

**Todd Asset Management LLC
Verification and Intrinsic Value Opportunity Composite
Performance Examination Report**

June 30, 2017



Verification and Performance Examination Report

Management Committee
Todd Asset Management LLC

We have verified whether Todd Asset 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 June 30, 2017, and (2) designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of June 30, 2017. We have also conducted a performance examination of the Firm's Intrinsic Value Opportunity Composite for the periods from April 1, 2017 through June 30, 2017. The Firm's management is responsible for compliance with the GIPS standards, the design of its policies and procedures, and for the Intrinsic Value Opportunity 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 June 30, 2017; and
- Designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of June 30, 2017.

A verification covering the periods from January 1, 2008 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 Intrinsic Value Opportunity Composite and calculated the Intrinsic Value Opportunity Composite's performance for the periods from April 1, 2017 through June 30, 2017 in compliance with the GIPS standards; and
- Prepared and presented the Intrinsic Value Opportunity Composite's accompanying compliant presentation for the periods from April 1, 2017 through June 30, 2017 in compliance with the GIPS standards.

A performance examination of the Firm's Intrinsic Value Opportunity Composite covering the periods from January 1, 2011 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 Intrinsic Value Opportunity Composite.

ACA Performance Services, LLC

ACA Performance Services, LLC
September 21, 2017

**TODD ASSET MANAGEMENT LLC
INTRINSIC VALUE OPPORTUNITY COMPOSITE
ANNUAL DISCLOSURE PRESENTATION**

<u>Year</u>	<u>Annual Performance Results</u>					<u>Composite 3 Year St Dev</u>	<u>S&P 500 3 Year St Dev</u>	<u>Russell 1000 Value 3 Year St Dev</u>	<u>Total Firm Assets (millions)</u>	<u>TIA Assets (millions)</u>	<u>Composite Assets</u>	
	<u>Opportunity Composite</u>		<u>S&P 500 Index</u>	<u>Russell 1000 Value</u>	<u>Composite Dispersion</u>						<u>U.S.D. (millions)</u>	<u>Number of Accounts</u>
	<u>Gross</u>	<u>Net</u>										
2016	4.84%	3.97%	11.96%	17.34%	0.3%	13.33%	10.59%	10.77%	3,482	N.A.	435	8
2015	-10.93%	-11.69%	1.38%	-3.83%	0.3%	12.76%	10.47%	10.68%	3,442	N.A.	310	7
2014	18.52%	17.59%	13.69%	13.45%	0.1%	11.51%	8.98%	9.20%	3,720	N.A.	353	7
2013	44.52%	43.51%	32.38%	32.53%	N.A.	13.35%	11.93%	12.70%	3,589	N.A.	191	Five or fewer
2012	13.07%	12.27%	16.00%	17.51%	N.A.	16.16%	15.09%	15.51%	3,239	N.A.	134	Five or fewer
2011	6.06%	5.30%	2.11%	0.39%	N.A.	24.33%	18.71%	20.69%	3,210	N.A.	121	Five or fewer
2010	15.18%	14.37%	15.06%	15.51%	N.A.	30.96%	21.85%	23.18%	3,509	N.A.	116	Five or fewer
2009	57.13%	56.16%	26.47%	19.69%	N.A.	29.29%	19.63%	21.10%	3,660	N.A.	102	Five or fewer
2008	(39.96%)	(40.34%)	(37.00%)	(36.85%)	N.A.	*	*	*	449	3,516	29	Five or fewer
2007	(4.25%)	(4.82%)	5.49%	(0.17%)	N.A.	*	*	*	1,351	4,737	50	Five or fewer
2006									1,919	4,472	53	Five or fewer

Annualized returns as of 12/31:

1 Year	4.84%	3.97%	11.96%	17.34%
3 Year	3.44%	2.59%	8.87%	8.59%
5 Year	12.58%	11.71%	14.66%	14.80%
7 year	11.99%	11.14%	12.83%	12.72%
10 Year	7.15%	6.39%	6.95%	5.72%
Since Inception (A)	7.38%	6.62%	7.49%	6.73%

(A) Inception date is April 1, 2006.

N.A. Information is not statistically meaningful.

* The three-year annualized ex-post standard deviation of the composite and benchmark is not presented because 36 monthly returns are not available.

Past performance does not provide any guarantee of future performance, and one should not rely on the composite performance as an indication of future performance. Investment return and principal value of an investment will fluctuate so that the value of the account may be worth more or less than the original invested cost.

The accompanying disclosures are an integral part of this schedule.

Total firm assets from 2006 to 2008 represent the assets of Veredus Asset Management LLC prior to the combination with Todd Investment Advisors, Inc. on May 1, 2009. Performance presented prior to May 1, 2009 represents that of Todd Investment Advisors, Inc. There were no changes to the portfolio management team or investment process as a result of the firm combination.

The Intrinsic Value Opportunity Composite was created April 1, 2006 and contains fully discretionary accounts, invested primarily in equity securities within the S&P 500 Index with the objective to seek capital appreciation. This goal is pursued by investing in a portfolio of securities that are in the less expensive third of the S&P 500 Index using a rules based process based on financial strength, profitability strength and market acceptance.

Todd Asset Management LLC (“TAM or the Firm”), formerly Todd-Veredus Asset Management LLC, is a registered investment advisor. TAM began operations on June 1, 1998 as Veredus Asset Management LLC (“VAM”). Effective May 1, 2009, VAM combined with Todd Investment Advisors, Inc. (“TIA”). TIA (and its predecessors) was founded in 1967 by Bosworth M. Todd. Upon the combination of VAM and TIA in 2009, Veredus Asset Management LLC changed its name to Todd-Veredus Asset Management LLC (“TVAM”). On February 28, 2013, after a change in ownership involving some VAM unitholders, TVAM changed its name to Todd Asset Management LLC. The firm continues to offer the same strategies managed by individuals using the process founded under TIA.

TAM claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. The Firm has been independently verified for the periods January 1, 2008 through December 31, 2016. VAM was verified for the period July 1, 1989 through December 31, 2007 by a previous verifier. TIA’s compliance with the GIPS® standards has been verified for the period January 1, 1993 through April 30, 2009. 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 Intrinsic Value Opportunity Composite has been examined for the periods January 1, 2011 through December 31, 2016. The verification and performance examination reports are available upon request.

TAM maintains a complete list and description of composites, which is available upon request. The Composite represents all eligible accounts managed using the strategy described. Accounts are eligible for inclusion in the composite at the beginning of the first calendar quarter after the month of initial funding and upon being fully invested. Upon termination an account is not included in the composite as of the previous quarter end, historical performance on the account remains part of the composite.

The currency used to calculate and express performance is U.S. dollars. The performance is presented on a trade date basis, gross and net of management fees and net of transaction costs. Performance is computed on a total rate of return with the reinvestment of all income. All cash reserves and equivalents have been included in the performance. Net of fee performance was calculated using the applicable annual management fee schedule of 0.80% applied monthly. From October 2009 to March 2014 the management fee schedule applied to the composite was 0.70%. Prior to October 2009, the management fee schedule applied to the composite was 0.60%. Actual investment advisory fees incurred by clients may vary. The annual composite dispersion is an equal-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the firm’s policies and procedures for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The composite performance has been compared to the following unmanaged indices. They are not available for direct investment, they include the reinvestment of dividends; they do not reflect management fees or transaction costs:

S&P 500 Index is a widely recognized index of market activity based on the aggregate performance of a selected portfolio of publicly traded common stocks. The performance data was supplied by Standard & Poor’s. It is included to indicate the effect of general market conditions.

Russell 1000 Value Index is a widely recognized index of market activity based on the aggregate performance of common stocks from the Russell 1000 Index, with lower price-to-book ratios and lower forecasted growth values. The performance data was supplied by Frank Russell Trust Company.