

EQUITY INVESTMENT CORPORATION

2018 First Quarter Commentary All-Cap Value & Large-Cap Value April 2018

For the quarter ended March 31, our All-Cap Value (ACV) SMA and Large-Cap Value (LCV) SMA composites declined 2.4% and 2.3% (gross*), respectively, versus a decrease of 2.8% for both the Russell 3000® Value (R3000V) and Russell 1000® Value (R1000V) indices and a drop of 0.8% for the S&P 500®. Net of a 3% hypothetical maximum annual SMA fee, results for ACV and LCV would be -3.1% and -3.0%, respectively, for the quarter.¹

While the overall declines for the quarter were relatively modest, the table below demonstrates that stock price movements within the quarter exhibited a degree of volatility that hasn't been seen since the first quarter of 2016, when all three indices dropped more than 10% intra-quarter before finishing at higher levels than they had started.

| | <u>Intra-Quarter Periods</u> | | | | <u>Q1 2018</u> |
|-----------------------------|------------------------------|---------------------|--------------------|----------------------|-----------------------|
| | 12/31/17 - 1/26/18 | 1/27/18 - 2/8/18 | 2/9/18 - 3/9/18 | 3/10/18 - 3/31/18 | 12/31/17 - 3/31/18 |
| ACV SMA Gross* / Net | 6.4% / 6.1% | -8.8% / -8.9% | 3.1% / 2.8% | -2.4% / -2.6% | -2.4% / -3.1% |
| LCV SMA Gross* / Net | 6.4% / 6.1% | -8.7% / -8.8% | 3.1% / 2.9% | -2.4% / -2.6% | -2.3% / -3.0% |
| Russell 3000® Value | 5.8% | -10.0% | 6.5% | -4.2% | -2.8% |
| Russell 1000® Value | 6.0% | -10.1% | 6.5% | -4.3% | -2.8% |
| S&P 500® | 7.6% | -10.1% | 8.2% | -5.2% | -0.8% |

Source: EIC, Morningstar DirectSM

*Intra-quarter returns are estimated "pure" gross returns calculated from subsets of EIC's SMA composites, do not reflect the deduction of any expenses, including trading costs, and are presented as supplemental information to the full disclosure presentations, which are considered an integral part of this report. See footnote 2 for additional explanation.

The results shown in the table above are over very short time periods, and we caution against drawing sweeping conclusions. Nevertheless, our return pattern was generally consistent with our history of declining less in down markets while not keeping up with the indices during periods of strong upward movements. This combination led to overall performance that was slightly ahead of the Russell indices for the full quarter.

As seen in the following table, the longer the duration of the down market, the more likely our performance mirrors our historical risk-return pattern. For example, our ACV composite outperformed the Russell 3000 Value Index in all of the index's rolling 36-month, 60-month, and 120-month periods of down performance since inception of the strategy. Conversely, the shorter the timeframe, the more likely we are to produce a counter-intuitive result: our ACV composite trailed the Russell 3000 Value Index in 29% of the down months and 26% of the rolling three-month down periods.

| Rolling Returns* for Russell 3000® Value | | | | |
|---|------------------------------------|-----------------------------------|-------------------------------|---------------------|
| | Total number of Periods | Number of Down Periods | EIC** Underperforms In | |
| | | | # of Periods | % of Periods |
| 1 month | 387 | 133 | 38 of 133 | 29% |
| 3 month | 385 | 106 | 28 of 106 | 26% |
| 12 month | 376 | 82 | 9 of 82 | 11% |
| 36 month | 352 | 45 | 0 of 45 | 0% |
| 60 month | 328 | 36 | 0 of 36 | 0% |
| 120 month | 268 | 3 | 0 of 3 | 0% |

Source: EIC, Morningstar DirectSM

*Rolling returns since inception of the EIC ACV SMA strategy on January 1, 1986, through March 31, 2018.

**Returns for EIC's ACV SMA composite are "pure" gross returns, do not reflect the deduction of any expenses, including trading costs, and are presented as supplemental information to the full disclosure presentations, which are considered an integral part of this report.

Investment Environment

Stocks began the first quarter continuing their strong fourth quarter 2017 performance, with the Russell 3000 Value and Russell 1000 Value indices gaining 5.8% and 6.0%, respectively, through January 26 and the S&P 500 up an even stronger 7.6%. From that point, the market dropped substantially for the next nine days, before climbing and then falling again to finish modestly negative for the full quarter.

We believe there are likely several causes for the increased volatility. Higher interest rates led to significant price declines in utilities, REITs, longer duration fixed-income investments, and perhaps, equity prices overall. Fear of trade wars, while bidding up some perceived winners, was seemingly a net negative for equity prices. And finally, negative headlines at a number of technology bellwethers may have caused a rethink of pricing and risk in that sector.

It remains to be seen whether the market has entered an extended period of increased volatility or the bull market quickly and quietly resumes. The economist Paul Samuelson famously said, "We have but one sample of history," meaning that far more things could have happened than did. Just as importantly, we will get only one sample of the future. As always, it will be unpredictable, and the return pattern that we experience will be just one of infinite possibilities. ***Our role in such an uncertain world is to construct portfolios for clients that increase the odds of investment success, no matter what the market delivers.***

Taking a step back, while increased volatility has presented us with more to look at in terms of potential investment opportunities, we still face a market that is expensive by historical standards and where significant risks remain. We added to a few names during the quarter and initiated a new purchase but also trimmed several stocks. As a result, our model cash position (cash and short term investments described in more detail below) remained the same at the end of the quarter as at the beginning.

We are pleased that the increase in leverage at investment-grade, publicly traded companies is finally gaining investors' attention. Born of years of low interest rates and favorable borrowing conditions, the non-financial index constituents now have a notably lower credit profile than ten years ago. As rates rise, companies with aggressive capital structures will be less able to manage through an eventual recession or a turn in the credit cycle.

For some time now, we have been cautious regarding exposure to companies with rising leverage, and it is one example of how we manage risk for clients before it becomes problematic. As seen below, our portfolios, on a ratings or leverage basis, compare favorably to the market overall. While positioning portfolios this way has not been particularly rewarding the last five years, we suspect that may change going forward.

| | Russell 3000® Value | | | EIC ACV SMA | | |
|--------------------|---------------------|------------------------|-------|-------------|----------------------------|------|
| | Companies | Percentage of Index by | | Companies | Percentage of Portfolio by | |
| | Names | Mkt Cap | | Names | Weight | |
| Junk Rated* | 420 | 20.1% | 9.5% | 2 | 5.6% | 2.5% |
| BBB- Rated | 104 | 5.0% | 5.2% | 0 | 0.0% | 0.0% |
| Other** | 113 | 5.4% | 0.7% | 1 | 2.8% | 1.5% |
| Total | 637 | 30.5% | 15.4% | 3 | 8.3% | 4.0% |

Source: S&P Capital IQ as of 3/16/18

*Junk Rated refers to companies that have received a credit rating below BBB- from Standard and Poor's

**Other refers to unrated companies that have leverage profiles comparable with BBB- or junk rated credits.

Portfolio Review³

In addition to numerous trims and adds based on valuation, we initiated a new position in National Grid PLC, a London-based utility with mostly regulated operations in the United Kingdom and the Northeast United States. The company operates in reasonably constructive regulatory jurisdictions and so has a favorable ROE profile for a utility, along with a strong single-A credit rating. At current prices, it trades at a reasonable valuation and offers a well-covered 5.4% dividend yield.

We also initiated a position in the iShares Short Treasury Bond ETF (SHV), a liquid, short-term bond ETF that delivers a higher yield to clients than traditional money market sweep accounts. SHV invests only in U.S. Treasury securities that mature in less than one year; thus, there's no credit risk and very little exposure to rising interest rates. It also provides ample trading volume, and, of course, the underlying investments are quite liquid. All in all, we view it as a safe and effective way to pick up some additional yield in client portfolios.

Firm Updates

As mentioned last summer, we launched a search for a research analyst to join our team and were so impressed with the quality of candidates, we extended offers to two. The first, Bo Ladyman, joined late last year, and the second, Tom Knapp, joined us this month. Tom comes to us from Eagle Asset Management, where he spent the last ten years as a trader and credit analyst. He received his MBA from Columbia University and has also earned the CFA designation. We think that Tom has the right combination of experience, temperament, and passion for investing to fit in at EIC and to contribute immediately. We are happy to have him join our team.

Finally, we are pleased to mention that Morgan Purvis, who joined EIC in 2015, has transitioned from an internal sales role to a portfolio specialist. In addition to earning the CFA designation, Morgan's responsibilities at EIC have evolved over the past few years. He has increasingly divided his time between supporting our marketing and client-service efforts, and conducting research for the investment team. Morgan covers both roles well, and we are fortunate to have him.

As always, we thank you for your continued partnership with EIC. We are grateful for your support.

Investment Team

W. Andrew Bruner, CFA, CPA

R. Terrence Irrgang, CFA

Ian Zabor, CFA

Please see disclosures on the next page.

VALUE DISCIPLINE • QUALITY FOUNDATION • GROWTH OBJECTIVE

EIC DOC#18041801

Disclosures

¹EIC's ACV and LCV results are those of our All-Cap Value SMA and Large-Cap Value SMA composites gross* (before) and net (after) assumed maximum annual SMA fees of 3% (0.25% per month). SMA fees include transaction costs, portfolio management, custody, and other administrative fees.

*Gross returns for EIC SMA composites are "pure" gross returns, do not reflect the deduction of any expenses, including trading costs, and are presented as supplemental information to the full disclosure presentations which are considered an integral part of this report. All returns include reinvestment of dividends and interest. Indices are unmanaged, do not incur management fees, costs or expenses, and cannot be invested in directly. Past performance is not indicative of future results. **Individual account results may differ from those of a composite. Client net returns are reduced by EIC's management fees and may possibly be reduced by brokerage firm wrap fees, which include transaction costs, portfolio management, custody, and other administrative fees.**

²Intra-quarter returns are estimated "pure" gross returns calculated from subsets of EIC's All-Cap Value SMA and Large-Cap Value SMA composites, before EIC and brokerage firm wrap fees, and differ from the calculation of composite returns by (1) inclusion of accounts that terminate or otherwise leave the composite by quarter-end; (2) inclusion of unreconciled accounts; and (3) using a beginning-of-period cash-flow adjusted weighting scheme. Intra-quarter 3% net returns are estimated by applying proportionately an assumed annual SMA fee of 3% to each daily return.

³The securities identified and described above do not represent all of the securities purchased, sold or recommended for client accounts. Actual portfolio holdings may vary for each client, and there is no guarantee that a particular client's account, "wrap," or advisory program will hold any, or all, of the securities identified. The reader should not assume that an investment in the securities identified was or will be profitable.

Frank Russell Company is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. This is a presentation of EIC. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. Frank Russell Company is not responsible for the formatting or configuration of this material or for any inaccuracy in EIC's presentation thereof. S&P 500[®] and Russell indices information is sourced from S&P Capital IQ.

All-Cap Value SMA Composite Performance Description

Equity Investment Corporation (EIC) is an SEC registered independent investment advisor incorporated in the state of Georgia. EIC was founded in 1986. Effective September 30, 2016, substantially all of the assets and liabilities of the firm were acquired by three members of the investment team who collectively have more than 40 years of experience at EIC. Accounts continue to be managed using the same investment process, and the firm continues to operate as EIC. Performance numbers (beginning July 1, 1995) are the value-weighted, time-weighted, total return composite results of fully discretionary All-Cap Value equity wrap fee (SMA) accounts. The strategy employs a flexible framework (not constrained by any cap size limitations) of investing in high-quality, well-managed companies, while at the same time avoiding those that look inexpensive relative to their historical record but are actually in structural decline. Prior to January 1, 2013, the composite was called the All-Cap Value Wrap Composite. Returns are generally presented net of foreign withholding taxes on dividends, interest income, and capital gains; however, returns for some accounts are presented gross of foreign taxes depending on the treatment by their custodian. Prior to July 1, 1995, the returns are that of the All-Cap Value composite. Results for the period January 1, 1989, through July 1, 1995 include both SMA and non-SMA accounts. During this period, SMA accounts represent on average 24% of the composite. Since July 1, 1995, SMA accounts comprise 100% of the composite. The composite creation date is July 1, 1995. All accounts included in the composite are managed according to similar investment guidelines. On January 1, 2003, the benchmark (which excludes an advisory fee) was changed retroactively from the S&P® 500 Index to the Russell 3000® Value Index because it is more representative of the composite. Performance includes reinvestment of dividends, and EIC's returns also include interest earned on cash. The benchmark index is the Russell 3000® Value Index, which excludes an advisory fee, and was chosen because it is representative of the composite's investment style. The Russell 3000® Value Index measures the performance of the broad value segment of the US equity universe. It is the portion of the Russell 3000® Index companies with lower price-to-book ratios and lower forecasted growth rates. The Russell 3000® Index consists of the largest 3000 US companies and represents 98% of the investable US equity market.

| Year Ended Dec - 31 | Gross* Rate of Return¹ (Supplemental) | Hypothetical 3% Annual Net Rate of Return¹ | Benchmark Return of Russell 3000® Value Index | Composite 3-Yr St Dev | Benchmark 3-Yr St Dev | Dispersion² of Annual Returns (St Dev) | Number of Portfolios³ | Composite Assets (\$ Millions) | Advisory-Only (UMA) and Managed Assets | | |
|------------------------|---|---|--|--------------------------|--------------------------|--|--------------------------|--------------------------------------|--|---------------------------------------|--|
| | | | | | | | | | UMA Assets⁴ (\$ Millions) (Supplemental) | GIPS® Firm Assets (\$ Millions) | Total Assets⁴ (\$ Millions) (Supplemental) |
| 2018 (through 3/31) | -2.4% | -3.1% | -2.8% | 8.5% | 10.4% | 0.2% | 2455 | \$1,194.8 | \$1,928.1 | \$2,535.5 | \$4,463.6 |
| 2017 | 15.6% | 12.2% | 13.2% | 8.0% | 10.3% | 0.4% | 2486 | \$1,264.8 | \$2,044.9 | \$2,790.7 | \$4,835.6 |
| 2016 | 12.2% | 8.9% | 18.4% | 8.6% | 11.0% | 0.5% | 2893 | \$1,406.1 | \$2,044.5 | \$2,994.4 | \$5,038.9 |
| 2015 | -4.4% | -7.2% | -4.1% | 8.9% | 10.7% | 0.5% | 4727 | \$1,964.8 | \$1,590.0 | \$3,658.9 | \$5,248.9 |
| 2014 | 14.9% | 11.5% | 12.7% | 8.1% | 9.4% | 0.5% | 5272 | \$2,259.6 | \$1,657.7 | \$3,862.6 | \$5,520.3 |
| 2013 | 24.7% | 21.1% | 32.7% | 9.2% | 12.9% | 0.6% | 4290 | \$1,703.6 | \$1,009.2 | \$3,286.3 | \$4,295.5 |
| 2012 | 10.0% | 6.7% | 17.6% | 11.5% | 15.8% | 0.4% | 2742 | \$1,016.1 | \$665.6 | \$2,301.1 | \$2,966.7 |
| 2011 | 7.4% | 4.2% | -0.1% | 16.3% | 21.0% | 0.6% | 1398 | \$556.0 | \$314.5 | \$1,127.9 | \$1,442.5 |
| 2010 | 18.2% | 14.7% | 16.2% | 18.7% | 23.5% | 0.5% | 937 | \$432.6 | \$77.9 | \$836.9 | \$914.8 |
| 2009 | 26.9% | 23.2% | 19.8% | 17.3% | 21.3% | 1.3% | 743 | \$282.7 | \$10.5 | \$541.2 | \$551.8 |
| 2008 | -22.9% | -25.2% | -36.3% | 11.7% | 15.5% | 1.0% | 946 | \$220.2 | \$0.0 | \$362.6 | \$362.6 |
| 2007 | 3.3% | 0.3% | -1.0% | 7.0% | 8.3% | 0.8% | 935 | \$283.5 | \$0.0 | \$448.1 | \$448.1 |
| 2006 | 16.6% | 13.1% | 22.3% | 6.2% | 7.0% | 0.8% | 758 | \$252.7 | \$0.0 | \$487.2 | \$487.2 |
| 2005 | 2.8% | -0.3% | 6.9% | 8.8% | 9.7% | 0.7% | 675 | \$195.5 | \$0.0 | \$463.6 | \$463.6 |
| 2004 | 13.9% | 10.6% | 16.9% | 11.4% | 14.8% | 0.8% | 531 | \$137.4 | \$0.0 | \$388.1 | \$388.1 |
| 2003 | 25.2% | 21.6% | 31.1% | 13.6% | 16.0% | 0.8% | 289 | \$70.0 | \$0.0 | \$231.0 | \$231.0 |
| 2002 | -4.1% | -6.9% | -15.2% | 15.9% | 16.6% | 1.5% | 59 | \$14.6 | \$0.0 | \$110.7 | \$110.7 |
| 2001 | 16.9% | 13.5% | -4.3% | 15.7% | 14.1% | 0.8% | 13 | \$5.4 | \$0.0 | \$82.2 | \$82.2 |
| 2000 | 18.6% | 15.2% | 8.0% | 18.0% | 16.8% | 0.8% | 16 | \$6.5 | \$0.0 | \$62.3 | \$62.3 |
| 1999 | 2.1% | -0.9% | 6.6% | 15.7% | 15.9% | 1.0% | 27 | \$13.0 | \$0.0 | \$64.1 | \$64.1 |
| 1998 | 16.2% | 12.8% | 13.5% | 14.5% | 14.9% | 0.9% | 11 | \$2.8 | \$0.0 | \$35.2 | \$35.2 |
| 1997 | 30.1% | 26.4% | 34.8% | 8.8% | 9.5% | 0.8% | 12 | \$4.9 | \$0.0 | \$38.8 | \$38.8 |
| 1996 | 8.0% | 4.8% | 21.6% | 7.7% | 9.2% | 0.6% | 19 | \$16.6 | \$0.0 | \$69.7 | \$69.7 |
| 1995 | 19.7% | 16.2% | 37.0% | 6.2% | 8.3% | 0.6% | 42 | \$23.0 | \$0.0 | \$93.4 | \$93.4 |
| 1994 | 0.2% | -2.8% | -1.9% | 5.7% | 8.2% | 0.8% | 65 | \$32.7 | \$0.0 | \$92.6 | \$92.6 |
| 1993 | 11.3% | 8.0% | 18.7% | 8.0% | 9.5% | 0.7% | 72 | \$44.0 | \$0.0 | \$84.5 | \$84.5 |
| 1992 | 10.6% | 7.4% | 14.9% | 12.5% | 13.7% | 0.9% | 69 | \$53.3 | \$0.0 | \$84.1 | \$84.1 |
| 1991 | 37.0% | 33.0% | 25.4% | 13.3% | 14.5% | 1.3% | 58 | \$35.6 | \$0.0 | \$48.9 | \$48.9 |
| 1990 | -8.0% | -10.7% | -8.8% | 13.2% | 13.5% | 0.7% | 59 | \$25.8 | \$0.0 | \$30.4 | \$30.4 |
| 1989 | 20.8% | 17.3% | 24.2% | 18.0% | 17.6% | 1.6% | 51 | \$21.4 | \$0.0 | \$27.8 | \$27.8 |
| 1988 | 27.4% | 23.7% | 23.6% | 19.9% | 18.9% | 1.7% | 14 | \$6.0 | \$0.0 | \$8.0 | \$8.0 |
| 1987 | 10.6% | 7.4% | -0.1% | N/A | N/A | N/A | 5 | \$0.5 | \$0.0 | \$0.6 | \$0.6 |
| 1986 | 25.0% | 21.3% | 18.8% | N/A | N/A | N/A | 2 | \$0.2 | \$0.0 | \$0.2 | \$0.2 |

All-Cap Value SMA Composite Performance Description (*cont'd*)

Table Notes:

¹ *Gross returns, presented as supplemental information, are “pure” gross and do not reflect the deduction of any expenses, including trading costs, for SMA accounts. “Pure” gross returns from 10/1/02 through 12/31/06, reflect the deduction of trading costs but not any additional expenses. For the period 1/1/89 through 7/1/95, SMA accounts represent on average 24% of the composite assets. Prior to 7/1/95 and for the periods 10/1/02 through 12/31/06, the returns are that of EIC’s All-Cap Value composite. For all other periods, SMA accounts represent 100% of the composite assets. Net returns are calculated by reducing gross returns with an annual SMA fee of 3.0%, applied monthly.

² Dispersion is an asset-weighted standard deviation for the accounts in the composite for the entire year (or year-to-date). “N/A” represents when dispersion is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year. For 1986 through 1995 dispersion represents EIC’s All-Cap Value composite, which contains both SMA and non-SMA accounts. For 1996 through 2005, dispersion represents EIC’s internally administered SMA accounts.

³ Number of Portfolios/Composite Assets significantly decreased in 2016 due to transitioning of a major SMA program to a model based (UMA) program during Q416.

⁴ “Total Assets” include our regulatory assets under management (“GIPS® Firm Assets”) and our advisory-only “UMA Assets”. EIC has no trading discretion for UMA accounts and provides a model portfolio to the program sponsor or overlay manager. The “UMA Assets” and “Total Assets ” amounts are shown as supplemental information.

Additional Notes: The three year annualized standard deviation measures variability of the composite (gross of fees) and the benchmark returns over the preceding 36 month period.

Performance has been measured on a monthly basis from January 1, 1986, to present. Periods are geometrically linked to obtain the quarterly and annual results. Eligible new accounts are added to the composite at the beginning of the first full quarter under EIC management. Trade-date accounting with monthly valuations and adjustments for large cash flows are used. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. The US Dollar is the currency used to express performance. Returns include the reinvestment of all income. There were non fee-paying accounts during the following years: 1986: 100%, 1987: 36%, 1988: 2%, 1999-2000: 1%, 2010 – Qtr. 1 2018: <1%. Economic and market conditions have differed over the time period displayed, and likewise will be different in the future. Policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.

EIC claims compliance with the Global Investment Performance Standards (GIPS®) since inception and has prepared and presented this report in compliance with the GIPS® standards. EIC has been independently verified for the periods January 1, 1986, through December 31, 2017. 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. The verification reports, as well as a complete list and description of all the firm’s composites, are available upon request by contacting Equity Investment Corporation, 1776 Peachtree Street NW, Suite 600S, Atlanta, GA 30309. Prospective clients should be aware that results are historical and do not imply future rates of return or volatility for EIC or the indices, which may be materially different from the past and from each other.

Investment management fees are based on market values of the assets under management. In addition to a management fee, some accounts pay an all-inclusive fee based on a percentage of assets under management. Other than brokerage commissions, this fee includes portfolio monitoring, consulting services, and in some cases, custodial services. EIC’s maximum annual fees for SMA accounts (charged quarterly) are 0.75%. Total fees charged may equal 3% per year. SMA schedules are provided by independent SMA sponsors and are available upon request from the individual sponsor. Further information about fees and compensation is discussed in EIC’s form ADV Part 2 (www.adviserinfo.sec.gov).

Frank Russell Company is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. This is a presentation of EIC. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. Frank Russell Company is not responsible for the formatting or configuration of this material or for any inaccuracy in EIC’s presentation thereof. Russell Index information is sourced from S&P Capital IQ.

GIPS® is a registered trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement.

Large-Cap Value SMA Composite Performance Description

Equity Investment Corporation (EIC) is an SEC registered independent investment advisor incorporated in the state of Georgia. EIC was founded in 1986. Effective September 30, 2016, substantially all of the assets and liabilities of the firm were acquired by three members of the investment team who collectively have more than 40 years of experience at EIC. Accounts continue to be managed using the same investment process and the firm continues to operate as EIC. Performance numbers are the value-weighted, time-weighted, total return composite results of fully discretionary large-cap value wrap fee (SMA) accounts managed in the style of the firm's traditional value methodology with a large-cap bias. The strategy employs a flexible framework of investing in high-quality, well-managed companies, while at the same time avoiding those that look inexpensive relative to their historical record but are actually in structural decline. Prior to January 1, 2013, the composite was called the Large-Cap Value Wrap Composite. Returns are generally presented net of foreign withholding taxes on dividends, interest income, and capital gains; however, returns for some accounts are presented gross of foreign taxes depending on the treatment by their custodian. The composite creation date is January 1, 2001, and SMA accounts comprise 100% of the composite. For comparison purposes the composite is measured against the Russell 1000® Value Index, which excludes an advisory fee. On January 1, 2003 the benchmark was changed retroactively from the S&P 500® Index to the Russell 1000® Value Index which is more representative of the composite. The Russell 1000® Value Index measures the performance of the large-cap value segment of the US equity universe. It is the portion of the Russell 1000® Index companies with lower price-to-book ratios and lower expected growth values. The Russell 1000® Index includes approximately 1000 of the largest US companies and represents 90% of the US equity market.

| Advisory-Only (UMA) and Managed Assets | | | | | | | | | | | |
|---|---|---|--|--------------------------|--------------------------|--|--------------------------------------|--------------------------------------|--|---------------------------------------|---|
| Year Ended Dec - 31 | Gross* Rate of Return ¹ (Supplemental) | Hypothetical 3% annual Net Rate of Return ¹ | Benchmark Return of Russell 1000® Value Index | Composite 3-Yr St Dev | Benchmark 3-Yr St Dev | Dispersion ² of Annual Returns (St Dev) | Number of Portfolios ³ | Composite Assets (\$ Millions) | UMA Assets ⁴ (\$ Millions) (Supplemental) | GIPS® Firm Assets (\$ Millions) | Total ⁴ (\$ Millions) (Supplemental) |
| 2018 (through 3/31) | -2.3% | -3.0% | -2.8% | 8.3% | 10.2% | 0.2% | 904 | \$294.9 | \$1,928.1 | \$2,535.5 | \$4,463.6 |
| 2017 | 15.6% | 12.3% | 13.7% | 7.8% | 10.2% | 0.7% | 902 | \$301.6 | \$2,044.9 | \$2,790.7 | \$4,835.6 |
| 2016 | 11.9% | 8.6% | 17.3% | 8.5% | 10.8% | 0.5% | 938 | \$289.0 | \$2,044.5 | \$2,994.4 | \$5,038.9 |
| 2015 | -4.5% | -7.3% | -3.8% | 8.9% | 10.7% | 0.4% | 1146 | \$318.5 | \$1,590.0 | \$3,658.9 | \$5,248.9 |
| 2014 | 15.0% | 11.6% | 13.5% | 8.1% | 9.2% | 0.5% | 361 | \$159.4 | \$1,657.7 | \$3,862.6 | \$5,520.3 |
| 2013 | 24.8% | 21.2% | 32.5% | 9.4% | 12.7% | 0.5% | 863 | \$328.7 | \$1,009.2 | \$3,286.3 | \$4,295.5 |
| 2012 | 10.0% | 6.8% | 17.5% | 11.5% | 15.5% | 0.3% | 658 | \$197.2 | \$665.6 | \$2,301.1 | \$2,966.7 |
| 2011 | 8.2% | 5.0% | 0.4% | 15.9% | 20.7% | 0.3% | 465 | \$130.1 | \$314.5 | \$1,127.9 | \$1,442.5 |
| 2010 | 16.8% | 13.4% | 15.5% | 18.5% | 23.2% | 0.4% | 409 | \$98.2 | \$77.9 | \$836.9 | \$914.8 |
| 2009 | 25.0% | 21.4% | 19.7% | 17.2% | 21.1% | 1.0% | 386 | \$80.0 | \$10.5 | \$541.2 | \$551.8 |
| 2008 | -22.8% | -25.2% | -36.9% | 12.1% | 15.4% | N/A | 3 | \$0.9 | \$0.0 | \$362.6 | \$362.6 |
| 2007 | 2.1% | -0.9% | -0.2% | 6.9% | 8.1% | N/A | 3 | \$1.1 | \$0.0 | \$448.1 | \$448.1 |
| 2006 | 17.7% | 14.3% | 22.3% | 6.0% | 6.7% | N/A | 3 | \$1.0 | \$0.0 | \$487.2 | \$487.2 |
| 2005 | 5.7% | 2.6% | 7.1% | 8.7% | 9.5% | 0.4% | 18 | \$9.3 | \$0.0 | \$463.6 | \$463.6 |
| 2004 | 13.1% | 9.8% | 16.5% | 12.7% | 14.8% | 0.4% | 18 | \$8.9 | \$0.0 | \$388.1 | \$388.1 |
| 2003 | 23.3% | 19.7% | 30.0% | 14.2% | 16.0% | 1.1% | 21 | \$8.5 | \$0.0 | \$231.0 | \$231.0 |
| 2002 | -9.0% | -11.7% | -15.5% | N/A | N/A | 0.5% | 42 | \$11.0 | \$0.0 | \$110.7 | \$110.7 |
| 2001 | 14.6% | 11.3% | -5.6% | N/A | N/A | 1.2% | 45 | \$12.4 | \$0.0 | \$82.2 | \$82.2 |

¹ *Gross returns, presented as supplemental information, are "pure" gross and do not reflect the deduction of any expenses, including trading costs, for SMA accounts. Net returns are calculated by reducing gross returns with an annual SMA fee of 3.0% (0.75%/quarter during 2001 and 0.25%/month thereafter).

² Dispersion is an asset-weighted standard deviation for the accounts in the composite the entire year (or year-to-date). "N/A" represents when dispersion is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

³ Number of Portfolios/Composite Assets significantly decreased in Q4, 2014 and Q4, 2016 due to transitioning of two major SMA programs to model based (UMA) programs.

⁴ "Total Assets" include our regulatory assets under management ("GIPS® Firm Assets") and our advisory-only "UMA Assets". EIC has no trading discretion for UMA accounts and provides a model portfolio to the program sponsor or overlay manager. The "UMA Assets" and "Total Assets" amounts are shown as supplemental information.

Additional Note: The three year annualized standard deviation measures variability of the composite (gross of fees) and the benchmark returns over the preceding 36 month period.

Large-Cap Value SMA Composite Performance Description (*cont'd*)

Performance has been measured on a monthly basis from January 1, 2001, to present. Periods are geometrically linked to obtain the quarterly and annual results. Eligible new accounts are added to the composite at the beginning of the first full quarter under EIC management. Trade-date accounting with monthly valuations and adjustments for large cash flows are used. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. The US Dollar is the currency used to express performance. Returns include the reinvestment of all income. During 2002, 2% of the assets are non-fee paying accounts. There are no non-fee paying accounts during any other period. Economic and market conditions have differed over the time period displayed, and likewise will be different in the future. Policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.

EIC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. EIC has been independently verified for the periods January 1, 1986, through December 31, 2017. 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 Large-Cap Value SMA composite has been examined for the periods January 1, 2001, through December 31, 2017. The verification and composite examination reports, as well as a complete list and description of the firm's composites, are available upon request by contacting Equity Investment Corporation, 1776 Peachtree Street NW, Suite 600S, Atlanta, GA 30309. Prospective clients should be aware that results are historical and do not imply future rates of return or volatility for EIC or the indices, which may be materially different from the past and from each other.

Investment management fees are based on market values of the assets under management. In addition to a management fee, some accounts pay an all-inclusive fee based on a percentage of assets under management. Other than brokerage commissions, this fee includes portfolio monitoring, consulting services, and in some cases, custodial services. EIC's maximum annual fees for SMA accounts (charged quarterly) are 0.75%. Total fees charged may equal 3% per year. SMA schedules are provided by independent SMA sponsors and are available upon request from the individual sponsor. Further information about fees and compensation is discussed in EIC's form ADV Part 2 (www.adviserinfo.sec.gov).

Frank Russell Company is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. This is a presentation of EIC. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. Frank Russell Company is not responsible for the formatting or configuration of this material or for any inaccuracy in EIC's presentation thereof. Russell Index information is sourced from S&P Capital IQ.

GIPS® is a registered trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement.