

Hamlin Equity Income Strategy

"Compounding Income is a Potent Force of Growth"

HAMLIN
CAPITAL MANAGEMENT, LLC

December 31, 2018

Investment Philosophy & Objectives

Recognizing that compounding income is a potent force of growth, we invest exclusively in dividend-paying equities. Investors deserve cash compensation for risking capital, and our analysis suggests that dividend-paying stocks have historically outperformed the broader market with lower volatility.¹ We believe that a healthy and consistent dividend policy enhances investor total return, endorses historic accounting statements, acts as an effective governor on capital allocation, and has the potential to smooth performance in down years. We focus on stocks with dividend yields at least 50% above the S&P500 index yield. Within this high income universe, we search for companies with low debt, ample free cash flow and attractive returns on equity. Typically candidates for purchase have a history of increasing dividends, and company management should be committed to a generous dividend policy. We are dedicated to rigorous financial statement analysis, focusing on our companies' true quality of earnings and capacity to cover an increasing dividend payment. While our strong balance sheet and dividend discipline generates mostly large company holdings, we invest across all capitalizations.

¹ Kenneth French, "Portfolios Formed on Dividend Yield 1928-2017"

Investment Team

Charles S. Garland, CFA

Senior Portfolio Manager
Yale University, BA English 1989

Christopher M. D'Agnes, CFA

Senior Portfolio Manager
Bucknell University, BS Accounting 1999

Michael M. Tang, CFA

Senior Analyst
Princeton University, BA Economics, 2007

Jaclyn Hourihan

Analyst
Trinity College, BA Economics, 2010

Madelena Lee

Associate
Stony Brook University, BA Political Science, 2008

Portfolio Profile

	HCM
Number of Securities	37
Weighted Average Equity Yield	4.4%
Median Price/Earnings (NTM)	12.1
Harmonic Price/Earnings (NTM)	11.7
Price/Book	2.4
Trailing 1 Year Beta	0.69
Net Debt/Capital	38.6%
Average Market Capitalization (in millions)	\$92,530
Median Market Capitalization (in millions)	\$34,993

Top 10 Holdings†

Verizon Communications
Pfizer Inc.
Qualcomm Inc.
AT&T Corp
BCE Inc.
Procter & Gamble Co
Sanofi
Target Corp
Enterprise Products Partners
Cinemark Holdings Inc.

Dividend Yield vs. Benchmarks (Gross of Fees)

HCM*	S&P 500	DVY**
4.4%	2.2%	4.4%

Sector Allocations

	HCM
Consumer Staples	6.2%
Consumer Discretionary	13.2%
Health Care	12.2%
Technology	9.1%
Communication Services	17.8%
Energy	13.4%
Financial	9.2%
Real Estate	1.8%
Materials	1.5%
Utilities	0.0%
Industrials	5.9%

Performance by Year

	HCM	S&P 500
2001	1.0%	-11.9%
2002	0.9%	-22.1%
2003	30.4%	28.7%
2004	22.8%	10.9%
2005	20.8%	4.9%
2006	7.9%	15.8%
2007	4.0%	5.5%
2008	-28.6%	-37.0%
2009	21.0%	26.5%
2010	20.7%	15.1%
2011	10.2%	2.1%
2012	11.0%	16.0%
2013	32.7%	32.4%
2014	11.0%	13.7%
2015	-4.5%	1.4%
2016	14.9%	12.0%
2017	15.8%	21.8%
2018	-7.0%	-4.4%

Annualized Performance vs Benchmarks

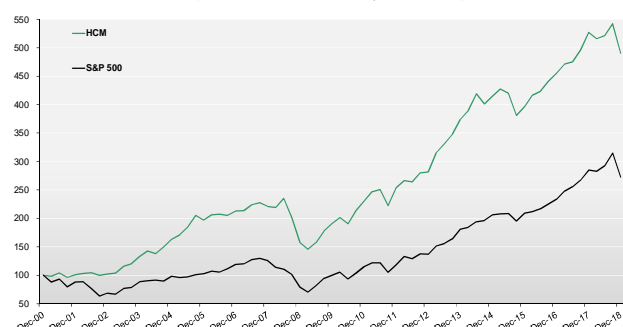
	HCM	S&P 500	DVY**
1 Year	-7.0%	-4.4%	-6.3%
3 Year	7.4%	9.3%	9.4%
5 Year	5.6%	8.5%	8.0%
10 Year	12.0%	13.1%	11.9%
Since Inception	9.2%	5.7%	N/A

*Weighted Average Equity Yield

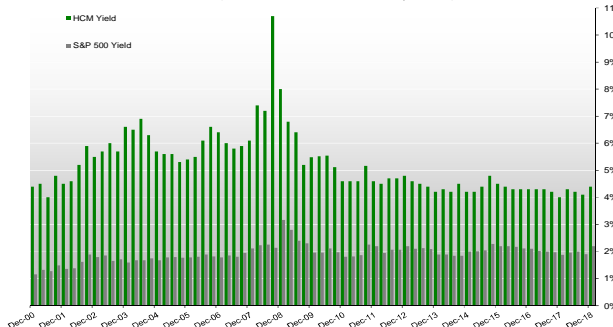
** DVY Dow Jones Select Dividend ETF

Income and Capital Growth

Hamlin Equity Returns vs. S&P 500
(Cumulative Performance, Net of Fees)



Hamlin Equity Portfolio Yield vs. S&P 500
(Annualized Current Yield, Gross)



†The above information represents Hamlin's ten largest holdings, by market value, as of December 31, 2018. Each quarter, Hamlin uses this same objective, non-performance based criteria to select the ten largest holdings. It should not be assumed that investments in the securities identified were or will be profitable. Information shown in the portfolio profile is presented as of the date indicated and is subject to change at any time without prior notice. Hamlin portfolio managers and analysts closely monitor the securities held in client portfolios. If a company's underlying fundamentals or valuation measures change, Hamlin may reevaluate its holdings and may sell or cover part or all of its position. Data shown is for the Hamlin Equity Composite with unmanaged and client requested positions excluded.

This information is supplemental to the attached compliant presentation. This document is intended for informational purposes only, contains the opinions of Hamlin, and Hamlin does not undertake any duty to update the information herein. Nothing herein constitutes an offer to sell, a solicitation of an offer to purchase any securities nor does it constitute an endorsement with respect to any investment area or vehicle. Returns are presented net of custodial and management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. The management fee schedule is as follows: 1% on all assets. Actual investment advisory fees incurred by clients may vary. All investments involve risk including loss of principal. Performance shown is of the Hamlin equity composite and individual accounts may vary.

The S&P 500 index and Dow Jones Select Dividend ETF benchmarks are provided solely to allow for comparison to widely recognized indices/benchmarks. They are no way indicative of the strategy employed by Hamlin. It is Hamlin's position that a meaningful benchmark is not available for this strategy due to the frequent and customized changes in allocation in individual accounts. Indices are not investible, and are not subject to fees or transaction costs that will reduce performance. All performance assumes the reinvestment of dividends and income. PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

Median P/E is the median of the P/E ratios for each stock held in Hamlin's portfolio. Information used in calculations are sourced from FactSet. Harmonic P/E represents the P/E of Hamlin's equity portfolio. It is calculated as total equity income held divided by total net income attributable to equity holdings. The denominator is the EPS multiplied by the number of shares held for each co. in the equity portfolio, which is then summed. The denominator represents the net income attributable to equity holdings for each given period, based on either historical information or consensus estimates from FactSet. Data used to calculate Harmonic PE is obtained from FactSet, and Hamlin does not guarantee that it is reliable or complete. Beta is a measure of the market risk of a portfolio, and is calculated in comparison to the S&P 500 which has a beta of 1.

Hamlin Capital Management, LLC
Equity Only Composite
Annual Disclosure Presentation
January 1, 2001 through September 30, 2018

Year	Total Firm Assets (mm)	Composite Assets (mm)	Number of Portfolios	Composite Net Return	S&P 500 Return	Internal Dispersion	Composite 3-Yr St Dev	S&P 500 3-Yr St Dev
*YTD 2018	4,530	1,688	696	2.87%	10.56%	N.A.	N.A.	N.A.
2017	4,553	1,772	683	15.84%	21.83%	1.29%	10.27	9.92
2016	3,617	1,623	679	14.93%	11.96%	1.26%	11.05	10.59
2015	3,186	1,373	725	-4.54%	1.38%	0.66%	9.91	10.48
2014	3,077	1,414	704	10.93%	13.69%	0.51%	8.57	8.97
2013	2,703	1,234	624	32.72%	32.39%	1.04%	10.19	11.94
2012	2,029	798	480	11.03%	16.00%	1.12%	12.39	15.09
2011	1,623	584	388	10.16%	2.11%	0.71%	14.11	18.71
2010	1,033	191	220	20.65%	15.06%	2.22%		
2009	714	30	51	20.98%	26.46%	2.69%		
2008	584	12	30	-28.57%	-37.00%	4.45%		
2007	734	18	31	3.97%	5.49%	2.86%		
2006	869	29	48	7.90%	15.79%	5.93%		
2005	716	31	42	20.80%	4.91%	4.90%		
2004	501	19	26	22.80%	10.88%	7.67%		
2003	130	8	24	30.40%	28.68%	9.87%		
2002	49	5	29	0.90%	-22.06%	6.15%		
2001	21	6	34	0.99%	-11.93%	10.69%		

* Performance represents a non-annualized partial period return ending on September 30, 2018.

Equity Only Composite consists of fully discretionary accounts that are comprised of any amount of common stocks and cash. There is no minimum account size or time period to be included in the composite. Returns include the effect of foreign currency exchange rates. The exchange rate source for the composite is IDS/IDC – FT Interactive Data Corporation. The S&P 500 index is provided solely as a widely recognized index. The index is in no way indicative of the strategy employed in this composite. It is the position of Hamlin Capital Management, LLC (“Hamlin”) that a meaningful benchmark is not available for this strategy due to the frequent and customized changes in allocation in individual accounts. Benchmark returns are not covered by the report of independent verifiers.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. Investing entails the risk of loss of principal. The U.S. Dollar is the currency used to express performance. Returns are presented net of management fees and includes the reinvestment of all income. Net of fee performance was calculated using actual management fees. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite performance is presented net of foreign dividend withholding taxes, where applicable, for the period prior to October 1, 2016, and gross of foreign dividend withholding taxes thereafter. Composite performance accrues dividends starting October 1, 2016. The management fee schedule is as follows: 1.00% on all assets. Actual investment advisory fees incurred by clients may vary. Composite performance is shown net of custodial fees for the period prior to January 1, 2018, and gross of custodial fees and other charges that may occur as a result of a client’s choice of service providers thereafter.

Hamlin is an independent registered investment advisory firm. Hamlin invests in fixed income and equities for separately managed accounts, as well as funds. In January 2004, Hamlin merged with RRH Capital Management Inc. and the performance returns are linked. The firm maintains a complete list and description of composites, which is available upon request. A copy of our current written disclosure statement discussing our advisory services and fees continues to remain available for your review upon request.

The Equity Only Composite was created April 1, 2006. Hamlin claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Hamlin has been independently verified for the periods January 1, 2001 through December 31, 2008 by Ashland Partners & Company LLP. ACA Performance Services began verification for Hamlin on January 1, 2009 through September 30, 2018. 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 Equity Only Composite has been examined for the periods beginning January 1, 2001 through September 30, 2018. The verification and performance examination reports are available upon request. The policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.