

**Logix Investment Management  
Verification and Performance Examination Report**

**December 31, 2015**





## Verification and Performance Examination Report

Logix Investment Management  
Gries Financial  
1801 E Ninth Street STE 1600  
Cleveland, OH 44114

We have verified whether Logix Investment Management (the Firm) (1) complied with all the composite construction requirements of the Global Investment Performance Standards (GIPS<sup>®</sup>) on a firm-wide basis for the periods from March 6, 2002 through December 31, 2015, and (2) designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of December 31, 2015. We have also examined the Firm's Composites listed in Exhibit 1 (together, the Examined Composites) for the respective periods listed in Exhibit 1. The Firm's management is responsible for compliance with the GIPS standards and the design of its policies and procedures and for the Examined Composites' compliant presentations. Our responsibility is to express an opinion based on our verification and performance examinations. We conducted this verification and performance examinations in accordance with the required verification and performance examination procedures of the GIPS standards. We also conducted such other procedures as we considered necessary in the circumstances.

In our opinion, the Firm has, in all material respects:

- Complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the periods from March 6, 2002 through December 31, 2015; and
- Designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of December 31, 2015.

Also, in our opinion, the Firm has, in all material respects:

- Constructed the Examined Composites and calculated the Examined Composites' performance for the respective periods listed in Exhibit 1 as "Periods examined by ACA" in compliance with the GIPS standards; and
- Prepared and presented the Examined Composites' accompanying compliant presentations for the respective periods listed in Exhibit 1 as "Periods examined by ACA" in compliance with the GIPS standards.

This report does not relate to or provide assurance on any composite compliant presentation of the Firm other than the Firm's Examined Composites listed in Exhibit 1.

*ACA Performance Services, LLC*

ACA Performance Services, LLC  
September 16, 2016

**Exhibit 1**  
**Examined Composites**

<b>Composite</b>	<b>Periods examined by ACA</b>	<b>Periods examined by prior verifier(s)</b>	<b>Periods not examined by ACA</b>
Tactical Dividend Strategy	3/6/02-12/31/15	n/a	n/a

# Logix Investment Management

## Tactical Dividend Strategy

Year	Supplemental Information Total Return Pure Gross of Fees %	Total Return Net of Fees %	S&P 500 Return %	Russell 1000 Value Return %	Number of Portfolios	Dispersion %	Total Composite Assets End of Period (\$US millions)	Total Firm Assets End of Period (\$US millions)**	Percentage of Firm Assets %	Percentage of Non-Fee Paying Assets %
2002*	6.32	4.98	-23.27	-20.30	30	N/A	15.76	15.81	99.68	
2003	26.75	25.07	28.56	30.03	57	1.52	34.38	35.00	98.23	
2004	7.11	5.89	10.92	16.49	91	2.17	76.33	80.95	94.29	
2005	0.66	-0.48	4.90	7.05	80	1.06	74.69	77.92	95.85	
2006	14.51	12.90	15.80	22.25	71	1.08	31.56	32.32	97.65	
2007	-1.64	-2.93	5.48	-0.17	71	1.48	29.27	29.27	100.00	
2008	-16.87	-17.91	-37.00	-36.85	41	2.29	11.53	11.53	100.00	
2009	26.70	25.29	26.46	19.69	31	1.46	15.02	15.18	99.01	
2010	16.06	15.08	15.06	15.51	34	.44	17.32	17.58	98.46	
2011	4.57	3.47	2.11	0.39	36	.32	20.52	20.95	98.42	
2012	11.40	10.46	16.00	17.51	39	.24	22.70	23.29	97.46	
2013	35.80	34.82	32.39	32.53	47	.27	33.12	34.20	96.84	2.65
2014	13.26	12.37	13.69	13.44	59	.50	37.97	54.63	69.50	2.22
2015	-.84	-1.46	1.38	-3.83	72	.19	52.81	100.76	52.41	2.73

\* For the period 3/06/02 – 12/31/02

\*\*Firm assets do not include assets managed to this strategy held in UMAs (Unified Managed Accounts) or Sub-Advisor to SMA's or TAMP's

Logix claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Logix has been independently verified for the periods 3/06/02 – 12/31/15.

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 GIPS standards. The Tactical Dividend Strategy composite has been examined for the periods 3/06/02 – 12/31/15. The verification and performance examination reports are available upon request. The benchmark returns are not covered by the report of independent verifiers.

**Firm Information:** Gries Financial LLC is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. Logix is a division of Gries Financial. The Firm is defined as the Logix division (Logix). Logix specializes in constructing portfolios with a focus on large cap value equity management. Portfolios include equity securities and as appropriate, cash or cash equivalents. Logix's standard fee schedule in US dollars is as follows: 1.0% on the first \$1 million, .75% on the next \$9 million, 0.5% on amounts over \$10 million. Fees may be subject to negotiation.

**Composite Characteristics:** The Tactical Dividend Strategy Composite was created in March 2002 and is one of two composites maintained by Logix; a complete list and description is available upon request. These accounts invest in large and mid-capitalization domestic equities according to a proprietary absolute and relative dividend yield-based methodology, with a benchmark of the S&P 500 and Russell 1000 Value.

### 3-Year Annualized Ex-Post Standard Deviation

3 years ending	Logix	S&P 500	Russell 1000 Value
2011	13.5	18.7	20.7
2012	11.9	15.1	15.5
2013	10.0	11.9	12.7
2014	8.3	9.0	9.2
2015	8.8	10.5	10.5

**Minimum Value Threshold:** Prior to 4/1/2009: There is no minimum size restriction for inclusion in the composite.

After 4/1/2009: We have a minimum value of \$100,000 for accounts to be included in their respective composites. Accounts crossing over the threshold are included in composites in line with our new account inclusion policy. Accounts are excluded from the composite if the account falls below 90% of the established minimum.

**Calculation Methodology:** Pure gross of fees returns are calculated gross of management, custodial fees and transaction costs and are shown as supplemental information. Wrap accounts represent 14.4% of the composite assets in 2015, 20.9% in 2014, 21.1% in 2013, 22.4% in 2012, 26.4% in 2011, 28.3% in 2010, 27.3% in 2009, 54.9% in 2008, 31.8% in 2007, 37.7% in 2006, 17.4% in 2005, 22.0% in 2004, 28.7% in 2003 and 12.4% in 2002. Net of fees returns are calculated net of actual management fees, transaction costs and gross of custodian (trust) fees. Net of fees returns for wrap accounts are calculated net of management fees, transaction costs and all administrative fees charged directly to the client by the broker-dealer.

The results portrayed are in US Dollars and reflect the reinvestment of dividends, interest, and other earnings. The dispersion measure is the asset-weighted standard deviation of accounts in the composite on a net of fees basis for the entire year. Prior to 2006, dispersion was based upon pure gross of fees returns. Dispersion is not shown for periods of less than one year.

**Other Disclosures:** Past performance does not guarantee future results. This performance report should not be construed as a recommendation to purchase or sell any particular securities held in composite accounts. Market conditions can vary widely over time and can result in a loss of portfolio value. Additional information regarding valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. The Tactical Dividend Strategy was acquired by Gries Financial in March 2009.