



Large Capitalization Core Equity Portfolio

THE PORTFOLIO:

Investment Management of Virginia's Large Capitalization Core Equity Portfolio investment style emphasizes high quality. On a portfolio basis, prospective equity holdings should exhibit the following characteristics:

- Sustainable operating margins
- Consistent earnings growth
- Favorable returns on equity
- Long-term financial strength
- Sound management
- Industry leadership.

In selecting stocks for inclusion in clients' portfolios, IMVA employs both macroeconomic analysis and bottom-up fundamental analysis of individual companies. Ultimately, the portfolio managers seek a diversified basket of high-quality companies in the industry sectors that appear poised for good long-term growth. Among stocks within a given industry, potential positions are screened for quality and valuation. The portfolio managers attempt to avoid altogether those companies and sectors whose prospects are less certain or whose valuation metrics appear extended. Exchange traded funds (ETFs) may also be used.

Investment Management of Virginia defines risk as permanent impairment or erosion of long-term fundamentals. Accordingly, the portfolio managers will consider selling a security based on the presence of one or more of the following conditions:

- Material earnings shortfall and/or negative earnings revisions
- Price target achieved in advance of supporting fundamentals
- Change detected in management integrity/commitment
- Good, alternative investment opportunity identified.

A typical equity portfolio includes approximately 40-50 positions.

Sector Breakdown:

(At 12/31/19)

Cash	5%	Financials	13%
Materials	1%	Information Technology	21%
Industrials	12%	Utilities	1%
Consumer Discretionary	2%	Health Care	22%
Consumer Staples	12%	Communication Services	1%
Energy	9%	ETFs	1%

Large Capitalization Core Equity Portfolio Composite

*Performance Results

<u>Period</u>	<u>Gross Equity</u>	<u>Net Equity</u>	<u>S&P 500</u>	<u>T-bill¹</u>
Annual 1996	27.7%	27.0%	23.0%	5.5%
Annual 1997	32.6%	31.9%	33.4%	5.6%
Annual 1998	19.5%	18.8%	28.6%	5.4%
Annual 1999	16.6%	15.9%	21.0%	5.0%
Annual 2000	4.0%	3.3%	-9.1%	6.5%
Annual 2001	-7.4%	-7.9%	-11.9%	4.6%
Annual 2002	-17.9%	-18.4%	-22.1%	1.9%
Annual 2003	24.0%	23.2%	28.7%	1.1%
Annual 2004	8.2%	7.7%	10.9%	1.5%
Annual 2005	4.1%	3.7%	4.9%	3.1%
Annual 2006	16.6%	15.8%	15.8%	4.7%
Annual 2007	7.1%	6.3%	5.5%	5.1%
Annual 2008	-27.9%	-28.4%	-37.0%	2.4%
Annual 2009	20.5%	19.7%	26.5%	0.3%
Annual 2010	10.7%	9.9%	15.1%	0.0%
Annual 2011	3.6%	2.9%	2.1%	0.2%
Annual 2012	10.3%	9.5%	16.0%	0.3%
Annual 2013	30.6%	29.7%	32.4%	0.3%
Annual 2014	11.7%	10.9%	13.7%	0.1%
Annual 2015	-0.7%	-1.4%	1.4%	0.1%
1 st Qtr '16	2.2%	2.0%	1.4%	0.0%
2 nd Qtr '16	4.0%	3.8%	2.5%	0.1%
3 rd Qtr '16	2.8%	2.6%	3.9%	0.1%
4 th Qtr '16	4.1%	3.9%	3.8%	0.2%
Annual 2016	13.6%	12.8%	12.0%	0.4%
1 st Qtr '17	3.9%	3.8%	6.1%	0.0%
2 nd Qtr '17	2.0%	1.9%	3.1%	0.2%
3 rd Qtr '17	5.2%	5.1%	4.5%	0.3%
4 th Qtr '17	7.4%	7.2%	6.6%	0.3%
Annual 2017	19.8%	19.0%	21.8%	0.8%
1 st Qtr '18	-1.8%	-1.9%	-0.8%	0.4%
2 nd Qtr '18	2.9%	2.7%	3.4%	0.4%
3 rd Qtr '18	8.5%	8.4%	7.7%	0.6%
4th Qtr '18	-10.0%	-10.2%	-13.5%	0.7%
Annual 2018	-1.3%	-2.0%	-4.4%	2.0%
1 st Qtr '19	12.3%	12.1%	13.7%	0.7%
2 nd Qtr '19	2.8%	2.6%	4.3%	0.8%
3 rd Qtr '19	1.0%	0.8%	1.7%	0.6%
4th Qtr '19	7.6%	7.4%	9.1%	0.5%
Annual 2019	25.4%	24.6%	31.5%	2.5%

Cumulative Return

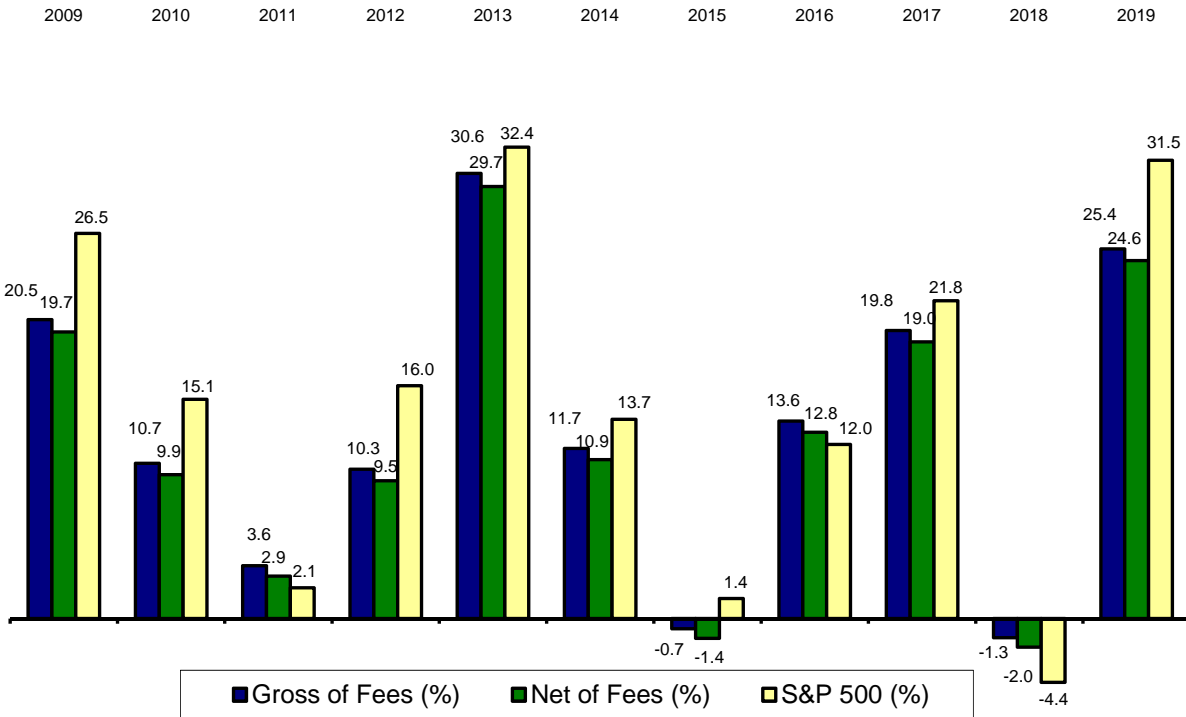
1/1/96-12/31/19	770.6%	647.7%	727.4%	78.5%
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Annualized Return

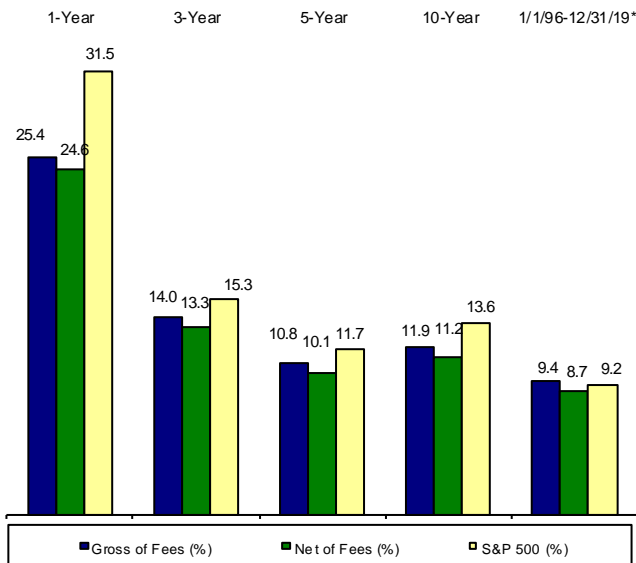
1/1/96-12/31/19	9.4%	8.7%	9.2%	2.4%
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*Inception of the composite was 1/1/93. Returns shown represent the performance since 1/1/96, when Bradley H. Gunter began managing the portfolio. Performance figures, both net and gross of fees, have been examined through September 30, 2019. Please refer to the attached GIPS fully compliant presentation for a detailed explanation of performance presented. Performance returns are for the period ending 12/31/19. 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) The 90 Day T-Bill return represents the risk-free rate of return.

Large Capitalization Core Equity Portfolio Composite Annual Performance**



Annualized Performance**



Commentary

2019 will be a tough act to follow. The market's valuation cushion – which was very appealing at the end of 2018 – has disappeared, increasing the odds for a correction, an extended sideways move, or continued rotation from expensive sectors and capitalizations to less expensive ones. One thing that the market does have in its corner, though, is a high degree of skepticism. This great bull market was born in pessimism, and it remains unloved. Additionally, interest rate policy is accommodative, trade talks seem to be making progress, and manufacturing may be bottoming.

Fourth Quarter 2019 Performance**

Large Capitalization Core Equity Portfolio (Gross)	7.6%
Large Capitalization Core Equity Portfolio (Net)	7.4%
S&P 500 Index	9.1%

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INVESTMENT MANAGEMENT OF VIRGINIA, LLC
LARGE CAPITALIZATION CORE EQUITY PORTFOLIO COMPOSITE
ACCOMPANYING NOTES

Year ^A	Total Return	Total Return	Benchmark	Benchmark	Composite	Benchmark	Benchmark	Number of	Composite	Composite Assets	Non-Fee Paying	Percentage of	Total Firm Assets
	Gross	Net ^B	S&P 500	90-Day T-Bill	3 Yr. St. Dev. ^C	S&P 500	90-Day T-Bill		Dispersion ^C	End of Period	Composite Assets	Non-Fee Paying	Non-Fee Paying
	(Percent)	(Percent)	(Percent)	(Percent)	(Percent)	(Percent)	(Percent)	Accounts	(Percent)	(Millions)	End of Period (MM)	Composite Assets	(Millions)
2009	20.54	19.69	26.46	0.25	N/A	N/A	N/A	52	0.85	18.17	0.32	1.77%	335.79
2010	10.67	9.88	15.06	0.00	N/A	N/A	N/A	50	0.53	17.27	0.35	2.05%	427.21
2011	3.63	2.91	2.11	0.16	16.73	18.70	0.09	49	0.28	16.68	0.37	2.20%	409.51
2012	10.26	9.47	16.00	0.31	13.85	15.09	0.08	52	0.40	18.11	0.41	2.24%	526.95
2013	30.58	29.69	32.39	0.28	10.93	11.94	0.09	48	0.73	21.13	0.53	2.50%	697.44
2014	11.69	10.92	13.69	0.06	8.70	8.98	0.09	48	0.34	21.50	0.94	4.35%	549.17
2015	-0.70	-1.36	1.38	0.12	10.55	10.48	0.10	53	0.57	23.20	2.38	10.27%	437.32
2016	13.57	12.80	11.96	0.41	10.38	10.59	0.10	51	0.43	27.64	2.61	9.44%	484.18
2017	19.79	19.01	21.83	0.82	9.93	9.92	0.16	50	0.52	31.83	3.21	10.07%	491.22
2018	-1.32	-1.96	-4.38	2.03	10.50	10.80	0.25	44	0.58	26.44	2.04	7.70%	448.68
*2019	25.40	24.59	31.49	2.51	11.15	11.93	0.26	39	0.98	27.75	2.25	8.09%	509.85

* 2019 performance returns are for the period ending 12/31/19.

A. Inception of the composite was 1/1/93. Creation of the composite was 1/1/93. Bradley H. Gunter assumed management responsibility on 1/1/96.

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, 2019. 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 Capitalization Core Equity Portfolio composite has been examined for the periods January 1, 1993 through September 30, 2019. 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 IMVA from BB&T. Total firm assets exclude model programs. Additionally, as supplemental information, as of December 31, 2019, the firm provides models to programs managing a total of approximately \$14.40 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's investment style emphasizes high quality, large capitalization companies, including limited use of ETFs. The Composite seeks a strong total return through capital appreciation over long-term timeframes. 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. Net performance returns have been calculated by reducing gross performance returns by the actual investment management fees charged. 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 90-Day T-Bill 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 90-Day Treasury Bill Index is a total return index that comes from the average yield of three-month Treasury bills. Performance has been linked in the same manner as the Large Capitalization Core Equity Portfolio Composite. The returns for these unmanaged indexes do not include any transaction costs, management fees, or other costs. The information contained in this material is based on data we have obtained from third party sources. While this information has been obtained from sources we believe to be reliable, we do not guarantee, nor are we responsible for, the accuracy, completeness, or timeliness of the information provided in this presentation.

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 gmvey@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.