Performance Comparison[1]

Periods Ended 9/30/20 (%)	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	S. I.[1]
DCM Multi-Cap Value (gross)	4.65	-10.71	-4.74	3.54	8.64	10.15	8.85
DCM Multi-Cap Value (net)	4.50	-11.12	-5.32	2.92	7.93	9.33	8.02
Russell 3000 Value	5.42	-12.23	-5.67	2.11	7.43	9.75	7.18

Periods greater than 1 year are annualized
[1]DCM inception was June 30, 2008

Performance Summary

The DCM Multi-Cap Value composite gross total return was 4.65% in the third quarter of 2020, compared with the Russell 3000 Value Index return of 5.42%.

The biggest driving forces of the Multi-Cap Value portfolio third quarter underperformance were broad stylistic factors. They represented about the strongest headwind we have faced since the dot com era of the late 90's. Almost every stylistic investment factor we practice went against us. The portfolio was most heavily over-weight the value factor (price vs earnings, cash flow, book value, etc.), as well as profitability and dividend yield. These factors lagged while the generally opposing factors of higher volatility, leverage, and growth performed well in a heavily "risk-on" pattern.

The best we can say is that such a pattern is unlikely to last in the long term, and the longer it lasts the stronger the bounce back is likely to be. At the conclusion of the dot com era, the value style outperformed dramatically for several years and made up more than was lost. It is impossible to predict if or when such a turn might happen, but often when such a change occurs it is large and quick. Investors are often well paid for their patience.

Sector Drivers

GICS Sectors	Average Weight			Stock Level Returns		Portfolio Impact	
	Port	Bench	Active	Port	Bench	Contribution	Attribution
Industrials	13.6%	12.9%	0.7%	16.9%	11.2%	206 bps	74 bps
Real Estate	3.7%	5.0%	-1.2%	8.4%	1.2%	30 bps	33 bps
Materials	4.5%	4.7%	-0.2%	18.4%	11.6%	81 bps	28 bps
Information Technology	8.8%	9.5%	-0.7%	0.5%	-0.5%	2 bps	18 bps
Communication Services	4.8%	9.1%	-4.3%	10.1%	8.3%	45 bps	-3 bps
Energy	5.0%	4.7%	0.3%	-19.9%	-19.1%	-99 bps	-14 bps
Financials	18.7%	18.9%	-0.2%	2.2%	3.1%	41 bps	-19 bps
Consumer Staples	8.5%	8.0%	0.5%	4.8%	9.0%	51 bps	-28 bps
Consumer Discretionary	6.3%	7.5%	-1.3%	12.0%	15.9%	62 bps	-39 bps
Health Care	15.1%	13.8%	1.4%	4.1%	7.1%	63 bps	-43 bps
Utilities	6.8%	5.9%	0.9%	-1.1%	5.4%	-6 bps	-48 bps

(see disclosures)

The best performing sector relative to the benchmark for the quarter was Industrials. With the sector outperforming the benchmark, the average overweight of 68bps was modestly additive to the strategy's performance. The primary driver of outperformance was parcel delivery company FedEx (FDX), which was up nearly 80% on strong volumes, primarily due to online commerce. FedEx's quarter is discussed in more detail in the stock contributor's section of this report.

Real Estate was the second best performing sector this quarter. Being underweight a sector that underperformed the benchmark was slightly additive to relative performance. Stock selection was the driver of outperformance for the sector. Self-storage company Public Storage (PSA) was up 14.7% for the period held. The storage REITs rallied after several upgrades to the sector as actual results remained more stable than expected due to Covid-19. Occupancy rates have held steady to increasing with demand being driven by those relocating or reorganizing homes and needing additional options for storing items.

The worst performing sector relative to the benchmark for the quarter was Utilities. The underperformance was driven by stock selection related to company specific issues. Portland General Electric (POR), a regulated utility primarily serving customers in the state of Oregon, was down -17.0% for the period held. In August, the company pre-announced an unexpected $130M of losses from power hedging activities. The region's extreme weather conditions created a situation where positions taken in the wholesale energy markets turned against the company at unexpected levels. An investigation has ensued to determine if proper risk controls were in place and policies followed. In early September, the utility took another hit after Portland General's downed power lines were linked to the ignition of catastrophic forest fires within Oregon. We exited the position as the risks and range of outcomes grew too wide. In addition, NorthWestern Corporation (NWE), a regulated utility supplying Montana, South Dakota, and Nebraska, declined -9.7%. The utility has seen meaningful declines in its industrial and commercial loads, negatively impacting earnings for the year.

Health Care was the second worst performing sector relative to the benchmark. Allocation was slightly positive as the strategy was overweight a sector that outperformed. The underperformance was driven by two portfolio holdings: pharmaceutical and medical supply distributor McKesson (MCK), down -2.7%, and pharmacy benefit manager CVS Health (CVS), down -9.4%. After both stocks outperformed relative to the benchmark in the first half of the year, investors took modest profits as they rotated into health care equipment and hospital stocks, which bounced on an improved outlook for elective procedures.

Top 10 Contributors/Detractors

	Top 10 Contributors	Average % Weight	Contribution
1	FEDEX CORP	2.35	145 bps
2	LOWE'S COS INC	2.48	52 bps
3	LINDE PLC	2.86	45 bps
4	COGNIZANT TECH SOLUTIONS A	2.09	43 bps
5	BERKSHIRE HATHAWAY INC CL B	2.26	39 bps
6	NUTRIEN LTD	1.68	36 bps
7	WESCO INTERNATIONAL INC	1.45	32 bps
8	STANLEY BLACK & DECKER INC	1.98	31 bps
9	PUBLIC STORAGE	1.33	30 bps
10	STRYKER CORP	1.91	29 bps

	Top 10 Detractors	Average % Weight	Contribution
1	CHEVRON CORP	1.96	-38 bps
2	EOG RESOURCES INC	1.12	-27 bps
3	PORTLAND GENERAL ELECTRIC CO	1.33	-27 bps
4	CISCO SYSTEMS INC	1.64	-26 bps
5	KINDER MORGAN INC	1.22	-23 bps
6	CAPITOL FEDERAL FINANCIAL INC	1.15	-20 bps
7	CVS HEALTH CORP	1.99	-20 bps
8	INTEL CORP	1.48	-20 bps
9	NORTHWESTERN CORP	1.97	-20 bps
10	KENNAMETAL INC	0.22	-19 bps

Selected Contributor(s) to Performance

The highest contributing security in the third quarter was FedEx Corporation (FDX). FedEx is a parcel transportation and delivery company that offers time-definite, as well as low-cost deliveries, customs brokerage, freight forwarding, last-mile services, and supply chain solutions. The Company was up 79.9% in the third quarter holding period. FDX's outperformance was driven by the record-high volumes experienced in the quarter which led to record quarterly operating income and the highest operating income margin since '06. This was driven by higher fixed cost absorption and an increase in higher-yielding, premium packages. While the record volumes are expected to be more subdued in the second half of 2020, the market is giving credit for a structural shift in increased shipment demand for businesses and individual customers alike. To put this in perspective, pre-COVID, management had estimated the U.S. domestic market would hit 100 million packages delivered per day by 2026 – that mark is now expected to be reached in 2023. With over $10 billion in liquidity and a pickup / drop-off location footprint that 92% of the U.S. population is within five miles of, we are confident in management's ability to continue navigating this rapidly increasing demand environment. FDX remains in the portfolio, though exposure was trimmed to an average position size.

The second highest contributing holding in the quarter was Lowe's Companies Inc. (LOW). Lowe's is the world's second largest home improvement retailer with over 90% of its sales concentrated in the U.S. The stock was up 23.2% in the third quarter as the Company continued to take advantage of this unique retail environment by leaning into its eCommerce transformation, with online sales up 135%, as well as capitalizing on its merchandising and efficiency initiatives, which drove same store domestic sales across all geographic regions and company divisions by greater than 30%. Management's execution in the quarter led to a 75% increase in diluted earnings per share which helped to drive momentum in the stock. With actions taken to right-size inventory, plans to increase SKUs available online by year end to almost double January's tally, and the planned opening of its tool rental center for Pro's this fall, management has the Company well aligned to continue benefitting from the incremental projects homeowners are now performing as the housing market tightens up and more time is spent at home. The portfolio continues to hold LOW.

Selected Detractor(s) from Performance

The lowest contributing security in the third quarter was Chevron Corp. (CVX). Chevron is a globally integrated energy company with operations producing and transporting crude oil and natural gas, as well as refining, marketing, and distributing fuels. CVX was down -18.1% in the third quarter, compared with the benchmark Russell 3000 Value Energy industry group down -19.1% in the quarter. CVX is highly exposed to shale production in the Permian Basin and now unconventional drilling in the DJ Basin through its Noble acquisition. Both face potential regulatory headwinds from presidential candidate Joe Biden's push for a ban on future drilling on federal lands and, in the DJ, the Colorado Oil and Gas Conservation Commission's attempt to enforce 2,000 ft setbacks from public and residential buildings, along with additional administrative hurdles in permit processing. These could act to diminish current proved inventories and increase the cost burden in obtaining permits and drilling. These issues combined with a persistently weak fuel demand outlook sent the stock tumbling in the quarter. The Company's strong balance sheet, which management reiterated is able to sustain the dividend for two years at $30 brent pricing, CVX's mix of short- and long-dated global production projects, and end market diversity, provide us with comfortability in maintaining a position. The portfolio continues to hold CVX.

The second lowest contributing security this quarter was EOG Resources Inc (EOG). EOG is an exploration and production company, primarily focused in the United States, that has operations producing crude oil, natural gas liquids, and natural gas throughout major basins such as the Eagle Ford, Permian, DJ, and Niobrara. EOG was down -18.7% in the third quarter, compared with the benchmark Russell 3000 Value Energy industry group down -19.1% in the quarter. Not only has the prolonged work-from-home environment continued to stymie gasoline demand, air travel demand continues to remain subdued – both of which act to increase distillate stockpiles and push production down. More importantly, as presidential candidate Joe Biden has gained popularity in the polls, the closer to reality his stance on no new oil and gas permits being granted on federal lands gets to being enacted. With approximately 50% of the Company's own self-proclaimed premium drilling locations potentially inaccessible, the stock took a drastic tumble. However, in light of this, management stated on the second quarter 2020 earnings call that the other 50% of its premium portfolio, which resides on non-federal lands, would provide for an 8-year drilling schedule at the current capital plan, and the permits currently in hand for federal land drilling would provide a 3-4 year production schedule as well. We exited our position in EOG in the third quarter to rotate into more discounted names.

Current Positioning

The Multi-Cap Value portfolio is heavily weighted toward the value style higher profitability factor. On the other hand, the portfolio is less exposed to higher volatility, balance sheet leverage, and earnings variability. Finally, the portfolio is tilted toward the mid- and small caps and away from the largest market capitalizations. The portfolio's largest overweight sectors are Health Care and Utilities while the largest underweight sectors are Communication Services and Consumer Discretionary.

The current economic environment is unusually tricky. It is almost always a fool's errand to try to predict near term economic changes. What one hears from so-called experts on cable TV news and elsewhere sometimes feels invariably linked to the last couple months' economic picture. Such forecasts are often as useless as they are common. A challenging factor today is the rapid acceleration in consumer spending after initial pandemic lock downs, particularly related to new home construction and sales, juxtaposed with the historic magnitude of continuing corporate spending cuts and widespread unemployment. This situation at least partly reflects the bifurcated nature of the COVID-19 impact. Industries and employees that can work remotely are, by and large, in a relatively strong position, while consumer service industries such as restaurants, bars, airlines, theme parks, movie theaters, etc. are struggling as much or more than during the great recession. A key difference between these groups is the typical earning levels of those most impacted. Lower income positions dominate the latter and thus may have a muted impact on the economy. Regardless, how the economy moves in future quarters has a considerable reliance upon how the pandemic evolves. If a vaccine or other mitigating factors do not arrive in the next few months and a potential second wave leads to renewed lockdowns and closures during the traditional flu season, a significant recessionary trend may accelerate beyond any stimulation the Federal Reserve and White House can muster. It is this scenario we are trying to protect capital from, and it seems quite a different focus from that of the market at large. Time will tell, but as always, we are focused on optimizing the risk/reward balance of the Multi-Cap Value 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 Multi-Cap Value style uses value oriented equities across the market capitalization spectrum of small, mid, and large stocks. This style is a fully invested equity style 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.

Future performance based on prior results should not be assumed. The Russell 3000 Index measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market. The Russell 3000 Value Index measures the performance of those Russell 3000 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: 2008: 47.8% 2009: 52.2%. Beginning June 1, 2010, there were no non-fee paying accounts included in the composite.

A performance examination has been performed on performance results through 12/31/19. A firm-wide verification was performed for the periods 1/1/93 through 12/31/19. Data subsequent to 6/30/20 represents preliminary performance results.

FOR MORE INFORMATION

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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.