



Small Capitalization Portfolio

1st Quarter, 2014

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Independent Investment Advisors

Portfolio Management Team of 7 Investment Professionals

Assets Under Management*

Total Assets Under Management: Approximately \$895 Million

Representative Institutional Clients**

- Virginia State Police Association
- Garden Club of Virginia
- Historic Wilmington Foundation
- Ronald McDonald House Charities of Charlottesville

**AUM are for the period ending 3/31/14. The figure above includes \$686.68 million in assets directly managed by IMVA and \$208.30 million in assets managed by other firms based on model programs submitted by IMVA.*

***IMVA, LLC selected clients for inclusion in this list to indicate the scope of clients served, using the following criteria: size, geographic location, and name recognition. IMVA, LLC has not used performance criteria to select clients on this list, and it is not known whether the listed clients approve or disapprove of IMVA, LLC or the advisory services provided. The clients listed are not necessarily clients within the specific portfolio mentioned. Only clients who have consented to their name's appearing on this list have been included. This information is for the period ending 3/31/14.*

Experience

- Extensive analytical and portfolio management experience.

Discipline

- Structured quantitative and qualitative analytical processes.

Research Focus

- Thorough and ongoing fundamental company analysis by the portfolio management team.

Performance

- Solid long-term performance^{*}

Commitment

- Every client relationship is important to us.

Compliance

- IMVA maintains a robust and ambitious compliance program. We are determined to put the needs of the client first in everything we do.

** Past performance is no guarantee of future results, and no representation is made that results similar to those shown can be achieved. Please refer to the footnotes at the end of this presentation for a detailed explanation of performance.*

John H. Bocock is a founder and the Chairman of Investment Management of Virginia. Prior to the founding of the firm, Mr. Bocock was a Managing Director of Scott & Stringfellow Capital Management, Inc. Mr. Bocock served as a Naval Special Warfare Officer from 1990 to 1993. He holds a B.A. from Dartmouth College and an M.B.A. from the Darden School at the University of Virginia. Mr. Bocock is a member of the Virginia Union University Board of Trustees.

Thomas Neuhaus is a Managing Director and a Portfolio Manager at Investment Management of Virginia. Mr. Neuhaus is a graduate of the McIntire School at the University of Virginia. He was awarded the Chartered Financial Analyst designation in 1999 and the Chartered Market Technician designation in 2003. Mr. Neuhaus served for three years in the Investment Banking division of Scott & Stringfellow and another three years as an equity analyst covering the information technology sector for BB&T Capital Markets.

Research/Analytical Assistance

George Pickral joined Investment Management of Virginia, LLC as a Managing Director in January, 2014. Mr. Pickral has extensive industry experience on both the buy and sell side of the U.S. equity market. He previously served as Senior Research Analyst at ACK Asset Management, a New York based long/short equity hedge fund, where he covered small capitalization equities. Prior to ACK Asset Management, he was a Senior Research Analyst covering the transportation sector with Stephens Inc. He graduated with a B.A. in Economics from the University of Virginia in 2001.

William E. Sizemore, Jr. is the Director of Research and a Managing Director of Investment Management of Virginia. Prior to joining the firm in 2007, Mr. Sizemore served as a Vice President and Director of Research for Godsey & Gibb Associates, Inc. and has been involved in the financial sector since 1984. He earned his B.S. degree in Education with a specialization in mathematics and physical education from Bluefield State College, West Virginia, and his M.Ed. in Administration and Supervision from Virginia State University.

Small Capitalization Portfolio Characteristics/Goals

- Concentrated portfolio. Differentiated from small capitalization indices.
- Value-oriented investment approach. Buy fear; sell greed.
- Rigorous in-house fundamental research.
- Valuation approach/discipline designed to avoid major pitfalls.
- Due diligence goal is to prepare to increase a position at lower prices.
- Focus on favorable risk/reward situations for potential participation in a full recovery cycle holding period (value to core to growth characterization).

Investment Universe: \$100 million to \$2 billion, equity market capitalization (for initial purchase)



- Quantitative screens



- Detailed fundamental research



- Risk and reward assessment



- Ongoing research and due diligence



30-40 Stock Portfolio: Goal is to outperform small capitalization indices, and peers, by 200 basis points over a full market cycle.

Quantitative screens include ^{*}:

- Low valuation relative to historic range (P/E, P/B)
- High quality: balance sheet, income statement, dividend, and cash flow metrics
- Negative analyst ratings but improving fundamentals
- Hidden earnings: high operating cash flow, low reported earnings
- Turnaround situations: high write offs but improving operating earnings
- Buyout potential: cash flows and balance sheet capacity to go private
- Dividend yield

Typical holdings may have the following characteristics ^{**}:

- Projected earnings growth of 15-25% per year
- Relative P/E (Forward) of 1 or less
- Solid financial position
- Positive cash flow
- Significant insider holdings (5% to 20%)
- Attractive valuation by long term pricing standards – Dividend Discount Model

**IMVA uses the Thompson/Reuters Baseline database and Starmine analyst rankings to perform screens.*

***Criteria listed are general guidelines. Individual positions may not have all of the characteristics.*

Key Questions

- *What motivates executives?*
- *What are the company's financial goals?*
- *What are the dynamics of the industry?*
- *Why will the company outperform the competition (higher economic returns)?*
- *How is the company regarded by competitors, suppliers, and customers?*
- *Is the management team credible, reliable, and experienced?*
- *What are the catalysts for change? Can the catalyst be monitored, measured?*

Cross Check Analysis

- Conference calls
- Investment conferences
- Industry contacts

Desired Results

- Exceptional management team with interests parallel to those of shareholders
- Proprietary approach or asset that distinguishes the company from its peers
- Excellent risk to reward profile

RISK

- Valuation discipline – buy with a “margin of safety”
- Securities trimmed when an equity position exceeds 6% of the total account/portfolio value
- Monitored sector and intra-sector exposure

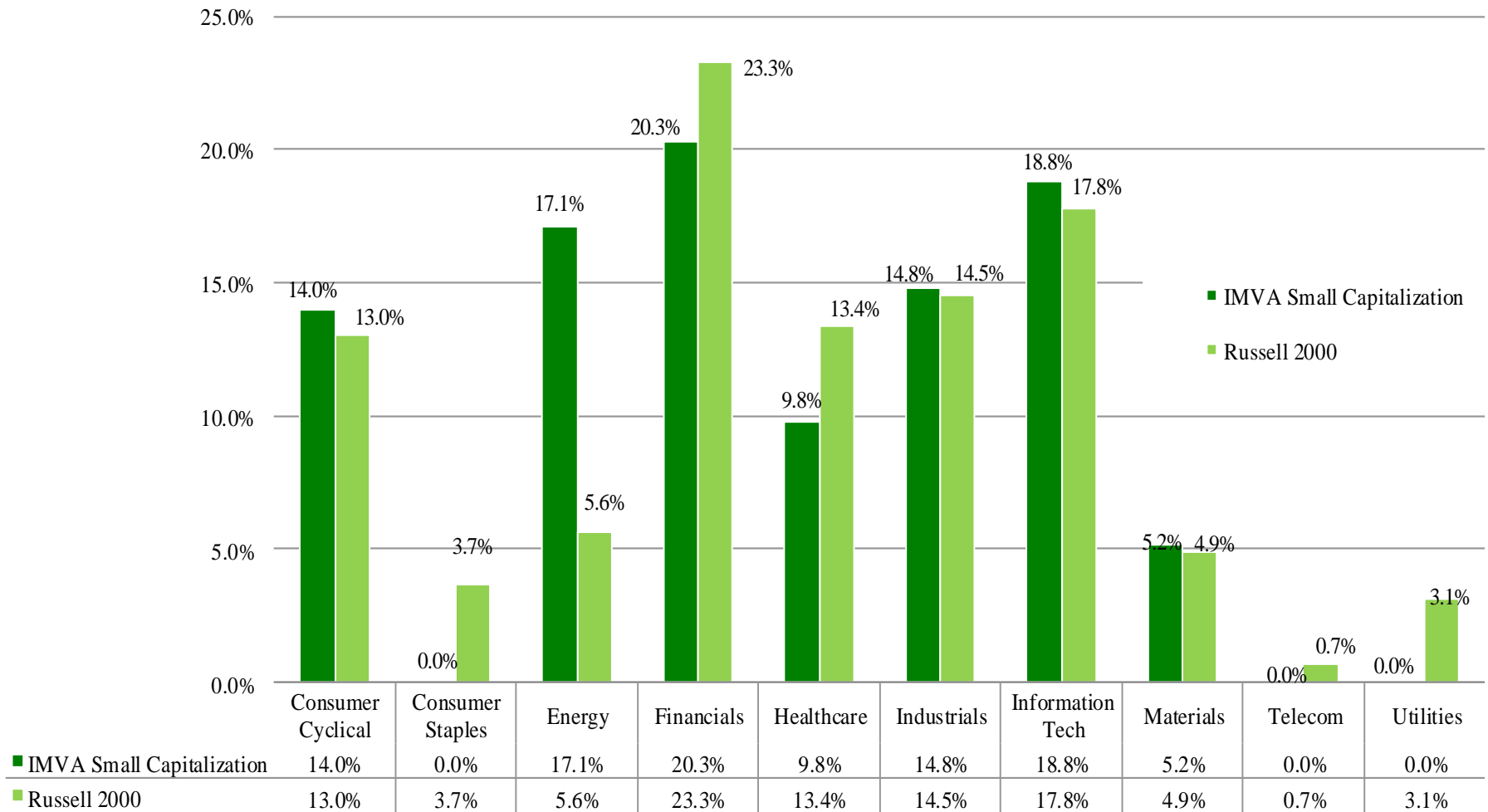
SELL

- Price target achieved
- Change in management enthusiasm, commitment, or integrity
- Unexpected earnings shortfall and/or negative earnings revision
- Insider selling
- Fundamental or material change in the business environment
- Source of funds for a better idea

- Stone Energy
- Echo Global Logistics
- Luminex Corp.
- Chicos Fas.
- Natus Medical
- Altisource Portfolio Solutions
- MDC Holdings
- Montpelier RE Holdings
- Knight Transportation
- KVH Industries

**The securities listed represent the top ten positions (as of 3/31/14) held by portfolios in an Investment Management of Virginia Small Capitalization Portfolio Composite and have not been selected by any performance criteria. These holdings are presented as “Supplemental Information” to the fully compliant GIPS® presentation of the composite. It should not be assumed that recommendations in the future will be as profitable or will equal the performance of the above securities.*

Composite Sector Weightings vs. Index



The sector allocation information is for the period ending 3/31/14. Please refer to the footnotes at the end of this presentation for a detailed explanation of performance. The sector allocation is presented as "Supplemental Information" to the fully compliant GIPS® presentation. The Russell 2000 sector weightings are obtained from Mellon Analytical.

Small Capitalization Portfolio Characteristics*

Characteristics	IMVA**	Russell 2000**	Portfolio Turnover			
Market Cap (\$B)	\$1.48	\$1.89	2003	50.5%	2009	46.6%
EPS Growth (Trailing Year)	0.6	9.5	2004	29.3%	2010	38.6%
EPS Growth (Long-term Est.)	13.9	13.6	2005	49.0%	2011	39.4%
Book Value Growth (Trailing 5 Year)	6.6	7.7	2006	36.9%	2012	33.1%
P/E Ratio (12 mos forward)	23.9	22.6	2007	40.8%	2013	35.3%
Price to Book (12 mos trailing)	1.8	2.3	2008	48.1%	2014	38.2%
Price to Cash Flow	13.1	18.0			annualized YTD	
			Sector Weightings (%)	IMVA	Russell 2000***	
			Industrials	14.8%	14.5%	
			Financials	20.3%	23.3%	
			Information Technology	18.8%	17.8%	
			Health Care	9.8%	13.4%	
			Energy	17.1%	5.6%	
			Materials	5.2%	4.9%	
			Consumer Discretionary	14.0%	13.0%	
			Consumer Staples	0.0%	3.7%	
			Telecom Services	0.0%	0.7%	
			Utilities	0.0%	3.1%	

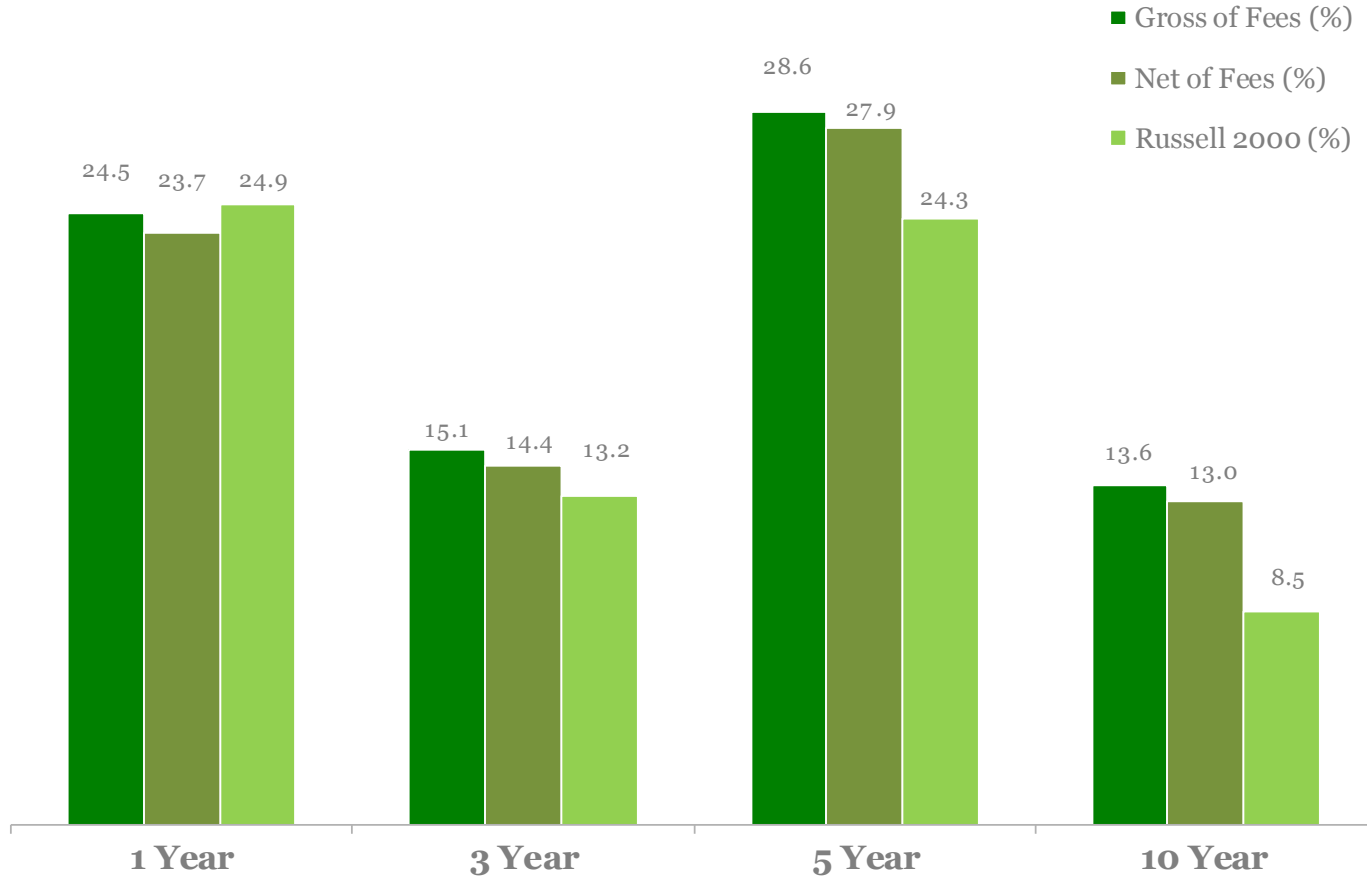
*Portfolio characteristics are for the period ending 3/31/14.

**All figures are dollar weighted averages. Sources: Mellon Analytical provided by Alta Capital.

***Source: Mellon Analytical provided by Alta Capital.

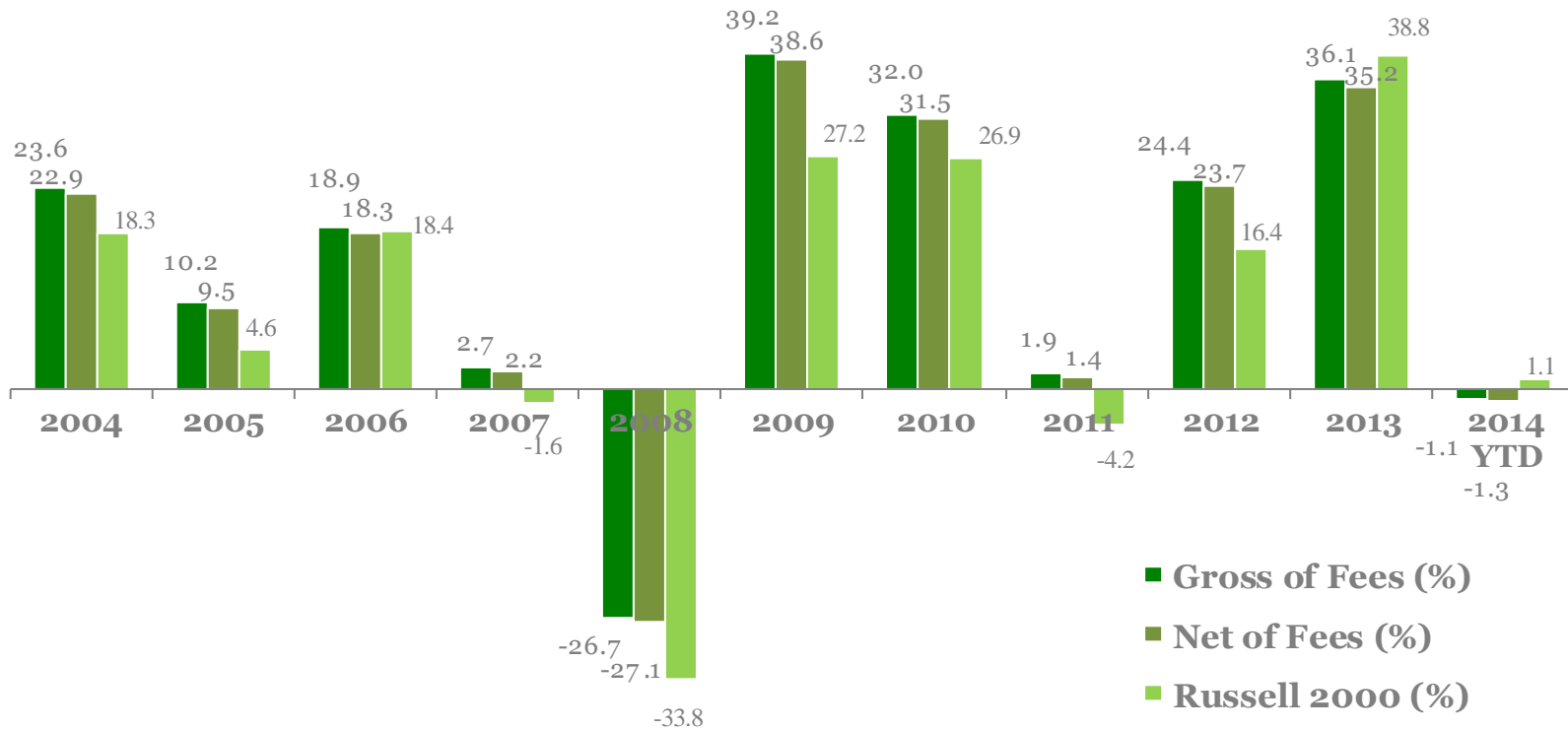
Please refer to the footnotes at the end of this booklet for a detailed explanation of performance. The portfolio characteristics on this page are presented as "Supplemental Information" to the fully compliant GIPS® presentation. Past performance is no guarantee of future results, and no representation is made that results similar to those shown can be achieved. A complete presentation of any composite and/or a list of all composites is available upon request.

Small Capitalization Portfolio Composite



Please refer to the footnotes at the end of this booklet for a detailed explanation of performance. Performance returns are for the period ending 3/31/14. Past performance is no guarantee of future results, and no representation is made that results similar to those shown can be achieved. A complete presentation of any composite and/or a list of all composites is available upon request.. 1 Year, 3 Year, 5 Year, and 10 Year returns are annualized.

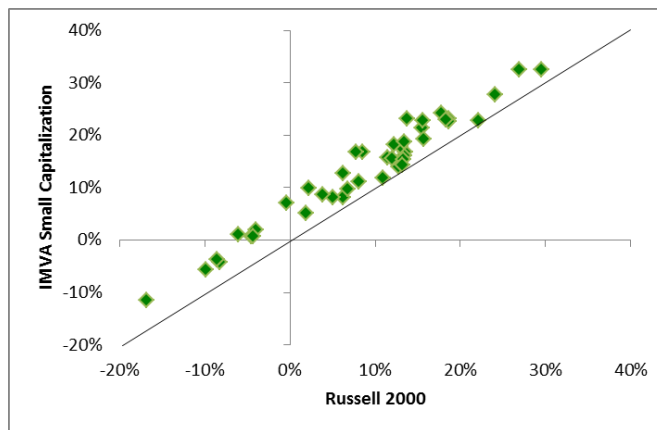
Small Capitalization Portfolio Composite



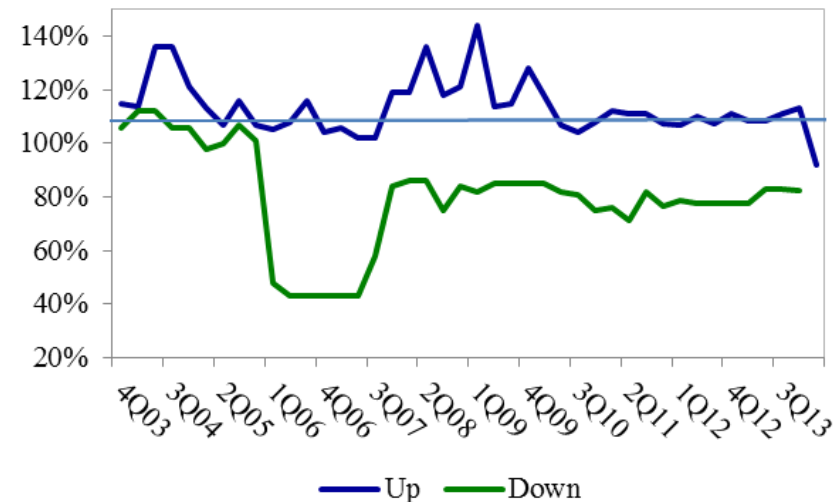
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Small Capitalization Portfolio Composite

Rolling 3-Year Annualized Returns *
(net of fees)
Period beginning 4Q03



Rolling 3-Year Market Capture**
(gross of fees)
vs. Russell 2000
Period beginning 4Q03



*Rolling three-year compound annualized net returns have been calculated by IMVA over a ten-year horizon, using quarterly Small Capitalization Portfolio composite and Russell 2000 Index performance information, respectively, between October 1, 2000, and March 31, 2014 (inclusive). Each point has two coordinates: one representing the compound annualized net return of the Small Capitalization Portfolio over a given three-year time series and as of a quarter-end (the vertical or Y axis, labeled “IMVA Small Capitalization”; the other representing the compound annualized net return of the Russell Index over a given three-year time series and as of a quarter-end (the horizontal or X axis, labeled “Russell 2000”). The vertical distance between each point and the diagonal line represents the difference between the compound annualized net return of the Small Capitalization Portfolio over a given three-year time series and that of the Russell 2000 Index over the corresponding timeframe.

**Source: Alta Capital and ratios provided by Morningstar.

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Positioned for continuing success

- Experienced analytical and portfolio management team in place.
- Consistently-applied investment process that optimizes the portfolio managers' ability to create value versus the indices and active management competitors. *
- Focus on long-term investment results.
- Substantial capacity for growth in assets under management.
- Extensive support within the firm in trading, administration, and compliance.

**Past Performance is no guarantee of future results.*

- Quarterly Letter
- Ad Hoc Reports as Market Conditions Warrant
- Client Meetings as Needed
- Direct Communication/Contact with Portfolio Managers

Investment Management of Virginia, LLC

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INVESTMENT MANAGEMENT OF VIRGINIA, LLC
SMALL CAPITALIZATION PORTFOLIO COMPOSITE
ACCOMPANYING NOTES

Year	Total Return	Total Return	Benchmark	Composite	Benchmark	Number of	Composite	Composite Assets	Strategy Assets	Model Assets	Non-Fee Paying	Percentage of	Total Firm Assets
	Gross	Net ^A	Russell 2000	3 Yr. St. Dev.	Russell 2000		Accounts	Dispersion	End of Period	End of Period ^B	End of Period ^B	Composite Assets	Non-Fee Paying
	(Percent)	(Percent)	(Percent)	(Percent)	(Percent)		(Percent)	(Millions)	(Millions)	(Millions)	End of Period (MM)	Composite Assets	(Millions)
*1994	9.80	8.85	-1.83	N/A	N/A	3	0.00	1.77	1.77	N/A	1.10	62.17%	106.69
1995	48.77	47.68	28.46	N/A	N/A	4	1.37	6.21	7.21	N/A	1.64	26.45%	182.76
1996	38.06	37.15	16.49	N/A	N/A	10	1.07	8.48	22.29	N/A	1.15	13.56%	326.48
1997	29.20	28.35	22.36	N/A	N/A	30	2.30	24.63	55.60	N/A	2.27	9.19%	782.62
1998	-7.55	-8.16	-2.55	N/A	N/A	45	2.47	51.15	76.28	N/A	1.13	2.21%	295.03
1999	47.12	46.32	21.26	N/A	N/A	35	3.05	61.55	79.12	N/A	1.51	2.45%	308.22
2000	-24.67	-25.14	-3.02	N/A	N/A	39	2.08	41.02	54.92	N/A	0.86	2.10%	283.31
2001	0.65	0.13	2.49	N/A	N/A	24	3.48	24.61	32.56	N/A	0.67	2.73%	269.84
2002	-7.98	-8.52	-20.48	N/A	N/A	20	0.97	14.71	19.46	N/A	0.62	4.21%	221.40
2003	38.49	37.74	47.25	N/A	N/A	19	0.81	15.75	20.24	N/A	0.86	5.44%	261.10
2004	23.62	22.88	18.33	N/A	N/A	19	0.75	19.27	22.86	N/A	2.21	11.49%	335.02
2005	10.17	9.47	4.55	N/A	N/A	18	1.09	18.78	30.52	N/A	2.42	12.87%	329.85
2006	18.88	18.25	18.37	N/A	N/A	18	1.53	22.97	32.42	N/A	0.00	0.00%	348.29
2007	2.66	2.15	-1.57	N/A	N/A	20	1.20	18.70	34.01	N/A	0.00	0.00%	357.32
2008	-26.66	-27.07	-33.79	N/A	N/A	18	0.76	13.33	24.81	N/A	0.61	4.59%	285.31
2009	39.21	38.57	27.17	N/A	N/A	17	4.12	14.06	29.22	N/A	4.55	32.37%	335.79
2010	32.00	31.51	26.85	N/A	N/A	15	0.74	13.39	38.39	N/A	2.64	19.74%	427.21
2011	1.89	1.41	-4.18	24.19	24.99	16	0.74	13.41	38.85	45.11	2.47	18.43%	409.51
2012	24.37	23.70	16.35	19.84	20.20	22	0.55	15.46	58.06	73.37	2.77	17.94%	526.95
2013	36.11	35.24	38.82	15.86	16.45	53	0.80	29.85	139.01	184.94	2.26	7.56%	697.44
**2014	-1.14	-1.30	1.12	N/A	N/A	54	N/A	29.87	146.16	186.49	2.52	8.45%	686.68

*Inception of the composite was 1/1/94. Creation of the composite was 1/1/94. **2014 performance returns are for the period ending 3/31/14.

A. Fee schedule: 1.00% per annum on the first \$1 million of assets; 0.75% per annum on assets greater than \$1 million. Fees are negotiable.

B. Supplemental information. In addition to composite assets, strategy assets include separately managed accounts that do not meet the criteria for inclusion in the composite and wrap accounts. Small Capitalization Portfolio model assets are managed by other firms based on model portfolios submitted by IMVA.

Investment Management of Virginia, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Investment Management of Virginia, LLC has been independently verified by previous verifiers for the periods January 1, 1993 through December 31, 2003, and verified by Ashland Partners & Company for the periods of January 1, 2004 through December 31, 2013. 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 Capitalization Portfolio composite has been examined for the periods January 1, 1994 through December 31, 2013. The verification and performance examination reports are available upon request.

1. Basis of Presentation

Investment Management of Virginia, LLC ("the Company") is a registered investment advisor under the Investment Advisors Act of 1940. The Company was originally established as Scott & Stringfellow Capital Management, Inc., a division of Scott & Stringfellow, in 1982. In March 1999, Scott & Stringfellow became a wholly owned subsidiary of Branch Banking & Trust Company (BB&T). The Company became an independent investment advisor in July of 2000 when the principals of Scott & Stringfellow Capital Management, Inc. purchased the Company from BB&T. The Company is an independent registered investment advisor; it is closely affiliated with Dynamis Advisors, LLC, also a registered investment advisor. Total firm assets exclude model programs.

2. Composite Criteria

The Composite consists of institutional, endowment, retirement, and individual accounts. Tax-exempt and taxable accounts are included. The Composite seeks a strong total return through capital appreciation in small capitalization companies. The primary investment criteria are strong upside potential at a reasonable price. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Performance results of the Composite are based on U.S. dollar returns.

3. Calculation Methodology

The Composite results are time-weighted rates of return net of commissions and transaction costs and have been presented both gross and net of investment advisory fees. Quarterly composite rates of return, which are net of investment advisory fees, are calculated at the account level. For each account, the fee percentage is subtracted from the account's gross monthly return, during the month the fee is incurred, to obtain a monthly account return net of investment advisory fees. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The standard deviation is not presented for 1994 through 2010 because it is not required for periods prior to 2011. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding policies for valuing portfolios, calculating performance and preparing compliant presentations is available upon request.

4. Comparison with Market Index

Results of the Composite are shown compared to the Russell 2000 Index. The Russell 2000 Index is comprised of the 2,000 smallest companies in the Russell 3000 Index, representing approximately 1% of the Russell 3000 Index total market capitalization. For comparison purposes, the Russell 2000 is a fully invested index, which includes reinvestment of income, and the performance has been linked in the same manner as the Small Capitalization Portfolio Composite. The returns for this unmanaged index do not include any transaction costs, management fees, or other costs. Investment Management of Virginia, LLC takes no responsibility for the validity of the index and/or other performance numbers provided by reputable outside sources. The S&P 400 Index was used prior to 12/31/00 as a comparison index. It was replaced with the S&P 600 Index on 12/31/00 because this index was a more accurate representation of the market capitalization of the securities in the client accounts. The S&P 600 Index was dropped as an index as of 3/31/12 due to low usage of that index by institutional investors.

5. SEC Advertising Disclosure Footnotes

All performance composite returns are reported net and gross of investment advisory fees charged by Investment Management of Virginia, and reflect the reinvestment of dividends and other earnings. The investment returns will be reduced by commissions, custodial fees, non-reclaimable foreign withholding taxes, and any other expenses incurred in the management of accounts. Accounts may be shown gross or net of withholding taxes on foreign dividends based on the custodian. Net performance reflects the deduction of actual quarterly fees for each account in the composite with the exception of one non-fee paying account in the composite for the periods prior to 9/30/2006. An implied 100 bps fee was applied to calculate net performance for the account. Gross of fees performance returns are presented before investment management fees.

6. Additional Information

A complete presentation of any composite and/or a list of all composite descriptions is available upon request. Such inquiries should be addressed to George McVey, Investment Management of Virginia, LLC, 919 E. Main Street, Suite 1600, Richmond, Virginia 23219, or contact him through email at gmcvey@imva.net.

*Past performance is no guarantee of future results, and no representation is made that results similar to those shown can be achieved. All portfolios have the potential of profit and/or loss on the investment securities.