

Dahab Associates, Inc.
Request for Proposal – 2016

Small Cap Core

Franklin Regional Retirement System

Company Name	Tributary Capital Management, LLC
Investment Style	Small Cap Core
Product Name	Tributary Small Cap Equity Strategy
Principal Address	1620 Dodge Street, MS 1089 Omaha, NE 68197
Telephone Number	(877) 458-0021
Email Address	bfahrenkrog@tributarycapital.com
Individual Completing this RFP	Brittany Fahrenkrog
Position	Director of Sales & Client Services
Mailing Address (if different from above)	
Telephone Number (if different from above)	(402) 602-3401
Fax Number	(402) 938-5608
Date Completed	10/21/2016

Firm Name	Tributary Capital Management, LLC
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Summary

General Information:

Firm Name	Tributary Capital Management, LLC
Product Name	Tributary Small Cap Equity Strategy
City, State of firm's headquarters	Omaha, NE
Name of Parent Company, or "Independent"	First National of Nebraska, Inc.
Tax-Exempt Assets Under Management	\$686mm
Total Assets Under Management	\$1.32B
Year Founded	2005
Year Registered	2005
Contact Name	Brittany Fahrenkrog
Contact Number	(402) 602-3401
Contact Email	bfahrenkrog@tributarycapital.com

Which of the following types of products are available for this search? You may offer multiple product types if you choose. Indicate with an "X." There will be room to elaborate on the product offerings elsewhere in this document.

This selection should indicate that any minimum account sizes for the product are either met or waived for this search.

Separate Account	x
Commingled Funds	
Mutual Fund	x

Equity Product Information:

Please provide the following figures for a representative account, with the data as of **the end of 3rd Quarter 2016** only.

Do not submit the following data for any other quarter, even if footnoted as such.

It is acceptable to submit preliminary data, if necessary.

Only provide statistics for indicated time-periods.

Do not put “since inception” statistics in lieu of the requested time-period.

If statistics for a given time period are not available, leave the response area blank.

All statistics must be **based on quarterly** numbers, never monthly, even when the question isn’t explicit in that regard.

All statistics should be made with regard to the following benchmark:

Russell 2000

Do not submit statistical data compared to any other benchmark, even if your product is traditionally benchmarked against a different index, **even** if you choose to indicate it as such.

Product Name	Tributary Small Cap Equity Strategy
Style (Core, Growth, Value) Please answer as to your firm’s specific classification of this product.	Core
Typical Number of Securities Held	60-70
Portfolio Turnover, 12-month rolling (%)	28.7%
P/E of typical portfolio- Estimate	19.1x
P/E of typical portfolio- Trailing	23.5x
5-year information ratio	0.27
5-Year Tracking Error	4.24
5-year Upside Capture Ratio	92.95
5-year Downside Capture Ratio	58.91
5-year R-squared statistic	0.91
Strategy Inception	6/30/1996
Benchmark Used for Above and below statistics (Must be the required benchmark as indicated)	Russell 2000 Index
Benchmark for product	Russell 2000 Index
Total Assets In This Strategy	\$853mm
Soft/Hard Close Amount for the Strategy	\$1.25/\$1.50B

	3-Year	5-Year
Alpha	5.83	3.55
Batting Average (% of quarters beating benchmark)	0.64	0.47
Standard Deviation	13.38	14.01
Beta	0.88	0.91

Firm Affiliation

1. Is the firm independent? | No
2. Is the firm registered under the Investment Advisors Act of 1940? | Yes
3. Is the firm minority owned? If so, what percent? | No
4. Is the firm women owned? If so, what percent? | No
5. Is the firm a subsidiary of, or related in any way to:

A brokerage firm	Yes
Insurance company	Yes
A bank	Yes
Other	

6. What is the name of the parent company? | First National of Nebraska, Inc.
7. Please provide details of the ownership structure of the firm.

Tributary Capital Management, LLC is a wholly owned subsidiary of First National Bank of Omaha, which is a wholly owned subsidiary of First National of Nebraska, Inc. – the largest privately held financial services company in the United States.

8. If the firm is related in any fashion (financially or otherwise) to any other entity, explain.

No

General Background Information

1. Please indicate the types of accounts that your firm currently manages:

Domestic Equity	x	Socially Conscious	
Fixed Income		Hedge Fund of any type	
Balanced		Institutional Mutual Funds	x
International		Retail Mutual Funds	x
Global			

2. Please provide the location and function of each of the firm's offices.

Tributary Capital Management's office is located at 1620 Dodge Street in Omaha, Nebraska.

3. Please give a brief history of the firm.

Our firm is rich in history and heritage, with our parent company being controlled by the same family since the mid-1800s. Tributary Capital Management, LLC is a SEC registered Investment Advisor providing asset management services to individuals, institutions and investment companies. We are a boutique equity firm with a particular focus on small capitalization.

We are deep in talent and tenure, with an average across our entire firm of nearly 20 years of industry experience, including three holders of the Chartered Financial Analyst designation. This provides the consistent and steady base that allows us to remain firm in our beliefs during market cycles.

4. When was the firm founded?

Tributary Capital Management, LLC is the combined entity of the prior Tributary Capital Management, LLC, founded in 2005, and First Investment Group, which merged in May 2010. This event constituted a change in ownership only, as the investment strategies and personnel have remained the same for each of the prior firms. Both prior entities were subsidiaries of First National of Nebraska, Inc.

5. When was it registered as an investment advisor?

January 1, 2005

Tributary and the predecessor organization have been managing tax exempt assets since inception.

6. When did the firm begin to manage tax exempt accounts?

7. Describe the level of error and omission insurance coverage the firm carries.

Tributary Capital Management's E&O Insurance is carried under a combined Risk Policy with a \$50 million shared limit.

8. Are you now the subject of a SEC or other regulatory body sanction? If so, explain.

No

9. Has the firm ever been subject to a SEC or other regulatory body sanction? If so, explain.

No

10. Discuss, in detail, any litigation brought against the firm in the last five years.

N/A

11. Please provide details on the financial condition of the firm.

Tributary Capital Management is in good financial condition. In 2015, Tributary had over \$3.9 million in net income. Financial statements can be provided upon request.

12. Provide a breakdown of assets by type of Investment Strategy. (for example, Mid Cap Growth, Core Fixed Income, Emerging Markets, etc.) You may add additional rows to this table as needed.

Investment Strategy

of Accounts

\$ Value

Small Cap Equity	293	\$853mm
All Cap Equity	62	\$83mm
Large Cap Value	14	\$380mm

13. Please provide a breakdown of the FIRM'S accounts & assets in the following table:

	# of Accounts	\$ Value
Tax Exempt Assets:		
ERISA	4	\$41mm
Public	1	\$7mm
Taft-Hartley	4	\$56mm
Endowment	3	\$7mm
Foundation	34	\$125mm
Religious Order		
Other	124	\$87mm
Total Tax-Exempt	170	\$300mm
Taxable Assets:		
Personal Trusts	188	\$143mm
Commingled	10	\$486mm
Total Taxable	198	\$630mm
Mutual Funds:		
Equity	1	\$368mm
Fixed Income		
Money Market		
Total Mutual Funds	1	\$368mm
Overall Total	369	\$1.32B

14. Provide a breakdown of the PRODUCT'S accounts & assets in the following table:

	# of Accounts	\$ Value
Tax Exempt Assets:		
ERISA	2	\$9mm
Public	1	\$7mm
Taft-Hartley	3	\$30mm

Endowment	2	\$5mm
Foundation	28	\$94mm
Religious Order		
Other	104	\$46mm
Total Tax-Exempt	141	\$559mm
Taxable Assets:		
Personal Trusts	145	\$78mm
Commingled	7	\$216mm
Total Taxable	152	\$294mm
Mutual Funds:		
Equity	1	\$368mm
Fixed Income		
Money Market		
Total Mutual Funds	1	\$368mm
Overall Total	293	\$853mm

15. What are your firm's plans for growth of these assets?

As a boutique equity firm, our growth is focused around the Small Cap Strategy. Tributary plans to grow the strategy through external marketing efforts and through growth of the existing clients, including the Tributary Small Company Fund.

16. Are there plans for limiting growth in any of the above areas?

There are currently no plans for limiting growth in any specific area, beyond our total AUM limit of \$1.25 - \$1.5 Billion.

17. How does your firm plan to staff the growth of the firm described above?

We recently hired an additional analyst to serve as a generalist to assist all analysts with research. We are also currently looking to hire a Portfolio Specialist/Client Portfolio Manager who sits on the research team but does not have specific research accountabilities, rather is an expert on the product to assist with marketing and client service.

Other than those changes, our current staff can handle the projected growth of the firm in the near and intermediate term future. We manage our accounts very closely to each other, creating little dispersion and allowing the portfolio managers to manage numerous accounts within the same strategy. We have added to staff on the operations team to ensure we are prepared for the additional operational duties that come with growth.

18. Give five (5) references for your services.

Clarkson Regional Health Services

John Wright, Consultant

(402) 399-6326

john.p.wright@mssb.com

Pitcairn

Ronald J. Smolenski, Jr
 (215) 881-6001
r.smolenski@pitcairn.com

Investment Portfolio Consultants
 Cheryl Underwood
 (517) 974-5420
cheryl.underwood@ipcanswers.com

361 Capital (Former Client)
 JB Blue
 (303)224-3900
jblue@361capital.com

Merchants Bonding (Insurance Client – Firm Client)
 Don Blum
 (515) 243-8171

19. State the average size of the firm's 5 largest tax-exempt funds. | \$97mm

20. Indicate the number & assets of tax-exempt accounts the *FIRM* gained & lost in each category:

Gained	2011		2012		2013		2014		2015	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public							1	6mm		
ERISA										
Taft-Hartley			1	4mm	1	26mm				
Endowment	1	5mm					2	2mm	1	4mm
Foundation	3	11mm	2	9mm	1	2mm	13	32mm	16	18mm
Religious Order										
Other	3	5mm			1	1mm	12	11mm	54	15mm
Total	7	20mm	3	13mm	3	29mm	28	51mm	71	37mm

Lost	2011		2012		2013		2014		2015	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public	2	64mm								
ERISA	4	101m m					4	30mm		
Taft-Hartley	4	70mm								
Endowment	10	138m m			2	1mm				
Foundation	17	75mm			2	11mm	5	14mm	6	5mm
Religious Order										

Other	6	201m m	2	4mm	2	180m m	9	21mm	8	2mm
Total	43	649m m	2	4mm	6	192m m	18	65mm	14	6mm

21. Please discuss any unusually large number of accounts or assets lost.

In 2014, the large loss of assets was due to the Tributary Growth team moving under the management structure of the parent company. These accounts were not lost, rather just moved back directly under the parent company.

In July of 2013, the Tributary Core Equity Fund was closed, resulting in approximately \$178 million in assets lost.

22. Indicate the number & assets of tax-exempt accounts the PRODUCT gained & lost:

Gained	2011		2012		2013		2014		2015	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public							1	6mm		
ERISA										
Taft-Hartley			1	4mm	1	26mm				
Endowment							1	1mm	1	4mm
Foundation	1	1mm	1	5mm			12	20mm	15	17mm
Religious Order										
Other	1	4mm					12	11mm	51	15mm
Total	2	4mm	2	9mm	1	26mm	26	38mm	67	36mm

Lost	2011		2012		2013		2014		2015	
	#	\$	#	\$	#	\$	#	\$	#	\$
Public										
ERISA							1	2mm		
Taft-Hartley										
Endowment	1	1mm			1	1mm				
Foundation	1	1mm							6	5mm
Religious Order										
Other			1	4mm			1	100k	6	1mm
Total	2	2mm	1	4mm	1	1mm	2	2mm	12	6mm

23. For the PRODUCT, please discuss any unusually large # of accounts or assets lost.

N/A

In the following table, list the 5 clients (or all clients, if fewer than 5 in the strategy) with the most invested in the product (including clients that aren't included in the composite), and the requested details.

If the client is public (or you may disclose its name) please do. Otherwise state the type of client (e.g. Taft-Hartley, Foundation, Sub-Advisory, Mutual Fund, etc.).

For Vehicle, potential choices would include (but aren't limited to) Separate Account, Commingled Fund, CIT, Mutual Fund, etc.

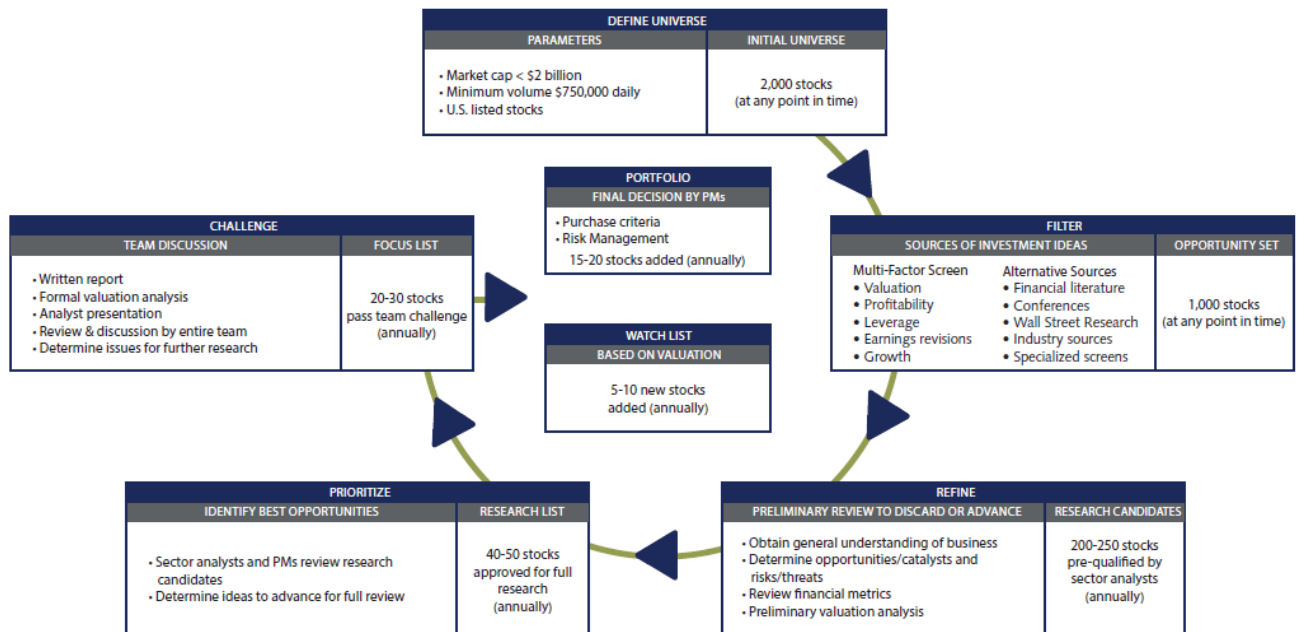
	Client Name or Type	\$ Invested	State (or Nation)	Investment Year	Vehicle	Included In Composite?
1	Tributary Small Company Fund	\$368mm	All 50 States	1996	Mutual Fund	Yes
2	SMA Wrap Platform 1	\$98mm	All 50 States	2009	Wrap Acct	No
3	SMA Wrap Platform 2	\$94mm	All 50 States	2012	Wrap Acct	No
4	SMA Wrap Platform 3	\$61mm	All 50 States	2013	Wrap Acct	No
5	SMA Wrap Platform 4	\$45mm	All 50 States	2011	Wrap Acct	No

Investment Philosophy Implementation

- Describe the structure of the product's investment team, including how many members the team has and the responsibilities of each member. Include an organizational chart which details the flow of information used in the decision making process.

The equity investment team consists of seven individuals that make up the team responsible for managing the Tributary Small Cap Strategy. Mark Wynegar and Mike Johnson, Co-Portfolio Managers, are the two individuals ultimately responsible for any decisions made regarding the portfolio.

- Mark Wynegar is President of the Firm and portfolio manager on the Small Cap Strategy.
- Mike Johnson is a Co-portfolio Manager for the Small Cap Strategy and also has Technology and Telecommunication sector analytical responsibility.
- Chris Sullivan is a Senior Analyst responsible for the Materials and Healthcare sectors.
- Don Radtke is a Portfolio Manager on the Large Cap Value Strategy and has analytical coverage responsibilities for the Energy and Industrials sectors.
- Chad Mollman is an Analyst responsible for covering the Consumer Staples and Consumer Discretionary sectors.
- Nick Nevole is an Analyst covering the Financials and Utilities sectors.
- Ted Kirkpatrick is an Analyst with generalist sector responsibilities.



- How long have the key members of the team worked with this product? Have there been additions or departures in the last 3 years for the team managing the proposed product? Please explain.

Mark Wynegar: 17 years

Mike Johnson: 11 years

There have been no changes to the Portfolio Management team in the last three years.

- What is the # of accounts and account volume (in \$) that is handled by this team?

369 accounts, totaling \$1.32B

4. Do the same groups manage equity, fixed income, & balanced portfolios at the firm?

As a boutique equity firm the team manages our multiple equity strategies.

5. Does the firm employ a central trading desk?

Yes

6. If yes, describe the trading operation & the traders' qualifications.

The trade process starts with the portfolio manager instructing the trader of the percentage change of a specific asset within the strategy. The order is built in Moxy, Tributary's order management system, determining the number of shares to be traded for each account in order to obtain the target allocation of the security. The accounts are blocked and the shares are traded as one order. The order is electronically routed from Moxy to Tributary's Bloomberg terminal. At the terminal, the order can be routed to one of our brokers for execution. The ability to provide best execution and liquidity are the driving factors in selection of the broker. Once executed, the trade details are electronically communicated back to our Moxy environment where the order is allocated based on the pre-determined number of shares for each account. In the event the order is partially filled, shares are allocated on a pro-rata basis. The trader then notifies the client's custodian of the trade; the method of notification depends on the type of file the custodian prefers or will accept. The allocation is also communicated to the broker via e-mail.

Scott Gray serves as the Lead Trader and Operations Analyst. He is responsible for executing trades for each strategy and also for monitoring the daily activity and operational systems for Tributary Capital Management. Prior to joining Tributary Capital Management in 2011, Scott worked with our parent company as a member of the securities settlement team. He received his Bachelor of Science degree in Business Management from Northwest Missouri State. The back-up trader is Scott Pfeiler, the Director of Operations.

7. Does the firm have an investment committee?

No

8. If yes, describe how it operates & the background/experience of the members.

N/A

9. If applicable, how often does the investment committee meet?

N/A

Equity Investment Philosophy

1. Please indicate which categories most correctly identify the equity investment style of the product:

Large Cap		Core	x
Mid Cap		Bottom-Up	x
Small Cap	x	Top-Down	
Micro Cap		Momentum	
All Cap		Sector Rotator	
Value		Market Neutral	
Relative Value		Low P/E	
Deep Value		Quantitative	
Growth		Fundamental	x
GARP		Index Funds	

2. In one or two brief sentences, please state the product's investment philosophy.

We believe in order to achieve our stated objective of long-term, above-average performance with below-average risk; we must pursue quality companies that will enhance shareholder value over time. Occasionally, the randomness of the markets will create opportunities where these quality businesses have been mispriced, and it is our mission to seize those opportunities on behalf of our clients.

3. Describe the equity investment philosophy including how buy and sell decisions are made.

Our strategy attempts to identify common stocks that have been mispriced by the market and purchase, or sell, those investments to take advantage of eventual re-pricing. By owning quality companies in such situations, the strategy attempts to generate above-average returns with below-average risk. The goal of the strategy is to ensure downside protection through strong financial position and valuation analysis while identifying upside catalysts with management interviews, company visits, and competitive position/industry analysis.

We are 100% bottom-up. We focus on identifying good businesses trading at reasonable prices. In our research effort, we consider macro-level issues to determine their impact on businesses we are interested in owning. Macro-level thinking does not drive our investment decision-making.

The firm uses a team-based model in the security selection process. Our process follows 5 steps:

Initial Universe: Our initial universe of approximately 2,000 small cap companies is based on market cap restrictions and trading volume. For purchase, we only consider companies under \$2.0 billion in market capitalization. We consider the small cap universe to be companies with a minimum \$750,000 of daily trading volume over the last 30 days.

Filter: We use both quantitative and non-quantitative sources for finding ideas in our initial universe. The quantitative screen ranks the initial universe within economic sectors on valuation, profitability, leverage, earnings revisions and growth. Our non-quantitative sources of ideas are generated through our readings, attendance at conferences, and discussions with sell-side contacts and company management teams.

Refine: We conduct cursory research on ideas from the filter stage in order to discard or advance an idea. We will analyze the business model, strengths and opportunities, weaknesses and threats, financial metrics and the valuation opportunity. At the end of this process, an analyst will have ideas that they are interested in delving into further.

Prioritize: Before an analyst begins a deep-dive, fundamental review of a business, the Portfolio Managers and Analyst will review the research list and further refine it. The analyst presents a summary review of the

fundamentals, financials, valuation and margin of safety associated with the company. At the end of this discussion, the analyst will have a prioritized list of ideas to research.

Team Challenge: Before a new company is purchased in the strategy, the idea is subjected to a team challenge. Each new idea is researched, formally written up and distributed to the equity team. The equity team then meets to discuss the idea and determines issues for further research. When all the questions from the team have been answered, a decision can be made as to whether or not the company will be included in the portfolio.

The Portfolio Managers, Mark Wynegar and Mike Johnson, have the final decision on portfolio construction. Portfolio Managers must be unanimous in purchases, sells, trims and adds to the portfolio.

4. When was the investment philosophy established?

The investment philosophy was established in 1999, when Mark Wynegar took over management of the product.

5. Has this philosophy been implemented for the last five years? If not, are the creators of the previous philosophy still with the firm?

Yes.

6. What is considered to be the competitive advantage of the philosophy?

The ability of our team to drive significant long-term alpha out of our portfolio of companies coupled with significantly less risk than our competition is our competitive advantage.

We have a consistent and disciplined focus on the skill set we have the most confidence in – stock selection. Combined with our patience and ability to stick to our philosophy and process throughout market cycles, it drives our advantage.

7. What changes have been made to the investment process in the past 5 years?

None

8. In what market environments is the strategy expected to outperform/underperform?

Due to the diversity of the types of companies we own, we expect our strategy to perform well in normal economic and market environments, where markets are steadily increasing.

With our emphasis on quality businesses, valuation, and margin of safety, we expect our portfolio to perform exceptionally well in periods of economic and market turmoil. Our portfolio tends to be better-than-average at preserving value in turbulent and declining markets.

Our portfolio has a more difficult time generating superior returns when investors' appetite for risk is increasing rapidly, when markets become irrationally optimistic & investors wildly exuberant, and when price momentum becomes a driving force for returns.

9. Please explain any significant quarterly underperformance over the past five years.

2012 and the first three quarters of 2013 had a series of underperforming quarters which when looked at together could be seen as significant underperformance. We have spent significant time analyzing that time period and our analysis identified a few key drivers which impacted our performance. Throughout that time, the market exhibited a preference for lower-quality business which was shown as high debt to capital businesses and companies with the lowest Return on Equity and highest Price to Earnings ratios have dramatically outperformed. Our strategy focuses on high-quality businesses; therefore a preference for lower-quality will negatively affect our performance. Secondly, a significant percentage of our underperformance was in financials as REITs performed well in 2012, while we held a smaller position in REITs because we deemed them to be expensive. We saw this trend begin to change in 2013 and turn into a benefit for our Strategy. Also, our process of looking for high quality companies with strong cash flows makes it difficult to find bio-tech stocks that fit. Bio-tech stocks dramatically outperformed during this time period as well. The most recent two quarters have seen the market begin to return to an environment that is driven by fundamentals our portfolio has outperformed the index.

The first two quarters of 2015, the Strategy was up 2.4% versus the Russell 2000 up 4.8%. This underperformance was largely due to macro trends that were working against our portfolio. Non-earners and Negative EBIT stocks outperformed, as did growth companies, which hurt our portfolio which is focused on high quality companies with solid cash flow and earnings. This trend has reversed in the 3rd quarter of 2015 and continues into the 4th quarter and as a result we have outperformed the majority of our peers.

10. Indicate the % of equity market capitalization as of the most recent quarter-end, as well as a range over the last three years.

	Current	3 year range
Micro Cap (<\$100mm)	0%	0%
Small Cap (\$100mm - \$2b)	46%	54-68%
Mid Cap (\$2b - \$15b)	54%	32-46%
Large Cap (>\$15b)	0%	0%

11. Indicate the median and average market capitalizations for the most recent quarter-end.

	(Product)	(Benchmark)
Median Market Cap	\$2.04B	\$735mm
Average Market Cap	\$2.19B	\$1.85B

12. Please share some of the risk constraints that are used by the firm (e.g., maximum sector weightings, maximum % for an individual holding, tracking error, etc.)

For purchase, we only consider companies under \$2.0 billion in market capitalization. We also require that small cap companies meet a minimum threshold of \$750,000 daily trading volume over the last 30 days.

There are no sectors or specific securities that we will not invest in, however we do not invest in derivative instruments. The strategy is allowed to invest in ADR's, REIT's, MLP's and ETF's; however, these types of securities are of minimal exposure in respect to the total portfolio.

Sector weighting restrictions are as follows: for any sector with a weighting of 10% or greater in the Russell 2000, our portfolio will be within 75% to 125% of the sector weighting (e.g., if the Financial sector is 20% in the Russell 2000, our financial sector portfolio weighting will be between 15% and 25%). Our goal is to generate alpha based on stock selection, not asset allocation.

We set a maximum of 5% in any one position in the portfolio.

13. Are your managers given an approved stock list?

No

14. If so, how many securities are typically on that list?

N/A

15. Are there provisions so that securities that are not on the approved list may be purchased?

N/A

16. Does the product invest in ADRs? If so, what are the current and maximum exposures?

Yes, Current: 1.24%; Maximum Exposure: 10%

17. Does the product invest in foreign ordinary shares?

No

18. Describe, in detail, the use of cash in the equity process.

We run a fully invested portfolio. Cash is a byproduct of the investment process and is kept as low as possible, generally under 5%.

19. What range of cash is typical?

<5%

20. For the most recent period available please indicate the Product's top ten holdings:

	<u>Name</u>	<u>Industry</u>	<u>%</u>
(1)	Selective Insurance Group, Inc.	Financials	2.44
(2)	CLARCOR Inc.	Industrials	2.19
(3)	Integra LifeSciences Holdings Corp.	Healthcare	2.18
(4)	Old National Bancorp	Financials	2.13
(5)	Littlefuse, Inc.	Information Technology	2.06
(6)	MB Financial, Inc.	Financials	2.06
(7)	Granite Construction, Inc.	Industrials	2.05
(8)	Navigant Consulting, Inc.	Industrials	2.05
(9)	Multi-Color Corp.	Industrials	2.01
(10)	Dorman Products, Inc.	Consumer Discretionary	2.01

% Total	21.18
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Research

1. What percentage of research is generated internally? 70%
2. What percentage of research is obtained from outside sources? 30%
3. Please describe how the research operation within your firm works.

Each potential purchase candidate for the strategy is researched and a formal report is written. While each company we consider will have unique, specific opportunities and/or risks, an analyst's thought process will revolve around understanding several aspects of the business:

- Business visibility: Can we understand the company's business model (the drivers of revenue and expenses)? Does the company have a competitive advantage or moat (e.g., unique product/technology, distribution network not easily replicated, specialized access to resources, low cost provider) and how sustainable is it?
- Growth prospects (e.g., grow current market share, new products or services, margin enhancements, acquisitions)
- Financial flexibility: how sound are the financial statements (understand accounting policies and/or off balance sheet items, reasonable capital structure, debt/cap and/or interest coverage, self-financing) and can they survive lean times?
- Trustworthy management: Can we entrust the management team with our investment? (e.g., past successful track record, history of generating returns on capital)

Sources of research include: SEC filings, information from company websites, company management interviews, sell-side analyst research and interviews and FactSet. As a bottom-up, fundamental manager, we are primarily focused on individual company fundamentals and outlook. Approximately 70% of the research is generated in-house.

During the investment research process, all new purchase candidates For the portfolio are presented to the investment team for a discussion of the merits and potential pitfalls of the idea. Each member of the investment team is encouraged to participate in the discussion in order to arrive at the best possible decision. After all opinions are heard and questions answered, a decision can then be made. Decisions made in the portfolio are not done in a one-man-one-vote process. Mark Wynegar and Mike Johnson are the two individuals ultimately responsible for any decisions made regarding the portfolio.

4. Please describe how your firm obtains and pays for outside research reports.
Tributary obtains and pays for outside research reports through commission trading dollars and hard dollars.
5. Please name the three primary sources of data and/or analyses upon which your firm relies.
 - (1) FactSet
 - (2) FirstCall
 - (3) Bloomberg

6. Who coordinates the firm's research effort & what are their qualifications for that position.

Mark Wynegar coordinates the firm's value team research efforts. Mark serves as President of Tributary Capital Management and is a Portfolio Manager for the Small Cap Equity Strategy. Mark has over 18 years of industry experience and joined Tributary Capital Management's predecessor, First Investment Group in May 1999. Prior to joining Tributary Capital Management, he worked five years at Westchester Capital Management as a Senior Securities Analyst and two years at Union Pacific

Railroad as a Financial Analyst both in Omaha, Nebraska. Mark received his Bachelors in Business Administration from the University of Nebraska at Lincoln in 1993 and earned his Chartered Financial Analyst (CFA) designation in 1997. He is a member of the CFA Society and the CFA Institute and served on the Board of the CFA Society of Nebraska from 2002 to 2009, holding the Presidency during 2007/2008.

Personnel

1. In the table below, indicate the appropriate number of employees employed in each category.

	2012	2013	2014	2015
Equity portfolio managers	5	5	5	3
Bond portfolio managers	0	0	0	0
Balanced fund managers	0	0	0	0
Equity research analysts	4	3	3	3
Bond research analysts	0	0	0	0
Economists	0	0	0	0
Management and Administrative (Compliance, Operations)	3	3	3	3
Computer professionals	0	0	0	0
Clerical	0	0	0	0
Other (Marketing, Client Service, Trading)	4	4	4	3
Total	16	15	15	12

2. Please provide biographical information on all key members of the proposed product's asset mgmt team, including years of experience with this asset class & years with the firm.

Mark A. Wynegar, CFA

President, Portfolio Manager

Years with Firm: 17

Years of Experience with Asset Class: 22

Mark serves as President of Tributary Capital Management and is a Portfolio Manager for the Small Cap Strategy. Mark has over 20 years of industry experience and joined Tributary Capital Management's predecessor, First Investment Group in May 1999. Prior to joining Tributary Capital Management, he worked five years at Westchester Capital Management as a Senior Securities Analyst and two years at Union Pacific Railroad as a Financial Analyst both in Omaha, Nebraska. Mark received his Bachelors in Business Administration from the University of Nebraska at Lincoln in 1993 and earned his Chartered Financial Analyst (CFA) designation in 1997. He is a member of the CFA Society and the CFA Institute and served on the Board of the CFA Society of Nebraska from 2002 to 2009, holding the Presidency during 2007/2008.

Michael L. Johnson, CFA

Portfolio Manager

Years with Firm: 11

Years of Experience with Asset Class: 21

Mike serves as a Portfolio Manager for the Small Cap strategy and is responsible for researching the technology and telecommunication sectors. Mike has over 23 years of industry experience and joined Tributary Capital Management's predecessor, First Investment Group in March 2005. Prior to joining Tributary Capital Management, he worked 11 years at Principal Global Investors in Des Moines, Iowa as an Equity Analyst and Portfolio Manager. Mike received his Bachelors in Business Administration from the University of Nebraska at Lincoln in 1992 and Masters of Business Administration from Drake University in 1995. Mike earned his Chartered Financial Analyst (CFA) designation in 1997 and is a member of the CFA

Society of Nebraska and the CFA Institute.

Don Radtke

Senior Analyst/Portfolio Manager (Large cap)

Years with Firm: 9

Years of Experience with Asset Class: 11

Don serves as portfolio manager for the Large Cap Value strategy and is responsible for covering the energy and industrial sectors for the Team. Don brings nearly 25 years of financial industry experience and joined Tributary Capital Management's predecessor, First Investment Group in September 2007. Prior to joining Tributary Capital Management, Don spent over seven years as an Equity and Fixed Income Analyst and fund Co-Manager for WB Capital Management in Des Moines, Iowa and was an Analyst at Bank of America Capital Management in St. Louis, Missouri, and Piper Jaffray and Craig-Hallum in Minneapolis, Minnesota. He received his Bachelor of Arts degree in Economics from the University of Wisconsin-Milwaukee in 1989 and Masters of Business Administration from the University of Minnesota in 1998. Don is a member of the CFA Society of Nebraska and the CFA Institute.

Chris Sullivan

Senior Analyst

Years with Firm: 12

Years of Experience with Asset Class: 17

Chris serves as an Analyst for Tributary Capital Management and is responsible for researching the materials and healthcare sectors. Chris has over 22 years of industry experience and joined Tributary Capital Management's predecessor, First Investment Group in December 2003. Prior to joining Tributary Capital Management, he worked for Wells Fargo as an Equity Analyst and Portfolio Manager in Lincoln, Nebraska. Chris received his Bachelor of Science degree in Business Administration with an emphasis in Actuarial Science from the University of Nebraska at Lincoln in 1993. Chris is a member of the CFA Society of Nebraska and the CFA Institute.

Chad Mollman

Senior Analyst

Years with Firm: 1

Years of Experience with Asset Class: 5

Chad joined Tributary Capital Management in August 2015 and is responsible for covering the consumer discretionary and consumer staples sectors for the Team. Prior to joining the firm, Chad was an Equity Analyst with Morningstar in Chicago covering the consumer leisure space for four years. Prior to Morningstar he worked twelve years in the Private Equity industry. Chad received his Bachelor of Business Administration degree in Finance from the University of Iowa and his Masters of Business Administration from Columbia Business School with an Emphasis on Value Investing.

Nick Nevole, CFA

Analyst

Years with Firm: 5

Years of Experience with Asset Class: 5

Nick is responsible for covering the financials and utilities sectors. Nick joined Tributary's predecessor in May of 2007 as an Equity Analyst Intern, and then was a Senior Commercial Credit Analyst with Tributary's parent company's Commercial Lending group before re-joining Tributary Capital Management in 2011. He obtained his Bachelor of Science degree in Finance from the University of Nebraska at Omaha in 2009 and earned his Chartered Financial Analyst (CFA) designation in 2013. He is a member of the CFA Society of

Nebraska and the CFA Institute.

Ted Kirkpatrick

Analyst

Years with Firm: <1

Years of Experience with Asset Class: <1

Ted joined Tributary Capital Management in July of 2016 and serves as a generalist for the Equity Team. Ted previously served as an Equity Analyst Intern for the team in 2015. He obtained his Bachelor of Science degree in Business Administration with concentrations in Finance and Accounting from the University of Nebraska at Omaha. Ted recently passed Level II of the CFA exam and is a member of the CFA Society of Nebraska and the CFA Institute.

3. In the last 3 years, how many professional employees have left the firm for any reason?

Three employees have left the firm within the last three years.

4. What qualifications are typical of the PMs, include yrs w/ firm, \$ under mgmt & # of accounts.

Our firm typically promotes individuals to Portfolio Manager after at least five years with the firm and over ten years of industry experience. Mark Wynegar and Mike Johnson are Co-Portfolio Managers on the Small Cap Strategy. Mark has 17 years of experience with the firm and over 21 years in the industry. Mike has over 11 years of experience with the firm and 24 years in the industry. They collectively manage 369 accounts valuing approximately \$1.32B.

5. Please describe the method of compensation employed for portfolio managers.

Each investment professional in Tributary Capital Management receives a competitive base salary that is dependent on the individual's experience level and benchmarked by a nationally recognized industry compensation consultant. In addition to base salary, Portfolio Managers and Analysts participate in an investment performance-based bonus program that measures their performance over 1, 3 and 5 year time periods measured on a rolling quarterly basis versus peers. If the above incentives are earned, there is an additional payout if the level of risk in the strategy is lower than its peers, measured by standard deviation.

In addition, to facilitate an ownership mentality and long-term thinking, Tributary offers a revenue sharing plan to all of its investment professionals. The revenue sharing program is not capped.

6. Please describe the method of compensation employed for research analysts.

Analysts and Portfolio Managers have similar compensation structures.

Client Service

1. Who would be the individual providing service for this client? Please provide a brief bio and description of responsibilities for this individual.

Brittany Fahrenkrog, Director of Sales & Client Service, would be the primary contact for this relationship. Scott Pfeiler, Director of Operations, would be the primary contact for operational aspects of the account.

Brittany is the Director of Client Services and serves as the central point of contact for our clients. Brittany coordinates the on-boarding of new clients and strives to provide a high level of service to all Tributary clients. She also serves as the key liaison for the Tributary Funds, the proprietary fund complex of Tributary Capital Management. She manages special projects within Tributary Capital Management including new product development and strategic planning. Brittany joined Tributary Capital Management's predecessor, First Investment Group in 2002 as a Marketing Specialist. Prior to that, she spent two years at Union Pacific Railroad and one year with Morgan Stanley in Omaha, Nebraska. Brittany received her Bachelors in Business Administration with a major in Finance from the University of Nebraska at Lincoln and Masters in Business Administration from the University of Nebraska at Omaha.

Scott Pfeiler is the Director of Operations and is responsible for managing Tributary Capital Management's performance measurement and operational and trading systems. Scott joined Tributary in January of 2015. Prior to joining the firm Scott worked for 7 years at DST Systems in Kansas City, Missouri as a Senior Operations Solutions Specialist. Prior to that Scott was a Corporate Risk Analyst at TD Ameritrade in Omaha. Scott earned his Bachelors in Business Administration with a major in Finance from the University of Missouri at Kansas City.

2. What information about investments made in the submitted product is available to institutional clients in this strategy? How regular/up-to-date is this information, and how detailed?

A detailed performance report with holdings and performance is generated quarterly and the information shown can be customized based on client's requests. Portfolio Holdings can be shared with Institutional Clients as needed, at least quarterly.

3. Does your firm offer an online portal for accessing information about this product?

No, we do not offer an online portal but we do provide information on our products to several external consultant databases.

4. How often does your firm create attribution reports for the portfolio (either on a perfunctory basis, or as solicited by clients).

Tributary creates attribution reports for external distribution on a quarterly basis. It is monitored by the Portfolio Managers on a more frequent basis, however. If a client would like information more regularly, we can accommodate.

5. Would your firm have a representative accept invitations to present to the board on a regular basis (roughly once per year, though possibly more or less often?) Would your firm be willing to have a portfolio manager present to the board as part of those presentations?

Our firm will have a representative available to present at board meetings as requested by the client. Portfolio Manager attendance can be arranged telephonically for all board meetings and in-person based on the relationship.

Performance

1. Is your firm in compliance with GIPS?
2. If yes to the above, has your GIPS compliance been audited?
3. If yes to the above, who performed the audit?

Yes
Yes
Alpha Performance Verifications Services

Performance – as of 3Q16

Investment Style	Small Cap Core
Product Name Used For Performance	Tributary Small Cap Equity Strategy
Inception Date	6/30/1996
Account Type	Separate Account
Benchmark Used	Russell 2000 Index
Portfolio Manager/Team Leader	Mark Wynegar and Mike Johnson
Years Managing this Product	Wynegar – 17; Johnson – 9

Only include **RETURNS FOR COMPLETE YEARS'** performance in the table below.

Do NOT place returns for partial years in the table below, even if noted as incomplete.

Partial years and their performance may **only** go in the indicated box above.

Only complete years may be included in the returns below. List incomplete years, if any, this product has had in the box to the right.	
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Commingled Funds and Separate Accounts **must** provide Gross of Fees Returns
Mutual Funds **should** submit Gross of Fees numbers if you have access to those numbers,
and must provide Net of Fees numbers at a minimum.

Never delete any of the below columns for any reason, even if you are leaving it blank.
These returns are **in addition** to the requirement to submit a complete quarterly returns since inception document, as described in the instructions section at the beginning of this RFP.

Are you providing Net of Fees instead of Gross of Fees returns below? Indicate with an "X" to the right only if yes. Otherwise, leave blank. (Only Mutual Fund submissions may do this)	
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Period	Return Gross of Fees	Return Net of Fees	Preferred Benchmark Return	# of Accounts for Product	Assets (\$) in Composite
2006	18.08	17.22	18.35	14	\$92mm
2007	1.94	1.23	-1.55	14	\$83mm
2008	-24.00	-24.38	-33.79	10	\$57mm
2009	31.49	30.45	27.17	12	\$90mm
2010	30.29	29.17	26.85	11	\$167mm
2011	1.63	0.81	-4.18	13	\$163mm
2012	10.95	9.92	16.35	12	\$185mm
2013	35.07	33.81	38.82	16	\$274mm
2014	8.46	7.40	4.89	16	\$354mm
2015	0.66	-0.19	-4.41	27	\$343mm
1 st Quarter 2016	3.48	3.25	-1.52	25	\$363mm
2 nd Quarter 2016	2.78	2.57	3.79	30	\$408mm
3 rd Quarter 2016	8.03	7.80	9.05	32	\$478mm
Annualized 3-year	11.07	10.08	6.71		
Annualized 5-year	16.98	15.93	15.82		