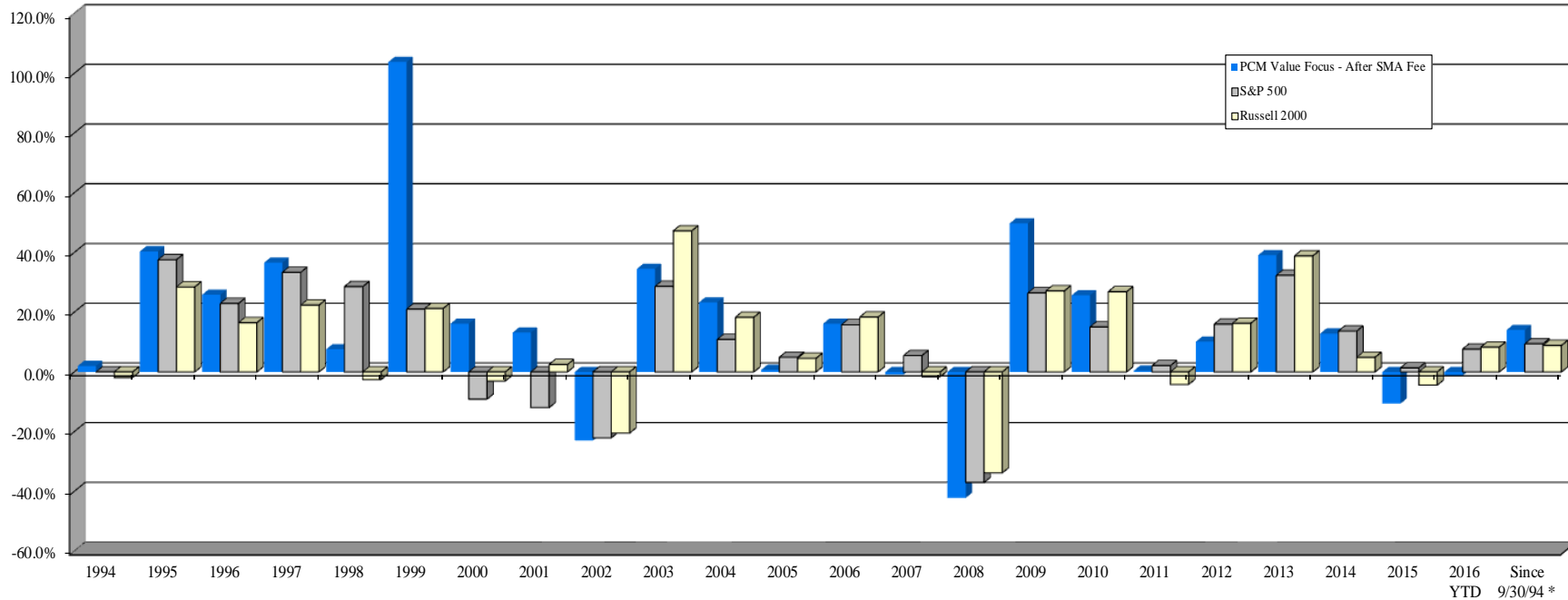


PCM Value Focus – Annual Results

As of July 31, 2016



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|---------------------------------|-------|-------|-------|-------|-------|--------|-------|--------|--------|-------|-------|------|-------|-------|--------|-------|-------|-------|-------|-------|-------|--------|-------|-------|
| PCM Value Focus - Gross | 2.2% | 42.5% | 27.7% | 38.7% | 8.4% | 106.9% | 17.4% | 14.2% | -22.4% | 36.5% | 25.1% | 1.4% | 17.5% | -0.1% | -41.8% | 52.0% | 27.6% | 1.2% | 11.0% | 41.2% | 13.9% | -9.9% | -0.8% | 15.3% |
| PCM Value Focus - After SMA Fee | 2.0% | 40.4% | 25.8% | 36.6% | 7.6% | 103.8% | 16.2% | 13.2% | -23.0% | 34.5% | 23.3% | 0.7% | 16.2% | -0.9% | -42.2% | 49.7% | 25.7% | 0.4% | 10.2% | 39.1% | 12.9% | -10.6% | -1.2% | 14.0% |
| S&P 500 | 0.0% | 37.6% | 23.0% | 33.4% | 28.6% | 21.0% | -9.1% | -11.9% | -22.1% | 28.7% | 10.9% | 4.9% | 15.8% | 5.5% | -37.0% | 26.5% | 15.1% | 2.1% | 16.0% | 32.4% | 13.7% | 1.4% | 7.7% | 9.4% |
| Russell 2000 | -1.9% | 28.5% | 16.5% | 22.4% | -2.6% | 21.3% | -3.0% | 2.5% | -20.5% | 47.3% | 18.3% | 4.6% | 18.4% | -1.6% | -33.8% | 27.2% | 26.9% | -4.2% | 16.3% | 38.9% | 4.9% | -4.4% | 8.3% | 8.9% |

* Annualized. Gross returns do not reflect the deduction of management and performance fees. Returns include composite cash and cash equivalents, the reinvestment of dividends, and other earnings. “After SMA Fee” returns reduce gross performance by PCM’s standard fee for Value Focus composite separate accounts and are included as supplemental information in order to illustrate the effect advisory fees may be expected to have over time on portfolio returns. PCM’s Form ADV Part 2 contains a description of advisory fees charged to separate accounts. Prior to 2012 PCM’s Value Focus strategy was solely available through a private fund vehicle that maintained a different fee structure than the SMA Fee reflected above. For most periods that fee structure resulted in lower net returns to fund clients. **No assurances can be given that PCM will attain its investment objective or that an investor will not lose invested capital. Past performance is not a guarantee of future results.** Please see the provided Explanation of Performance.



Explanation of Performance

Private Capital Management, LLC (collectively with its predecessor firms, Private Capital Management, L.P. and Private Capital Management, Inc., "PCM"), is a registered investment adviser under the Investment Advisers Act of 1940. From August 2001 through August 2013, PCM was a wholly owned subsidiary of Legg Mason, Inc. Commencing in September 2013 PCM has been independently owned. PCM manages client portfolios (including separate accounts and several pooled vehicles) using a value investment style and may invest in companies of any market capitalization. PCM invests client assets primarily in publicly traded equity securities of U.S. based companies.

I. PRESENTATION DESCRIPTION.

The PCM Value Focus Composite contains commission free-paying accounts following the concentrated Value Focus equity strategy managed by PCM. The composite's investment philosophy focuses on long-term appreciation through investing in a concentrated portfolio of publicly traded, under-valued securities (over-valued in the case of short positions) based on PCM's proprietary investment analysis, including analysis of companies' free cash flow and other relevant factors. The composite permits the use of leverage (principally related to short sales), which can carry higher comparative risk. Throughout the composite's history leverage has been periodically utilized as a secondary application of the composite's investment strategy. During those periods, leverage has generally amounted to less than 15% of gross composite assets. The composite reflects a concentrated investment approach and typically holds 30 or fewer positions across a limited number of investment sectors. The composite may invest in certain non-equity investments such as fixed income securities and equity options and has periodically included these investments. However, non-equity investments have historically been limited to less than 10% of composite assets when utilized.

PCM claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. PCM has been independently verified for the periods January 1, 1993 through June 30, 2016. Verification assesses whether (i) a firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (ii) whether the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The PCM Value Focus Composite has been examined for the periods September 30, 1994 through June 30, 2016. The verification and performance examination reports are available upon request.

| Year End | PCM Value Focus Gross | PCM Value Focus After SMA Fee | PCM Value Focus Net | Russell 2000 | S&P 500 |
|----------|-----------------------|-------------------------------|---------------------|--------------|---------|
| Q2 2016 | -5.47% | -5.83% | -6.60% | 2.22% | 3.84% |
| 2015 | -9.92% | -10.59% | -11.60% | -4.41% | 1.38% |
| 2014 | 13.87% | 12.87% | 12.31% | 4.90% | 13.69% |
| 2013 | 41.20% | 39.08% | 35.39% | 38.89% | 32.39% |
| 2012 | 11.00% | 10.16% | 7.15% | 16.29% | 16.00% |
| 2011 | 1.17% | 0.42% | 0.04% | -4.18% | 2.11% |
| 2010 | 27.59% | 25.68% | 26.27% | 26.85% | 15.06% |
| 2009 | 52.01% | 49.73% | 50.55% | 27.17% | 26.46% |
| 2008 | -41.75% | -42.18% | -42.38% | -33.79% | -37.03% |
| 2007 | -0.12% | -0.86% | -2.92% | -1.57% | 5.48% |
| 2006 | 17.45% | 16.18% | 13.16% | 18.37% | 15.80% |
| 2005 | 1.43% | 0.69% | 0.12% | 4.55% | 4.88% |

| Year End | PCM Value Focus Gross | PCM Value Focus After SMA Fee | PCM Value Focus Net | Russell 2000 | S&P 500 |
|----------|-----------------------|-------------------------------|---------------------|--------------|---------|
| 2004 | 25.11% | 23.30% | 19.00% | 18.33% | 10.92% |
| 2003 | 36.53% | 34.49% | 34.44% | 47.25% | 28.62% |
| 2002 | -22.38% | -22.95% | -23.18% | -20.48% | -22.15% |
| 2001 | 14.21% | 13.17% | 10.68% | 2.49% | -11.91% |
| 2000 | 17.43% | 16.18% | 12.99% | -3.02% | -9.15% |
| 1999 | 106.91% | 103.82% | 78.33% | 21.26% | 21.03% |
| 1998 | 8.42% | 7.61% | 6.25% | -2.55% | 28.57% |
| 1997 | 38.68% | 36.59% | 29.08% | 22.36% | 33.34% |
| 1996 | 27.74% | 25.84% | 21.03% | 16.49% | 22.99% |
| 1995 | 42.52% | 40.37% | 31.60% | 28.45% | 37.53% |
| 1994 | 2.21% | 2.01% | 1.45% | -1.85% | -0.02% |

| | PCM Value Focus After SMA Fee | S&P 500 | PCM Value Focus Gross |
|----------|-------------------------------|---------|-----------------------|
| 1 Year* | -24.4% | 4.0% | -23.9% |
| 3 Year* | 2.8% | 11.7% | 3.9% |
| 5 Year* | 6.2% | 12.1% | 7.2% |
| 10 Year* | 6.2% | 7.4% | 7.2% |
| 15 Year* | 6.1% | 5.8% | 7.2% |

* Trailing returns are provided as of 6/30/16.

The firm maintains a complete list of composite descriptions, which is available upon request.

Total firm assets, strategy assets, composite assets, and number of accounts for the respective periods are: Q2 2016 \$793, \$222, \$181, 76; 2015 \$903, \$232, \$180, 63; 2014 \$966, \$183, \$156, 38; 2013 \$903, \$134, \$121, 24; 2012 \$1,141, \$60, \$55, 5 or fewer; 2011 \$1,529, \$51, \$51, 5 or fewer; 2010 \$1,683, \$55, \$55, 5 or fewer; 2009 \$1,792, \$86, \$86, 5 or fewer; 2008 \$2,560, \$82, \$82, 5 or fewer; 2007 \$15,757, \$218, \$218, 5 or fewer; 2006 \$25,138, \$239, \$239, 5 or fewer; 2005 \$30,478, \$233, \$233, 5 or fewer; 2004 \$32,162, \$239, \$239, 5 or fewer; 2003 \$21,540, \$203, \$203, 5 or fewer; 2002 \$11,485, \$153, \$153, 5 or fewer; 2001 \$10,550, \$208, \$208, 5 or fewer; 2000 \$6,617, \$195, \$195, 5 or fewer; 1999 \$4,949, \$180, \$180, 5 or fewer; 1998 \$2,454, \$88, \$88, 5 or fewer; 1997 \$2,124, \$80, \$80, 5 or fewer; 1996 \$1,244, \$49, \$49, 5 or fewer; 1995 \$847, \$21, \$21, 5 or fewer; 1994 \$379, \$8, \$8, 5 or fewer (Assets in millions, U.S. Dollars). Strategy assets include all assets managed to the strategy including accounts not in the composite, and are shown as supplemental information.

Returns are presented gross and net of management and performance fees and include cash and cash equivalents, the reinvestment of dividends, and other earnings. Composite performance is presented gross of foreign withholding taxes on dividends. Withholding taxes may vary according to the investor's domicile. The U.S. Dollar is the currency used to express performance. Both gross and net returns were calculated using actual brokerage commissions. Net performance is reported after the deduction of actual management and performance based fees charged to accounts in the composite. "After SMA Fee" performance reduces gross performance by PCM's standard fee for Value Focus Composite separate accounts and is provided as supplemental information to illustrate the effect of that fee on composite results over time. "After SMA Fee" performance is shown as supplemental information to the actual gross and net returns. On a compounded basis the composite's annualized gross return from inception through June 30, 2016 of 15.10% would be reduced to 13.83% had PCM's standard SMA Fee been applied to gross results for each applicable period. Additional information regarding policies for valuing portfolios, calculating performance, and preparing GIPS compliant presentations are available upon request.

The standard separate account investment management fee schedule applicable to the composite is 0.75% annually plus a performance fee equal to 5% of the amount by which the annual performance of the accounts in the composite exceeds a 10% return up to 25%, which equates to a total maximum annual fee of 1.5%. Actual fees incurred by clients may vary. The account that comprised all assets eligible for inclusion in the composite prior to June 1, 2011 was structured as a private fund that maintained a different fee structure than the standard SMA Fee schedule applicable to separate account clients. "PCM Value Focus Net" returns incorporate the historical net performance of that private fund into composite returns for each period shown.

The 2015 composite dispersion is 0.53%. The 2014 composite dispersion is 0.56%. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Composite dispersion is not shown when there were five or fewer accounts included in the composite for the entire year. Prior to 1/1/2014, net returns were used to calculate the three-year ex-post standard deviation, as of 1/1/2014, gross returns are used for the three-year ex-post standard deviation calculation. The Q2 2016 three-year annualized ex-post standard deviation of the composite is 13.74% compared to 11.10% for the S&P 500 and 15.01% for the Russell 2000. The 2015 three-year annualized ex-post standard deviation of the composite is 13.43% compared to 10.48% for the S&P 500 and 13.97% for the Russell 2000. The 2014 three-year annualized ex-post standard deviation of the composite is 13.09% compared to 8.97% for the S&P 500 and 13.13% for the Russell 2000. The 2013 three-year annualized ex-post standard deviation of the composite is 16.24% compared to 11.94% for the S&P 500 and 16.45% for the Russell 2000. The 2012 three-year annualized ex-post standard deviation of the composite is 19.70% compared to 15.09% for the S&P 500 and 20.19% for the Russell 2000. The 2011 three-year annualized ex-post standard deviation of the composite is 23.38% compared to 18.70% for the S&P 500 and 24.99% for the Russell 2000.

The PCM Value Focus Composite was created June 1, 2011.

II. IMPORTANT PERFORMANCE DISCLOSURES.

1. Past performance is no guarantee of future results. No assurance can be given that an investor will not lose invested capital.
2. Individual account performance will vary.
3. PCM gross returns do not reflect the payment of investment management fees. A description of management fees charged by PCM is included in PCM's Form ADV Part 2A.

III. INDEX DESCRIPTIONS.

The S&P 500, a market-value weighted index of 500 stocks chosen for market size, liquidity and industry group representation, and the Russell 2000, the 2,000 smallest companies in the Russell 3000 Index (the 3,000 largest U.S. companies based on total market capitalization) are non-managed indices that do not accrue advisory or transactional expenses. Index performance data is sourced from Interactive Data Corporation. Market capitalization is the value of a corporation as determined by the market price of its issued and outstanding shares of common stock. The composite does not have an investment goal of achieving returns that correlate with any particular benchmark over the long term.

IV. ADDITIONAL INFORMATION.

Additional important information you should consider before investing with PCM is contained in PCM's Form ADV Part 2A. A copy of PCM's Form ADV Part 2A and other materials relating to PCM are available on PCM's website at www.private-cap.com.