TODD
ASSET MANAGEMENT LLC

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Partner, Senior Portfolio Manager

Todd Large Cap Intrinsic Value Review

	3Q 2013	YTD	1 Year	3 Year*	5 Year*	7 Year*
Large Cap Intrinsic Value (Gross)	3.83%	18.69%	19.30%	14.86%	9.23%	5.73%
(Net)	3.67%	18.15%	18.59%	14.17%	8.57%	5.09%
S&P 500	5.24%	19.79%	19.34%	16.27%	10.02%	5.60%
Russell 1000 Value	3.94%	20.47%	22.30%	16.27%	8.86%	4.24%

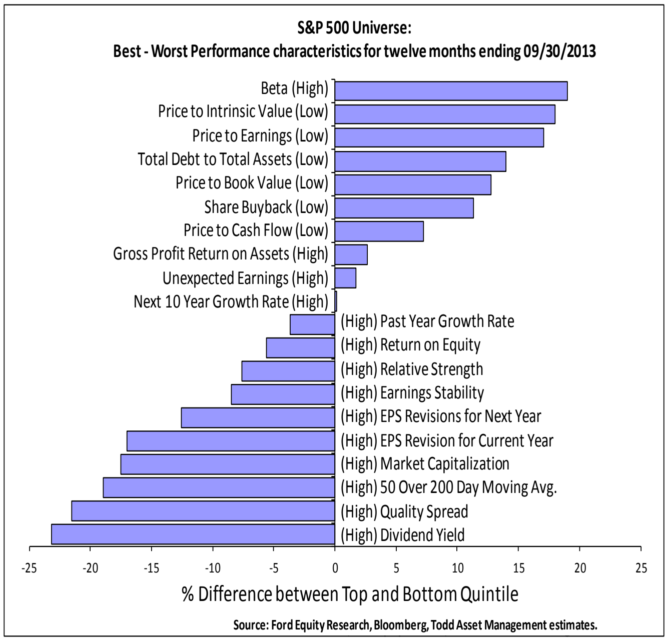
** Annualized Total Returns. Please refer to the attached Performance Disclosure for further information*

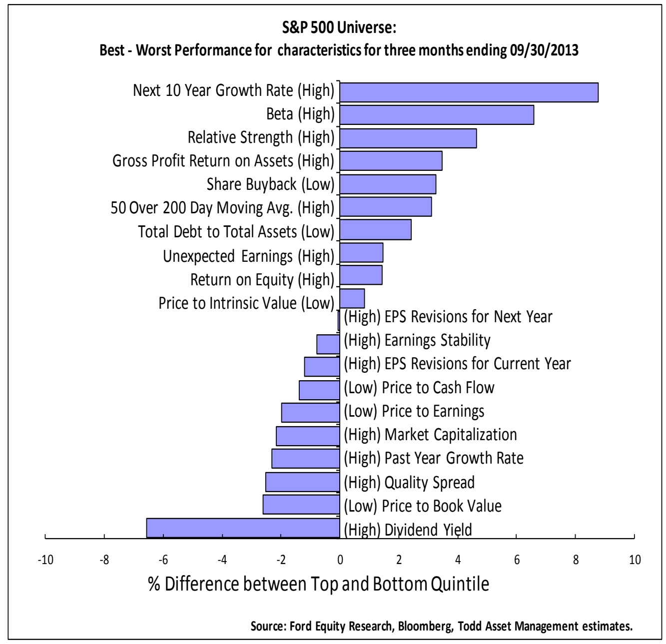
The LCIV lagged the S&P 500 while almost matching the Russell 1000 Value index during the quarter. Year-to-date gross returns are still behind the S&P 500 and Russell 1000 Value. Over the trailing twelve months the portfolio has roughly matched the S&P 500 on a gross basis and lagged the Russell 1000 Value.

Investors are likely to remember this quarter as the one where the Fed surprised everyone and did not taper the quantitative easing program. Maybe we are old fashioned, but the really big surprises used to be when investors were not expecting action and the Fed surprised with a rate cut or increase. This is just more evidence of the new world we are in. Equities started the quarter acting stronger, with the S&P tacking on 6% between the end of June and early August. Then tapering fears started to impact the market along with some weaker economic releases and the market gave back most of that gain. Following this sell off into early September, the market rallied to new highs in anticipation of the Fed Tapering. When no action was taken, stocks peaked one day later and have since been retreating on concerns over the Washington DC stalemate.

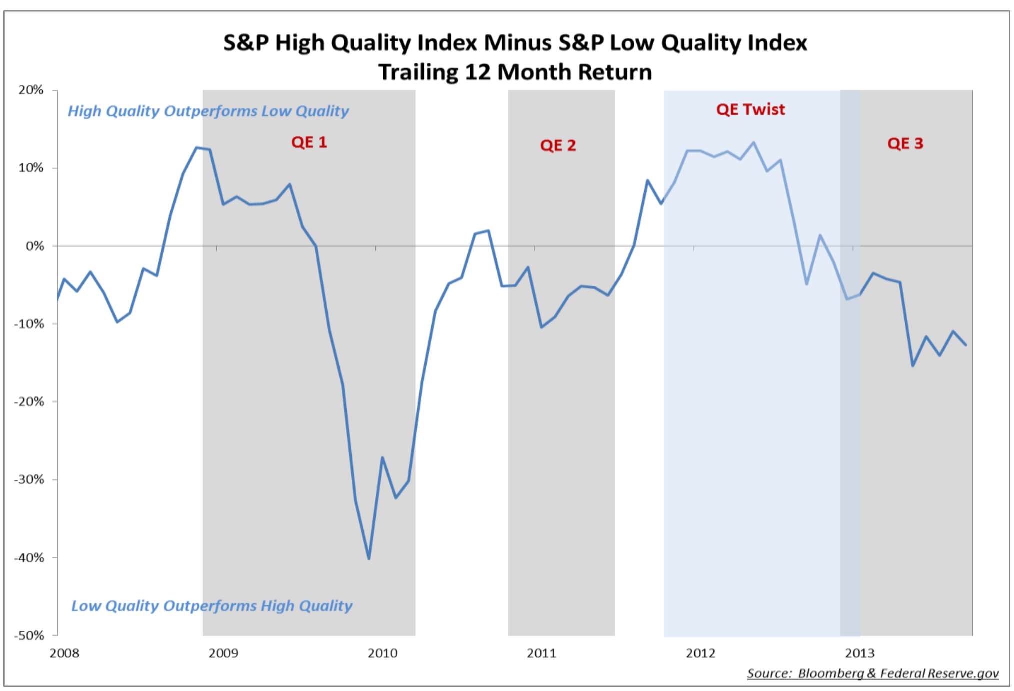
We see an economy that is offering mixed results at this point, but has overcome many problems it encountered this year. We still expect the tapering to occur, but it has probably been delayed due to the standoff in Washington. If a solution is found to this situation, markets probably rally. Tapering would only be on the table if the Fed thought we were in a self-sustaining recovery. Eventually, most investors will likely see it that way. Auto production has only just reached the point where it used to bottom in prior recessions, and new home construction has improved only marginally. Our sense is there is much further to go in these recoveries as demand has built up over the past several years.

We present our customary charts on what factors have been helping and hurting performance for stocks on the following page. Market performance continues to be dominated by the low quality phenomenon we've spoken of in the past. Noting the charts below, the lower quality companies with more volatility and no dividends dominated performance both during the quarter and the past year. We've seen this occurring dramatically since the Federal Reserve instituted quantitative easing back in 2009, as presented in the chart below the factors on the following page. This quality chart compares the S&P low quality index to the high quality index, and shades periods of quantitative easing. When the line is declining, low quality outperforms. What we can see is that high quality starts to recover when quantitative easing ends. This gives us some optimism that as the potential for tapering QE increases, the outlook is better for higher quality stocks like the ones we focus on.





Other characteristics to note on the factor ranking is that while lower valuation stocks outperformed over the past year, that factor did not help over the last quarter. Higher beta growth stocks that have been winners over the past year were the winners this past quarter



Examining the contribution to portfolio returns, we found similarities between what helped us and hurt us during the past quarter when compared to both the S&P and the Russell 1000 Value. Our Information Technology and Consumer Discretionary exposures hurt our performance versus both indexes. Our Financial and Telecommunications exposures helped us versus both indexes.

Consumer Discretionary selections hurt our performance as both Macys and Coach were among the worst performers in our holdings. We have eliminated Coach from the portfolio, though Macys is a new holding and we continue to like the long term potential for Macys. Coach has seen significant management changes and disappointing comparisons, which caused us to sell the stock. Information Technology also cost us performance, as most of the larger, established companies were not in vogue despite having strong cash flow, healthy dividends and the potential for dividend growth. The specific companies that hurt us were Broadcom, which we sold from the portfolio, and Hewlett Packard, a newer addition to the portfolio. Broadcom delayed introduction of a new chipset for mobile phones, and it appears they are not likely to be as large a player in that market as originally expected. In our opinion, Hewlett Packard is a free cash flow generator and has the potential for substantial appreciation through continued restructuring.

Our stock selection in both the Financial and Telecommunications sectors helped our performance. In Telecomm, we owned Vodafone and gained the benefit of Verizon repurchasing the stake in Verizon wireless held by Vodafone. In the Financial Sector, our exposures to Aflac, Ameriprise, Blackrock and Bank of America helped our relative performance.

Our largest sector weighting remains the Financials. We continue to think that if the economy drives even a modest uptick in lending, and the banks continue to restructure, there should be upside for a group that has a lower multiple than any other group except the energy stocks. Our second largest weighting is in the Information Technology stocks. Power is shifting within this group, and it appears that companies applying technology are gaining favor at the expense of those creating technology. We are moving the portfolio in this direction through actions within the tech group, but others as well, notably some of the media content providers that we have purchased recently. We continue to have smaller exposures in the more defensive groups like the Consumer Staples, Utilities and Telecoms.

As the impact of QE lessens, we believe the headwinds to our quality oriented styles should abate. Given that our gross performance has been improving versus the Russell 1000 Value and S&P 500 over the past six months, we believe that turn may be starting and are optimistic about our prospects.

As always, we are here to assist you. If you need any additional information, please feel free to contact any of us.

Jack White, CFA Curt Scott, CFA Jack Holden, CFA
Todd Asset Management LLC
10-16-13
S&P 500 – 1698
Russell 1000 Value - 859

Refer to Performance Disclosure on the following page for more information on the performance numbers presented. These notes are an integral part of this letter and should not be reproduced or duplicated without these notes.

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TODD ASSET MANAGEMENT LLC
LARGE CAP INTRINSIC VALUE COMPOSITE DISCLOSURE

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.

Specific stocks discussed in this presentation are included to help demonstrate the investment process or as a review of the Composite's quarterly results and are not and were not recommendations for purchase or sale by investors. All or some of the specific stocks mentioned may have been purchased or sold by accounts within the Composite during the period, or since the period, and may be purchased or sold in the future. Investors should not construe the Composite's performance or any security as predictive of future results. A complete listing of the holdings as of the period end is available upon request.

Todd Asset Management LLC ("TAM") is a registered investment adviser. The performance presented represents a composite of tax-exempt fully discretionary intrinsic value accounts, invested primarily in large cap domestic equity securities with the objective to seek capital appreciation. This goal is pursued by investing in a diversified portfolio of equity securities that TAM believes are trading at a discount to their intrinsic value.

Todd Asset Management LLC, formerly Todd-Veredus Asset Management LLC 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, TVAM redeemed ownership units held by individuals who supported the growth products founded under VAM, and changed its name to Todd Asset Management LLC. The firm continues to offer the same products and strategies managed by the same individuals and process founded under TIA

The Large Cap Intrinsic Value Composite contains fully discretionary, tax-exempt accounts that use either the S&P 500 Index or Russell 1000 Value Index as the benchmark. Prior to April 1, 2010, this composite was known as the Relative Value Equity Composite; no changes in the strategy were made in conjunction with the name change. All fee-paying, fully discretionary portfolios under our management are included in a composite. 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.

TAM claims compliance with the Global Investment Performance Standards (GIPS®). The Firm has been verified for the period January 1, 2008 through June 30, 2013 by Ashland Partners & Company LLP and 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 by Ashland Partners & Company LLP. In addition, a performance examination was conducted on the Large Cap Intrinsic Value Composite for the period January 1, 2011 through June 30, 2013. To receive a complete list and description of TAM composites and/or a full disclosure presentation which complies with the GIPS® standards, please contact TAM at 1-888-544-8633, or write Todd Asset Management LLC, 101 South Fifth Street, Suite 3100, Louisville, Kentucky 40202, or contact us through our Web site at www.toddasset.com

The performance information is presented on a trade date basis, both gross and net of management fees and includes the reinvestment of all income. Net of fee performance was calculated using the highest all inclusive annual management fee of .60% applied monthly. Prior to September 2001, the highest management fee applied to the composite was .50%. The currency used to calculate and express performance is U.S. dollars. All cash reserves and equivalents have been included in the performance.

The composite performance has been compared to the following benchmarks (all shown with dividends reinvested):

S&P 500 Index is a widely recognized index of market activity based on the aggregate performance of a selected unmanaged portfolio of publicly traded common stocks. The performance data includes reinvested dividends and 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.