

Bahl & Gaynor smig®–Small/Mid Cap Income Growth Separately Managed Account (SMA)

Bahl & Gaynor Investment Counsel Cincinnati, OH 45202 **Founded:** 1990 **Firm Assets Under Management:*** \$25.4 billion

Represented by:



Period Ending September 30, 2018

Investment Objective & Principal Investment Strategy

Investment Objective

The objective of the Bahl & Gaynor smig®–Small/Mid Cap Income Growth Strategy is income growth, followed by downside protection and then price appreciation.

Principal Investment Strategy

Bahl & Gaynor utilizes a bottom-up, fundamental approach emphasizing smaller cap, high-quality stocks with steady earnings and dividends. Their approach incorporates quantitative and qualitative analysis comparing potential ideas versus its peers, history and the market and targets dominant companies with a clear competitive advantage and reasonable valuation. Bahl & Gaynor's investment style also seeks to preserve capital in declining markets.

The benchmark for this strategy is the Russell 2500® Index.

Investment Process

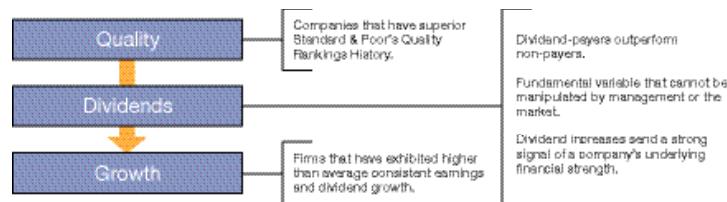
Income growth, downside protection and price appreciation.

- The strategy seeks to combine the growth attributes of small and mid-capitalization stocks with the added benefit of dividend income
- Focused on low turnover, reduced volatility, downside protection and high current/increasing income

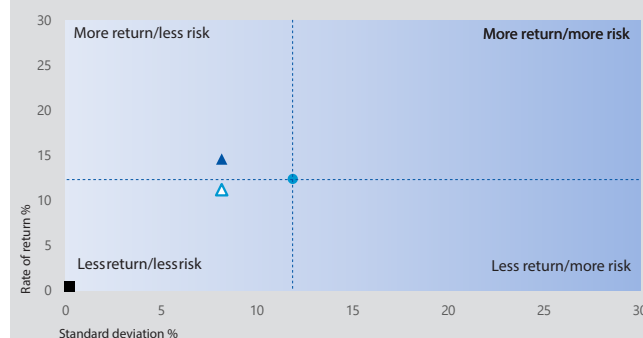
Bahl & Gaynor utilizes a bottom-up, fundamental investment philosophy that believes in owning shares of high-quality companies with market capitalizations between \$200 million and \$15 billion at purchase that typically produce steady earnings and dividend growth.

Fundamental research is conducted by the Bahl & Gaynor's 15 portfolio managers/analysts each with a sector responsibility, seeking to find dominant companies with a clear competitive advantage and reasonable valuation, are additive to the portfolio's current dividend yield and income stream, and/or provide better portfolio diversification or stronger opportunity than existing holdings.

The final portfolio is generally comprised of 40 to 55 dividend-growing stocks with no master limited partnerships (MLPs), preferred stocks, options, exchange-traded funds (ETFs) or convertible securities owned.



Total Risk/Reward Analysis 9/30/15–9/30/18



	Gross of Fees	Net of Fees	Standard Deviation	Sharpe Ratio
smig®	14.32%▲	14.94%△	8.07	1.71
● Russell 2500	11.37	—	11.67	0.93
■ 3-month T-Bill	0.49	—	0.18	—

Performance Highlights (Total returns as of 9/30/18) (Annualized for periods greater than one year)

	smig® Gross	smig® Net	Russell 2500
Quarter	5.31%	4.56%	4.70%
Year-to-Date	10.15	7.77	10.41
1 Year	17.02	13.69	16.19
3 Year	18.31	14.94	16.13
5 Year	14.32	11.03	11.37
Since Inception (3/31/2013)	14.80	11.50	12.50

* Bahl & Gaynor assets under management were \$11.7 billion and SMA platform assets under advisement were \$13.7 billion as of 9/30/2018.

Bahl & Gaynor smig®–Small/Mid Cap Income Growth Separately Managed Account (SMA)

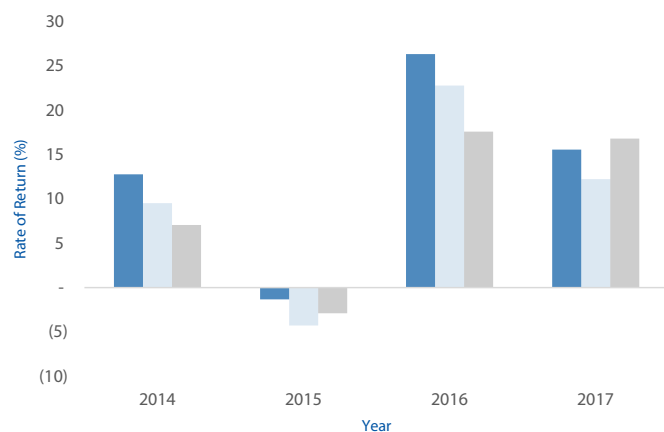
Period Ending September 30, 2018

Sector Allocations



	smig® (%)
▶ Consumer Discretionary	10.58
▶ Consumer Staples	1.83
▶ Energy	3.41
▶ Financials	16.32
▶ Healthcare	9.11
▶ Industrials	17.14
▶ Information Technology	17.33
▶ Materials	8.97
▶ Real Estate	7.72
▶ Communication Services	3.96
▶ Utilities	3.64

Composite Performance Highlights — Calendar Years — Gross & Net of Fees Yearly return analysis



	smig® Gross	smig® Net	Russell 2500
2017	15.58%	12.25%	16.81%
2016	26.34	22.79	17.59
2015	-1.32	-4.26	-2.90
2014	12.77	9.52	7.07

Portfolio Characteristics

	smig®	Russell 2500
Number of Holdings	54	2,504
Beta (5-Year vs. Index)	0.80	1.00
Price/Earnings (1-year trailing)	22.50x	18.10x
Weighted Average Market Capitalization (\$Billions)	\$7.1	\$5.3
Annual Portfolio Turnover	27%	—
Dividend Yield	2.69%	1.40%
Upside Market Capture (5 Years)	113.13	100.00
Downside Market Capture (5 Years)	74.23	100.00

Top 10 Equity Holdings (excludes cash)

Security	% of Equity
Maxim Integrated Products Inc	3.60
Encompass Health Corp	3.32
Watsco Inc	2.84
Hubbell Inc	2.84
RPM International Inc	2.76
Orion Engineered Carbons SA	2.73
GasLog Ltd	2.63
Atmos Energy Corp	2.50
Fastenal Co	2.47
Arthur J. Gallagher & Co	2.38

Investment Professionals

Bahl & Gaynor's investment process is a collaborative effort by the 15 portfolio managers / analysts. Since inception, Bahl & Gaynor has made investment decisions via an investment committee that emphasizes consensus and values each portfolio manager's input.

Bahl & Gaynor smig®–Small/Mid Cap Income Growth Separately Managed Account (SMA)

Period Ending September 30, 2018

Bahl & Gaynor Investment Counsel, Inc.
Schedule of Rates of Return and Statistics
Small/Mid Cap Income Growth Composite
March 31, 2013 (inception) Through December 31, 2017

Year Ended 12/31	Gross Composite Return (%)	Net Composite Return (%)*	Benchmark Return (%) Russell 2500*	Number of Accounts	Composite Dispersion (%)	3 Year Annualized Ex-Post Standard Deviation		Total Composite Assets (\$MM)	Non-fee Paying Assets (%)	Total Firm Assets (\$MM)	Total AUA (\$MM)**
						Composite (%)	Russell 2500 (%)				
2013†	19.36	17.11	21.23	≤5				0.5	100	6,461.80	4,616.60
2014	12.78	9.52	7.08	12				21.0	2.8	7,544.90	5,701.50
2015	-1.33	-4.26	-2.90	15	0.36			33.5	1.7	7,965.60	6,051.10
2016	26.34	22.79	17.59	22	0.53	11.3	13.7	53.3	2.7	8,792.40	8,422.50
2017	15.59	12.25	16.82	28	0.49	9.8	12.1	75.4	10.6	10,778.10	11,541.50

* Net Composite Return and Benchmark Return Russell 2500 are not covered by the report of the independent verifiers.

** Assets under advisement (AUA) are presented as supplemental information. Assets under Advisement represent assets that are not under the discretion of Bahl & Gaynor, but rather follow the strategy allocation in the form of a model based/UMA program. For AUA Bahl & Gaynor provides the model account and the various sponsor firms are responsible for determining account acceptance, trading and implementation of the strategies including restrictions and various levels of customization.

†Represents partial year. Information presented is from the composite inception date 3/31/2013.

General: The information contained in this profile is proprietary in nature. All market prices, data and other information are not warranted as to completeness and accuracy and are subject to change without notice. The foregoing has been prepared solely for informational purposes and is not an offer to buy or sell or a solicitation of an offer to buy or sell any security.

The Firm is defined as Bahl & Gaynor Investment Counsel, Inc. (Bahl & Gaynor), an independent, privately held corporation registered as an investment adviser under the Investment Advisers Act of 1940. Based on the way the Firm holds itself out in the marketplace and in order to adhere to both the requirements and the spirit of the GIPS standards, the Firm has adopted the broadest possible definition of the firm. The Firm includes all accounts managed by Bahl & Gaynor. Bahl & Gaynor manages both institutional and high net worth accounts. Registration does not imply a certain level of skill or training. The Small/Mid Cap Income Growth composite was created in March 2013. Bahl & Gaynor claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Bahl and Gaynor has been independently verified for the periods June 30, 1990 to 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/Mid Cap Income Growth composite has been examined for the periods March 31, 2013 to December 31, 2016. The verification and performance examination reports are available upon request.

Accounts Eligible for the Composite: The currency used to express performance is U.S. dollars. The composite includes portfolios that were charged a bundled fee by their respective custodians. Bundled fees take the place of a transaction fee structure and represent a percentage fee charged against assets under management. These bundled fees include all charges for trading costs, portfolio management, custody, and other administrative fees. The composite was comprised of 2.2% bundled fee paying accounts as of Dec. 31, 2016, 0.0% as of Dec. 31, 2015, 1.4% as of Dec. 31, 2014. Prior to 2014, there were no bundled fee accounts. Composite dispersion measures represent the consistency of a firm's annual composite performance with respect to the individual account annual returns within a composite. The dispersion of annual returns is measured by standard deviation across asset-

weighted accounts. Dispersion includes only those accounts which have been included in the composite for the entire year. This eliminates any inaccuracies created by annualizing partial year returns. Dispersion prior to December 31, 2015 is not presented because there were fewer than five portfolios in the composite for the entire year. The three-year annualized standard deviation is not presented as of December 31, 2015 or prior because the composite does not yet have 36 monthly returns as of this date. Additional information regarding policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request. **Past performance is not indicative of future results.** Other methods may produce different results and the results for individual accounts and for different periods may vary depending on market conditions and the composition of the account. 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. No alteration of the composite as presented here has occurred because of changes in personnel or other reasons at any time.

Composite Style: The Small/Mid Cap Income Growth Composite follows a philosophy of investing in quality, dividend-paying stocks, but focuses on companies at purchase with market capitalization between \$200 million - \$12 billion, which is a mix of Small Cap and Mid Cap, and places more emphasis on current dividend yield and annual growth of income. As of January 1, 2016 the minimum account size is \$100,000, an account dropping below 75% of the composite's minimum threshold shall be removed from the composite at the beginning of the quarter it declined in market value. There was no account minimum prior to 2016. A complete list and description of Firm composites and performance results is available upon request.

Performance Data: Performance data presented reflects past performance, which is not indicative of future results. Materially different market or economic conditions could result in markedly different performance, including the possibility of loss. Performance results are calculated prior to the deduction of advisory or management fees charged by Manager to its non-wrap program clients, but after all trading costs. All realized and unrealized capital gains and losses as well as dividends and interest from investments and cash balances are included.

Bahl & Gaynor smig® – Small/Mid Cap Income Growth Separately Managed Account (SMA)

Period Ending September 30, 2018

The Firm calculates quarterly and annual account returns using a time-weighted monthly linked percentage return formula with appropriate adjustments for cash flows.

Net performance results are calculated after deducting a hypothetical fee of 3% per annum, which represents the highest possible fee assessed. A client's return will be reduced by the actual wrap program fee incurred in connection with the management of the client's account by Manager and any other managers managing assets in client's account as part of the wrap fee program. The applicable wrap program fee can be found in information provided by the wrap program sponsor. The wrap program fee is set by the applicable wrap program sponsor. This fee is not set by AAM or the Manager and neither AAM nor Manager knows the actual wrap program fee that may apply to client's account. The compounding effect of the wrap program fee over a period of time will impact the value of client's account. Clients should take wrap program fees into account when evaluating the investment performance of a wrap program account. Standard Deviation, Sharpe Ratio and Performance Characteristics presented are based on gross performance figures.

Top 10 Holdings, Sector Allocations and Portfolio Characteristics presented are based on a model portfolio and are subject to change. Information presented is as of the date listed on the first page of this profile. This information should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the security holdings listed were or will be profitable, or that investment recommendations or future decisions will be profitable.

This presentation should only be considered as a tool in any broker's, dealer's or advisor's investment decision matrix. Investors should consult their financial advisor when applying the assumptions of these charts/graphs.

Definitions: Standard deviation is a statistical measurement that sheds light on historical volatility by measuring the dispersion of a set of data from its mean. The higher the standard deviation, the higher the deviation within the data set. Standard deviation is calculated as the square root of variance by determining the variation between each data point relative to the mean. Sharpe Ratio is a measure for calculating risk-adjusted returns. The Sharpe ratio is the average return earned in excess of the risk-free rate per unit of volatility or total risk. The higher the Sharpe ratio, the better the risk-adjusted performance has been. Beta is a measure of the volatility, or systematic risk, of the portfolio in comparison to the benchmark. The price/earnings ratio (often shortened to the P/E ratio or the PER) is the ratio of a company's stock price to the company's earnings per share. A capitalization-weighted portfolio/index is one where individual components are weighted according to their total market capitalization. The larger components carry higher percentage weightings, while the smaller components in the index have lower weights. Annual turnover is the percentage rate at which a portfolio replaces its investment holdings on an annual basis. Dividend yield is a financial ratio that indicates how much a company pays out in dividends each year relative to its share price. The up-market capture ratio is the statistical measure of a portfolio's overall performance in up-markets. An upside capture ratio over 100 indicates a portfolio has generally outperformed the benchmark during periods of positive returns for the benchmark. An up-period is defined as a month when the benchmark return is positive. The down-market capture ratio is a statistical measure of a portfolio's overall performance in down-markets. A downside capture ratio of less than 100 indicates that a portfolio lost less than

(i.e.: outperformed) its benchmark in periods when the benchmark has declined. A down-period is defined as a month when the benchmark return is negative.

Benchmark: The Russell 2500 Index measures the performance of the small to mid-cap segment of the U.S. equity universe. It includes approximately 2500 of the smallest securities based on a combination of market cap and current index membership. The Russell 2500 Index is constructed to provide a comprehensive and unbiased barometer for the small to mid-cap segment. 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. Benchmark returns are not covered by the report of the independent verifiers.

Advisors Asset Management (AAM): All information contained in this profile has been provided by Manager and has not been audited or verified by Advisors Asset Management. The Form ADV, Part 2a of Manager was prepared by Manager and has not been audited or verified, or reviewed for legal sufficiency, by AAM. AAM and Manager are not affiliated. **AAM acts as a third party marketing agent to the Manager and does not act as investment advisor to the investment strategy referenced above.**

This material is not intended to be a recommendation or investment advice, does not constitute a solicitation to buy or sell securities, and is not provided in a fiduciary capacity within the meaning of the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code. The information provided does not take into account the specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on an investor's objectives and circumstances and in consultation with his or her advisors.