



About Tradition Capital Management

- Tradition is an independent full-service investment management boutique founded in 2000.
- Tradition manages over \$655 million in Assets Under Management (AUM).
- Our clients are primarily private individuals and families.
- Tradition offers customized equity and fixed income portfolios.
- We source complementary investments to diversify risk and improve risk adjusted returns.
- Tradition provides integrated, comprehensive wealth management services including generational planning, tax planning, trust administration and retirement planning.

Tradition Investment Strategies

- ❑ U.S. Equity Strategies
 - All-Cap Advantage
 - Dividend Value
- ❑ Tax-Efficient Portfolios
- ❑ Customized Portfolios
- ❑ Balanced Portfolios
- ❑ Fixed Income Portfolios

Our Distinguishing Characteristics

- We build custom portfolios to meet the needs of our clients with respect to their income requirements and safety and capital appreciation objectives.
- Our portfolios combine the best of quality stock ownership to grow your wealth with diversifying strategies to preserve and enhance it.
- We are an SEC Registered Investment Adviser (RIA) with a fiduciary responsibility to always put our client's interests first.
- To accommodate smaller accounts portfolios can be electronically accessed via **TraditionAdvisers.net**.

Tradition's Team

- Our seven investment committee professionals average 31 years of experience.
- Our eight Wealth Management Group professionals average 24 years of experience.
- Our employees have the following degrees and designations: Master of Business Administration, Certified Financial Planner, Chartered Financial Analyst and Master of Law.
- Select universities where degrees earned: Vanderbilt, Duke, Penn, NYU, Yale, Columbia, St. Lawrence, Princeton, MIT, St. Joseph's, Temple, George Washington, Rutgers, William Paterson, Bucknell.

Investment Committee

	Name	Role	Education	Experience	Tenure
	Benjamin C. Halliburton, CFA Managing Director	Chief Investment Officer	Vanderbilt University, BS Duke University (Fuqua), MBA	31 years	2000
	Alan J. Reef Managing Director	Portfolio Manager	U. of Pennsylvania (Wharton), BS New York University (Stern), MBA	37 years	2012
	Denis M. Turko Managing Director	Portfolio Manager	Yale University, BS Columbia University, MBA	52 years	2009
	Christopher J. Trompeter, CFA Managing Director	Portfolio Manager	St. Lawrence University, BA	38 years	2000
	Stephen Ely Managing Director	Portfolio Manager	Princeton University, BA New York University (Stern)	53 years	2009
	Marc L. Davis, CFA Senior Vice President	Senior Analyst	Columbia College, BA New York University (Law School), JD	20 years	2002
	Adam Levy Managing Director	Portfolio Manager	U. of Pennsylvania (Wharton), BS MIT (Sloan), MBA	20 years	2015

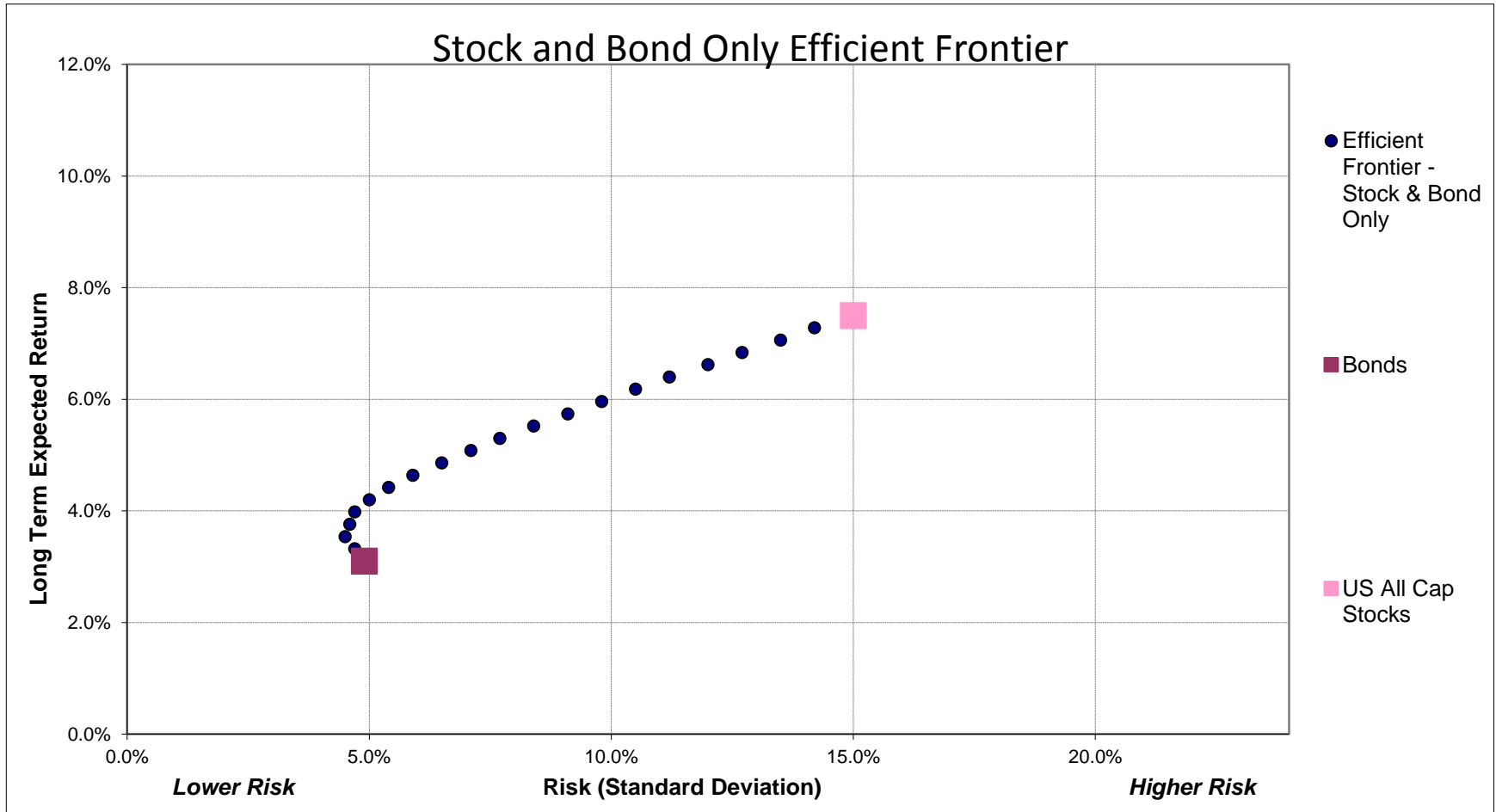
Private Client Advisers

	Name	Role	Education	Experience	Tenure
	Michael C. Provine, J.D., LL.M. Managing Director	Adviser	St. Joseph's University, BS Temple University, J.D., LL.M	38 years	2000
	Frani Feit, CFP® Managing Director	Adviser	George Washington University, BBA CERTIFIED FINANCIAL PLANNER™	22 years	2013
	Chip Wieczorek, CFP® Senior Vice President	Adviser	Rutgers University, BA CERTIFIED FINANCIAL PLANNER™	12 years	2018
	Robert Richardson Senior Vice President	Adviser	George Washington University, BS	32 years	2016
	Michael Ciccone, CFP® Associate Vice President	Adviser	William Paterson University, BS CERTIFIED FINANCIAL PLANNER™	5 years	2014
	Benjamin Zager Vice President	Adviser	George Washington University, BBA	33 years	2017
	Jeffrey Welch Vice President	Adviser	Rutgers University, BS	11 years	2010
	Jessica M. Corazza Associate Vice President	Planner	Bucknell University, BA	15 years	2017

Obtaining Optimal Diversification

- With the addition of less correlated asset classes (Reinsurance, Private Equity Real Estate, Alternative Lending, and Variance Risk Premium Harvesting) we can achieve potentially higher expected returns at a lower level of risk than conventional stock/bond portfolios.
 - Income Focus
 - Conservative Balanced
 - Balanced Return
 - Balanced Opportunity
 - Capital Appreciation
 - Aggressive Appreciation

The Efficient Frontier



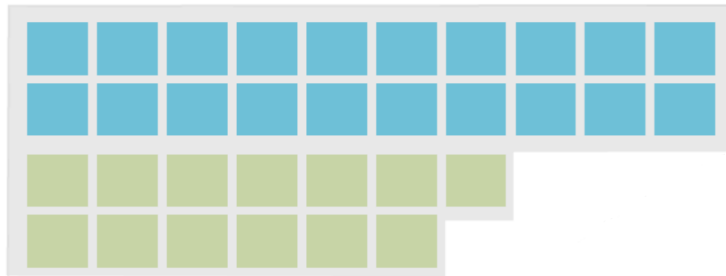
Points Along the Efficient Frontier

Stock and Bond Only Efficient Frontier

Asset Class Mix		Long Term Expected Return	Expected Risk
US All Cap	Bonds		
0%	100%	3.10%	4.9%
10%	90%	3.54%	4.5%
20%	80%	3.98%	4.7%
30%	70%	4.42%	5.4%
40%	60%	4.86%	6.5%
45%	55%	5.08%	7.1%
50%	50%	5.30%	7.7%
55%	45%	5.52%	8.4%
60%	40%	5.74%	9.1%
70%	30%	6.18%	10.5%
80%	20%	6.62%	12.0%
90%	10%	7.06%	13.5%
100%	0%	7.50%	15.0%

U.S. Stocks and Bonds are a Fraction of the Investable Universe

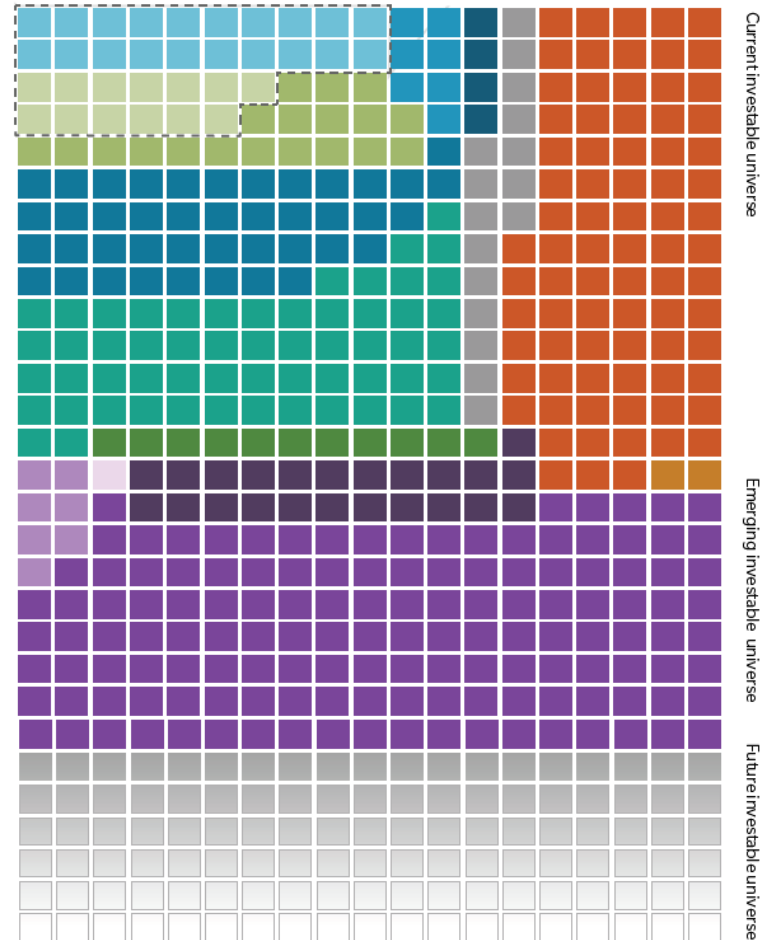
\$20 Trillion S&P 500



\$13 Trillion US Treasuries



\$437 Trillion



1. For a complete description of sources by asset class, see Appendix A.

Sources: ACLI, AON, BIS, Bloomberg, CoreLogic, Federal Reserve Board, Guy Carpenter, NAIC, OECD, Oliver Wyman estimates, Preqin, Savill's, SIFMA, SNL, TEFAF, Thomson Reuters, UN, University of St Gallens, World Federation of Exchanges.

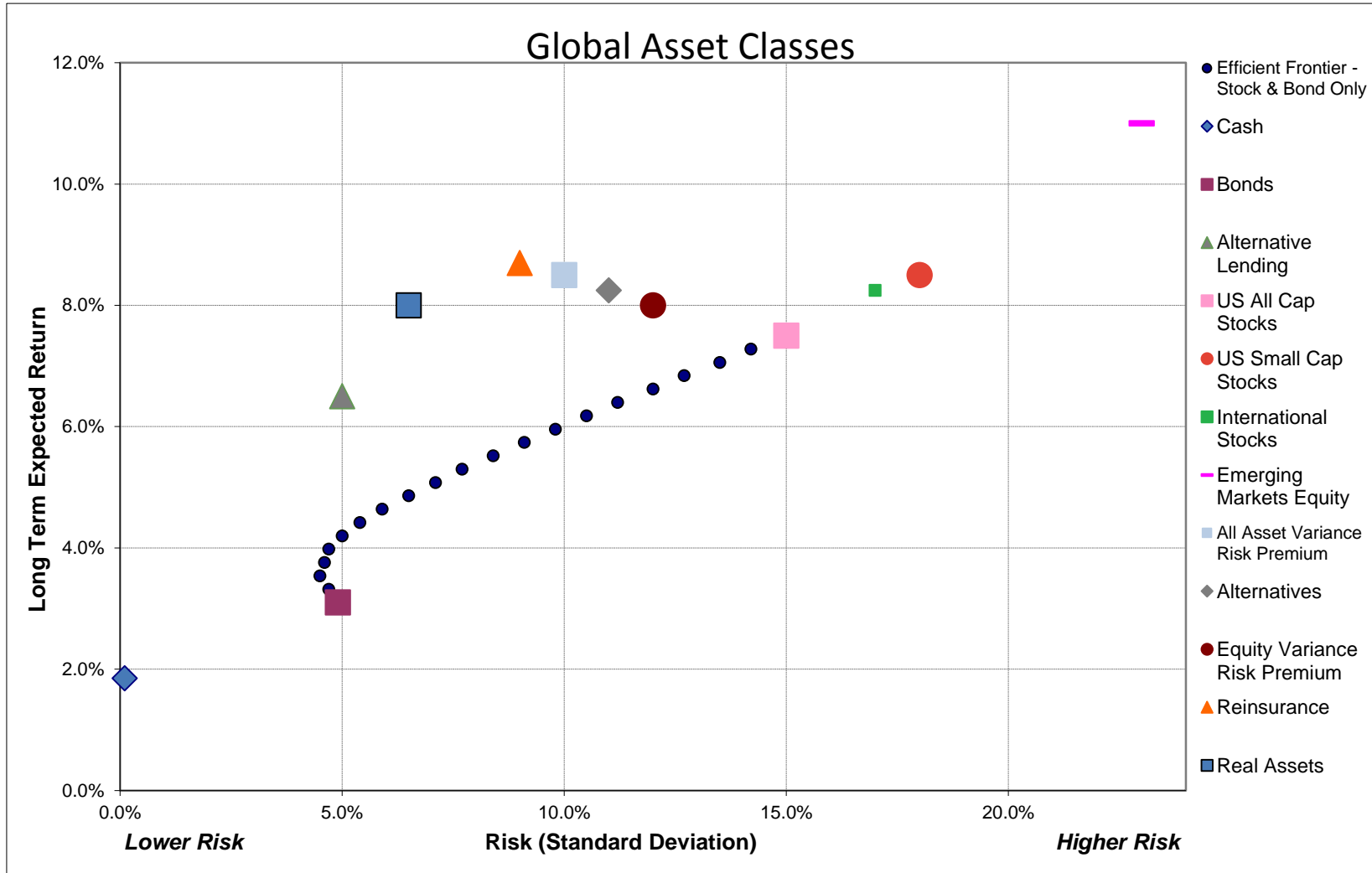
Global Asset Class Returns

- The good news is we are not limited to investing exclusively in U.S. stocks and bonds.

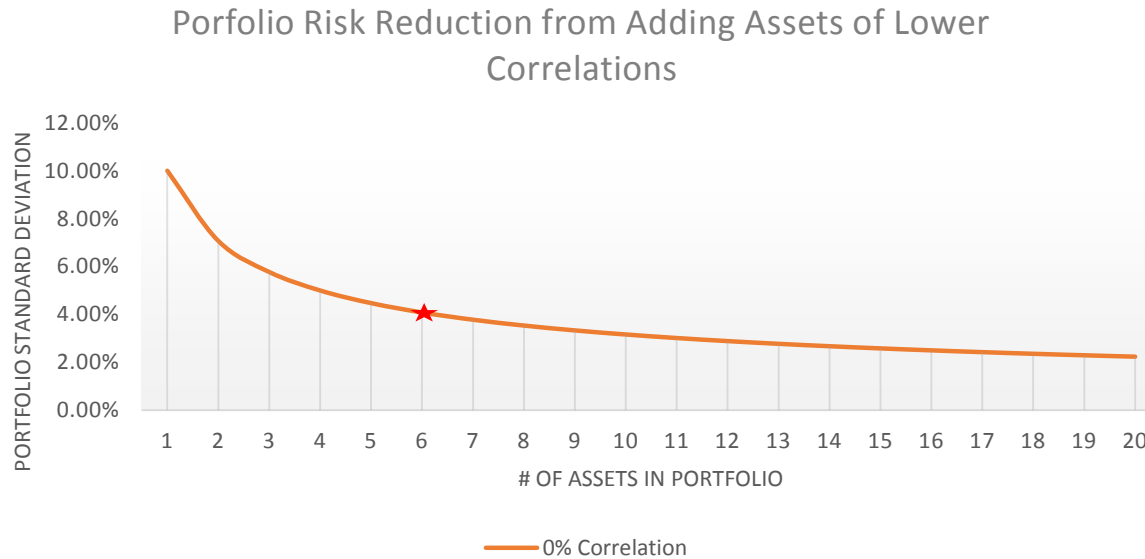
Asset Class Returns

Asset Class	Long Term Expected Return	Expected Risk
Cash	1.85%	0.1%
Bonds	3.10%	4.9%
Alternative Lending	6.50%	5.0%
US All Cap Stocks	7.50%	15.0%
US Small Cap Stocks	8.50%	18.0%
International Stocks	8.25%	17.0%
Emerging Markets Equity	11.00%	23.0%
All Asset Variance Risk Premium	8.50%	10.0%
Alternatives	8.25%	11.0%
Equity Variance Risk Premium	8.00%	12.0%
Reinsurance	8.70%	9.0%
Real Assets	8.00%	6.5%

Global Asset Classes-Risk & Expected Return



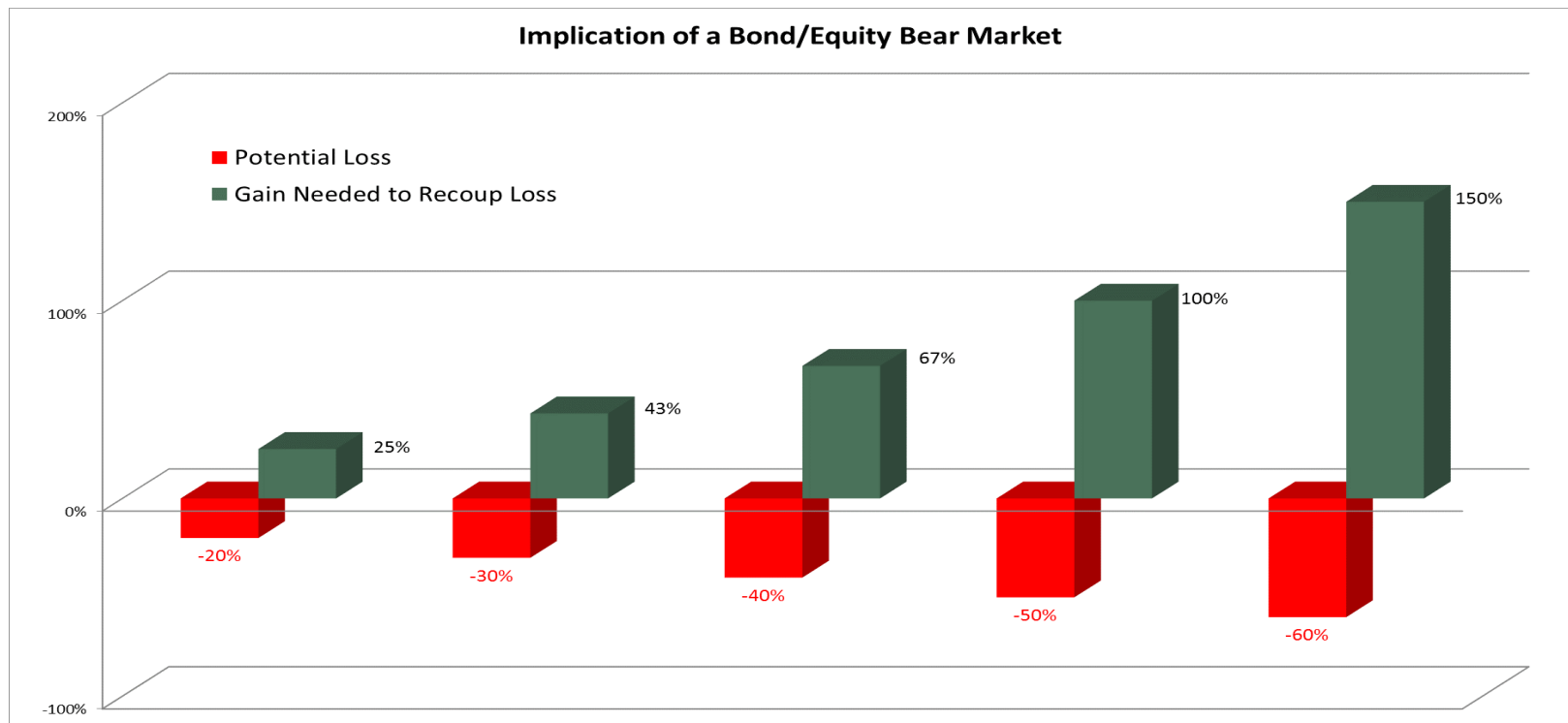
Understanding Correlation



- The only “free lunch” in the investment world is diversification. The combining of two or more assets with the same expected return, but a less than perfect (less than 1.0) correlation to each other will lower your portfolio risk (standard deviation) without lowering your expected returns. **The lower the correlation to each other, the stronger the portfolio risk-adjusted benefits.**
- Asset classes like private real estate, reinsurance, variance risk premium capture, alternative lending, infrastructure, agriculture and timber have very low correlations to more common asset classes like stocks and bonds.

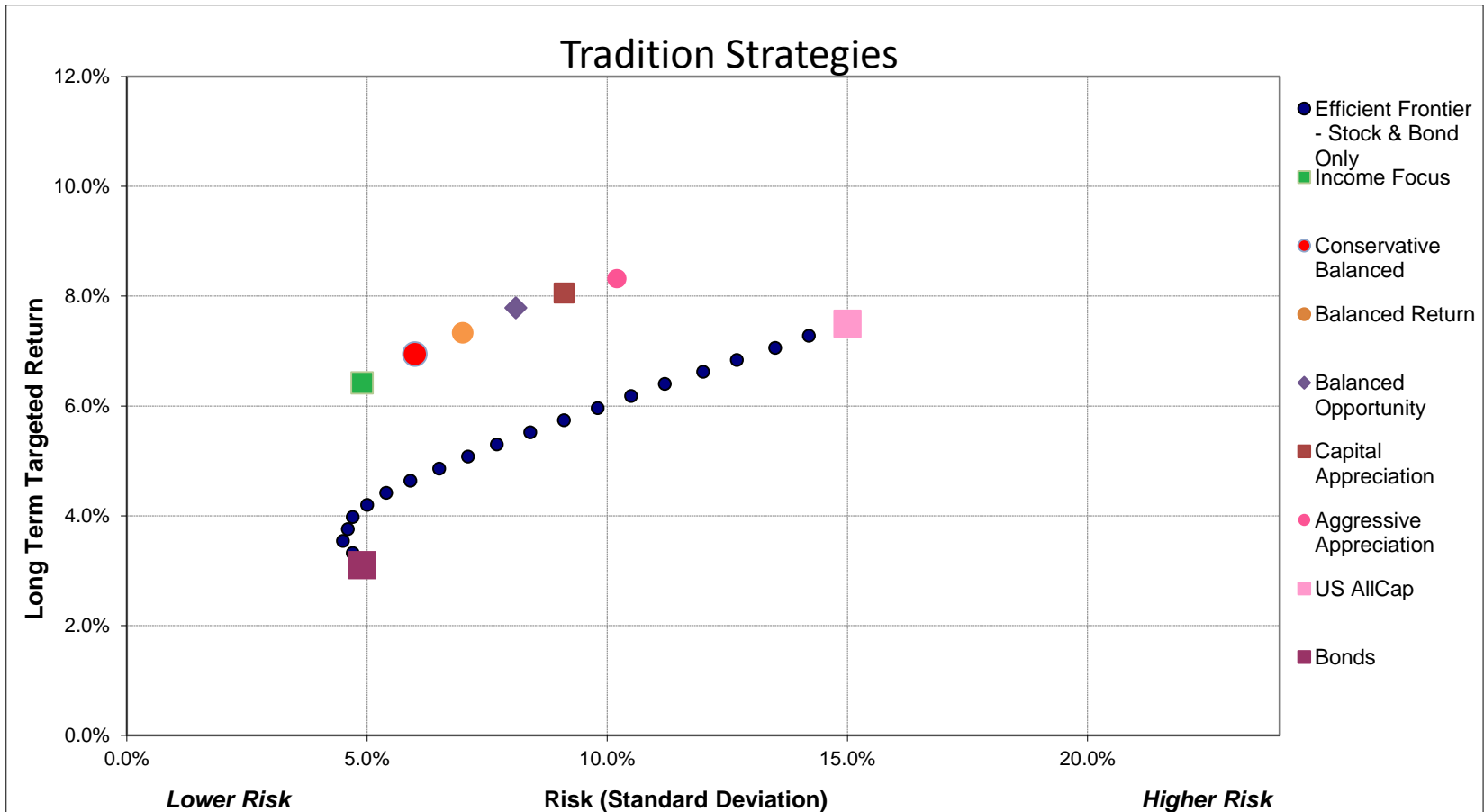
Implication of a Significant Bear Market

- Our focus is the preservation of your capital. The graph below shows why this is so important and illustrates the necessary gain (green bar) needed to recover from a possible investment loss (red bar) and get back to break-even.
- At every loss level the necessary recovery gain to get back to break-even is significantly larger on a percentage basis.



Tradition Strategies

The graph below shows how these diversified strategies compare to the original stock and bond only efficient frontier.



Tradition's Model Strategies

Higher expected returns or lower expected risk.

Model Strategies

Strategy	Long Term Targeted Return	Expected Risk
Income Focus	6.42%	4.9%
Conservative Balanced	6.94%	6.0%
Balanced Return	7.33%	7.0%
Balanced Opportunity	7.79%	8.1%
Capital Appreciation	8.06%	9.1%
Aggressive Appreciation	8.32%	10.2%

Comprehensive Advisory Fee

- 1% on the first \$5 million of assets.
- .80% on the balance.

Disclosures:

Tradition Capital Management, LLC (“Tradition”) is an SEC (Securities and Exchange Commission) Registered Investment Adviser (RIA).

Investing in stocks, bonds, and other assets which present various forms of risk to investors could result in losses and positive returns are not guaranteed. Diversification only reduces risk of capital loss but does not eliminate this risk. Measures of expected return and/or expected risk are not forecasts of returns or risks but are only statistical definitions for modeling purposes based upon financial and statistical analyses. Past performance is no indication of future results, and all investments or assets could lose value in the future due to a variety of financial factors. Due to volatility exhibited in various markets, including but not limited to stocks, bonds and other forms of investable assets these markets may not perform in a similar manner in the future. Among risks which can affect value, financial assets are also exposed to potential inflation and liquidity risks. Investors may experience different results in any chosen investment strategy or portfolio depending on the time and placement of capital into any assets associated thereto. The performance of a specific individual client account may vary substantially from the performance results reflected above. This Absolute Income strategy is constructed to diversify from an all-bond portfolio, directed toward investment among assets that may largely, though not necessarily completely, be non-bond alternatives. Clients are cautioned that they should carefully consider fully diversifying their total personal investment allocations to incorporate a variety of investment assets which also may include stocks, stock mutual funds and ETFs, international assets, bonds and fixed income instruments (where appropriate), and other non-stock/bond investments (e.g., without limitation, Real Estate and other assets).

Tradition claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. Tradition has been independently verified for the periods October 17, 2000 through December 31, 2015. 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 through December 31, 2015. Verification does not ensure the accuracy of any specific composite presentation. A copy of the verification reports are available upon request. Tradition’s investment management annual base fee schedule as detailed in Form ADV Part 2 is as follows: 1.0% on the first \$5MM, 0.8% over \$5MM. Actual investment advisory fees incurred by clients may vary. Copies of the ADV and Privacy policy are available upon request. In March 2009 and August 2015 respectively, Haven Capital Management LLC (“Haven”) and Candor Wealth Advisors LLC joined Tradition. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request by contacting Tradition through their website at www.traditioncm.com.