

**Non-Wrap Fee/SMA Business - Argent Capital Management, LLC  
Verification and Argent Small Cap Core Equity Composite  
Performance Examination Report**

**December 31, 2018**



## Verification and Performance Examination Report

Chief Compliance Officer  
Argent Capital Management, LLC

We have verified whether Non-Wrap Fee/SMA Business - Argent Capital Management, LLC (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 April 1, 2017 through December 31, 2018, and (2) designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of December 31, 2018. We have also conducted a performance examination of the Firm's Argent Small Cap Core Equity Composite for the periods from April 1, 2017 through December 31, 2018. 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 Argent Small Cap Core Equity 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 April 1, 2017 through December 31, 2018; and
- Designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of December 31, 2018.

A verification covering the periods from January 1, 2003 through March 31, 2017 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 Argent Small Cap Core Equity Composite and calculated the Argent Small Cap Core Equity Composite's performance for the periods from April 1, 2017 through December 31, 2018 in compliance with the GIPS standards; and
- Prepared and presented the Argent Small Cap Core Equity Composite's accompanying compliant presentation for the periods from April 1, 2017 through December 31, 2018 in compliance with the GIPS standards.

A performance examination of the Firm's Argent Small Cap Core Equity Composite covering the periods from January 1, 2008 through March 31, 2017 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 Argent Small Cap Core Equity Composite.

*ACA Performance Services, LLC*

ACA Performance Services, LLC  
April 29, 2019

**NON-WRAP FEE/SMA BUSINESS - ARGENT CAPITAL MANAGEMENT, LLC**  
**ARGENT SMALL CAP CORE EQUITY 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
2018	Gross	(2.68%)	5.41%	4.86%	(25.10%)	(19.43%)
	Net	(2.92%)	5.16%	4.61%	(25.26%)	(20.19%)
2017	Gross	5.08%	4.74%	3.08%	4.36%	18.39%
	Net	4.82%	4.49%	2.82%	4.10%	17.24%
2016	Gross	(0.19%)	2.85%	12.13%	9.23%	25.73%
	Net	(0.45%)	2.59%	11.86%	8.96%	24.48%
2015	Gross	4.90%	1.01%	(13.34%)	2.94%	(5.48%)
	Net	4.64%	0.76%	(13.56%)	2.69%	(6.42%)
2014	Gross	2.65%	2.17%	(5.20%)	8.07%	7.44%
	Net	2.40%	1.91%	(5.44%)	7.80%	6.37%
2013	Gross	6.76%	3.33%	8.37%	7.68%	28.74%
	Net	6.51%	3.07%	8.11%	7.42%	27.48%
2012	Gross	14.36%	(3.89%)	3.00%	5.71%	19.68%
	Net	14.09%	(4.13%)	2.74%	5.45%	18.49%
2011	Gross	10.47%	0.60%	(25.03%)	17.68%	(1.95%)
	Net	10.20%	0.35%	(25.23%)	17.41%	(2.93%)
2010	Gross	4.65%	(5.89%)	8.27%	17.59%	25.39%
	Net	4.37%	(6.12%)	8.02%	17.31%	24.15%
2009	Gross	(5.22%)	24.32%	15.97%	5.03%	43.51%
	Net	(5.47%)	24.03%	15.70%	4.79%	42.15%

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 April 1, 2017 were examined by another verification firm.

**Argent Capital Management, LLC**  
**ARGENT SMALL CAP CORE EQUITY COMPOSITE**  
**January 1, 2008 through December 31, 2018**

Returns	Composite Return % Gross-of-Fees	Composite Return % Net-of-Fees	Russell 2000® Return %	Composite 3-Yr St Dev%	Russell 2000® 3-Yr St Dev%	Number of Portfolios	Internal Dispersion%	Total Composite Assets (\$ million)	Principal Business Assets (\$ million)
CALENDAR YEAR 2018	-19.43	-20.19	-11.01	16.45	15.79	7	0.38	184	2,542
CALENDAR YEAR 2017	18.39	17.24	14.65	14.51	13.91	7	0.47	227	2,898
CALENDAR YEAR 2016	25.73	24.48	21.31	16.19	15.76	7	0.09	207	2,604
CALENDAR YEAR 2015	-5.48	-6.42	-4.41	13.50	13.96	6	0.04	169	2,357
CALENDAR YEAR 2014	7.44	6.37	4.89	12.17	13.12	7	0.11	186	2,817
CALENDAR YEAR 2013	28.74	27.48	38.82	17.04	16.45	6	0.18	178	2,478
CALENDAR YEAR 2012	19.68	18.49	16.35	19.84	20.20	7	0.22	139	1,782
CALENDAR YEAR 2011	-1.95	-2.93	-4.18	23.38	24.99	7	0.33	109	1,247
CALENDAR YEAR 2010	25.39	24.15	26.85	26.99	27.69	6	NA	95	1,145
CALENDAR YEAR 2009	43.51	42.15	27.17	NA	NA	5	0.38	38	829
JANUARY, 2018	0.76	0.68	2.61	14.14	13.73	7	0.03	228	3,063
FEBRUARY, 2018	-4.06	-4.14	-3.87	13.94	13.70	7	0.00	219	2,899
MARCH, 2018	0.67	0.59	1.29	13.93	13.69	7	0.00	220	2,823
1 <sup>ST</sup> QUARTER, 2018	-2.68	-2.92	-0.08	13.93	13.69	7	0.03	220	2,823
APRIL 2018	1.50	1.42	0.86	13.81	13.56	7	0.00	223	2,840
MAY, 2018	3.93	3.85	6.07	13.88	13.86	7	0.05	235	2,932
JUNE, 2018	-0.08	-0.16	0.72	13.89	13.86	7	0.01	235	2,921
2 <sup>ND</sup> QUARTER, 2018	5.41	5.16	7.75	13.89	13.86	7	0.04	235	2,921
JULY, 2018	0.08	0.00	1.74	13.68	13.81	7	0.01	235	3,071
AUGUST, 2018	5.64	5.55	4.31	13.29	13.24	7	0.02	248	3,117
SEPTEMBER, 2018	-0.81	-0.89	-2.41	12.88	12.92	7	0.01	246	3,081
3 <sup>RD</sup> QUARTER, 2018	4.86	4.61	3.58	12.88	12.92	7	0.03	246	3,081
OCTOBER, 2018	-11.26	-11.32	-10.86	14.61	14.44	7	0.02	218	2,774
NOVEMBER, 2018	-3.32	-3.39	1.59	14.79	14.38	7	0.02	211	2,783
DECEMBER, 2018	-12.69	-12.76	-11.88	16.45	15.79	7	0.36	184	2,542
4 <sup>TH</sup> QUARTER, 2018	-25.10	-25.26	-20.20	16.45	15.79	7	0.30	184	2,542
3-YEAR ANNUALIZED (12/31/2018)	6.24	5.22	7.36						
5-YEAR ANNUALIZED (12/31/2018)	4.02	3.00	4.41						
10-YEAR ANNUALIZED (12/31/2018)	12.72	11.61	11.97						
SINCE INCEPTION – ANNUALIZED	7.15	6.10	6.75						

**Notes:**

- Argent Capital Management, LLC (“Argent”) is an independent investment management firm comprised of two distinct business entities: the Non-Wrap Fee/SMA Business of Argent Capital Management, LLC (“Principal Business”), which does not include wrap fee/SMA clients; and the Wrap Fee/SMA Business of Argent Capital Management, LLC (“Wrap Business”), which includes only wrap fee/SMA clients. The Principal Business claims compliance with the Global Investment Performance Standards (GIPS) and has prepared and presented this report in compliance with the GIPS standards. The Principal Business has been independently verified for the period January 1, 2003 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 Argent Small Cap Core Equity Composite has been examined for the periods January 1, 2008 through September 30, 2018. The verification and performance examination reports are available upon request.
- This composite represents investment performance for portfolios invested in equities with small capitalization containing both growth and value characteristics for which Argent has sole investment discretion. Portfolios will include small cap equity holdings, with zero fixed investments and cash targeted to be less than 10% of total portfolio value. The creation date of the Argent Small Cap Core Equity Composite is January 1, 2008. A complete list and description of composites is available upon request.
- The benchmark is the Russell 2000® Index which measures the performance of the small-cap segment of the U.S. equity universe. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index. Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a presentation of Argent. Russell Investment Group is not responsible for the formatting or configuration of this material or for any inaccuracy in Argent’s presentation thereof.
- Valuations are computed and performance reported in U.S. currency. Performance results are total return, (i.e. include the reinvestment of all income). Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Past performance is no guarantee of future results.
- Gross-of-fees performance returns are presented before management and certain custodial fees, but after all trading expenses except for accounts with asset-based-pricing fees. Net of fee performance is calculated by reducing gross performance by actual management fees incurred and any asset-based-pricing fees for applicable portfolios as asset-based-pricing fees are considered a trading expense. The composite includes portfolios that pay a fee based on a percentage of assets under management. The composite includes accounts with asset-based-pricing fees which represent less than 1% of composite assets during the years 2016 and 2017.
- Standard annual advisory fees for the Small Cap Core Equity product are calculated as a percentage of assets under management according to the following schedule; 1% on the first \$25M, .90% on the next \$25M, .80% on the balance thereafter, although fees may be negotiated or waived in certain circumstances.
- Internal dispersion is calculated using the asset-weighted standard deviation of all portfolios that were included in the composite for the entire calendar month, quarter, or year - net of fees. For calendar year 2008 & 2010 internal dispersion is not available (NA) since no portfolio was in the composite for the entire calendar year.
- The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The standard deviation is not presented for 2008 and 2009 since the composite inception date of 1/1/2008 does not provide historical data to calculate a 3-year formula.