

**Bernzott Capital Advisors
Verification and U.S. All Cap Value Composite Performance
Examination Report**

December 31, 2016



Verification and Performance Examination Report

Board of Directors
Bernzott Capital Advisors

We have verified whether Bernzott Capital Advisors (the "Firm") (1) has complied with all the composite construction requirements of the Global Investment Performance Standards (GIPS[®]) on a firm-wide basis for the periods from October 1, 2015 through December 31, 2016, and (2) designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of December 31, 2016. We have also conducted a performance examination of the Firm's U.S. All Cap Value Composite for the periods from October 1, 2015 through December 31, 2016. The Firm's management is responsible for compliance with the GIPS standards, the design of its policies and procedures, and for the Quarterly Performance and U.S. All Cap Value Composite's compliant presentations. Our responsibility is to express an opinion based on our verification and performance examination. We conducted this verification and performance examination in accordance with the required verification and performance examination procedures of the GIPS standards. We also conducted such other procedures as we considered necessary in the circumstances.

In our opinion, the Firm has, in all material respects:

- Complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the periods from October 1, 2015 through December 31, 2016; and
- Designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of December 31, 2016.

A verification covering the periods from January 1, 1995 through September 30, 2015 was performed by another verification firm, whose report expressed an unqualified opinion thereon.

Also, in our opinion, the Firm has, in all material respects:

- Constructed the U.S. All Cap Value Composite and calculated the U.S. All Cap Value Composite's performance for the periods from October 1, 2015 through December 31, 2016 in compliance with the GIPS standards; and
- Prepared and presented the U.S. All Cap Value Composite's accompanying compliant presentation for the periods from October 1, 2015 through December 31, 2016 in compliance with the GIPS standards.

A performance examination of the Firm's U.S. All Cap Value Composite covering the periods from January 1, 2011 through September 30, 2015 was performed by another verification firm, whose report expressed an unqualified opinion thereon.

This report does not relate to or provide assurance on any composite compliant presentation of the Firm other than the Firm's U.S. All Cap Value Composite.

ACA Performance Services, LLC

ACA Performance Services, LLC
December 27, 2017

BERNZOTT CAPITAL ADVISORS
U.S. ALL CAP VALUE COMPOSITE
QUARTERLY PERFORMANCE PRESENTATION

Asset-Weighted Performance Gross and Net of Management Fees
Results have been calculated in U.S. Dollars

		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual
2016	Gross	3.84%	5.07%	5.55%	2.47%	18.05%
	Net	3.61%	4.84%	5.33%	2.25%	16.99%
2015	Gross	1.82%	0.72%	(8.57%)	2.59%	(3.76%)
	Net	1.61%	0.51%	(8.76%)	2.38%	(4.51%)
2014	Gross	(1.18%)	3.96%	(1.35%)	6.77%	8.17%
	Net	(1.38%)	3.74%	(1.55%)	6.55%	7.32%
2013	Gross	10.68%	2.43%	5.28%	9.49%	30.69%
	Net	10.46%	2.23%	5.09%	9.28%	29.68%
2012	Gross	6.93%	(1.33%)	2.35%	5.65%	14.09%
	Net	6.72%	(1.51%)	2.14%	5.44%	13.21%
2011	Gross	5.39%	2.60%	(10.57%)	11.61%	7.93%
	Net	5.18%	2.40%	(10.75%)	11.40%	7.07%

Past performance is not indicative of future results. The Verification and Performance Examination Report and the compliant presentation are an integral part of this presentation. The periods shown prior to October 1, 2015 were examined by another verification firm.

**BERNZOTT CAPITAL ADVISORS
U.S. ALL CAP VALUE COMPOSITE
ANNUAL DISCLOSURE PRESENTATION**

Year End	Total Firm Assets (USD) (millions)	Composite Assets (USD) (millions)	Number of Accounts	% of Non-Fee-Paying	Russell 3000 Value	S&P 500	Annual Performance Results Composite		Annual Composite Dispersion	Composite 3 Yr Standard Deviation	Russell 3000 Value 3Yr Standard Deviation	S&P 500 3Yr Standard Deviation
							Gross	Net				
2011	\$372.0	\$162.0	252	6.2%	-0.1%	2.11%	7.93%	7.07%	1.19%	N.A.2	N.A.2	N.A.2
2012	\$395.2	\$173.9	256	6.1%	17.55%	16.00%	14.09%	13.21%	1.71%	N.A.2	N.A.2	N.A.2
2013	\$513.6	\$199.4	254	4.8%	32.69%	32.39%	30.69%	29.68%	3.25%	10.52%	13.08%	12.11%
2014	\$528.7	\$182.4	237	5.5%	12.70%	13.69%	8.17%	7.32%	3.69%	8.42%	9.49%	9.10%
2015	\$577.2	\$162.0	234	4.2%	-4.13%	1.38%	-3.76%	-4.51%	1.29%	10.30%	10.90%	10.62%
2016	\$655.3	\$175.9	219	5.2%	18.40%	11.96%	18.05%	16.99%	1.38%	10.65%	11.12%	10.74%

N.A.2 - Information is not statistically meaningful due to an insufficient period of time.

U.S. All Cap Value Composite *The U.S. All Cap Value Composite includes all fully discretionary portfolios that invest in U.S. stocks that are considered to have risk-adjusted returns purchased at reasonable prices. The composite includes concentrated portfolios of market leading companies with consistent operating performance, significant recurring revenue, solid operating margin, moderate leverage and strong returns on capital. For comparison purposes this composite is measured against the Russell 3000 Value and S&P 500. The minimum account size for this composite is \$100 thousand. Prior to 12/31/2013, the composite was named the US Equity Opportunity Composite. As of 1/1/2014, The Russell 3000 Value was added as the primary benchmark. The S&P 500 was left as a secondary benchmark. The Russell 3000 Value was updated historically as the firm believes that it is a better comparison for the underlying strategy for the entire period shown.*

Bernzott Capital Advisors (BCA) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. BCA has been independently verified for the periods of January 1, 1995 through 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 U.S. All Cap Value composite has been examined for the periods of January 1, 2011 through December 31, 2016. The verification and performance examination reports are available upon request.

BCA is an independent registered investment adviser. The firm's list of composite descriptions is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

For institutional client accounts in the U.S. All Cap Value strategy, the management fee schedule is as follows: 0.75% on the first \$25 Million; 0.70% on the next \$25 Million; 0.65% on the next \$50 Million and 0.60% on the balance. For private client accounts, the management fee schedule is as follows: 1% on the first \$2 Million; 0.75% on the next \$3 Million; 0.50% on the balance. Special circumstances unique to a specific client may result in the negotiation of fees different than those set forth herein. We generally aggregate separate accounts of a single relationship for billing purposes. We may serve certain non-profits qualified under Section 501(c)3 IRC at a discount and we waive fees for employees and related parties.

The U.S. All Cap Value Composite was created January 1, 2011. Past performance is not indicative of future results.