Core Balanced Portfolio—Tax Advantaged

Fact Sheet

As of 09/30/2018

EquityCompass

Highlights

- Stock and bond portfolio designed to be the foundation of an investor's overall portfolio to pursue long-term financial objectives
- Strategic stock/bond allocation is reviewed annually, and adjusted if necessary, to better respond to changing market conditions
- Tactically allocated equity (using Equity Risk Management Strategy) seeks to potentially provide downside risk mitigation and volatility control
- Portfolio is diversified across asset classes, active and passive investment approaches, domestic and international stocks, investment styles, and market capitalizations
- The actively managed U.S. equity component seeks to outperform by opportunistic stock selection and portfolio tactics
- Adheres to a research-based, rules-driven investment process implemented using quantitative models to impose discipline and consistency to investment decisions

Objective

Seeks to effectively capture market returns while minimizing volatility; allocates the fixed income component to municipal bonds appropriate for tax-sensitive investors

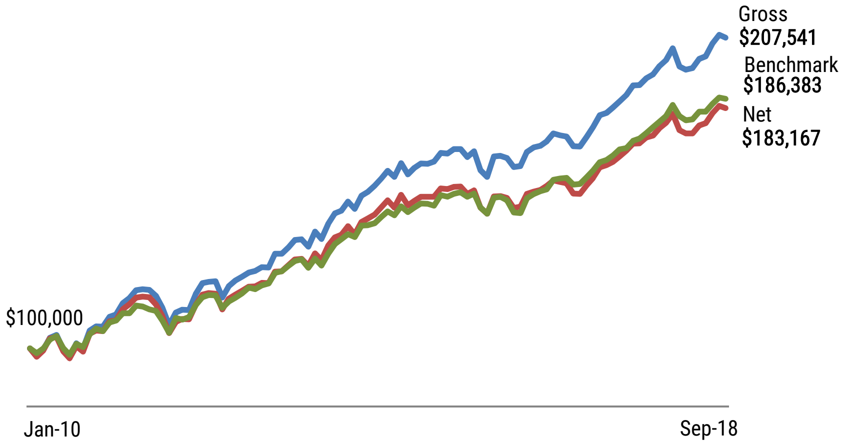
Portfolio Characteristics

Inception	January 2010
Number of Holdings	73
Benchmark	32% Russell 3000 Index / 8% MSCI World ex-U.S. Index / 20% HFRI Equity Hedge Index / 40% Barclays Municipal Bond Index
Annual Turnover - 2017 (%)	40.0

Performance Overview

Stifel SMA Performance | December 31, 2009—September 30, 2018

Growth of a $100,000 investment



Risk Statistics (3-Year, Monthly)

	Portfolio	Benchmark
Standard Deviation (%)	7.48	7.64
Sharpe Ratio	1.59	1.46
Beta	0.94	1.00
R-Squared	91.83	100.00
Alpha	1.43	0.00
Batting Average (%)	69.44	100.00
Up-Market Capture (%)	99.04	100.00
Down-Market Capture (%)	82.01	100.00

All risk measures are based on a 3-year time period using monthly returns.

	Total Returns			Annualized Returns				Calendar-Year Returns							
	3-Mos	6-Mos	YTD	1-yr	3-yr	5-yr	Incp.	2010	2011	2012	2013	2014	2015	2016	2017
Gross %	3.22	5.67	3.87	7.29	9.20	7.72	8.62	10.96	2.10	13.02	17.80	8.71	1.17	4.40	15.39
Net %	2.90	4.98	2.84	5.87	7.70	6.21	7.09	9.43	0.61	11.35	16.09	7.12	-0.26	2.91	13.82
Benchmark %	2.46	4.13	3.30	6.81	8.32	7.01	7.30	8.96	1.76	10.46	14.00	7.49	0.84	5.26	13.27

The performance returns presented have been calculated based on the performance of separately managed accounts invested in the strategy in the Stifel Opportunity Program. The returns were calculated by Stifel, in accordance with their calculation procedures. In this instance, EquityCompass is a model provider only and does not have discretion over implementing portfolio decisions.

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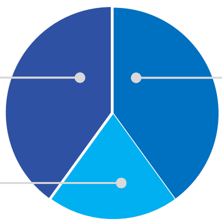
Portfolio Allocation

Fully Invested Equity	40%
U.S. Equity	32%
Int'l. Equity—Developed	4%
Int'l. Equity—Emerging	4%



Fixed Income	40%

Tactical Equity	20%
(Equity Risk Mgmt. Strategy)	

Current Allocation
(as of 10/1/2018)
100% Long Equities

Equity Allocation — 60%

- Emphasizes diversification, volatility control, and excess return potential
- Of the fully invested equity, 20% is allocated to international stocks (equally between developed and emerging markets)
- The actively managed All-Cap Blend Portfolio represents the U.S. equity portion
  - Equal-weight positions in 50 stocks across 10 sectors
  - Uses EquityCompass' quantitative models to identify stocks with favorable relative value, price momentum, quality, and mispriced as a result of investor over/under-reaction
  - Rebalanced monthly to attempt to optimize exposure to drivers of excess returns
  - Allocations to U.S. and international equities are reviewed annually and adjusted if necessary

Holdings By Market Cap—Equity

	%
Large Cap - > $8 bn (%)	74.28
Mid Cap - $2 - $8 bn (%)	20.54
Small Cap - < $2 bn (%)	5.20

Top Portfolio Holdings By Weight—Equity

	%
SPDR S&P 500 ETF	20.45
iShares MSCI EAFE ETF	3.65
Vanguard FTSE Emerging Markets ETF	3.41
Corcept Therapeutics, Inc.	1.01
Allison Transmission Holdings, Inc.	1.00
Booz Allen Hamilton Holding Corp.	1.00
IMAX Corp.	0.94
SINA Corp.	0.89
Cigna Corp.	0.87
EOG Resources, Inc.	0.87

For illustrative purposes only and not intended as personalized recommendations. The yield information included is as of the period indicated and should not be considered a recommendation to purchase, hold, or sell any particular security. There is no assurance that any of the yields noted will remain and may vary over time. The specific securities identified and described herein do not represent all of the securities purchased, sold, or recommended to advisory clients, and the reader should not assume that investments in the securities identified and discussed were or will be profitable. A complete list of all recommendations made by the firm is available upon request.

Fixed Income Allocation — 40%

- Uses ETFs and closed-end funds that invest in municipal bonds, thus providing liquidity, cost efficiency, and diversification across securities and maturities
- The income produced by muni bonds is exempt from federal taxes, and in some cases, state and local taxes
- Muni bonds used in the portfolio have historically been high quality, with a low default rate and low volatility compared to other bonds
- Munis may help diversify a portfolio because they have a low or negative correlation to other asset classes

Fixed Income Stats

	Portfolio	Benchmark
Wtd. Avg. Coupon (%)	4.22	4.78
Wtd. Avg. Maturity	14.20	13.76
Effective Duration	6.59	6.60
Wtd. Avg. Yield (%)	3.30	2.26
Inv. Grade or Above (%)	89.20	100.00

Portfolio Management Team

Tim McCann
Senior Portfolio Manager

About EquityCompass

EquityCompass is a Baltimore-based SEC registered investment adviser offering a broad range of portfolio strategies and custom plans for individuals, financial intermediaries, and institutional clients in the U.S. and Europe. Formally organized in 2008, EquityCompass provides portfolio strategies with respect to total assets over $4.2 billion as of September 30, 2018.*

The EquityCompass team of professionals represents deep industry experience in security analysis, capital markets, and portfolio management. We are committed to a consistent investment process that relies on enduring principles, sound empirical reasoning, and the recognition of a dynamic investment environment with a global reach.

DESCRIPTION OF TERMS

Alpha

The relationship between the performance of the strategy and its beta over a three-year period of time.

Batting Average

A measure of a manager's ability to beat the market consistently, the Batting Average is calculated by dividing the number of quarters in which the manager beat or matched an index by the total number of quarters in the period. For example, a manager who meets or outperforms the market every quarter in a given period would have a batting average of 100. A manager who beats the market half of the time would have a batting average of 50.

Beta

A measure of the volatility, or systematic risk, of a security or a portfolio relative to the market as a whole. A beta of one is considered as risky as the benchmark and is therefore likely to provide expected returns approximate to those of the benchmark during both up and down periods. A portfolio with a beta of two would move approximately twice as much as the benchmark.

Down-Market Capture Ratio

Down-Market Capture Ratio is a measure of managers' performance in down markets relative to the market itself. A down market is one in which the market's quarterly return is less than zero. The lower the manager's down-market capture ratio, the better the manager protected capital during a market decline. A value of 90 suggests that a manager's losses were only 90% of the market loss when the market was down. A negative down-market capture ratio indicates that a manager's returns rose while the market declined. For example, if the market fell 8% while the manager's returns rose 2%, the down-market capture ratio would be -25%.

R-Squared

R-Squared is a statistic that measures the reliability of alpha and beta in explaining the manager's return as a linear function of the market. If you are searching for a manager with a particular style, for example a growth manager, you would expect that manager to have an R-Squared that is high relative to a growth index if the manager has a diversified portfolio. If the manager's return is explained perfectly, the R-Squared would equal 100, while an R-Squared of 0 would indicate that no relationship exists between the manager and the linear function. Higher R-Squared values indicate more reliable alpha and beta statistics and are useful in assessing a manager's investment style.

Sharpe Ratio

Sharpe Ratio is one of two alternative, yet similar, methods of measuring excess return per unit of risk. (The other method is the Treynor Ratio.) In the case of the Sharpe Ratio, risk is measured using the standard deviation of the returns in the portfolio. The Sharpe Ratio relates the difference between the portfolio return and the risk-free rate to the standard deviation of that difference for a given time period.

Standard Deviation

Standard Deviation is a gauge of risk which measures the spread of the difference of returns from their average. The more a portfolio's returns vary from its average, the higher the standard deviation. It is important to note that higher-than-average returns affect the standard deviation just as lower-than-average returns. Thus, it is not a measure of downside risk. Since it measures total variation of return, standard deviation is a measure of total risk, unlike beta, which measures market risk.

Up-Market Capture Ratio

Up-Market Capture Ratio is a measure of managers' performance in up markets relative to the market itself. An up market is one in which the market's quarterly return is greater than or equal to zero. The higher the manager's up-market capture ratio, the better the manager capitalized on a rising market. For example, a value of 110 suggests that the manager captured 110% of the up market (performed 10% better than the market) when the market was up. A negative up-market capture ratio indicates that a manager's returns fell while the market rose. For example, if the market gained 8% while a manager's returns fell 2%, the up-market capture ratio would be -25%.

DISCLOSURES

On September 21, 2018, the name of the Tactical Total Core—Municipal Portfolio was changed to Core Balanced Portfolio—Tax Advantaged. The information contained herein has been prepared from sources believed to be reliable but is not guaranteed and is not a complete summary or statement of all available data nor is it considered an offer to buy or sell any securities referred to herein. There is no assurance that any securities discussed herein will remain in any account's portfolio at the time you receive this report or that securities sold have not been repurchased. Data represented in this report have been provided by EquityCompass Strategies and Bloomberg. EquityCompass Strategies is a research and investment advisory unit of Choice Financial Partners, Inc., a wholly owned subsidiary and affiliated SEC registered investment adviser of Stifel Financial Corp. 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The specific securities identified and described herein do not represent all of the securities purchased, sold, or recommended to advisory clients, and the reader should not assume that investments in the securities identified and discussed were or will be profitable. A complete list of all recommendations made by the firm is available upon request. Foreign investments are subject to risks not ordinarily associated with domestic investments, such as currency, economic and political risks, and different accounting standards. There are special considerations associated with international investing, including the risk of currency fluctuations and political and economic events. Investing in emerging markets may involve greater risk and volatility than investing in more developed countries. Small company stocks are typically more volatile and carry additional risks, since smaller companies generally are not as well established as larger companies. The market risk associated with small-cap and mid-cap stocks is generally greater than that associated with large-cap stocks because small-cap and mid-cap stocks tend to experience sharper price fluctuations than large-cap stocks, particularly during bear markets. Due to their narrow focus, sector-based investments typically exhibit greater volatility and are generally associated with a high degree of risk. When investing in bonds, it is important to note that as interest rates rise, bond prices will fall. In addition, duration risk measures a debt security's price sensitivity to interest rate changes. Bonds with higher duration carry more risks and have higher price volatility than bonds with lower duration. Therefore, if interest rates are very low at the time of purchase of the bonds, when interest rates eventually do rise, the price of such lower interest rate bonds will decrease and anyone needing to sell such bonds at that time, rather than holding them to maturity, could realize a loss, and may trade for less than their net asset value. When investing in real estate, it is important to note that property values can fall due to environmental, economic, or other reasons, and changes in interest rates can negatively impact the performance of real estate companies. ***Exchange Traded Funds (ETFs) represent a share of all stocks in a respective index. ETFs trade like stocks and are subject to market risk, including the potential for loss of principal. The value of ETFs will fluctuate with the value of the underlying securities. Inverse ETFs are considered risky and are not suitable for all investors. Inverse ETFs are constructed by using various derivatives for the purpose of profiting from a decline in the value of an underlying benchmark. Investing in inverse ETFs is similar to holding various short positions, or using a combination of advanced investment strategies to profit from falling prices. Typically, these products have one-day investment objectives, and investors should monitor such funds on a daily basis. Investors should review the prospectus and consider the ETF's investment objectives, risks, charges, and expenses carefully before investing. Prospectuses are available through your Financial Advisor and include this and other important information.*** Closed-end funds are subject to market risk, and the amount you receive upon sale may be more or less than the amount you paid. Investors should consider a fund's investment objective, risks, charges, and expenses carefully before investing. The Dow Jones Industrial Average (DJIA) is an unmanaged, price-weighted index that consists of 30 blue chip U.S. stocks selected for their history of successful growth and interest among investors. The price-weighted arithmetic average is calculated with the divisor adjusted to reflect stock splits and occasional stock switches in the index. The Russell 3000 Index measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market. The MSCI World ex USA All Cap Index captures large, mid, small and micro cap representation across 22 of 23 Developed Markets countries (excluding the United States). With 8,138 constituents, the index covers approximately 99% of the free float-adjusted market capitalization in each country. HFRI Equity Hedge (Total) Index (HFRIEHI) is a fund-weighted index of strategies that maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques, strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. The Barclays Municipal Bond Index is an unmanaged index that is considered representative of the broad market for investment grade, tax-exempt bonds with a maturity of at least one year. The volatility of the indices identified in this report may be materially different from the volatility of the model portfolios presented by EquityCompass Strategies. Indices are unmanaged, do not reflect fees and expenses, and it is not possible to invest directly in an index.

*Total assets combines both Assets Under Management and Assets Under Advisement as of September 30, 2018. Assets Under Management represents the aggregate fair value of all discretionary and non-discretionary assets, including fee paying and non-fee paying portfolios. Assets Under Advisement represent advisory-only assets where the firm provides a model portfolio and does not have trading authority over the assets. **Past performance does not guarantee future performance or investment results.**

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