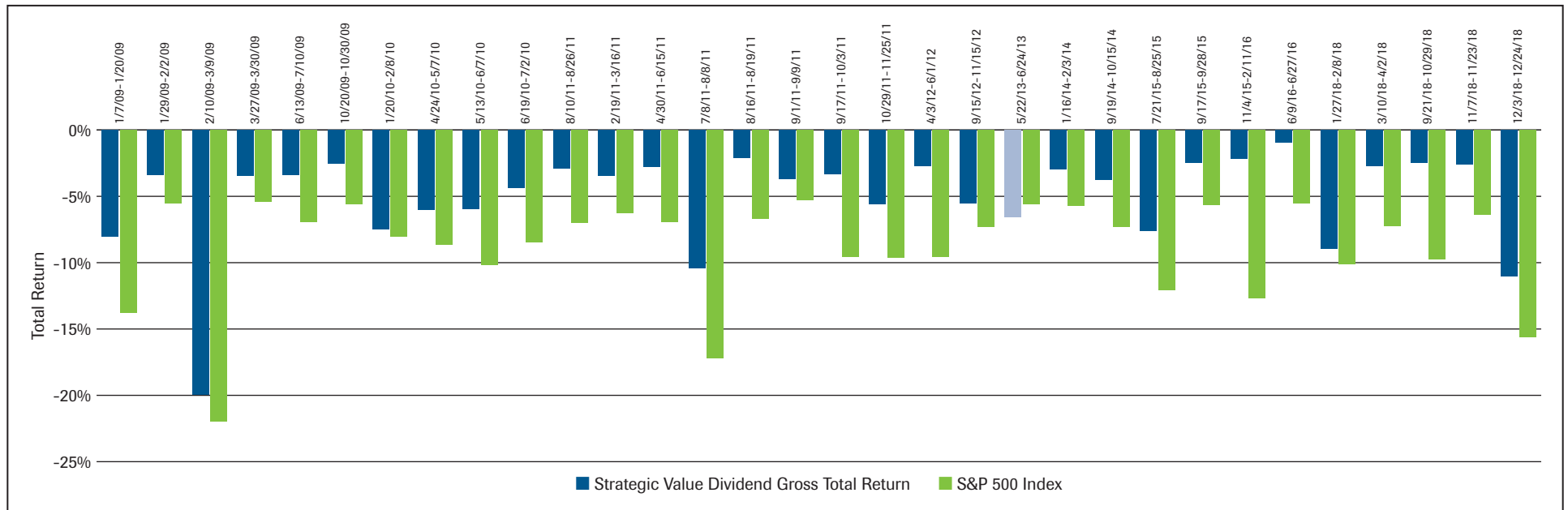


# Strategic Value Dividend SMA

## *History of Lower Downside Risk*

In addition to seeking a substantially higher dividend yield than the broad market, Strategic Value Dividend SMA has historically offered lower downside risk. Consider the following time periods when the S&P 500 Index declined by 5% or more post the 2008 financial crisis — Strategic Value Dividend SMA outperformed in 31 of the 32 time periods (based on gross returns).



- The portfolio had a gross weighted average dividend yield of 5.17% at quarter-end. This exceeded not only the broad market represented by the S&P 500 Index 2.22% yield and the 10-year U.S. Treasury Note 2.69%, but it also surpassed the yield of the Dow Jones Select Dividend Index 4.30%.
- Many of the high-quality, large-cap companies held by the portfolio have announced dividend increases.

Sources: Federated Investors, Inc., FactSet, Ned Davis Research.

**Past performance is no guarantee of future results.**

Information is supplemental to the attached GIPS presentation.

Gross returns do not reflect management and other fees. Results based on net returns will differ and the strategy may not have outperformed during all time periods.

## Schedule of Rates of Return and Statistics

Composite **Strategic Value Dividend Managed Account Composite**  
 Index **Dow Jones Select Dividend (1/07) from Russell Midcap® Value**  
 Periods Ending **9/30/18**

Returns (%)			
	Gross Composite Return	Index	Net Composite Return (Assuming Maximum Fee)
<b>Q3 18</b>	2.24	3.08	1.48
<b>YTD</b>	-1.60	4.14	-3.80
<b>1 Year</b>	1.66	10.59	-1.35
<b>3 Years (Annlnzd)</b>	9.62	15.24	6.40
<b>5 Years (Annlnzd)</b>	9.34	12.53	6.12
<b>7 Years (Annlnzd)</b>	11.26	15.13	7.99
<b>10 Years (Annlnzd)</b>	9.23	10.75	6.02
<b>15 Years (Annlnzd)</b>	8.80	10.46	5.60
<b>Oct 01 - Sep 18 (Annlnzd)</b>	9.27	10.42	6.06

	Composite Gross Return	Composite Net Return	Benchmark Return	Composite* 3-Yr Std Dev	Benchmark* 3-Yr Std Dev	Number of Portfolios	Dispersion**	% of Carve-Outs	Composite Assets (\$mil)	Firm Assets (\$bil)
<b>2008</b>	-27.29	-29.50	-30.97	12.51	15.48	7,774	0.67	0.00%	1,221.5	402.8
<b>2009</b>	10.50	7.25	11.13	15.46	22.26	6,970	0.47	0.00%	1,401.0	384.4
<b>2010</b>	13.15	9.84	18.32	17.18	23.70	5,818	0.31	0.00%	1,470.9	354.3
<b>2011</b>	16.85	13.44	12.42	14.33	19.86	5,869	1.10	0.00%	1,678.9	363.9
<b>2012</b>	7.53	4.37	10.84	10.48	11.50	6,300	0.47	0.00%	1,817.0	371.3
<b>2013</b>	21.59	18.05	29.06	8.53	9.36	7,420	0.42	0.00%	2,444.2	366.8
<b>2014</b>	12.34	9.05	15.36	8.92	9.04	6,412	0.23	0.00%	2,223.3	349.3
<b>2015</b>	4.00	0.93	-1.64	9.97	9.91	6,982	0.21	0.00%	2,303.9	343.4
<b>2016</b>	10.05	6.82	21.98	9.93	9.31	11,970	0.25	0.00%	3,189.3	342.3
<b>2017</b>	15.64	12.26	15.44	9.11	7.69	13,884	0.16	0.00%	3,918.8	354.7

\*Represents the 3-year annualized standard deviation for both the composite and index returns. The statistic is used to measure the volatility of composite returns. Statistic would be not applicable ("N/A") for any period with less than 3 years of monthly performance.

\*\*Standard deviation is calculated using gross returns. Standard deviation is not applicable ("N/A") for any period if fewer than five accounts are in the composite for that period. (See footnote 5)

This composite is comprised of all domestic portfolios investing in US and foreign stocks that management believes will provide high yield, reasonable dividend growth and lower volatility in falling equity market environments, yet will provide potential participation in rising markets. Eligible portfolios are managed with wide latitude to choose the sectors and securities to fulfill the mandate. Within eligible portfolios, securities are selected based on a fundamental assessment of their financial strength, dividend yields, dividend growth rates, and performance during periods of market weakness. Portfolios in this composite implement the strategy using American Depositary Receipts (ADR) versus directly purchasing shares of companies on foreign exchanges. Investments in ADRs entail risks related to daily fluctuations in the value of currency, which may be more volatile in times of increased market risk. There are no guarantees that dividend-paying stocks will continue to pay dividends. The benchmark was changed January 2007 to the Dow Jones Select Dividend Index which proved to be more representative of the current strategy. Effective July 2013, performance for this composite is calculated in U.S. dollars net of foreign withholding taxes on dividends, interest, and capital gains. Individual tax rates may vary dependent on individual residency. Effective January 2016 accounts previously assigned to a platform-restricted composite may be eligible for inclusion in this composite. Accounts deemed by the portfolio manager to have a category restriction shall be excluded from this composite. A category is defined as a collection of investments with similar attributes such as industry classification, business sensitivity, social theme, or security features. Separate accounts eligible for this composite generally have a minimum of \$100,000 at the time of opening and are a part of an asset-based pricing program. Wrap fee accounts make up 100% of this composite for all time periods. This composite was created in December 2001. Federated Investors has managed portfolios in this investment style since July 1997. Performance shown for 2001 is for a partial period starting on October 1, 2001. Federated Investors claims compliance with the Global Investment Performance Standards ("GIPS®") and has prepared and presented this report in compliance with the GIPS® standards. Federated Investors has been independently verified for the period of January 1, 1992, through June 30, 2018. The verification report is available upon request. 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. Verification does not ensure the accuracy of any specific composite presentation. Performance results are presented both net and gross of total wrap fees and reflect the reinvestment of income. "Pure" gross returns are shown as supplemental and do not reflect the deduction of transaction costs. Net returns reflect the deduction of a maximum fee. A fee equal to the highest anticipated wrap fee that a client could pay (3.00% annually as charged by the program sponsor, inclusive of up to a maximum investment advisory fee of 0.70%) is used. This total wrap fee includes all charges for trading costs, portfolio management, custody and other administrative fees. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size.

See Notes to the Schedule of Rates of Return and Statistics.

## Notes to the Schedule of Rates of Return and Statistics

- 1 *Federated Investors is a global, independent, multi-strategy investment management firm with offices in Pittsburgh, New York, Rochester, Boston, London, Dublin, and Frankfurt. For GIPS® purposes, Federated Investors is defined to include the assets of registered investment companies, separate (or private) accounts, managed accounts (including wrap accounts) and commingled or collective trusts that are advised or sub-advised by the following subsidiaries: Federated Advisory Services Co.; Federated Equity Management Co. of PA; Federated Investment Counseling; Federated Investment Management Co.; Federated Global Investment Management Corp.; International Management Limited; MDT Advisers; Federated Securities Corp.; effective December, 2008, (the date of acquisition) the institutional assets of Federated Clover Investment Advisors, and effective September, 2009, (the date the assets were brought into compliance) the SMA/Wrap assets of Federated Clover Investment Advisors; and effective April, 2012 (the date of acquisition) Federated Investors (UK) LLP. Effective with the January 1, 2011, change in GIPS® policies regarding fair value, the assets of the Capital Preservation Fund (a Guaranteed Investment Contract vehicle) were included in the defined firm assets. Prior to that date they were excluded as they are not market value based investments. Firm assets on this report exclude the advisory-only, model-based assets that maybe included in other reports providing total firm assets.*
- 2 *Interest income and dividends are recognized on an accrual basis. Returns include the reinvestment of all income.*
- 3 *All market values and performance information are valued in US. dollars unless currency is denoted in composite title.*
- 4 *With the exception of the Federated Clover Investment Advisors composites, annual composite dispersion is measured and presented using the asset weighted standard deviation of the returns of all of the portfolios included in the composite over the entire year. Quarterly dispersion is measured using all portfolios included in the composite for that quarter. With regard to Federated Clover Investment Advisors composites, annual dispersion is measured using the equal weighted standard deviation of the returns of all the portfolios included in the composite over the entire year.*
- 5 *Composite dispersion does not measure the risk of the product presented, it simply measures the return variance among portfolios managed in a similar fashion. This variance can be affected by variations in cash flow or specific client parameters among the portfolios comprising the composites, as well as by Federated's execution of strategy across accounts.*
- 6 *See the composite description language on the prior page for a discussion on appropriate fees currently applied to calculate composite performance. With regard to the institutional composites not managed by the Federated Clover or MDT Advisers teams, for the period July 1, 1992 through September 30, 2009, net of fee performance was calculated monthly by reducing the gross composite return by the highest actual fee of any account in the composite for that month, regardless of investment vehicle. Prior to this, the maximum management fee charged for the period July 1, 1992 through September 30, 1992 was used to calculate net of fee performance back to inception of the composite. In addition, further fee information can be obtained from Federated's respective Forms ADV Part 2 Brochure Item 5.*
- 7 *Additional information regarding the policies for valuing portfolios, calculating performance, and preparing compliant presentations, as well as a complete list and description of the firm's composites is available upon request.*
- 8 *Past performance is not indicative of future results.*
- 9 *See disclosures on the Schedule of Rates of Return and Statistics Reports for additional information.*

*Dow Jones U.S. Select Dividend Index universe is defined as all dividend-paying companies in the Dow Jones U.S. Total Market Index that have a non-negative historical 5-year dividend-per-share growth rate, a 5-year dividend earnings-per-share ratio of less than or equal to 60%, and 3-month average daily trading volume of 200,000 shares. Current index components are included in the universe regardless of their dividend payout ratio. The Dow Jones U.S. Total Market Index is a rules governed, broad-market benchmark that represents approximately 95% of the U.S. market capitalization.*

*The S&P 500 Index is an unmanaged capitalization-weighted index of 500 stocks designated to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.*

*Indexes are unmanaged and cannot be invested in directly.*