



## Investment Objective

The All-Cap Core Growth & Income strategy seeks to outperform the S&P 500 Total Return Index over time while taking less-than-market risk. SFE strives to preserve capital and achieve long term growth by employing an opportunistic, total return approach (stock price appreciation plus dividends).

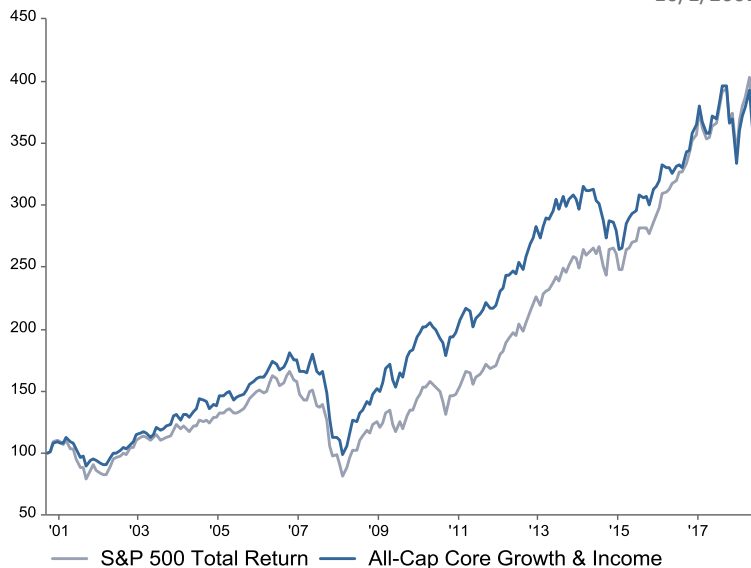
## Investment Approach

SFE adheres to a formal process of value-based, fundamental analysis and risk management. SFE asset managers focus on US companies with established competitive advantages in their industries, that have strong global franchises and that generate significant revenue from their international operations.

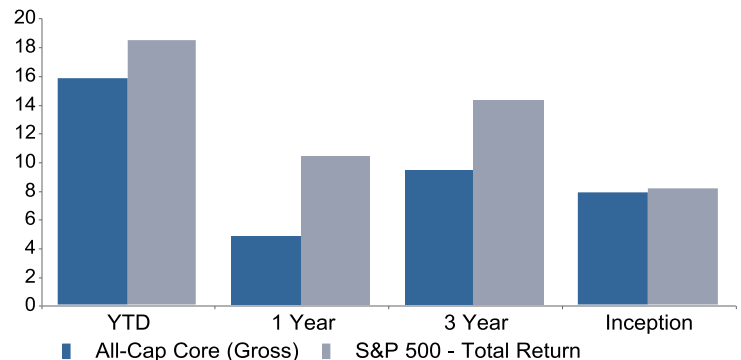
## INVESTMENT PERFORMANCE % -- As of 6/30/19

SFE claims compliance with Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with GIPS® standards. SFE has been independently verified for the periods October 1, 2001 through December 31, 2016 by Ashland Partners & Company LLP and the periods January 1, 2017 through December 31, 2018 by ACA Compliance Group. 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 All-Cap Core Growth & Income composite has been examined for the periods October 1, 2001 through December 31, 2018. The verification and performance examination reports are available upon request.

10/1/2001 – 6/30/2019



	YTD	1 Year	3 Year	Inception
All-Cap Core	15.82%	4.81%	9.46%	7.93%
S&P 500	18.54%	10.42%	14.25%	8.19%



## PORTFOLIO MANAGEMENT

### CHARLES E. BOHLEN, J.D. CFA

Mr. Bohlen received a BA in History & Literature from Harvard College (magna cum laude) and a J.D. from Yale Law School. He is an active CFA charter holder and a member of the CFA institute and the CFA Society of Los Angeles.

### JAMES T. MOYLAN, CFA

Mr. Moylan received a BS in Mathematics from UCLA and an MBA from the Anderson School of Management, UCLA. He is an active CFA charter holder and a member of the CFA institute and the CFA Society of Los Angeles.

Performance quoted represents past performance and does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown here. Performance data current to the most recent month end is available by calling 213-612-0220.

**SFE Investment Counsel, Inc.**  
**Verification and All-Cap Core Growth & Income Composite**  
**Performance Examination Report**

**December 31, 2018**



## Verification and Performance Examination Report

Board of Directors  
SFE Investment Counsel, Inc.

We have verified whether SFE Investment Counsel, Inc. (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 January 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 All-Cap Core Growth & Income Composite for the periods from January 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 All-Cap Core Growth & Income 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 January 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 October 1, 2001 through December 31, 2016 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 All-Cap Core Growth & Income Composite and calculated the All-Cap Core Growth & Income Composite's performance for the periods from January 1, 2017 through December 31, 2018 in compliance with the GIPS standards; and
- Prepared and presented the All-Cap Core Growth & Income Composite's accompanying compliant presentation for the periods from January 1, 2017 through December 31, 2018 in compliance with the GIPS standards.

A performance examination of the Firm's All-Cap Core Growth & Income Composite covering the periods from October 1, 2001 through December 31, 2016 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 All-Cap Core Growth & Income Composite.

*ACA Performance Services, LLC*

ACA Performance Services, LLC  
July 23, 2019

**SFE INVESTMENT COUNSEL, INC.**  
**ALL-CAP CORE GROWTH & INCOME COMPOSITE**  
**QUARTERLY PERFORMANCE PRESENTATION - PAGE 1 OF 2**

*Asset-Weighted Performance Gross and Net of Fees*  
*Results have been calculated in U.S. Dollars*  
*Gross is provided as supplemental information*

		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual
2018	Gross	(1.82%)	3.25%	7.35%	(15.72%)	(8.28%)
	Net	(2.10%)	2.95%	7.05%	(15.97%)	(9.32%)
2017	Gross	4.66%	0.20%	3.83%	6.10%	15.54%
	Net	4.35%	(0.10%)	3.52%	5.79%	14.16%
2016	Gross	2.03%	3.83%	3.92%	2.70%	13.07%
	Net	1.70%	3.50%	3.61%	2.38%	11.65%
2015	Gross	1.92%	(2.25%)	(9.97%)	1.84%	(8.67%)
	Net	1.63%	(2.54%)	(10.26%)	1.53%	(9.76%)
2014	Gross	2.28%	5.26%	(2.05%)	2.28%	7.87%
	Net	2.00%	4.98%	(2.32%)	2.01%	6.70%
2013	Gross	11.24%	0.17%	5.83%	9.45%	29.07%
	Net	10.96%	(0.09%)	5.56%	9.18%	27.76%
2012	Gross	9.38%	(3.59%)	6.01%	(0.87%)	10.82%
	Net	9.12%	(3.84%)	5.73%	(1.13%)	9.68%
2011	Gross	4.66%	(1.24%)	(10.45%)	10.62%	2.37%
	Net	4.40%	(1.48%)	(10.69%)	10.35%	1.35%
2010	Gross	10.48%	(8.81%)	16.08%	8.58%	26.97%
	Net	10.18%	(9.05%)	15.77%	8.40%	25.77%
2009	Gross	(5.96%)	18.93%	12.78%	7.03%	35.00%
	Net	(6.20%)	18.62%	12.46%	6.61%	33.41%
2008	Gross	(6.25%)	0.76%	(10.49%)	(24.18%)	(35.89%)
	Net	(6.46%)	0.54%	(10.69%)	(24.39%)	(36.49%)

**SFE INVESTMENT COUNSEL, INC.**  
**ALL-CAP CORE GROWTH & INCOME COMPOSITE**  
**QUARTERLY PERFORMANCE PRESENTATION - PAGE 2 OF 2**

*Asset-Weighted Performance Gross and Net of Fees*  
*Results have been calculated in U.S. Dollars*  
*Gross is provided as supplemental information*

		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual
2007	Gross	3.03%	3.98%	1.86%	0.73%	9.92%
	Net	2.82%	3.78%	1.66%	0.53%	9.04%
2006	Gross	7.56%	(2.23%)	3.96%	5.99%	15.88%
	Net	7.28%	(2.49%)	3.69%	5.71%	14.63%
2005	Gross	0.73%	3.56%	4.22%	(3.00%)	5.46%
	Net	0.47%	3.29%	3.95%	(3.26%)	4.35%
2004	Gross	1.28%	3.60%	1.06%	7.45%	13.93%
	Net	1.01%	3.32%	0.79%	7.17%	12.74%
2003	Gross	(2.96%)	9.80%	3.38%	10.67%	21.91%
	Net	(3.23%)	9.52%	3.11%	10.38%	20.62%
2002	Gross	2.99%	(8.25%)	(12.47%)	4.38%	(13.67%)
	Net	2.71%	(8.52%)	(12.72%)	4.09%	(14.63%)
2001	Gross				9.24%	9.24%*
	Net				8.93%	8.93%*

**\* Represents non-annualized partial period performance beginning on October 1, 2001.**

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 January 1, 2017 were examined by another verification firm.

## ANNUAL COMPOSITE DISCLOSURE PRESENTATION

Year End	Total Firm Assets (millions)	Composite Assets (millions)	Number of Portfolios	% of Carve Outs	S & P 500 (tr) Index	Composite Results Annual Performance		Composite Dispersion	Ex-Post Standard Deviation (Rolling 3 yrs)	
						Gross	Net		Composite	S&P 500
2018	\$267	\$83	192	0%	-4.38%	-8.28%	-9.32%	3.91%	11.71%	10.80%
2017	\$322	\$92	203	0%	21.83%	15.54%	14.16%	4.83%	10.28%	9.92%
2016	\$304	\$87	199	0%	11.96%	13.07%	11.65%	3.93%	10.63%	10.59%
2015	\$283	\$80	190	0%	1.38%	-8.67%	-9.76%	3.58%	10.33%	10.47%
2014	\$324	\$200	346	0%	13.69%	7.87%	6.70%	3.62%	9.06%	8.97%
2013	\$309	\$188	329	0%	32.39%	29.07%	27.76%	3.38%	10.46%	12.11%
2012	\$243	\$148	294	0%	16.00%	10.82%	9.68%	3.23%	13.62%	15.30%
2011	\$240	\$149	291	0%	2.11%	2.37%	1.35%	3.96%	17.00%	18.97%
2010	\$217	\$126	243	0%	15.06%	26.97%	25.77%	6.90%	21.69%	22.16%
2009	\$179	\$62	141	63%	26.46%	35.00%	33.41%	8.51%	19.40%	19.91%
2008	\$183	\$72	142	43%	-37.00%	-35.89%	-36.49%	3.55%	15.57%	15.29%
2007	\$227	\$95	127	47%	5.49%	9.92%	9.04%	7.49%	8.77%	7.79%
2006	\$202	\$85	114	47%	15.79%	15.88%	14.63%	4.44%	8.82%	6.92%
2005	\$172	\$68	83	51%	4.91%	5.46%	4.35%	5.52%	9.03%	9.17%
2004	\$156	\$59	69	59%	10.88%	13.93%	12.74%	3.60%	10.54%	15.02%
2003	\$133	\$47	59	60%	28.68%	21.91%	20.62%	3.76%	n/a	n/a
2002	\$100	\$30	51	68%	-22.10%	-13.67%	-14.63%	3.49%	n/a	n/a
2001	\$94	\$28	47	92%	10.69%	9.24%	8.93%	3.60%	n/a	n/a

**Notes:**

1. In 2001 results and dispersion are reported for the period October 1, 2001 through December 31, 2001 only.
2. Beginning January 1, 2008, composite net returns are calculated by deducting management fees at the account level. Prior to that date, net of fee performance was calculated by deducting a weighted average fee from the gross returns for each year.
3. Not applicable (n/a) based on the abbreviated time frame.
4. Beginning January 1, 2017 composite market values are based on accrued income.

The **All-Cap Core Growth & Income** strategy seeks to produce returns that consistently outperform the S&P 500(tr) Index while taking less-than-market risk. The investment objective is to preserve capital and achieve long term appreciation by employing an opportunistic, total return approach which includes the reinvestment of all dividends into cash. Cash is used as a strategic position. SFE focuses on US companies that have established a competitive advantage in their industries, have strong global franchises and generate significant revenue from their international operations.

This composite was created October 1, 2001 and contains only fee-paying fully discretionary portfolios. The composite is measured against the S&P 500(tr) Index, which is an index of US stocks designed to represent the US stock market. The minimum portfolio size for inclusion in this composite is \$100,000. Policy requires the removal of any portfolio that falls below \$100,000. The removal of a portfolio occurs at the beginning of the quarter in which the balance falls below \$100,000. The portfolio re-enters the composite the quarter after the balance reaches \$100,000. Additional information regarding the inclusion and exclusion of accounts is available upon request.

SFE management fee schedule for the composite is 2.00% on the first \$250,000, 1.75% on the next \$1,000,000, 1.50% on the next \$2,000,000, 1.25% on the next \$5 million and 1.00% on the next and in excess of \$10 million. Actual management fees incurred by clients may vary. SFE's sub-advised management fee is 0.50% subject to a \$500.00 minimum annual fee. Actual sub-advised management fees incurred by clients may vary.

Composite returns are presented gross and net of management fees. Gross returns for some accounts sub-advised by SFE are stated as gross of all management fees and transaction costs and are shown as supplemental information. Net of fee performance was calculated using actual management fees. Composite results include accounts no longer with the firm.

The annual composite dispersion presented is an asset-weighted standard deviation of the accounts in the composite the entire year. As of 1/1/15 accounts with assets other than equities are no longer eligible to be placed in the strategy. Carve-outs were included in this composite until December 31, 2009. Prior to that date, we took the composite level cash percentage and composite level cash performance and allocated that to the equity returns. Additional information regarding the policy for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.

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Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance. SFE Investment Counsel Inc. (SFE) is an independent investment advisor registered with the SEC. List of composite descriptions is available upon request.