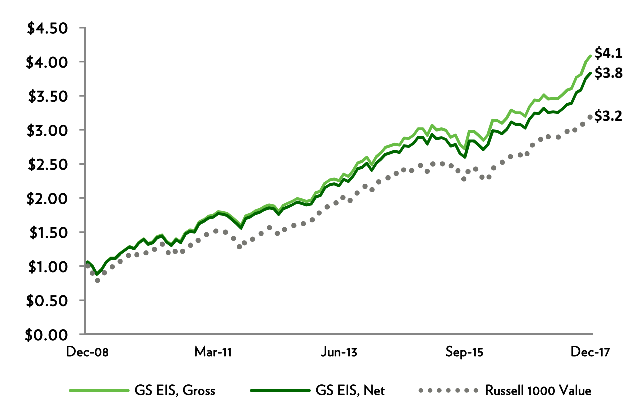
GREEN SQUARE ASSET MANAGEMENT

EQUITY INCOME STRATEGY

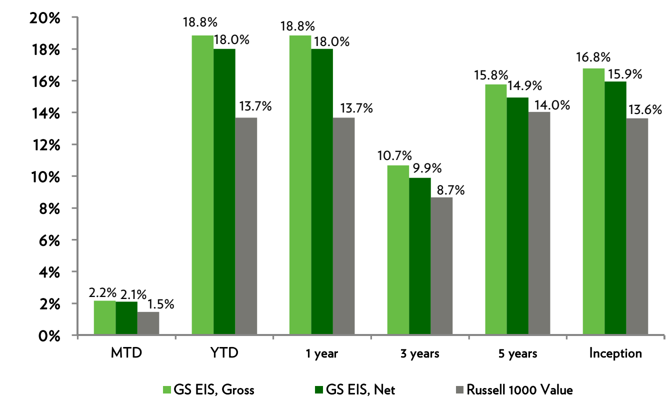
December 2017

The Green Square Equity Income Strategy ("GS EIS") is a domestic, large-cap dividend focused equity strategy derived from a repeatable, disciplined investment process designed to identify companies with attractive balance sheets that have a heritage of paying above market dividends coupled with dividend growth. The strategy is equally weighted across 10 economic sectors (the telecommunications sector is a half weight due to size) and excludes the real estate sector. The strategy consists of 38 equal-weighted positions and is reconstituted and rebalanced quarterly.

Growth of initial $1.00



Compounded Annual Growth Rate (Total Return)

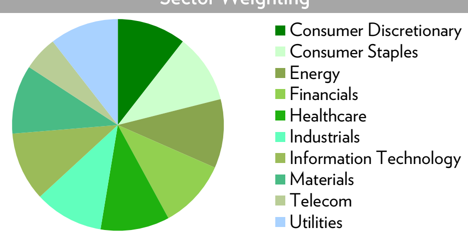


Monthly Performance, Net of Fees (Total Return)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	*R1000V*
2017	-0.21%	2.33%	-1.77%	0.15%	-0.18%	1.62%	1.88%	0.59%	4.58%	1.05%	4.73%	2.09%	***18.0%***	***13.7%***
2016	-2.61%	2.73%	7.28%	-0.21%	-1.37%	2.36%	3.53%	-1.16%	-0.03%	-1.65%	4.46%	2.73%	***16.7%***	***17.3%***
2015	-3.31%	4.93%	-2.12%	0.57%	-0.91%	-3.44%	0.97%	-4.68%	-2.15%	9.18%	-0.06%	-1.91%	***-3.7%***	***-3.8%***
2014	-4.18%	4.32%	2.44%	2.90%	0.84%	0.79%	-0.61%	3.68%	-0.33%	1.66%	3.11%	-0.10%	***15.2%***	***13.5%***
2013	5.57%	1.05%	5.49%	2.06%	0.55%	-1.15%	4.30%	-1.53%	3.27%	4.98%	0.93%	2.29%	**31.3%**	***32.5%***
2012	1.14%	2.42%	1.23%	-0.92%	-4.54%	4.90%	1.56%	1.49%	2.26%	-1.05%	-1.32%	0.82%	**7.9%**	***17.5%***
2011	2.20%	2.93%	0.84%	2.93%	-0.57%	-1.04%	-3.19%	-3.59%	-4.35%	9.44%	1.40%	2.61%	**9.1%**	***0.4%***
2010	-5.18%	2.03%	5.59%	1.67%	-6.30%	-3.94%	6.62%	-3.08%	9.37%	2.78%	-0.67%	8.11%	**16.6%**	***15.5%***
2009	-5.83%	-12.03%	8.11%	11.10%	5.44%	0.22%	5.93%	4.41%	3.83%	-2.22%	6.73%	3.99%	**31.1%**	***19.7%***
2008	-	-	-	-	-	-	-	-	-	-	-	6.07%	**6.1%**	***1.3%***

	EI Net	EI Gross	R1000V
Total Return:	15.94%	16.76%	13.62%
Std Dev:	12.95%	12.96%	14.39%
Sharpe Ratio:	1.20	1.25	0.95
Beta:	0.84	0.84	1.00
Dividend Yield:	3.31%	3.31%	2.36%
Max Drawdown:	-17.17%	-17.07%	-23.32%

Sector Weighting



Summary Terms

Structure:	Separately Managed Account
Composite:	$209m
Minimum:	$100k
Management Fee:	negotiable
Liquidity:	Daily
Withdrawal Notice:	1 Day

Equity Income Composite: The Equity Income Composite invests in large capitalization U.S. stocks with a target yield of 3.5% to 4.0%. The strategy consists of 34 equal weighted holdings across nine sectors with four positions in each sector (two in telecommunications). The financial and real estate sectors are excluded. The strategy is an equally weighted portfolio. The minimum account size for this composite is $100,000. The Equity Income Composite was created December 2008.

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The Green Square Equity Income Strategy finished the fourth quarter up 8.0% gross of fees versus 5.3% for the benchmark Russell 1000 Value. Winners in the portfolio outpaced negative performers 28 to 6, with thirteen companies experiencing double-digit increases and two companies experiencing a double-digit decline.

The Strategy's energy sector allocation was the top sector performer for the second quarter in a row, with an average 17% return (+1.9% attribution) after crude oil prices rallied 16%. The information technology sector allocation was also strong with an average 15% (+1.8% attribution). The Strategy's top three performers for the quarter were HollyFrontier (+43%), Wal-Mart Stores (+27%) and Qualcomm (+25%).

No sector allocation was negative for the quarter. Merck and GameStop were the worst performers, both down (-11%), followed by Amgen (-6%).

Five portfolio companies paid increased dividends during the quarter: Lockheed Martin. (+10%), Altria (+8%), Ameren (+4%), International Paper (+3%) and Verizon (+2%). The average quarterly increase for the companies that increased dividends was 5.4%. To date, five portfolio companies have announced a dividend increase to be paid in the first quarter, averaging over 7% increase. The current five-year dividend growth rate on the portfolio is 11%.

After a difficult start to the year, the Strategy picked up steam starting in June and finished the year up 18.8% gross compared to +13.7% for the benchmark. 2017 was our strongest relative year versus the Russell 1000 Value since 2011. Our industrials allocation (+34%) was the strongest sector followed by health care and technology (both +26%). The energy allocation (+25%) was the best relative performer versus its sector, outperforming the Russell 1000 Value Energy Index by almost 26%.

As of the end of the fourth quarter, the portfolio's average dividend yield was 3.3%.

For most of the quarter, global markets were fixated on Congress' progress on pushing through a long-promised tax reform package. The measure finally passed by a very slim margin shortly before the Christmas holiday. Many expect the lower corporate tax rates will help spur wage growth from below average levels and thus stimulate the economy and inflation. The bill also will cause repatriation of foreign earnings by multinationals, which in our view will primarily be returned to stockholders in the form of increased dividends and buybacks. This should benefit our dividend payer focus as 30% of our companies' earnings come from overseas.

As Washington increased fiscal stimulus, the Federal Reserve continued to remove it on the monetary front. In December, the Fed increased its benchmark rate for the 3rd time in 2017, continuing their path to rate normalization that began at the end of 2015. Jerome Powell will succeed Janet Yellen in February as Fed Chair, and by all indications it appears he will maintain the current pace of hikes (the Fed projects 3 additional hikes in 2018). Despite the rate hikes, the benchmark 10-year Treasury yield finished 2017 slightly below where it started. Intermediate to longer term interest rates were buoyed by foreign demand for higher yielding sovereign debt, capping any upward movement in rates. With short term rates increasing, the yield curve "flattened" to lowest spread differential since October 2007.

The U.S. economy grew at a 3.2% annual rate in Q3, building on a similarly strong Q2. Most economic indicators also project a strong economy in the fourth quarter. PMI and sales data remain elevated both in the U.S. and abroad. Inflation, however, still remains below 2%, befuddling the Fed. The global upswing in economic growth and still supportive global monetary policy outside the U.S. continues to strengthen capital markets around the world.

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The broad U.S. stock market (S&P 500) rose 6.4% in the fourth quarter, the best in 2 years and 9th consecutive positive quarter. Consumer discretionary (+9.9%) and technology (+9.0%) paced the quarter. The return of “animal spirits” after the 2016 elections helped prod the S&P to its best calendar year return (+22%) since 2013. The -2.9% intra-year drawdown was the 2nd lowest in 70 years, which led to the least volatile year for the S&P 500 since 1995. Large cap growth stocks outperformed value stocks thanks to their overweight to technology (38%), as the Russell 1000 Growth Index rose 7.9% (30% YTD). The “FAANG” stocks (Facebook, Amazon, Apple, Netflix, and Google) were once again the rage and drove much of the growth index’s return, rising 10% in the quarter and 50% for the year. The return differential between growth and value stocks (+17%) was the highest it has been since 2009. Although a stronger economy should benefit growth companies going forward, the lower corporate tax rate should benefit traditional value sectors as they tend to have higher average tax rates than growth sectors.

Despite the abnormally low volatility witnessed over the past several quarters, investors should be mindful as valuations are stretched even with the economy strengthening. Corrections are normal events in the stock market and it has been some time since we experienced a meaningful one. Although we do believe that markets could continue to rise for the next several quarters, risk levels are elevated in our view. In this environment, it is paramount that investors allocate some of their capital to companies with high quality balance sheets, recurring cash flows and sensible dividend policies that are trading at attractive relative valuations.

James West, CFA