

While much economic activity appears to conform to the notion that investors behave rationally and efficiently, we believe that human behavior becomes markedly irrational at the confluence of uncertainty, risk, fear and greed. It is at this juncture where we believe opportunities for outperformance exist. It is our goal to predict behavior that impacts the price of securities and capture the associated alpha by forecasting changes in analyst earnings estimate revisions and corporate earnings announcements.

### Asset Class

US Small Cap Core Equities

### Composite Details

**Inception:** 12/31/07

**Benchmark:** Russell 2000 Index

**Number of Securities:** 90-150

**Maximum Cash:** 5%

**Position Size:** Equal weighted, at cost

**Strategy Assets:** \$518M

### Investment Objective

Seeks to achieve long-term capital appreciation that will exceed the Russell 2000 Index over a three- to five-year time horizon.

### Investment Process

Our goal is to identify securities that we expect to provide attractive risk-adjusted relative returns through behavioral valuation techniques. It is our goal to predict and capture alpha based upon favorable earnings announcements or upward earnings revisions.

### Investment Team Leadership

**John Riddle, CFA**

Chief Investment Officer,  
Portfolio Manager

John is the author of the foundational academic research that supports the strategy's investment approach and is responsible for its design and strategic implementation.

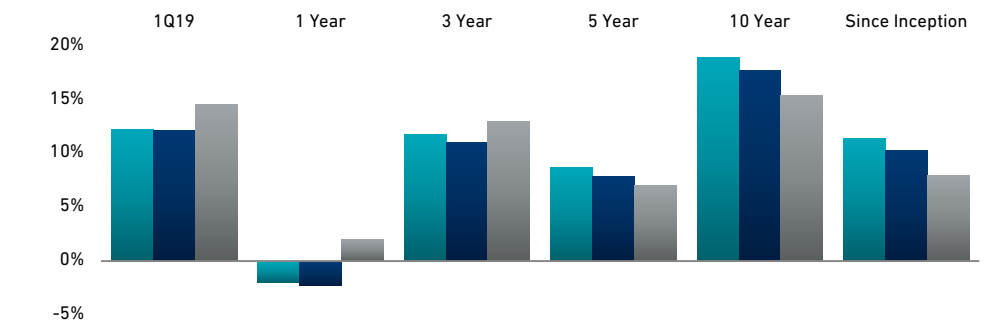
**Mark Jaeger, CFA, CPA**

Managing Director, Portfolio Manager

Mark is responsible for quantitative risk analysis and portfolio management of the behavioral-based equity strategies on a day-to-day basis.

### Performance

As of 03/31/19



	1Q19	1 Year	3 Year	5 Year	10 Year	Since Inception
Gross	12.20%	-1.97%	11.77%	8.75%	18.88%	11.38%
Net	12.10%	-2.25%	11.05%	7.85%	17.72%	10.27%
Russell 2000 Index	14.58%	2.05%	12.92%	7.05%	15.36%	7.90%

Performance information constitutes supplemental information for the purposes of the Global Investment Performance Standards (GIPS).

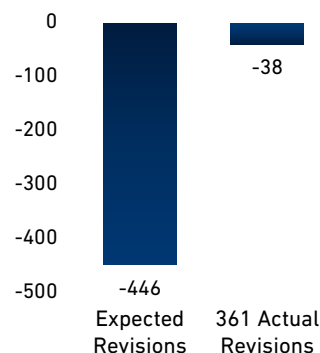
### Performance Statistics

	Since Inception
Alpha	3.57
Tracking Error	4.09
Information Ratio	0.79
Correlation	0.98
Beta	0.94
Upside Capture	101.51
Downside Capture	88.61

### Portfolio Characteristics

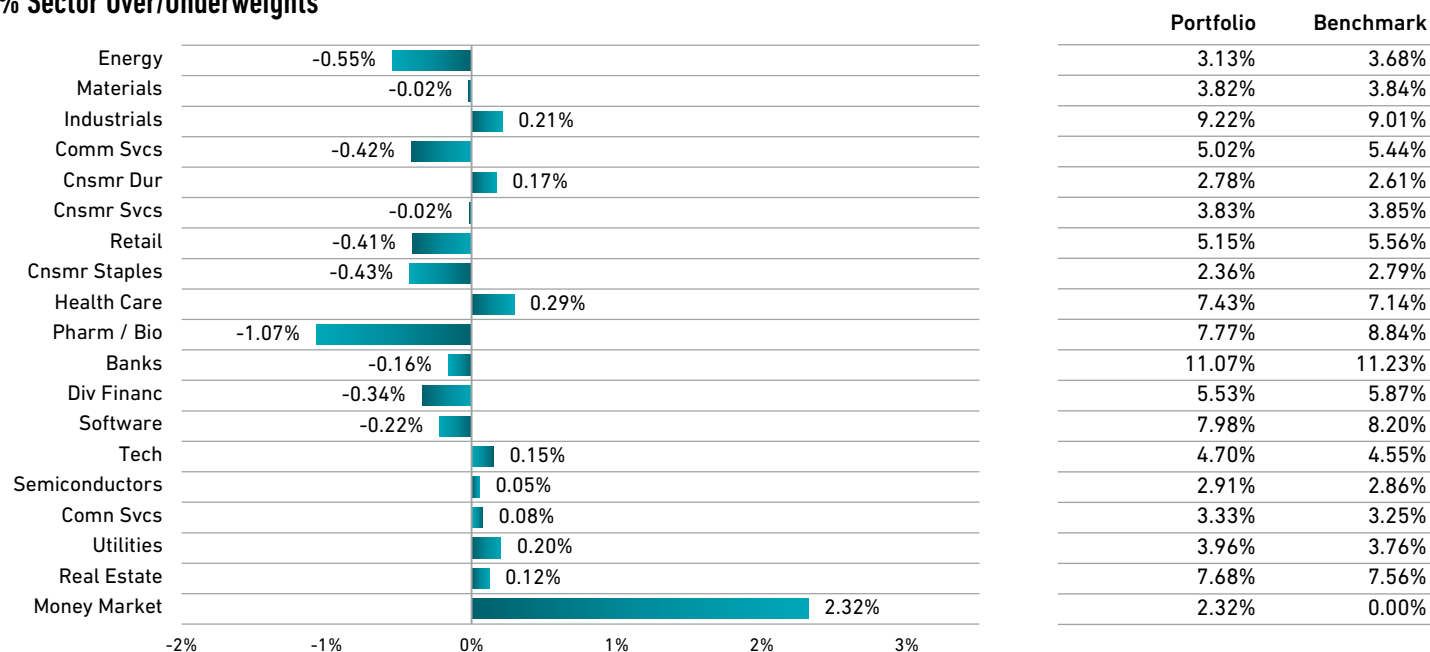
	Portfolio	Benchmark
# Holdings	150	-
Wgt Avg Mkt Cap (M)	2,321	2,406
Median Mkt Cap (M)	2,150	801
Forward P/E Ratio	16.5	22.5
Trailing P/E Ratio	32.1	61.3
P/B Ratio	2.4	2.2
Turnover (%)	248	-

### Analyst Revisions



Compared to a hypothetical portfolio (equally sized) of randomly selected securities where one would have expected 461 negative earnings revisions, the 361 U.S. Small Cap Equity portfolio had 38 negative revisions for a total of 408 "excess" revisions.

## % Sector Over/Underweights



## 361 U.S. Small Cap Equity Composite

For the 10 years ended December 31, 2018

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Composite Annual Net-of-Fees Return (%)	-15.17	16.70	20.08	0.93	9.96	51.30	12.72	1.01	33.24	28.29
Benchmark: Russell 2000 Index Return (%)	-11.01	14.65	21.31	-4.41	4.89	38.82	16.35	-4.18	26.85	27.17
Composite Internal Dispersion (%)	0.37	0.06	0.26	0.22	0.28	0.08	0.00	0.10	0.07	0.46
Composite 3 Year Standard Deviation (%)	16.79	13.84	15.40	14.59	13.46	16.67	18.70	23.18	25.09	-
Benchmark 3 Year Standard Deviation (%)	15.79	13.91	15.76	13.96	13.12	16.45	20.20	24.99	27.69	-
Composite Number of Portfolios	17	17	6	14	12	12	11	12	11	11
Total Composite Assets (US Millions)	203.0	210.0	3.0	5.9	5.3	5.4	3.7	3.4	4	3
Composite Assets with a Bundled Fee (%)	2	1.1	49.6	78.3	76.2	74.9	70.5	62.6	66.2	67.6
Total Firm Assets (US Millions)	1,553.7	1,509.8	1,789.6	Historical assets are not reported due to 361 Capital acquiring BRC Investment Management on 10/31/16. Please contact 361 Capital at info@361capital.com for asset numbers or for additional information.						

## Supplemental Information

Composite Annual Gross-of-Fees Return (%)	-14.95	17.59	21.44	2.08	11.16	53.01	14.12	2.13	34.78	29.69
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361 Capital LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. 361 Capital has been independently verified for the periods January 1, 2001 through December 31, 2017. 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 verification and performance examination reports are available upon request by contacting 361 at info@361capital.com. Performance shown prior to 11/01/16 include results achieved by a portfolio management team while it was a part of BRC Investment Management.

## NOTES

1. The Firm, 361 Capital LLC, is an independent investment adviser registered under the Investment Advisers Act of 1940.
2. The 361 U.S. Small Cap Equity Composite was created on October 31, 2016. The composite was previously the BRC Small Cap Concentrated Composite. Performance results prior to 361 Capital LLC's acquisition of BRC on 10/31/2016 represent accounts managed by the firm's employees and members who made up substantially all the investment decision makers at BRC. This composite includes all U.S. Small Cap Equity accounts over \$100 thousand that have been under management for at least one month. All accounts have target allocations to small-cap securities of at least 90%. Any account that has a cash flow larger than 10% of the composite is removed from the composite. Beginning January 1, 2010 composite policy also requires the temporary removal of any portfolio incurring a significant cash flow larger than 50% of portfolio assets. Beginning January 1, 2013, composite policy requires the temporary removal of any portfolio incurring a significant cash flow larger than 10% of portfolio assets. The temporary removal of such an account occurs at the beginning of the month in which the significant cash flow occurs and the account re-enters the composite in the month following the cash flow or full investment in the strategy. Additional information regarding the treatment of significant cash flows and a complete list and description of firm composites is available upon request by contacting 361 at info@361capital.com.
3. The benchmark for the composite is the Russell 2000 Index. The benchmark and composite returns include the reinvestment of income, but the composite does not include trading costs, management fees or other costs.
4. All returns are expressed in U.S. dollars.
5. Net-of-fees performance returns are calculated by deducting the actual management fees and trading costs, or a bundled (WRAP) fee, from the gross composite return. Bundled fee accounts make up a portion of the composite for all periods shown, as disclosed above. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor.
6. The standard management fees range 0.95% to 0.70%. Please refer to the ADV for additional details. In addition to a management fee, some accounts pay an all-inclusive fee to a wrap sponsor which is based on a percentage of assets under management. Along with brokerage commissions, this fee may include portfolio monitoring, consulting services, and custodial services.
7. Composite Internal dispersion is calculated using the asset-weighted standard deviation of all portfolios that were included in the composite for the entire year.
8. Supplemental Information - Gross-of-fees performance returns are presented before management, custodial fees and trading expenses on bundled fee accounts.
9. Performance figures are based upon historical information and do not guarantee future results. Investing involves risk, including possible loss of principal. Actual results may differ from composite results depending upon multiple factors including the size of the account, investment objectives and restrictions, the amount of transaction and related costs, significant cash flows into or out of the account, and the inception date of the account. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request (info@361capital.com).