

## For Institutional Use Only

### 2013 REVIEW FIRM UPDATE

- Firm-wide asset growth for 19 consecutive quarters and assets under management more than doubled for the 5<sup>th</sup> consecutive year
- Strong investment performance for all strategies for full year 2013 and inception-to-date results
- Significant staff augmentation and expanded office space
- Introduction of new strategies
- Plan Sponsor Magazine 2013 “Best Manager You Never Heard Of”
- Both our Select Large Cap Value and Small Cap Value composites ranked, gross of fees, in the top 1% of their long-only Lipper categories over the last 5 years, with Select Large Cap Value beating peers by over 880 basis points annually and Small Cap Value beating peers by over 1450 basis points annually.

When we started Huber Capital Management 7 years ago, we did it with a single goal in mind, to be number 1 in each strategy’s category over the long-term. While simply stated, it is actually a novel goal over those who simply strive to beat benchmarks. A benchmark is after all, in the absence of trading costs and fees, a 50/50 number. I doubt the Boston Red Sox shoot for 81-81 each season any more than the Crimson Tide football shoot for 6-6. Where roughly half of stocks are above the benchmark and half below, we have always felt beating a benchmark is a low hurdle and have chosen not to accept it, even if our clients and the industry in general chooses to do so. While we consider ten or more years long enough to measure our success, our two strategies with 5-year track records are, gross of fees, in Lipper’s top 1% over the past five years. The business of money management has a way of making every manager humble from time to time and while it’s important to maintain a level of humility it is also important to acknowledge a level of success with respect to a lofty goal.

To stick with our sports analogies, winning is simply an output. It is the conclusion of a journey. **Process is an input.** We have created, developed, and executed a unique process that marries fundamental analysis and behavioral psychology, which we believe creates enormous value. **People are an input.** People execute the process. A great process is nothing if it is not applied in a consistent, disciplined, repeatable and unbiased manner. **Culture is an input.** As previously stated, Huber Capital’s goal is to be number one in each strategy’s category over the long-term. However, our key tenets drive our culture. These tenets, listed at the end of this letter, were set in place at the formation of Huber Capital Management. They represent our declaration of independence from an asset-gathering industry so that we can focus on becoming a premier asset management organization. Culture is not limited to research. It permeates client service, business development, operations, human resources and compliance. Finally, **leadership is an input.** No man is an island. Leadership puts people in the best possible position to get the job done. It grants resources, develops trust and allows empowerment. In short, winning is a function of a myriad of inputs: process, people, culture, and leadership. The importance we place on maintaining, evolving, and developing these inputs allows us the best possible chance of success.

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## COMPOSITE INVESTMENT PERFORMANCE REVIEW

### Small Cap Value

	2013	ITD Annualized*
Gross of Fees	38.05%	13.04%
Net of Fees	36.74%	11.89%
Russell 2000 Value	34.52%	5.22%

### SMID Cap Value

	2013	ITD Annualized*
Gross of Fees	39.73%	38.85%
Net of Fees	38.97%	38.26%
Russell 2500 Value	33.32%	30.97%

### Select Large Cap Value

	2013	ITD Annualized*
Gross of Fees	38.17%	7.75%
Net of Fees	37.43%	6.91%
Russell 1000 Value	32.53%	3.90%

### Large Cap Value

	2013	ITD Annualized*
Gross of Fees	37.06%	28.94%
Net of Fees	36.65%	28.55%
Russell 2000 Value	32.53%	26.79%

Please see accompanying footnotes and GIPS composite presentation pages.

\*Inception date of Huber Small Cap Value and Huber Select Large Cap Value composite returns is 07/01/07. ITD composite returns are ending 12/31/13.

\*Inception date of Huber SMID Cap Value composite returns is 10/01/11. ITD composite returns are ending 12/31/13.

\*Inception date of Huber Large Cap Value composite returns is 10/01/12. ITD composite returns are ending 12/31/13.

For the calendar year 2013, all four Huber Capital Management composites outperformed their respective benchmarks. Our Small Cap Value composite generated a gross return of 38.23%, outperforming its Russell 2000 Value benchmark by over 370 basis points. Our SMID Cap Value composite provided a gross return of 39.73% versus 33.32% for its Russell 2500 Value benchmark and our Select Large Cap Value composite returned 38.17% gross of fees versus 32.53% for its Russell 1000 Value benchmark. Please note that gross performance figures are net of commissions and certain direct expenses, but before management fees, withholding taxes, custody charges and other indirect expenses. Net performance results for the period are presented in the table above for comparison.

With respect to the Small Cap Value composite, the key sector contributors were Financial Services and Health Care. The top performers within Financial Services were Virtus Investment Partners and CNO Financial Group, while the major contributor in Health Care was Endo Health Solutions. Sectors that detracted from performance were Producer Durables and Consumer Discretionary. Within Producer Durables, A.M. Castle & Co. and Harsco Corporation underperformed their index peers; while Rent-A-Center was the principle detractor to performance in Consumer Discretionary.

With respect to the SMID Cap Value composite, the key sector contributors were Financial Services, Consumer Staples, and Technology. The top performers within Financial Services were Virtus Investment Partners and CNO Financial Group, while the major contributor in Consumer Staples was Herbalife. In Technology, CA, Inc. was a meaningful contributor to relative performance. Positive performance was offset by several holdings in the Producer Durables and Materials & Processing sectors. As was the case for the Small Cap Value composite, A.M. Castle & Co. detracted from performance in Producer Durables, while Uranium Energy Corp. hurt returns in Materials & Processing.

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With respect to the Select Large Cap Value composite, the key sector contributors were Financial Services, Technology, and Consumer Staples. Within Financial Services, CNO Financial Group was again the best performer, while the positive results in Technology primarily came from an overweight in Hewlett-Packard and CA, Inc. In Consumer Staples, Herbalife contributed meaningfully to relative performance. The sectors that detracted the most from performance were Health Care and Energy. Health Care's Eli Lilly and Co. and Energy's Enscopl were the key underperforming stocks for the period.

With respect to the Large Cap Value composite (fka Diversified Large Cap Value), the principle contributors to and detractors from relative performance were similar to those for the Select Large Cap Value composite discussed above. At the sector level, the key contributors were Financial Services, Technology and Consumer Staples, while the largest detractor was Health Care. Within Financial Services, CNO Financial Group and ING US were the most beneficial while Hewlett-Packard and CA, Inc. were meaningful contributors in Technology. As was the case for the Select Large Cap Value composite, Eli Lilly and Co. was the key underperforming stock in Health Care for the period.

## **OUR RESEARCH PROCESS AT WORK**

An excellent example of our behaviorally-informed, fundamental research process at work is illustrated by our work on portfolio holding Hewlett-Packard Company (HPQ), a provider of technological products, software and services to individuals and enterprises, which we originally purchased in 2011.

Hewlett-Packard first appeared on our screen as an inexpensive stock in 2010 when the stock fell from \$55 per share to the mid-\$40's. The company had suffered from a dearth of good leadership during the prior ten years and was replacing its Chief Executive once again.

The dramatic decline in the company's share price caused the stock to show up on our investment screen as extremely inexpensive on normalized earnings, prompting us to take a closer look in order to ascertain whether the company was now appropriately valued or whether the stock was a victim of the behavioral psychology phenomenon known as the "availability heuristic." The availability heuristic is a subset of the broader psychological phenomenon known as "prospect theory" which argues that individuals hate losses more than they like equivalent gains and is a cognitive decision flaw which leads investors to over-emphasize the most recent data point (in Hewlett's case, the most recent negative data point), a view which economic theory tells us is not valid. This cognitive decision flaw is very difficult to override and can result in meaningful mispricing of securities in the market. Huber Capital attempts to identify these mispriced securities through the application of a unique and rigorous research process in order to take advantage of this pricing arbitrage.

As there are two ways to add alpha in a portfolio, holding stocks that outperform and avoiding stocks that underperform, our first task was to identify whether Hewlett-Packard's stock represented a value opportunity (i.e. a stock that will ultimately outperform) or a value trap (i.e. a stock that will underperform), a determination that can be made during an initial review of the company's results. A preliminary reconciliation of the company's income statement to its cash flow statement yielded no major discrepancies between the two measures of the company's earnings power, a factor which would have been cause for concern if cash flows were permanently or semi-permanently impaired relative to earnings

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as the cash available to the company would not have been sufficient to support expected levels of earnings growth. The conversion of the company's GAAP balance sheet to a replacement cost balance sheet (an exercise meant to arrive at realistic value for the company in the event of liquidation (another way to assess downside risk)), however, raised a major concern. In the process of capitalizing the amount of money the company had spent on R&D, it became apparent that management had been underinvesting in organic growth, potentially in an effort to inflate earnings (although both R&D and capital spending are investments in future growth, capital project outlays are capitalized and expensed over the time period in which revenue will be recognized, while R&D is expensed in the period in which it is incurred although the benefit of the investment won't be received for years down the road). When an appropriate level of R&D was used to assess the company's earnings potential, the stock no longer appeared inexpensive and Huber Capital Management passed on the investment.

By mid-2011, it was becoming apparent that the new CEO would not be able to solve the company's problems. Investors worried that much of Hewlett's hardware businesses were in secular decline and the company lacked a clear and consistent strategy to address the emerging threats of portable devices and cloud computing. In doing so, investors succumbed to a second common cognitive decision flaw, the "reversion heuristic," whereby investors extrapolate a company's current performance (good or bad) into perpetuity, another view that economic theory has shown is incorrect. In an attempt to assuage investors' fears, the company flailed about, announcing the divestiture of the PC business and overspending on large software acquisitions. The share price fell to the low-\$30's, and the company's stock now seemed attractively valued.

A review of the company with respect to our Red Flags Checklist, however, raised several issues. The Red Flags Checklist is a compilation of approximately 50 red flags, the presence of any of which may indicate that there is an issue with the company that may or may not be reflected in the company's stock price. The genesis for this list stems from the various mistakes that Huber Capital investment professionals or their colleagues have made in the course of their careers that are documented and memorialized so that a) we learn from them, and, more importantly, b) we attempt not to repeat them. A careful analysis of company data in the wake of each mistake has the potential to yield a clue, or red flag, which would have alerted us to a potential issue. As new red flags are identified, they are added to the Red Flags Checklist.

In the case of Hewlett-Packard, although a detailed analysis and forecast of the company's financial statements indicated that the stock held meaningful upside potential, we identified several red flags which we felt were not fully reflected in the company's share price, among them: 1) how the company would compensate for the historical lack of investment, 2) what the firm's earnings power would be, given an appropriate level of R&D, and 3) the dysfunction of the company's Board.

In September, 2011, Meg Whitman was hired to lead the company. Ms. Whitman established a clear, sensible strategy for the company and identified the roadmap (which included a meaningful increase in R&D spending) to get there. After a thorough review of the company's businesses, the unpopular Autonomy deal was written down, earnings were re-based to a more realistic level as the new, higher levels of R&D flowed through the GAAP income statement, and the board was semi re-constituted, allowing Huber Capital to invest at an attractive entry point.

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The application of Huber Capital's unique and disciplined research process allowed us not only to identify a stock whose share price was severely dislocated partially as a result of common cognitive decision flaws, but also to enter the investment much closer to its trough several years after it hit our screens, thereby avoiding the "value trap" aspect so many value investors succumb to.

## **LORD OF THE FLIES**

Applying the largely academic study of behavioral psychology to a tangible research process that allows us to identify and exploit the cognitive decision flaws that all humans fall prey to makes our process unique. Behavioral psychology and behavioral modification can be used on individuals to shape their perspective or encourage a desired result and is often more effective than a rules-based methodology. Those readers who don't believe they would succumb to behavioral modification need look no further than the men's restroom urinals at the Schiphol Airport in Amsterdam. Despite signs being posted directly above urinals stressing cleanliness, urinal sanitation became an expensive proposition for airport officials. This was until Jos Van Bedoff, an airport maintenance engineer and former member of the Dutch military, proposed a simple solution to their problem. His proposal was to remove the signs requesting compliance of sanitation and to simply place a decal of a common house fly in the urinal at a spot where "spillage" would be minimized. Bedoff's solution lowered spillage rates by nearly 80%. This simple behavioral change dramatically lowered the amount of required cleaning and maintenance in these facilities and lowered airport expenditures. Much like our weary European travelers, the market can slip into patterns of poor investing behavior. Sometimes, a well-placed fly helps to keep our research process in check and our aim on solid returns.

## **OUR GREATEST ASSET**

Our growth in assets has allowed us the opportunity to add some extraordinary talent to the organization. In April 2013, we added Brenda Cullen as a portfolio manager. In June 2013, we added Erik Peterson as an equity analyst. In January 2014, we added Cindy Emanuel as the Director of Client Service, and in March 2014, Mila Milivoievici joined us as a Client Service Associate to further bolster our client service platform. Below are their respective biographies. We welcome them to the Huber Capital team.

*Ms. Cullen is a Portfolio Manager at Huber Capital Management LLC.*

Prior to joining Huber Capital Management, Ms. Cullen was a Portfolio Manager and Senior Equity Analyst at Delta Asset Management, a division of BMO Global Asset Management. Previously, Ms. Cullen served in both a client servicing and equity research capacity at Hotchkis and Wiley Capital Management. Ms. Cullen graduated with a BA in Classical Civilization from the University of Minnesota (1991), earning several undergraduate research awards. She received her MBA with a concentration in Finance from the University of Southern California (2002), where she was elected to the Beta Gamma Sigma honor society. Ms. Cullen is a member of the CFA Institute and the CFA Society of Los Angeles.

*Mr. Peterson is an Analyst at Huber Capital Management LLC.*

Mr. Peterson distinguished himself academically by graduating valedictorian of his high school class and receiving a perfect score (2400/2400) on his SATs. He received a B.S. degree with honors in Mathematics from the California Institute of Technology in June 2011. Relevant coursework included Stochastic Calculus, Short Rate Models, Derivatives Pricing, Differential Topology, and Credit Risk Analysis. In addition, Erik has

# HUBER CAPITAL MANAGEMENT

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Investment Advisor

relevant experience in computing yield and credit spread curves as well as the implementation of homogeneous credit default option (CDO) models to compute tranche spreads.

*Ms. Emanuel is the Director of Client Service for Huber Capital Management LLC.*

Prior to joining Huber Capital Management, Ms. Emanuel was a Managing Director of Relationship Management at Lombardia Capital Partners. She was responsible for the firm's client service and business development efforts. Prior to joining Lombardia, Ms. Emanuel spent nine years at Wilshire Associates where she was responsible for manager selection and portfolio construction of multi-managed, target-risk, and target-date portfolios. Prior to Wilshire Associates, Ms. Emanuel was a Portfolio Accountant at State Street Bank. Ms. Emanuel is a graduate of California State University, Hayward with a B.S. in Business Administration with an emphasis in Finance and Marketing Management.

*Ms. Mila Milivoievici is a Client Service Associate for Huber Capital Management LLC.*

Ms. Milivoievici comes to Huber Capital Management with experience in both client service and accounting. She graduated Magna Cum Laude from California State University, Long Beach, with a B.S. degree in Finance and International Business.

## **TENET #3: FIGHT COMPLACENCY, YOUR PAST SUCCESSES ARE IN THE PAST**

This business makes the best of managers humble. Tenet #3 of our corporate culture is to fight complacency; our past successes are in the past. This is not to say that we shouldn't reflect. Reflection on the past builds morale, and the future provides motivation. Both of these combine to form the momentum of the present.

As always, we continue to field a consistent and dedicated team with more than 75 years of collective experience. We manage a well-capitalized firm that will remain 100% employee-owned. Most importantly, we remain committed to the key values outlined below that guide our organization, our people and everything we do.

*"Performance is the output of a consistency of process, people, philosophy and product."*

-- Joe Huber

We are proud of our accomplishments, humbled by our clients' trust, and excited about our future.

Sincerely,

Joe Huber  
CEO/CIO  
joe@hubercap.com  
www.hubercap.com

### **Huber Capital Management's Ten Key Values**

**10) Bigger is not necessarily better.**

**9) Act with honesty and integrity. Be straightforward always.**

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- 8) Be innovative, creative, and flexible.
- 7) Admit mistakes. Learn from them and don't repeat them.
- 6) Work hard. Your competitors are trying to catch up.
- 5) Treat others as you would like to be treated.
- 4) Remember that you have the onus of investing for the well-being of others.
- 3) Fight complacency. Your past successes are in the past.
- 2) The best investing styles are timeless, not timely.
- 1) Clients come first. Think of them and you will always be successful.

## FOOTNOTES

Annualized Performance (as of 12/31/13):

### SMALL CAP VALUE COMPOSITE

	<u>4Q13</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>Since Inception*</u>
Small Cap Value Composite <sup>1</sup>					
-- Gross	8.81%	38.05%	23.42%	37.45%	13.04%
-- Net	8.55%	36.74%	22.25%	36.13%	11.89%
Russell 2000 Value Index	9.30%	34.52%	14.49%	17.64%	5.22%

\*Inception date of composite returns is 07/01/07.

### SMID CAP VALUE COMPOSITE

	<u>4Q13</u>	<u>1 Year</u>	<u>Since Inception*</u>
SMID Cap Value Composite <sup>1</sup>			
-- Gross	9.71%	39.73%	38.85%
-- Net	9.45%	38.97%	38.26%
Russell 2500 Value Index	8.83%	33.32%	30.97%

\*Inception date of composite returns is 10/01/11.

### SELECT LARGE CAP VALUE (aka, EQUITY INCOME) COMPOSITE

	<u>4Q13</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>Since Inception*</u>
Select Large Cap Value Composite <sup>1</sup>					
-- Gross	10.12%	38.17%	19.01%	26.66%	7.75%
-- Net	9.98%	37.43%	18.34%	25.78%	6.91%
Russell 1000 Value Index	10.01%	32.53%	16.06%	16.67%	3.90%

\*Inception date of composite returns is 07/01/07.

### LARGE CAP VALUE COMPOSITE

	<u>4Q13</u>	<u>1 Year</u>	<u>Since Inception*</u>
Large Cap Value Composite <sup>1</sup>			
-- Gross	10.15%	37.06%	28.94%
-- Net	10.07%	36.65%	28.55%
Russell 1000 Value Index	10.01%	32.53%	26.79%

\*Inception date of composite returns is 10/01/12.

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<sup>1</sup>Please see attached Composite Presentation Pages for the Small Cap Value Composite, SMID Cap Value Composite, Select Large Cap Value Composite, and Large Cap Value Composite.

From time to time the portfolios may invest in shares of companies through initial public offerings (IPOs). IPOs have the potential to produce substantial gains. There is no assurance that the portfolios will have continued access to profitable IPOs and as a portfolio's assets grow, the impact of an IPO investment may decline. Therefore investors should not rely on these past gains as an indication of future performance.

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## Huber Capital Management, LLC Small Cap Value Composite

Year	Composite Gross Return (%)	Composite Net Return (%)	Russell 2000 Value Index Return (%)	Internal Dispersion	As of December 31		
					Number of Accounts	Total Composite Assets (\$ mil)	Total Firm Assets (\$ mil)
2013	38.05	36.74	34.52	1.7	24	1,412.81	3,938.85
2012	31.92	30.60	18.05	N/A	22	653.45	1,941.38
2011	3.23	2.31	-5.50	N/A	6	198.97	928.35
2010	40.34	38.93	24.50	N/A	2	68.30	319.47
2009	85.95	84.15	20.58	N/A	2	46.40	49.53
2008	-46.03	-46.61	-28.92	N/A	2	24.41	25.39
2007*	-16.22	-16.83	-13.08	N/A	1	43.74	46.78

\*Returns are for the period July 1, 2007 through December 31, 2007

Huber Capital Management, LLC (the "Firm" or "HCM") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Huber Capital Management, LLC has not been independently verified.

HCM is an independent investment management firm registered with the U.S. Securities and Exchange Commission ("SEC") and manages U.S. value equity assets for institutional and mutual fund investors.

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Valuations and returns are stated in U.S. dollars. Investment returns include reinvestment of dividends, interest, and capital gains. Gross performance results are presented before management and custodial fees but after all trading expenses. Net returns are net of actual investment advisory fees. Net of fee returns are net of performance-based fees where applicable. Effective June 2013, net returns were revised historically to use actual fees and not model fees. The standard fee schedule is 1.25% on all assets. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. The Firm's fees are described in Part 2 of its Form ADV, which is available on request. The internal dispersion of annual returns is measured by the equal-weighted standard deviation of portfolio returns included in the composite for the entire year. Periods with five or fewer portfolios participating for the entire year are not statistically representative and are not presented, and are shown as not applicable ("N/A") in the table above. A list of composite descriptions and policies for valuing portfolios, calculating performance, and preparing compliant presentations is available upon request. Past performance is no guarantee of future performance.

**Composite:** The Composite includes all Small Cap Value fully discretionary, fee paying accounts. The Small Cap Value investment strategy seeks capital appreciation through investing primarily in common stocks of small capitalization U.S. companies whose stocks are considered by HCM to be undervalued. HCM generally considers small cap companies to be those with market capitalizations of \$3.0 billion or less at time of purchase. Portfolios that participate in the Composite can be separately managed or pooled funds vehicles. Effective 12/01/07, accounts that experience a significant cash flow, defined as any single flow equal to or greater than 10% of the beginning of month market value, are temporarily removed from the Composite for the month the significant cash flow occurs. The Composite was created in July 2007.

**Index:** The benchmark for the Small Cap Value Composite is the Russell 2000® Value Index. The Russell 2000® Value Index ("R2000V") measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. The index assumes reinvestment of dividends and capital gains, and assumes no management, custody, transaction or other expenses. The value disciplines used in managing the accounts in the Composite may prevent or limit investment in major stocks in the R2000V and returns may not be correlated to the index.

The 3-year annualized standard deviation measures the variability of the Composite (using gross returns) and the benchmark returns over the preceding 36-month period ended December 31:

Year	3-Year Annualized Standard Deviation (%)	
	Composite	R2000V
2013	16.59	15.82
2012	19.11	19.89
2011	25.53	26.05

# HUBER CAPITAL MANAGEMENT

Investment Advisor

## Huber Capital Management, LLC SMID Cap Value Composite

Year	Composite Gross Return (%)	Composite Net Return (%)	Russell 2500 Value Index Return (%)	Internal Dispersion	As of December 31		
					Number of Accounts	Total Composite Assets (\$ mil)	Total Firm Assets (\$ mil)
2013	39.73	38.97	33.32	N/A	2	85.27	3,938.85
2012	28.79	28.35	19.21	N/A	1	28.94	1,941.38
2011*	16.30	16.21	15.45	N/A	1	10.89	928.35

\*Returns are for the period October 1, 2011 through December 31, 2011

Huber Capital Management, LLC (the "Firm" or "HCM") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Huber Capital Management, LLC has not been independently verified.

HCM is an independent investment management firm registered with the U.S. Securities and Exchange Commission ("SEC") and manages U.S. value equity assets for institutional and mutual fund investors.

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Valuations and returns are stated in U.S. dollars. Investment returns include reinvestment of dividends, interest, and capital gains. Gross performance results are presented before management and custodial fees but after all trading expenses. Net returns for fee paying accounts are net of actual investment advisory fees. Net returns for non-fee paying accounts are net of model fees. Model fees for non-fee paying accounts are 0.35% on all assets. Net of fee returns are net of performance-based fees where applicable. Effective June 2013, net returns for fee paying accounts were revised historically to use actual fees and not model fees. The standard fee schedule is 1.00% on all assets. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. The Firm's fees are described in Part 2 of its Form ADV, which is available on request. The internal dispersion of annual returns is measured by the equal-weighted standard deviation of portfolio returns included in the composite for the entire year. Periods with five or fewer portfolios participating for the entire year are not statistically representative and are not presented, and are shown as not applicable ("N/A") in the table above. A list of composite descriptions and policies for valuing portfolios, calculating performance, and preparing compliant presentations is available upon request. Past performance is no guarantee of future performance.

**Composite:** The Composite includes all Small/Mid ("SMID") Cap Value fully discretionary, fee paying and non-fee paying accounts. Non-fee paying accounts comprised 100% of the assets of the composite from February 1, 2013 to August 31, 2013, and 3.0% of the assets of the composite from September 1, 2013 to December 31, 2013. In July 2015, the calendar year 2013 gross composite return was corrected to 39.73% from the previous 39.50% and the net of fee 2013 composite return corrected to 38.97% from 38.75%. The SMID Cap Value investment strategy seeks capital appreciation through investing primarily in common stocks of small and mid (SMID) capitalization U.S. companies whose stocks are considered by HCM to be undervalued. HCM generally considers SMID cap companies to be those with market capitalizations between \$500 million and \$15 billion at time of purchase. Portfolios that participate in the Composite can be separately managed or pooled funds vehicles. The Composite was created in October 2011.

**Index:** The benchmark for the SMID Cap Value Composite is the Russell 2500® Value Index. The Russell 2500® Value Index ("R2500V") measures the performance of those Russell 2500 companies with lower price-to-book ratios and lower forecasted growth values. The index assumes reinvestment of dividends and capital gains, and assumes no management, custody, transaction or other expenses. The value disciplines used in managing the accounts in the Composite may prevent or limit investment in major stocks in the R2500V and returns may not be correlated to the index.

The 3-year annualized standard deviation of the composite and benchmark is not presented because 36 monthly returns are not available.

# HUBER CAPITAL MANAGEMENT

Investment Advisor

## Huber Capital Management, LLC Select Large Cap Value Composite

Year	Composite Gross Return (%)	Composite Net Return (%)	Russell 1000 Value Index Return (%)	Internal Dispersion	As of December 31		
					Number of Accounts	Total Composite Assets (\$ mil)	Total Firm Assets (\$ mil)
2013	38.17	37.43	32.53	0.6	18	1,231.53	3,938.85
2012	16.13	15.50	17.51	0.4	18	732.76	1,941.38
2011	5.05	4.41	0.39	N/A	13	354.52	928.35
2010	18.43	17.42	15.51	N/A	3	95.82	319.47
2009	63.32	61.76	19.69	N/A	1	3.13	49.53
2008	-52.97	-53.47	-36.85	N/A	1	0.97	25.39
2007*	5.94	5.42	-6.03	N/A	1	1.68	46.78

\*Returns are for the period July 1, 2007 through December 31, 2007

Huber Capital Management, LLC (the "Firm" or "HCM") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Huber Capital Management, LLC has not been independently verified.

HCM is an independent investment management firm registered with the U.S. Securities and Exchange Commission ("SEC") and manages U.S. value equity assets for institutional and mutual fund investors.

HCM refers to itself as a "registered investment adviser" in materials distributed to current and prospective clients. As a registered investment adviser with the SEC, HCM is subject to the rules and regulations adopted by the SEC under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Registration as an investment adviser is not an indication that HCM or its directors, officers, employees or representatives have attained a particular level of skill or ability.

Valuations and returns are stated in U.S. dollars. Investment returns include reinvestment of dividends, interest, and capital gains. Gross performance results are presented before management and custodial fees but after all trading expenses. Net returns are net of actual investment advisory fees. Net of fee returns are net of performance-based fees where applicable. Effective June 2013, net returns were revised historically to use actual fees and not model fees. The standard fee schedule is 0.75% on all assets. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. The Firm's fees are described in Part 2 of its Form ADV, which is available on request. The internal dispersion of annual returns is measured by the equal-weighted standard deviation of portfolio returns included in the composite for the entire year. Periods with five or fewer portfolios participating for the entire year are not statistically representative and are not presented, and are shown as not applicable ("N/A") in the table above. A list of composite descriptions and policies for valuing portfolios, calculating performance, and preparing compliant presentations is available upon request. Past performance is no guarantee of future performance.

**Composite:** As of September 16, 2013, the Fundamental Large Cap Value Composite has been renamed the Select Large Cap Value Composite. The Composite includes all Select Large Cap Value fully discretionary, fee paying accounts. The Select Large Cap Value investment strategy seeks to achieve current income and capital appreciation through investing primarily in common stocks of large capitalization U.S. companies ("large cap companies") whose stocks are considered by HCM to be undervalued. The portfolio will generally consist of stocks with a market capitalization above \$1 billion. Portfolios that participate in the composite can be separately managed or pooled funds vehicles. Effective 06/01/10, accounts that experience a significant cash flow, defined as any single flow equal to or greater than 10% of the beginning of month market value, are temporarily removed from the Composite for the month the significant cash flow occurs. The Composite was created in July 2007.

**Index:** The benchmark for the Select Large Cap Value Composite, formerly known as the Fundamental Large Cap Value Composite or the Fundamental Value Composite, is the Russell 1000® Value Index. The Russell 1000® Value Index ("R1000V") measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. The index assumes reinvestment of dividends and capital gains, and assumes no management, custody, transaction or other expenses. The value disciplines used in managing the accounts in the Composite may prevent or limit investment in major stocks in the R1000V and returns may not be correlated to the indexes.

The 3-year annualized standard deviation measures the variability of the Composite (using gross returns) and the benchmark returns over the preceding 36-month period ended December 31:

Year	3-Year Annualized Standard Deviation (%)	
	Composite	R1000V
2013	12.39	12.70
2012	15.71	15.51
2011	23.90	20.69

# HUBER CAPITAL MANAGEMENT

Investment Advisor

## Huber Capital Management, LLC Large Cap Value Composite

Year	Composite Gross Return (%)	Composite Net Return (%)	Russell 1000 Value Index Return (%)	Internal Dispersion	As of December 31		
					Number of Accounts	Total Composite Assets (\$ mil)	Total Firm Assets (\$ mil)
2013	37.06	36.65	32.53	N/A	6	661.10	3,938.85
2012*	0.24	0.16	1.52	N/A	1	215.83	1,941.38

\*Returns are for the period October 1, 2012 through December 31, 2012

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HCM is an independent investment management firm registered with the U.S. Securities and Exchange Commission ("SEC") and manages U.S. value equity assets for institutional and mutual fund investors.

HCM refers to itself as a "registered investment adviser" in materials distributed to current and prospective clients. As a registered investment adviser with the SEC, HCM is subject to the rules and regulations adopted by the SEC under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Registration as an investment adviser is not an indication that HCM or its directors, officers, employees or representatives have attained a particular level of skill or ability.

Valuations and returns are stated in U.S. dollars. Investment returns include reinvestment of dividends, interest, and capital gains. Gross performance results are presented before management and custodial fees but after all trading expenses. Net returns are net of actual investment advisory fees. Net of fee returns are net of performance-based fees where applicable. Effective June 2013, net returns were revised historically to use actual fees and not model fees. The standard fee schedule is 0.50% on all assets. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. The Firm's fees are described in Part 2 of its Form ADV, which is available on request. The internal dispersion of annual returns is measured by the equal-weighted standard deviation of portfolio returns included in the composite for the entire year. Periods with five or fewer portfolios participating for the entire year are not statistically representative and are not presented, and are shown as not applicable ("N/A") in the table above. A list of composite descriptions and policies for valuing portfolios, calculating performance, and preparing compliant presentations is available upon request. Past performance is no guarantee of future performance.

**Composite:** The Composite includes all Large Cap Value fully discretionary, fee paying accounts. The Large Cap Value investment strategy seeks to achieve current income and capital appreciation through investing primarily in common stocks of large capitalization U.S. companies ("large cap companies") whose stocks are considered by HCM to be undervalued. The portfolio will generally consist of stocks with a market capitalization above \$5 billion. Portfolios that participate in the Composite can be separately managed or pooled funds vehicles. The Composite was created in October 2012.

**Index:** The benchmark for the Large Cap Value Composite is the Russell 1000® Value Index. The Russell 1000® Value Index ("R1000V") measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. The index assumes reinvestment of dividends and capital gains, and assumes no management, custody, transaction or other expenses. The value disciplines used in managing the accounts in the Composite may prevent or limit investment in major stocks in the R1000V and returns may not be correlated to the indexes.

The 3-year annualized standard deviation of the composite and benchmark is not presented because 36 monthly returns are not available.