Performance Comparison[1]

Periods Ended 12/31/19 (%)	QTR	YTD	1 Yr	3 Yr	5 Yr	S. I.[1]
DCM Equity Income (gross)	6.26	23.97	23.97	9.55	10.53	12.66
DCM Equity Income (net)	6.11	23.24	23.24	8.90	9.82	11.90
Russell 1000 Value[2]	7.41	26.54	26.54	9.40	8.25	11.25

Periods greater than 1 year are annualized
[1]DCM Equity Income inception was January 1, 2011
[2]Effective 1/1/19, the benchmark was changed from Russell 3000 Value to Russell 1000 Value. Benchmark returns presented reflect Russell 3000 Value for time periods prior to January 1, 2019.

Performance Summary

The DCM Equity Income composite gross total return was 6.26% in the fourth quarter of 2019, compared with the Russell 1000 Value Index 7.41%.

Broad market factors were decidedly negative in the fourth quarter costing -79 basis points in performance. Almost every factor was a headwind, with dividend yield blowing the hardest. Perhaps the greatest impact was dividend yield. As is often the case in a strong upward moving market, stocks with higher than average dividend yields significantly lagged the performance of the benchmark. Other negative factors included higher exposure to profitability and value factors with under exposure to volatility and larger capitalizations.

Sector Drivers

GICS Sectors	Average Weight			Stock Level Returns		Portfolio Impact	
	Port	Bench	Active	Port	Bench	Contribution	Attribution
Health Care	10.4%	12.7%	-2.3%	20.2%	12.0%	197 bps	66 bps
Consumer Discretionary	4.2%	6.0%	-1.8%	17.9%	4.1%	69 bps	60 bps
Consumer Staples	9.7%	9.0%	0.8%	8.4%	3.5%	80 bps	45 bps
Industrials	9.2%	9.6%	-0.5%	9.2%	8.9%	81 bps	-3 bps
Materials	4.6%	4.3%	0.3%	6.0%	8.1%	27 bps	-9 bps
Energy	7.2%	8.2%	-1.0%	2.0%	5.7%	15 bps	-25 bps
Utilities	9.6%	6.7%	2.9%	-0.1%	0.5%	-1 bps	-26 bps
Information Technology	6.3%	6.2%	0.2%	7.4%	12.2%	46 bps	-29 bps
Real Estate	4.9%	5.4%	-0.5%	-6.3%	0.0%	-34 bps	-32 bps
Communication Services	8.8%	8.2%	0.6%	2.3%	6.8%	21 bps	-40 bps
Financials	20.8%	23.9%	-3.2%	6.1%	10.0%	127 bps	-88 bps

(see disclosures)

The best sector for Equity Income in the fourth quarter was Health Care. The portfolio benefited from being overweight the pharmaceutical industry as the top two attribution holdings in the quarter were large pharmaceutical firms (AMGN and BMY discussed below). Additionally, the portfolio's investment in CVS Health (CVS) contributed with the stock up 18.7% in the fourth quarter due to strong earnings and forward guidance. The portfolio continues to hold AMGN, BMY, and CVS.

The second best sector in the quarter was Consumer Discretionary. The portfolio was underweight this underperforming sector in addition to strong performance from the securities held. The portfolio added back to the position in Carnival Corp (CCL) during the quarter, taking advantage of the weak price performance. Fortunate timing added to the portfolio performance in the quarter as CCL promptly bounced to finish the quarter up 17.6%. Target (TGT) was another Consumer Discretionary winner during the quarter up 19% in the period held. The portfolio sold the long-held position in Target due to strong performance pushing the price ahead of what we deem fair value. The portfolio continues to hold CCL.

The worst sector in the fourth quarter for Equity Income was Financials. The key drivers of the weakness were the underweighting of banks relative to the benchmark and the performance of the portfolio bank holdings. Banks were one of the top performing industries during the quarter, and those with the highest perceived positive exposure to lower interest rates performed the best. Equity Income was not set up well for this outcome. What we perceive to be lower risk banks were left far behind by several major money center banks that we do not currently hold such as JP Morgan (JPM) and Bank of America (BAC), up 19.4% and 20.4%, respectively. Another significant contributing factor is that the best performance was from banks with relatively low dividend yields.

The second worst sector for Equity Income this quarter was Communication Services. Stocks with higher dividend yields lagged significantly in the Communication Services sector this quarter. All the portfolio holdings in this sector lagged both the benchmark as a whole and the benchmark Communication Services sector with relatively little stock specific news driving the weakness. An example this quarter was BCE Inc (BCE). BCE is Canada's largest telecommunications company. The stock had performed quite well in 2019 through the third quarter, but a $.01 miss to reported earnings per share during the fourth quarter led to the stock giving up almost all of the year's relative gains with the stock down -3.0%. The portfolio continues to hold BCE due the quality of their businesses and the size, safety, and expected growth in their dividend. BCE yields 5.2% with 5% year over year growth as of year-end.

Top 10 Contributors/Detractors

	Top 10 Contributors	Average % Weight	Contribution
1	AMGEN INC	2.94	68 bps
2	BRISTOL-MYERS SQUIBB	2.20	55 bps
3	ALTRIA GROUP INC	2.49	54 bps
4	CVS HEALTH CORP	2.15	37 bps
5	INTEL CORP	1.96	35 bps
6	KEYCORP	2.43	34 bps
7	FASTENAL CO	2.37	32 bps
8	BLACKROCK INC	2.32	30 bps
9	TARGET CORP	0.83	28 bps
10	CARNIVAL CORP	1.29	26 bps

	Top 10 Detractors	Average % Weight	Contribution
1	CUBESMART	1.63	-16 bps
2	DIGITAL REALTY	1.70	-13 bps
3	BCE INC	2.15	-7 bps
4	NORTHWESTERN CORP	1.44	-6 bps
5	PRINCIPAL FINANCIAL	1.84	-6 bps
6	DUKE ENERGY CORP	2.25	-5 bps
7	SIMON PROPERTY	1.58	-5 bps
8	WEC ENERGY GROUP	1.88	-5 bps
9	GENERAL MILLS INC	1.78	-4 bps
10	NUTRIEN LTD	1.15	-4 bps

Selected Contributor(s) to Performance

The highest contributing security in the fourth quarter was Amgen (AMGN), up 25.4%. Amgen is one of the world's largest biotech companies with their roots in providing supportive care products to kidney disease and cancer patients. Amgen reported earnings ahead of expectations during the quarter while raising forward guidance. Additionally, the company announced a strategic collaboration with BeiGene that will significantly accelerate Amgen's plans to expand its oncology presence in China, the world's second largest pharmaceutical market. The portfolio continues to hold AMGN.

The second highest contributing holding in the quarter was Bristol-Myers Squibb (BMY), up 27.6%. Bristol-Myers Squibb has built an outstanding portfolio of drugs and a healthy pipeline through partnerships and acquisitions. This strategy is evident with its recent acquisition of Celgene, bringing the firm a strong pipeline and a further entrenchment in blood cancer. The company's cardiovascular partnership with Pfizer represents another important partnership, managing the blockbuster potential of Eliquis in atrial fibrillation. During the quarter, BMY completed the acquisition of Celgene and immediately announced an accelerated $7B share repurchase program, helping to further lift the stock. The portfolio continues to hold BMY.

Selected Detractor(s) from Performance

The lowest contributing security in the fourth quarter was CubeSmart (CUBE), down -8.9%. CubeSmart is a real estate investment trust (REIT) that owns and manages self-storage facilities throughout the United States. The company's real estate portfolio is composed of buildings with numerous enclosed storage areas for both residential and commercial customers to rent mainly on a month-by-month basis. Most of CubeSmart's facilities are in Florida, Texas, California, New York, and Illinois. Self-storage construction appears to be hurting same-store revenue growth but is expected to improve in 2020. CubeSmart's dividend growth is slowing as per-share gains in funds from operations are trending lower amid persistent pressure on new-tenant rent from new supply and elevated marketing costs. However, the business' high free cash generation, low range of outcomes, and countercyclicality contribute to a continued positive risk/reward balance, and the portfolio continues to hold CUBE.

The second lowest contributing security this quarter was Digital Reality Trust (DLR), down -6.9%. Digital Realty is a REIT that owns and operates over 200 data centers worldwide. Digital's offerings range from retail co-location, where an enterprise may rent a single cabinet and rely on Digital to provide all the accommodations, to "cold shells," where hyperscale cloud service providers can rent a portion, or all, of a barren, power-connected building. In recent years, Digital Realty has de-emphasized cold shells and now primarily provides higher-level service to tenants, which outsource their related IT needs to Digital. Digital Realty has also moved more into the co-location business, increasingly serving enterprises with smaller space and power needs. In late October, DLR made a substantial acquisition purchasing Interxion, a major property operator in Europe. By combining with Interxion, Digital Reality will be gaining some valuable assets, particularly in major European metropolitan areas. The transaction should yield substantial business and cost synergies, but it may take time to realize these benefits. The dilutive nature of this transaction has weighed on the stock, but DLR may emerge as a stronger company. The portfolio continues to hold DLR.

Current Positioning

Equity Income is overweight less cyclical areas of the economy such as Utilities and Consumer Staples, while being underweight more economically sensitive sectors like Financials and Consumer Discretionary. As is typically the case, Equity Income portfolio factor exposure is tilted to securities with higher than average dividend yields and profitability with lower valuations and volatility.

There is a mixed picture economically with some measures improving, others deteriorating, and still others oscillating month to month. Manufacturing is weak, while employment and consumer spending remain robust. Manufacturing industry weakness, to a large extent, is a result of the various trade fights the U.S. is currently involved in. Many businesses are delaying capital spending plans and managing inventory leaner while waiting to see how the trade war evolves. The 2020 election only adds to the considerable uncertainty. Given higher market valuation levels, unusually high debt burdens, and clear risks to the current expansion, we are comfortable with the defensive stance of the Equity Income portfolio.

Disclosures

Dean Capital Management, LLC (DCM) is an independent investment management firm owned by LLC members and entities affiliated with C.H. Dean, LLC. The firm manages a variety of equity and fixed income assets for institutional and individual investors. DCM claims compliance with the Global Investment Performance Standards (GIPS). Past performance is no guarantee of future results.

The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account at the time you receive this report or that securities sold have not been repurchased.

The Equity Income style is a fully invested style of large, mid, and small cap stocks which ranges from 90%-100% equity, and the number of holdings typically ranges between 40 and 60. The remainder of the portfolios is typically invested in short term U.S. Treasury Bills or other cash equivalents.

Effective 1/1/19, the benchmark was changed from Russell 3000 Value to Russell 1000 Value to provide a better represenation of the investment strategy. The Russell 1000 Index measures the performance of the large-cap segment and includes approximately 1000 securities based on a combination of their market cap and current index membership. The Russell 1000 represents approximately 92% of the U.S. equity market. The Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. These stock indexes assume reinvestment of dividends and capital gains and assume no management, custody, transaction or other expenses. Russell statistics used in this presentation were obtained from Russell Investments (www.russell.com).

Performance represents all fully discretionary commission accounts for the respective strategy. A complete list and description of DCM's composites and additional information regarding the calculation and reporting of returns is available upon request. To obtain a GIPS compliant presentation and/or the firm's list of composite descriptions, please contact us at 1.913.944.4452.

The securities discussed do not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any of the securities' transactions or holdings discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein. The contributors/detractors listed do not represent all securities purchased or sold for our clients. To obtain a list showing the contribution of each holding that contributed to overall performance during the period and the calculation methodology, please call 1.913.944.4452. The detailed sector attribution table is specific to the policy portfolio for the strategy. Individual account results may vary.

Gross performance figures do not reflect payment of investment advisory fees, but do reflect deduction of brokerage commissions and trading expenses. Net of fee performance reflects the deduction of advisory fees, brokerage commissions, and trading and other expenses. Net results reflect the deduction of a model fee equivalent to the highest applicable advisory fee. The net compounded effect of the deduction of fees over time will be affected by the amount of the fee, the time period, and investment performance. Management fee schedules are available on Form ADV Part 2A.

Performance presents results with all dividend and interest income reinvested and are stated in U.S. Dollar terms. Leverage is not used in any portfolio in these composites. Certain accounts owned or controlled by DCM or C.H. Dean, LLC employees are non-fee paying assets and represent the following percentage of the composites: 2011: 10.6% 2012: 12.1% 2013: 10.6% 2014: 7.0% 2015: 7.6% 2016: 4.8% 2017: 4.2% 2018: 3.8% 2019: 2.7%.*

**A performance examination has been performed on performance results through 12/31/18. A firm-wide verification was performed for the periods 1/1/93 through 12/31/18. Data subsequent to 9/30/19 represents preliminary performance results.*

FOR MORE INFORMATION

Patrick J. Krumm
Founding Member/
Director of Institutional Sales

7400 W. 130th St., Suite 350
Overland Park, KS 66213

pkrumm@deancapmgmt.com
913-944-4452
www.deancapmgmt.com

ABOUT DEAN CAPITAL MANAGEMENT, LLC

Dean Capital Management, LLC ("DCM") is an employee-owned registered investment advisor founded in March 2008. Located in Overland Park, Kansas, DCM is a long-only, fundamental U.S. Value equity manager. DCM manages portfolios across the capitalization spectrum for institutional clients, financial intermediaries and advisors.

DCM is majority-owned by the founding principals, who also comprise the investment team. Additionally, all investment professionals maintain significant personal investments in DCM managed products, further aligning the investment team with our clients.