM AllCap Value returned approximately 11.9% versus 13.2% for the Russell 3000 Value Index.

The best performing sectors were Consumer Services led by Fox (+32%), Banks led by Regions Financial (+14%), and Consumer Durables led by Masco (+13%). Fox performed well as they sold assets to Disney at an attractive price. Regions Financial had positive performance as Banks did well in anticipation of higher interest rates. Masco had a strong quarter due to its exposure to the housing market.

Sectors that struggled during the quarter were Technology and Miscellaneous Financials. Technology was negatively impacted by Check Point Software (-9%). This stock was down due to lower than expected forecasted growth by the company. We continue to hold this name given its relative valuation to its peers in the fast-growing security software space. Miscellaneous Financials was negatively impacted on a relative basis by CIT Group, which was flat in a strong performing sector. CIT was flat due to softer than expected reported fundamentals during the third quarter.

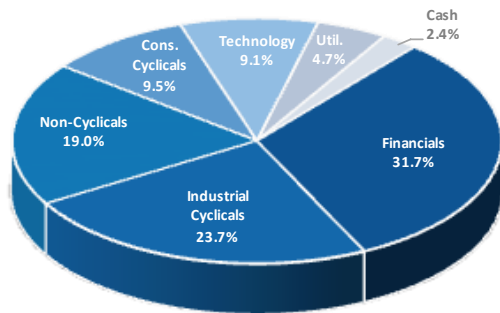
We purchased five new positions and sold out of five during the quarter. In Consumer Services, we sold Fox and purchased CBS Corp. Fox was sold after the sale of assets to Disney, while CBS is a play on the broadcasting space, which we find attractive. In Insurance, we sold Renaissance Re and purchased Principal Financial. Renaissance Re was sold over pricing concerns, while Principal is a play on the life insurance and annuity markets, which should do well in a rising interest rate environment. In Utilities, we sold Edison International and purchased Public Service Enterprise Group. Edison was sold due to concerns over liability exposure to the California wild fires, while Public Service is a utility that serves the middle Atlantic states and trades at a discount to peers. In Energy, we purchased WPX Energy, which is a North American shale play with assets in the Permian basin trading at a discount to peers. In Capital Goods, we purchased Quanta Services, which is a play on the build out of hydro carbon pipelines and electrical transmission lines. In Transportation, we sold Union Pacific as we believe it had reached full value. Finally, in Insurance we sold our stub position in Brighthouse Financial, which was a spin out from MetLife.

During the fourth quarter, large cap stocks (Russell 1000 +6.6%) outperformed small cap stocks (Russell 2000 +3.3%). For the year to date period, large cap stocks (Russell 1000 +21.7%) have materially outperformed small cap stocks (Russell 2000 +14.7%). Also of note, all major growth indices have materially outperformed their value counterparts. This is due to the fact that investors have sought out stocks that offer growth regardless of valuation as concerns have risen that the economy was slowing. We would expect the reversal to continue if the anticipated economic strengthening occurs.

PORTFOLIO CHARACTERISTICS

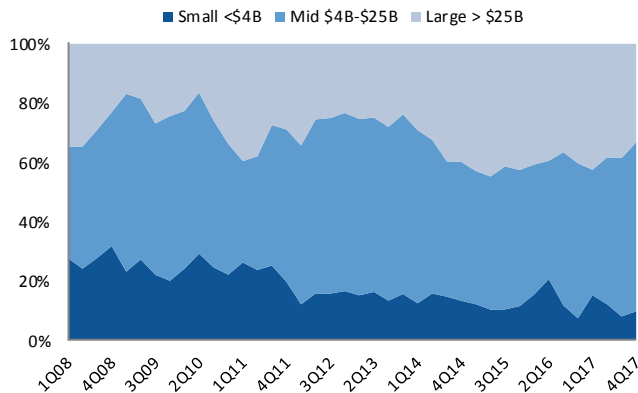
	DGHM AllCap Value
Weighted Average Market Cap	\$45,276
Enterprise Value/EBITDA	11.0x
Free Cash Flow Yield	5.0%
2018 Estimated P/E	18.7x
5-Year EBITDA ROA (excluding cash)	12.9%
5-Year CAGR EBITDA/SHR	4.9%
Net Debt (Cash) / Total Cap %	28.1%
Active Share (vs. Russell 3000 Value)	92.2%

ECONOMIC SECTOR ALLOCATION



This is supplemental information.

ACTIVE SIZE MANAGEMENT



This is supplemental information.

TEAM STRUCTURE



RETURN CHARACTERISTICS: SINCE INCEPTION

	DGHM AllCap Value	Russell 3000 Value**
Annualized Return Since Inception	13.0%	11.8%
Alpha	1.8%	
Beta	0.96	
Standard Deviation	16.1%	15.3%
Information Ratio	0.19	
Sharpe Ratio***	0.57	0.52
Upside Capture	101%	
Downside Capture	88%	
Correlation to Benchmark (R ²)	83%	
Average Turnover	59%	
Tracking Error	6.6%	

DGHM AllCap Value returns are gross since inception (1/1983). See the provided Explanation of Performance.

TOP 10 HOLDINGS

Symbol	Company Name	Weight
JPM	JPMorgan Chase & Co.	4.4%
ABT	Abbott Laboratories	3.9%
PRU	Prudential Financial, Inc.	3.7%
CSCO	Cisco Systems, Inc.	3.4%
MDRX	Allscripts Healthcare Solutions, Inc.	3.4%
HLS	HealthSouth Corporation	3.3%
OC	Owens Corning	3.3%
SNN	Smith & Nephew PLC Sponsored ADR	3.2%
PNC	PNC Financial Services Group, Inc.	3.2%
STI	SunTrust Banks, Inc.	3.1%

Total % of AllCap Value portfolio 35.1%

This is supplemental information.

CONTACT INFORMATION

Dalton, Greiner, Hartman, Maher & Co., LLC

565 Fifth Avenue, Suite 2101
New York, NY 10017
Main: (212) 557-2445
www.dghm.com

Michael S. Dunn

Senior Vice President
Director of Sales and Marketing
Direct: (212) 400-2230 | Mobile: (917) 574-5283
Email: mdunn@dghm.com

Giselle White

Vice President
Sales and Client Relations
Direct: (212) 557-4996 | Mobile: (646) 398-2149
Email: gwhite@dghm.com

EXPLANATION OF PERFORMANCE

The DGHM All Cap Value Composite is an actively managed, diversified portfolio of the equity securities of primarily U.S. based value companies spanning all capitalization ranges. The All Cap Value composite was created in January 1983.

Dalton, Greiner, Hartman, Maher & Co., LLC (“DGHM”) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. DGHM has been independently verified for the periods 12/31/92-12/31/16. 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 DGHM AllCap Value composite has been examined for the periods 12/31/93-12/31/16. The verification and performance examination reports are available upon request. The benchmark returns are not covered by the report of independent verifiers.

Period	DGHM Allcap Value Gross Return	DGHM Allcap Value Net Return	Russell 3000 Value Index	Composite Assets (\$mm)	# of Portfolios	% of Total Assets	% of Non-Fee Paying Assets	Composite Dispersion	Composite 3-year Annualized Std Deviation	Russell 3000 Value 3-year Annualized Std Deviation
2016	22.06%	21.15%	18.40%	\$147	12	10%	1%	0.38%	12.89%	10.97%
2015	-7.44%	-8.13%	-4.13%	\$380	21	26%	<1%	0.28%	11.91%	10.74%
2014	10.98%	10.17%	12.70%	\$625	23	42%	1%	0.15%	10.97%	9.36%
2013	37.99%	36.97%	32.69%	\$612	25	43%	1%	0.58%	14.40%	12.90%
2012	9.49%	8.65%	17.55%	\$386	29	37%	1%	0.24%	16.39%	15.81%
2011	-2.68%	-3.41%	-0.10%	\$487	27	42%	1%	0.16%	19.48%	21.04%
2010	17.96%	17.08%	16.23%	\$384	19	32%	1%	0.25%		
2009	28.92%	28.01%	19.77%	\$198	13	23%	1%	0.24%		
2008	-23.58%	-24.40%	-36.25%	\$167	7	19%	N/A	0.40%		
2007	5.50%	4.46%	-1.00%	\$264	8	18%	N/A	0.47%		
2006	16.71%	15.59%	22.34%	\$343	12	16%	N/A	0.23%		
2005	7.65%	6.60%	6.85%	\$315	9	10%	N/A	0.07%		
2004	21.56%	20.40%	16.94%	\$242	5	8%	N/A	N/A		
2003	38.76%	37.48%	31.12%	\$176	4	6%	N/A	N/A		
2002	-22.10%	-22.93%	-15.18%	\$174	6	8%	N/A	0.49%		
2001	16.91%	15.78%	-4.33%	\$191	5	10%	N/A	N/A		
2000	22.06%	20.91%	8.04%	\$166	4	13%	N/A	N/A		
1999	18.55%	17.41%	6.65%	\$143	4	19%	N/A	N/A		
1998	9.47%	8.40%	13.50%	\$138	4	14%	N/A	N/A		
1997	26.64%	25.45%	34.83%	\$249	7	19%	N/A	1.08%		
1996	17.76%	16.64%	21.60%	\$757	11	49%	N/A	0.52%		
1995	26.86%	25.67%	37.03%	\$1,723	22	62%	N/A	0.51%		
1994	-2.27%	-3.25%	-1.95%	\$1,999	33	67%	N/A	0.40%		
1993	16.18%	15.07%	18.65%	\$1,799	31	61%	N/A	0.87%		

I. GIPS COMPLIANCE REQUIREMENTS:

- DGHM is an autonomous investment advisory firm organized as a Limited Liability Company (LLC). DGHM is 80% owned by Boston Private Financial Holdings, Inc., a bank holding company focusing on wealth management through private banking and investment services, and 20% owned by the following DGHM professionals; Tim Dalton, Ken Greiner, Bruce Geller, Jeffrey Baker, Peter Gulli, Joshua Waltuch, Randall Watsek, Michael Dunn, Dolores Casaletto, Kate O’Brien, Erika Donalds, Donald Porter, Douglas Chudy and Lisa Hurst. The Firm is registered with the Securities and Exchange Commission, which oversees its investment management activities. For GIPS purposes, the Firm is defined to exclude SMA (Wrap) and UMA relationships.
- Portfolio valuations are based on fair values and are expressed in U.S. Dollars.
- Performance is calculated using total return. Performance includes the reinvestment of dividends and other earnings.
- Rates of Return are time-weighted, with valuation on a daily basis with geometric linking of period returns.
- Individual portfolios are valued on a daily basis. Composite returns are calculated monthly with the creation of one performance file using the combined transaction history of all the portfolios in the composite. Monthly composite returns are geometrically linked to calculate performance for longer periods.
- DGHM’s gross and net performance is reported after the deduction of brokerage and other transactions fees. Net performance is reported after the deduction of the highest management fee currently charged by DGHM for the particular product (0.75%; 1% prior to 2009). Custodial fees are not deducted. Management fees are more fully described in Part 2A of Form ADV which is available upon request. Withholding taxes are not included as an expense in the calculation of performance.

II. MANDATORY DISCLOSURES:

- A complete list and description of DGHM’s composites is available upon request.

2. At 12/31/16, SMA and model assets excluded from Firm assets totaled \$370 Million.
3. Composite dispersion is calculated as the equal-weighted standard deviation of portfolio results.
4. Composite dispersion is not shown for periods where five or fewer portfolios are in the composite for the entire year.
5. The inception date of the composite is January 1983.
6. The management tiered fee schedule is:

	<u>Assets (MM's)</u>	<u>Fee (bps)</u>
First \$25MM	<\$25	75
Next \$75MM	\$25-100	50
Portion >\$100MM	\$100+	35

III. MANDATORY HISTORICAL DISCLOSURES:

1. Performance is presented since January 1, 1993.
2. DGHM has changed the name of the AllCap Value Composite as trends in the industry have necessitated. Changes in the name of the composite do not indicate a change in the strategy or composition of the composite. The timeline of composite names is as follows:
 - 1/83 – 2/97 DGHM Equity Composite
 - 3/97 – 2/01 DGHM Core Equity Composite
 - 3/01 – 1/04 DGHM MultiCap Composite
 - 2/04 – 6/06 DGHM CoreValue Composite
 - 7/06 – present DGHM AllCap Value Composite
3. The DGHM AllCap Value Composite's designated benchmark changed in 2001 from the S&P 500 to the Russell 3000 Value. The Russell 3000 Value is more inclusive of the universe of stocks selected for the DGHM AllCap Value product.
4. Composite dispersion is not shown for periods where five or fewer portfolios are in the composite for the entire year.

IV. PERFORMANCE DISCLOSURES:

1. Past performance is no guarantee of future results. No assurance can be given that an investor will not lose invested capital. The performance data presented in this report represent the quarter-to-quarter and annual Total Return of an investment in the applicable DGHM portfolio and describe results for the indicated portfolio ONLY for the full period reported; results for specific separately managed accounts may vary due to the cash flows and timing of (a) investment made or withdrawn by the respective account and (b) fees paid to DGHM in accordance with applicable fee agreements between said investor(s) and DGHM. These materials include the discussion of certain companies. These case studies are for information purposes only and should not be considered as investment recommendations. There can be no guaranty that the investment adviser continues to maintain its view of these companies or that the investment adviser continues to hold positions in the companies for its client's accounts. Upon request, DGHM will provide you with similar performance information for all of its investments held during the periods shown.
2. This report is for informational purposes only and does not constitute an offering of securities unless accompanied by the DGHM Form ADV and/or Investment Management Agreement as the case may be for Separate Accounts. These documents may be amended from time to time.
3. The summary of performance stated herein is internally prepared and results are unaudited.
4. An investment in this product is suitable only for qualified individuals that fully understand the risks of such a portfolio. An investor should review thoroughly the Investment Management Agreement.
5. Additional information regarding policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

V. INDEX DESCRIPTIONS:

The Russell 3000 All-Cap Index is composed of the 3,000 largest companies based on total market capitalization. The Russell 3000 All-Cap Value Index measures the performance of those Russell 3000 All-Cap companies with lower price-to-book ratios and lower forecasted growth values. The Lipper Multicap Value Index consists of the 30 largest funds tracked by Lipper, Inc. that are associated with "value" stocks. These indices are non-managed and do not accrue advisory or transactional expenses. Index performance data is sourced from Interactive Data Corporation and the Wall Street Journal, respectively.

* DGHM AUM includes third party platform assets for which DGHM does not have full conditional authority, and which have been excluded from the definition of the firm for GIPS purposes. The assets consist of direct wrap relationships of \$365 million and model portfolio relationships of \$32 million as of December 31, 2017.

** References to the Russell 3000 Value are trademarked by Frank Russell Company.

*** Sharpe Ratio calculated using Citigroup 3-Month T-Bill.