

Kovitz Dividend Value

Third Quarter 2019

Investment Strategy

Kovitz Dividend Value holds both dividend and non-dividend paying stocks and seeks broad diversification via exposure to a significant number of major market sectors and industry groups through roughly 70 to 90 positions. The manager employs a go-anywhere style focused on uncovering bargain-priced stocks independent of market capitalization. Stock selection is driven by bottom-up fundamental analysis in the context of macroeconomic and industry data. The manager distills company fundamentals and growth prospects into earnings and cash flow estimates applied against a determination of fair-value multiples to arrive at target prices. Stocks with significant appreciation potential relative to these target prices and perceived risk characteristics become available for selection. The manager may sell positions as they reach or approach their target price, if a lower target price results from a reassessment of earnings or valuation multiples, or if a more attractive stock is identified.

About the AFAM Division of Kovitz Investment Group

Tracing its roots back to 1977, the AFAM Division's investment team is based in Aliso Viejo, CA. The team exercises diligence and prudence in applying a value-based investment philosophy to help meet the investment goals and objectives of individuals, corporations and pension and profit sharing plans. The AFAM Division offers a value-oriented, proprietary mutual fund and individually managed client accounts. The team also serves as editor of *The Prudent Speculator* newsletter.

Total Firm Assets as of September 30, 2019

approximately \$4.8 billion

Investment Style

All Cap Value

Objective

Long-term capital growth

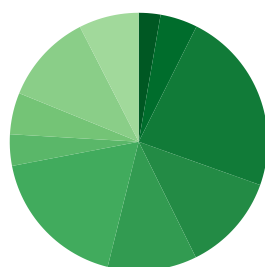
Portfolio Inception

September 30, 1990

Benchmark

Russell 3000

Equity Sectors (GICS, excl. cash)



7.5%	Communication Services
11.3%	Consumer Discretionary
5.2%	Consumer Staples
3.9%	Energy
18.1%	Financials
11.2%	Health Care
12.2%	Industrials
23.1%	Information Technology
4.7%	Materials
2.7%	Real Estate
0.0%	Utilities

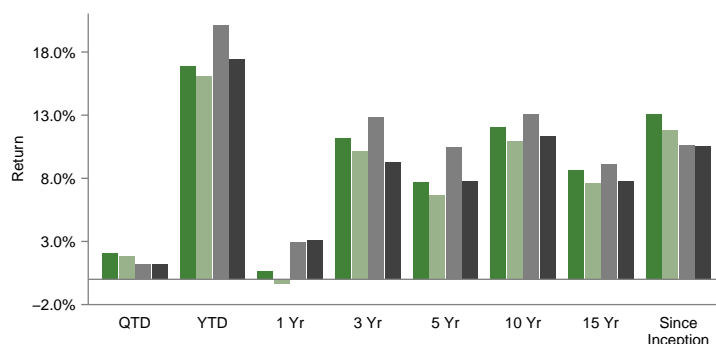
Top 15 Holdings*

Company Name	Weight
Microsoft Corp	2.89
Apple Inc	2.61
Walt Disney Co	2.11
Norfolk Southern Corp	2.07
JPMorgan Chase & Co	1.93
Comcast Corp	1.91
MDC Hldgs Inc	1.87
Celanese Corp	1.75
Intel Corp	1.68
Royal Caribbean Cruises Ltd	1.58
Bank of America Corp	1.56
Amgen Inc	1.53
Deere & Co	1.45
Corning Inc	1.44
Target Corp	1.40

Portfolio Metrics*

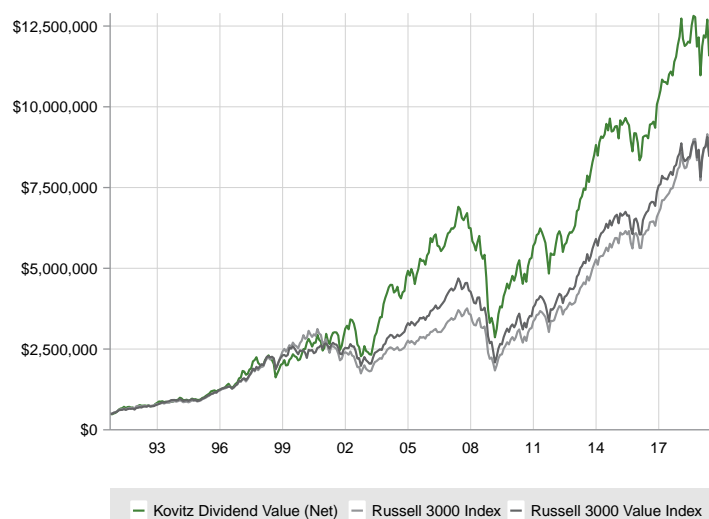
	Kovitz Dividend Value	Russell 3000 Index	Russell 3000 Value Index
Price to Earnings Ratio	14.02	20.91	16.75
Price to Sales Ratio	1.15	1.98	1.46
Price to Book Ratio	2.00	3.17	1.97
Dividend Yield	2.63	1.87	2.57

Kovitz Dividend Value Performance

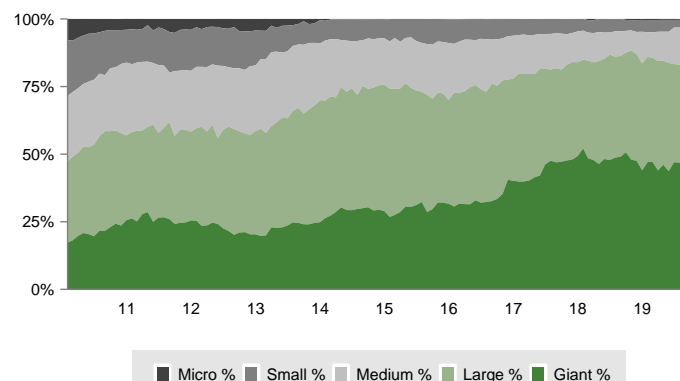


	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	Since Inception
Gross of Fee	2.07	16.87	0.63	11.17	7.69	12.02	8.66	13.05
Net of Fee	1.83	16.06	-0.33	10.10	6.64	10.90	7.57	11.81
Russell 3000	1.16	20.09	2.91	12.83	10.44	13.07	9.10	10.59
Russell 3000 Value	1.22	17.47	3.09	9.24	7.76	11.36	7.77	10.56

Growth of a Hypothetical \$500,000 Investment



Equity Market Capitalization



As of 09.30.19. *Data shown are supplemental information to the Composite. Performance data are calculated with daily performance for the trailing three-year period. Portfolio metrics are calculated using Index Method aggregation for the ratios of all holdings in the Composite and benchmark index. SOURCE: Kovitz Investment Group using data from Bloomberg

Composite Performance

	Total Firm Assets (Millions)	Composite Assets (Millions)	Number of Accounts	Composite Gross Return (%)	Composite Net Return (%)	Bench Return (%)	Bench 2 Return (%)	Composite 3-Yr STD (%)	Bench 3-Yr STD (%)	Bench 2 3-Yr STD (%)	Composite Dispersion (%)	Wrap Fee Paying Accounts (%)	Non-Fee Paying Accounts (%)
2018	3674	299	264	-8.97	-9.82	-5.25	-8.57	12.46	11.34	11.21	1.24	<1	2
2017	946	349	267	19.64	18.49	21.13	13.20	11.31	10.23	10.48	1.17	<1	3
2016	708	310	280	16.77	15.59	12.75	18.42	12.03	11.04	11.12	1.30	<1	3
2015	701	321	314	-4.60	-5.53	0.47	-4.13	11.67	10.73	10.90	1.19	<1	3
2014	827	348	318	7.78	6.65	12.56	12.69	11.21	9.42	9.49	1.48	<1	3
2013	788	305	288	40.99	39.41	33.57	32.69	15.08	12.71	13.08	2.15	<1	3
2012	676	208	262	18.10	16.84	16.43	17.56	18.12	15.95	16.03	2.12	<1	4
2011	476	217	293	-3.94	-4.91	1.02	-0.09	21.85	18.86	19.98	1.52	<1	3
2010	486	220	299	20.65	19.47	16.93	16.24	26.79	22.94	23.83	2.08	<1	3
2009	451	200	325	38.82	37.50	28.33	19.74	24.58	20.60	21.65	NA	<1	3

STD is the Standard Deviation. The measure of the composite's internal dispersion is the asset-weighted standard deviation of annual gross returns of portfolios that were members of the composite for the full annual period. NA indicates not applicable. The composite's internal dispersion is not presented when performance is presented for less than a full calendar year or five or fewer portfolios were members of the composite for the full calendar year. The three-year annualized ex-post standard deviation of the composite and/or benchmark may not be presented because 36 monthly returns are not available.

Investment Committee

John Buckingham

Principal, Chief Investment Officer - AFAM Division

Jason Clark, CFA

Principal, Portfolio Manager

Christopher Quigley

Senior Research Analyst

Contact Information

AFAM, a Kovitz Division

20 Enterprise, Suite 305

Aliso Viejo, CA 92656

P: 949.499.3215 & 888.994.6837

info@afamcapital.com | afamcapital.com

Disclosures & Important Information

Kovitz Investment Group Partners, LLC ("KIG") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. KIG has been independently verified for the periods January 1, 1997 through December 31, 2018. The verification report is available on 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.

Kovitz Investment Group, LLC underwent an organizational change effective January 1, 2016, and is now Kovitz Investment Group Partners, LLC. The previous manager of the strategy, AFAM Capital, Inc. (AFAM) underwent an organizational change effective October 1, 2018, and is now a division of KIG (AFAM Division). AFAM claimed compliance with GIPS® and had been independently verified for the periods January 1, 1996 through December 31, 2017. The staff of the AFAM Division have provided the same services throughout the entire period, and the persons currently responsible for managing Composite portfolios have been primarily responsible for portfolio management throughout the entire period shown.

The Kovitz Dividend Value Composite includes all fully discretionary portfolios (except those managed under a wrap or bundled fee arrangement) managed according to the Kovitz Dividend Value strategy, an actively managed equity strategy that seeks to achieve long-term capital appreciation through a diversified portfolio of dividend-paying and non-dividend-paying stocks. Prior to July 1, 2019, the Kovitz Dividend Value strategy was known as the AI Frank Value strategy. The composite was created on July 1, 2019. The inception date for the composite is September 30, 1990. The minimum account size for inclusion in this composite is \$100,000. Beginning January 1, 2006, composite policy required the temporary removal of any portfolio incurring an aggregate net cash flow of at least 25% of portfolio assets. The removal of such a portfolio occurred at the beginning of the month in which the significant cash flow occurred. The portfolio returned to the composite at the beginning of the month after a net cash outflow and returned to the composite two full months after a net cash inflow. Beginning January 1, 2006, cash flow was evaluated quarterly, and on January 1, 2010, composite policy was updated to provide for a monthly evaluation of cash flow. On June 30, 2014, composite policy was updated to reflect re-entry into the composite at the beginning of the month after a net cash inflow. On July 1, 2016, the cash flow policy was updated to reflect the temporary removal of any portfolio incurring cash inflow or outflow of 25% or more during the month, "net" and "aggregate" no longer applicable. Prior to June 30, 2014 the composite did not include portfolios that utilized margin.

The firm maintains a complete list and description of composites, which is available upon request.

The U.S. Dollar is the currency used to express performance. Gross-of-fee returns incorporate the effects of all realized and unrealized gains and losses, the receipt, though not necessarily the direct reinvestment, of all dividends and income, and trading expenses, where explicitly charged. Net-of-fee returns are calculated using actual fees charged to each portfolio. Actual investment management fees will vary, beginning at 1.5% per annum. A full schedule of management fees can be found in KIG's Form ADV Part 2A.

Investing involves risk, principal loss is possible, and there can be no assurance that investment objectives will be achieved. Past performance is not indicative of future results.

Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Valuation metrics are the harmonic weighted-average of the ratios of all the holdings in the Composite and Index. The P/E ratio is the ratio of a company's share price to its per-share earnings. The price-to-book ratio (P/B Ratio) is a ratio of a stock's market value to its book value. The price-to-sales ratio (P/S Ratio) is a ratio of a stock's market value to its annual sales. The dividend yield indicates how much a company pays out in dividends each year relative to its share price.

For comparison purposes, the composite is measured against the Russell 3000 Index, which measures the performance of the largest 3,000 US companies and represents approximately 98% of the investable US equity market. On September 30, 2008, the manager standardized its benchmark to the Russell 3000 and changed the benchmark from the Wilshire 5000 to reflect the opportunity set of the strategy. Also presented is the Russell 3000 Value Index, which measures the performance of the value sector of the Russell 3000 Index. You cannot invest directly in an index.

AFAM, a Kovitz Division | 30 Enterprise, Suite 210 | Aliso Viejo, CA 92656 | p: 949.499.3215 | f: 888.994.6837 | afamcapital.com