



Select Equity Income Portfolio

4th Quarter, 2018

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Independent Investment Advisers

Portfolio Management Team of 8 Investment Professionals

Assets Under Management^{*}

Total Assets Under Management: Approximately \$461 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 12/31/18. The figure above includes \$448.68 million in assets directly managed by IMVA and \$12.56 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 names appearing on this list have been included. This information is for the period ending 12/31/18.*

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

- 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 goals or results similar to those shown can be achieved. Please refer to the footnotes on the last page 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 and serves on the Board of the Scott & Stringfellow Educational Foundation.

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. 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. He is a CFA[®] charterholder and a Chartered Market Technician.

William E. Sizemore, Jr. is a Managing Director of Investment Management of Virginia and serves as the firm's Director of Research. 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 more than thirty years of experience in the financial consulting business. 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.

Research/Analytical Assistance

George Pickral joined Investment Management of Virginia 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.

Select Equity Income Portfolio Parameters/Goals*

- All-capitalization investment universe, including limited use of ETFs.
- Focus on high quality companies.
- Defensive equity exposure.
- Higher dividend yield than the market.
- Diversification across sectors and market capitalization.
- Avoid major pitfalls.
- Consistent, absolute returns.

**Past performance is no guarantee of future results, and no representation is made that goals or results similar to those shown or implied can be achieved. The parameters and goals referenced herein reflect general strategy objectives; not every holding within a given strategy will demonstrate these characteristics; not every client portfolio within a given strategy will have the same characteristics. Variations from one portfolio to the next within a strategy are generally due to client-specific restrictions, objectives, or cash needs; timing differences relating to the pattern of deposits and withdrawals; market conditions at the time of investment; or other circumstances.*

Investment Universe:

- \$500 million minimum market capitalization

Quantitative screens include^{*}:

- Low valuation relative to historic range
- High quality: balance sheet, cash flow, valuation metrics
- Negative analyst ratings but improving fundamentals (contrarian indicator)
- Hidden earnings: high operating cash flow, low reported earnings
- Stock repurchases executed
- Dividend yield
- Turnaround situation: near 52 week low, heavy write offs, improving balance sheet

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

- Solid earnings history
- Strong financial position
- Leader in its markets
- Free cash flow generation
- Attractive valuation dividend discount model, relative to historical valuation

**IMVA uses the FactSet database and Starmine analyst rankings to perform screens.*

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Key Questions

- Is the management team credible, reliable, experienced?
- What are the company's financial goals?
- How will the company maintain/improve its position?
- What are the dynamics of the industry?
- How is the company regarded by competitors, suppliers, and customers?
- What is the general investor sentiment toward the company?

Cross Check Analysis

- Conference calls/on-site visits
- Investment conferences
- Industry contacts

Desired Results

- Exceptional management team with interests parallel to those of shareholders
- Consistent and predictable businesses
- Effective use of free cash flow

RISK

- Valuation discipline – buy with a “margin of safety”
- Diversified sector weightings
- No positions greater than 6% of the account
- Revisit any position with a 15% to 20% loss

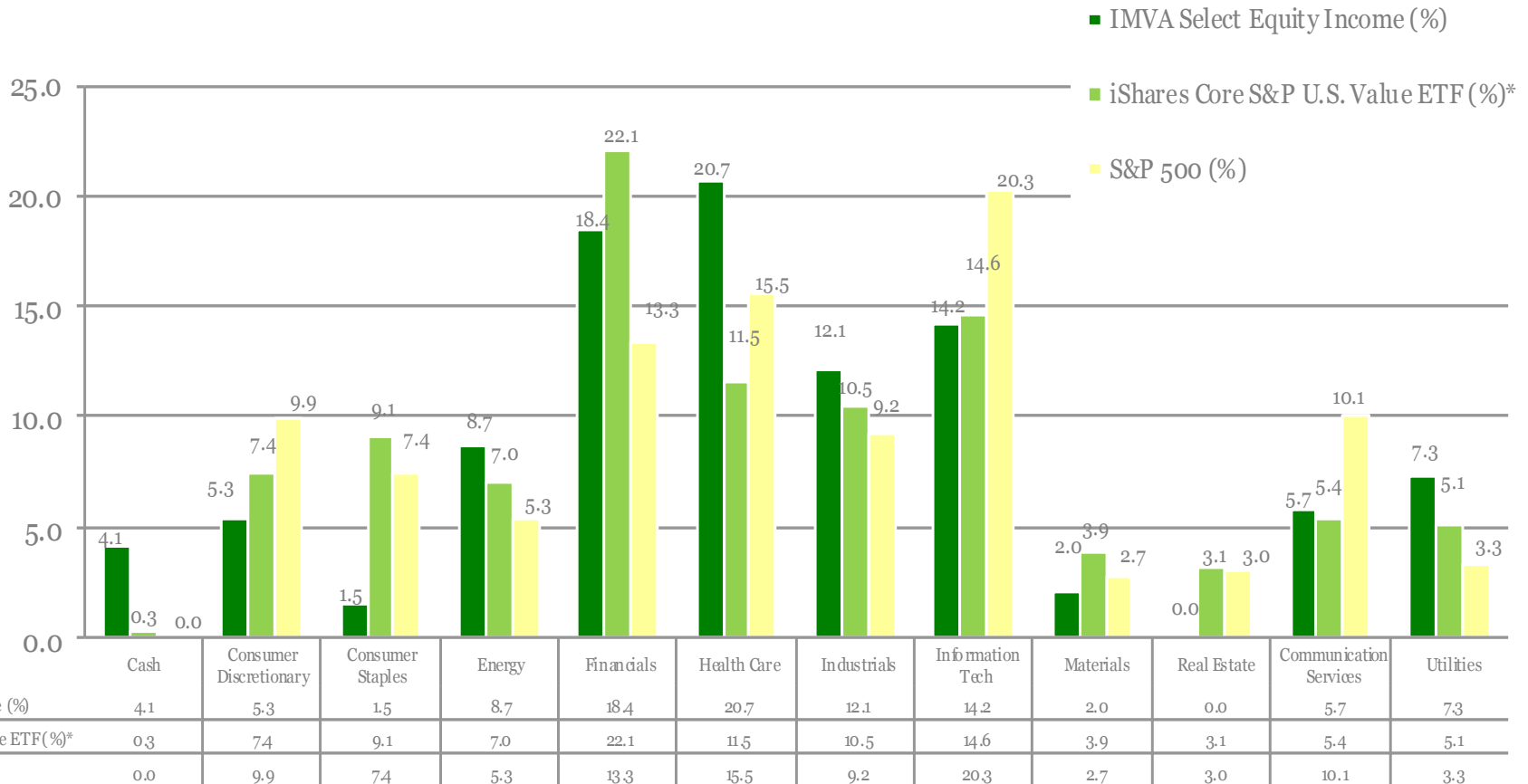
SELL

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

- Luminex Corp.
- Bristol Myers Squibb Co.
- AbbVie
- Fastenal Co.
- Cisco Systems
- CVS Health Corp.
- Wells Fargo & Co.
- Gentex Corp.
- Oaktree Specialty Lending Corp.
- Corning

**The securities listed represent the ten largest positions (as of 12/31/18) held by portfolios in the Investment Management of Virginia Select Equity Income 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.*

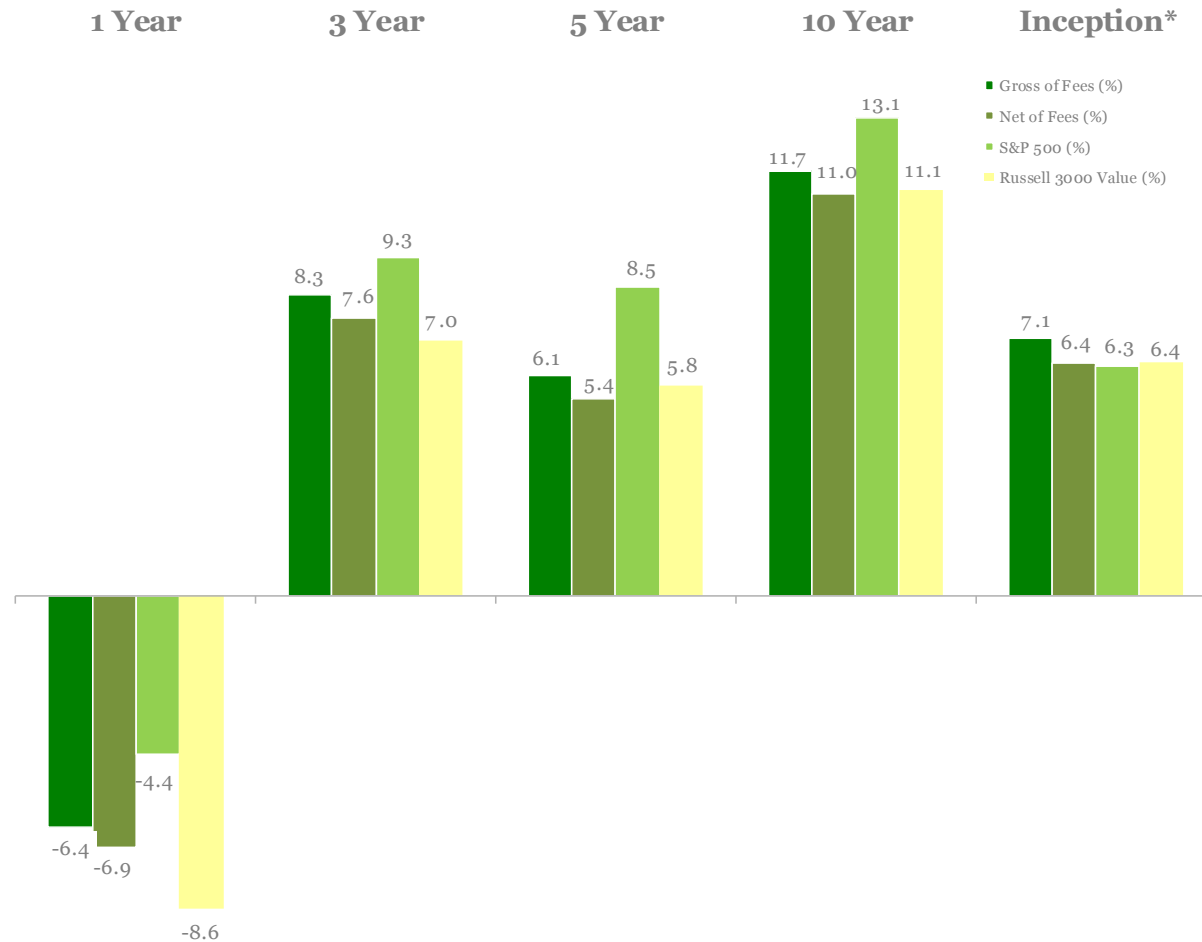
Composite Sector Weightings vs. Index



The sector allocation information is for the period ending 12/31/18. The sector allocation is presented as “Supplemental Information” to the fully compliant GIPS presentation of the composite. The S&P 500 sector weightings are obtained from Standard & Poor’s.

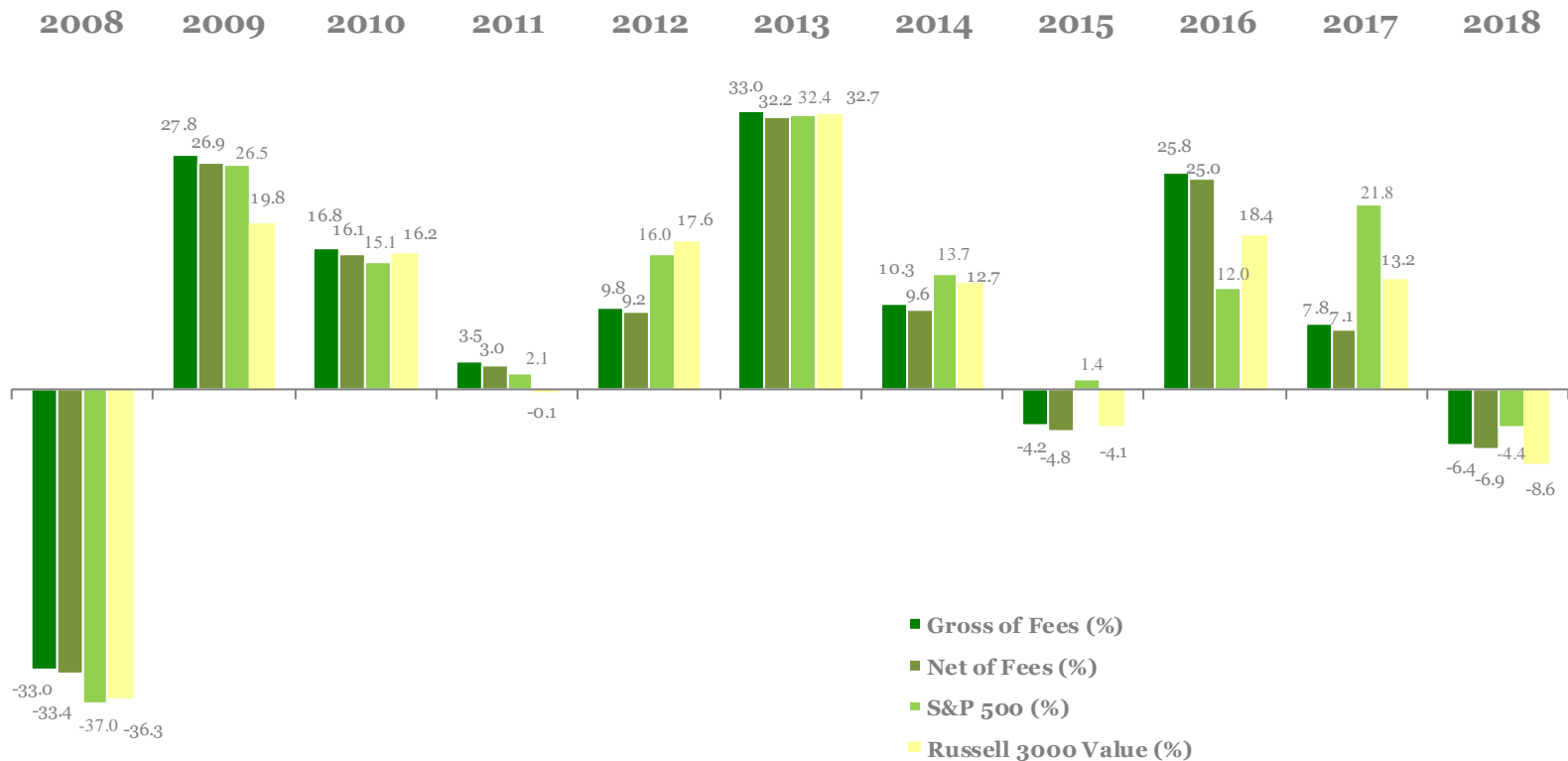
*The iShares Core S&P U.S. Value ETF is used as a proxy for the Russell 3000 Value. The iShares Core S&P U.S. Value ETF sector weightings are obtained from BlackRock.

Select Equity Income Portfolio Composite



*Inception of the composite was 7/1/01. Please refer to the footnotes on the last page for a detailed explanation of performance. Performance returns are for the period ending 12/31/18. 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. 3 Year, 5 Year, 10 Year, and Inception returns are annualized.

Select Equity Income Portfolio Composite



Please refer to the footnotes on the last page for a detailed explanation of performance. Performance returns are for the period ending 12/31/18. 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.

Positioned for continuing success

- Experienced analytical and portfolio management team in place.
- Conservative investment process designed to protect capital in weak markets.
- Focus on long-term, positive absolute returns.*
- Extensive support within the firm in trading, administration, and compliance.

**Past performance is no guarantee of future results, and no representation is made that goals or results similar to those shown or implied can be achieved. Please refer to the footnotes on the last page for a detailed explanation of performance.*

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

Investment Management of Virginia, LLC

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**INVESTMENT MANAGEMENT OF VIRGINIA, LLC
SELECT EQUITY INCOME PORTFOLIO COMPOSITE
ACCOMPANYING NOTES**

Year ^A	Total Return Gross (Percent)	Total Return Net ^B (Percent)	Benchmark S&P 500 (Percent)	Benchmark	Composite 3 Yr. St. Dev. ^C (Percent)	Benchmark	Composite 3 Yr. St. Dev. ^C (Percent)	Benchmark	Composite Dispersion ^C (Percent)	Composite Assets End of Period (Millions)	Non-Fee Paying Composite Assets End of Period (MM)	Percentage of Non-Fee Paying Composite Assets	Total Firm Assets End of Period (Millions)
				Russell 3000 Value (Percent)		S&P 500 Value (Percent)		Russell 3000 Value (Percent)					
2008	-32.95	-33.39	-37.00	-36.25	N/A	N/A	N/A	N/A	1.34	10.22	0.00	0.00%	285.31
2009	27.76	26.94	26.46	19.76	N/A	N/A	N/A	N/A	2.63	11.90	2.61	21.93%	335.79
2010	16.77	16.10	15.06	16.23	N/A	N/A	N/A	N/A	1.47	12.87	3.02	23.43%	427.21
2011	3.54	2.95	2.11	-0.10	18.12	18.70	21.04	13.83	0.47	13.83	2.84	20.53%	409.51
2012	9.80	9.18	16.00	17.55	14.49	15.09	15.81	22.87	0.48	22.87	3.05	13.35%	526.95
2013	32.98	32.18	32.39	32.69	11.44	11.94	12.90	12.90	0.53	29.04	3.96	13.64%	697.44
2014	10.28	9.55	13.69	12.70	9.60	8.98	9.36	30.57	0.36	30.57	4.30	14.06%	549.17
2015	-4.18	-4.75	1.38	-4.13	10.60	10.48	10.74	38.79	0.33	38.79	3.85	9.92%	437.32
2016	25.78	24.98	11.96	10.93	18.40	10.59	10.97	45.35	0.79	45.35	3.07	6.78%	484.18
2017	7.78	7.11	21.83	13.19	10.55	9.92	10.33	46.07	1.05	46.07	3.30	7.16%	491.22
*2018	-6.37	-6.93	-4.38	-8.58	12.11	10.80	11.06	39.90	0.55	39.90	2.81	7.04%	448.68

* 2018 performance returns are for the period ending 12/31/18.

A. Inception of the composite was 7/1/01. Creation of the composite was 7/1/01.

B. 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.

C. N/A for the current year signifies that the information is not available until year end. N/A for previous years signifies that the information was not required.

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 for the periods January 1, 1993 through September 30, 2018. 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 Select Equity Income Portfolio composite has been examined for the periods July 1, 2001 through September 30, 2018. The verification and performance examination reports are available upon request.

1. Basis of Presentation

Investment Management of Virginia, LLC ("IMVA") is a registered investment adviser under the Investment Advisors Act of 1940. IMVA 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). IMVA became an independent investment adviser in July of 2000 when the principals of Scott & Stringfellow Capital Management, Inc. purchased the Company from BB&T. Total firm assets exclude model programs. Additionally, as supplemental information, as of December 31, 2018, the firm provides models to programs managing a total of approximately \$12.56 million in assets based on those models (this figure includes all model portfolio assets at IMVA).

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, medium, and large capitalization companies, including limited use of ETFs. 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, custodial fees, 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. These returns 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 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 Standard & Poor's 500 Index and to the Russell 3000 Value Index. The Standard & Poor's 500 Index is a capitalization-weighted index, and is calculated based on a total return basis with dividends reinvested. The Standard and Poor's 500 Index is a capitalization-weighted index of 500 blue-chip U.S. companies representing the industrial, transportation, utility, and financial sectors with heavy emphasis on the industrial sector. The Russell 3000 Value Index is based on the Russell 3000 Index, which measures the performance of the 3,000 largest publicly held companies incorporated in America, as defined by total market capitalization. The Russell 3000 Value Index is a market capitalization weighted equity index and is calculated based on a total return basis with dividends reinvested. It measures how U.S. stocks in the equity value segment perform and includes stocks from the Russell 3000 Index with lower price-to-book ratios and lower expected growth rates. The Russell 3000 Value Index was added as a benchmark in September 2018. Performance has been linked in the same manner as the Select Equity Income Portfolio Composite. The returns for these unmanaged indexes 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.

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, 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. 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.