Quarterly Report

January 31, 2018

Roumell Asset Management, LLC

Fourth Quarter Summary

Performance Summary

	4Q 2017	Annualized as of 12/31/17 1 Year	3 Year	5 Year	10 Year	Since Inception*	Cumulative Return Since Inception*
Roumell Opportunistic Value (Net)	**1.33%**	**12.67%**	**3.16%**	**2.03%**	**3.05%**	**7.88%**	**322.19%**
60% Russell 2000 Value / 40% Barclays US Govt Credit	1.43%	6.42%	6.93%	8.81%	7.07%	8.04%	334.82%
S&P 500	6.64%	21.84%	11.42%	15.80%	8.50%	6.18%	212.24%
Russell 2000 Value	2.05%	7.84%	9.55%	13.01%	8.17%	9.47%	458.20%
Roumell Balanced (Net)	**1.07%**	**10.35%**	**3.78%**	**2.90%**	**3.38%**	**6.28%**	**218.31%**
Thomson US Balanced Index	3.51%	13.16%	5.97%	7.86%	5.13%	4.73%	140.68%

**Inception of Roumell Opportunistic Value and Roumell Balanced is 1/1/99.*

Roumell Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®). Our independent verifier completed its examination of the composite performance returns for the period of 1999 (inception) through December 31, 2017. All returns include reinvested dividends and interest. Please refer to the annual disclosure presentations at the end of this letter.

Business as Usual

Our 2017 composite returns were accomplished with an average of roughly 40% in cash and cash equivalents. The Roumell Opportunistic Value Fund, RAMSX, returned 18.32% in 2017, building upon the 18.02% gained in 2016. The Fund's past two years' returns were also accomplished with an average of about 40% cash and cash equivalents, indicating the strength and meaningful portfolio weightings of our individual security selections. Separately managed account clients should contact us about transferring their accounts into RAMSX given the fund's generally higher portfolio weightings and its access to certain foreign markets.

We cannot recall a time when we were asked the following question more often, "Why does the market keep going up?" Specifically, we're often asked why the market doesn't seem more concerned about the following: a possible nuclear war with North Korea, possible trade wars, the dramatic increase in Federal debt estimated by the CBO as a result of the recently passed tax cut (60% of publicly held US debt matures within the next four years), and the potential implications of the Russian investigation? Add to those concerns an overall stock market level that is quite high by any rational measuring stick. For example, Crescat Capital, using Bloomberg data, recently put together a presentation noting that the following S&P 500 market ratios are now at *all-time highs*—Median Price to Sales, Median Price to Book Value, Median Debt to Total Assets, Enterprise Value to EBITDA and Enterprise Value to Free Cash Flow.

Many investors point to the potential positive effects of the recent tax cuts passed by Congress and signed by the President. The ultimate effects of the tax cuts will be known over the next several years. Will the tax cuts unleash growth (which would go a long way in financing them) through massive investment by the private sector that wouldn't otherwise happen? Or, will the reinvestment in productive

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assets be minimal while our country is left with another $1.5 trillion in debt at a time when financing costs are rising, thus making it more difficult for our government to finance needed infrastructure, research and safety net expenditures? Independent research firm Moody's believes the tax cuts will have a limited effect on the economy. According to Moody's analysts, led by Rebecca Karnovitz, "We do not expect a meaningful boost to business investment because U.S. nonfinancial companies will likely prioritize share buybacks, M&A and paying down existing debt. Much of the tax cut for individuals will go to high earners, who are less likely to spend it on current consumption." We'll see.

Regardless of how the economy performs over the next several years, we always come back to valuation, valuation, and valuation. We concur with Howard Marks, who recently noted in a letter to his shareholders that in relation to the general market, not specific securities, "Most valuation parameters are either the richest ever…or among the highest in history…thus a decision to invest today has to rely on the belief that 'it's different this time.'"

Market bulls seem buoyed by some version of Jana hedge fund manager Barry Rosenstein's recent remark, "The economy is growing. Earnings are growing. Rates are at all-time lows. It just seems like the market [rally] is going to continue for a while." Rosenstein goes onto to say, "In fact, we are more invested today than we've ever been."

Highlighting causality between economic data and market returns is a curious view, in our minds, because there are so many instances where the two events decidedly diverge. For example, in January 2001, economic data was strong: the economy's growth rate was about 3%, the unemployment rate was below 4% and the country had its first budget surplus in decades. And, it was a terrible time to invest in the stock market—the S&P 500 dropped 31% over the following 24 months. Conversely, in January 2009, economic data was weak: the economy's growth rate was -2%, the unemployment rate hit 10% and the nation's deficit soared to 10% of GDP (above $1 trillion). And, it was a fabulous time to invest—the S&P 500 rose by 25% in the following 24 months. The point is that valuation (what you're paying to own something) is ultimately more important than general overall economic data points. Investing is not economic forecasting; which is underscored by the fact that there are few wealthy economists.

Nonetheless, investors like Rosenstein, and many others, muse about economic data as if it's predictive of market returns and evidently provides them some measure of comfort. Predicting GDP growth rates (U.S. and or worldwide), the strength and direction of interest rates changes, or commodity prices is simply *not what we do.* We try to be modest in any attempted forecasting. We choose to rest our investment theses in deeply undervalued securities not overly dependent on the expectation that a rising tide will lift all boats.

What we do is bottom-up fundamental security analysis; despite living in an age that seems increasingly drawn to passive and/or algorithmic investment styles. We will continue to focus our efforts in finding significantly mispriced securities that are conservatively financed, independent of the weather "out there." We will continue to spend little time trying to predict macro events, and for good reason: it can't really be done with sufficient regularity to be bankable. This fact was underscored recently when Barron's reported the results from its 2017 forecasting challenge with over 3,000 entries (a group comprised of highly-educated professional investors and do-it-yourselfers). When asked, "What will the Dow Jones Industrials return in 2017, including dividends?" a mere 3% selected the right answer even after being given four choices from which to choose. Predicting interest rates turned out to be just as hard. Only 6% of respondents correctly chose the box (out of four) indicating that the US 30-year Treasury yield will end the year under 3%. It's a good thing we're not prognosticators because we also would have missed the right answers by a long shot.

Thus, it's business as usual for us, answering the question: Would we take this company private in a heartbeat? The three securities highlighted below, two pieces of debt and one common stock, perfectly underscore RAM's investment approach.

Top Three Purchases

MVC Capital, Inc. 6.25% senior notes due November 2022, MVCD. MVC Capital, Inc. is a publicly-traded business development company (BDC) that makes private debt and equity investments. The Company seeks to build shareholder value by making yielding, equity and other investments in middle-market companies across various industries, with flexibility to invest across the entire capital structure. MVC Capital generally targets companies at the lower end of the middle market, with annual revenue ranging from $10 million to $150 million and EBITDA of between $3 million and $25 million. Since these companies tend to be overlooked by traditional lenders and investment banks, MVC has a greater opportunity to positively influence the financial and operational outcomes of these organizations.

The 6.25% senior notes, purchased at par, are a new issuance of notes. The notes will mature on November 30, 2022 and pay interest quarterly, beginning January 15, 2018. MVC Capital may redeem the notes in whole or in part at any time on or after November 30, 2019, at its option, at par plus any accrued and unpaid interest. MVC Capital disclosed that it will use the proceeds from this offering to redeem outstanding indebtedness under its 7.25% notes due 2023. RAM held these notes so, in essence, the new notes will replace the old notes.

Regulatory restrictions under the Investment Company Act of 1940 limit the amount of debt that a BDC can have outstanding. Generally, a BDC may not issue any class of indebtedness unless, immediately after such issuance, it will have assets covering its debt by at least 200%. Put another way, debt can only be 1x the equity at a BDC. For example, if a BDC has $1 million in assets, it can borrow up to $1 million, which would result in assets of $2 million and debt of $1 million. If MVC Capital were to breach this regulatory limit it would be forced to take action to come back into compliance. The company would not be able to pay any common stock dividends until it was in compliance. These actions could include the sale of assets and repayment of a portion of the debt or the issuance of new common equity, all of which protect us as noteholders.

The 1940 Investment Company Act debt limit restriction brings us a great deal of comfort that our notes are well protected by significant, and persistent, asset coverage. As referenced in our prior quarter letter, with over 50% of ten-year rolling periods for the S&P 500 (including dividends) failing to generate an 8% annualized return (calculated on a rolling monthly basis beginning in January of 1926), we are satisfied with securing this relatively safe 6.25% return.

Medley Capital Corporation, MCC. Medley Capital Corporation, MCC is a publicly-traded business development company ("BDC") primarily engaged in providing debt capital to a wide range of U.S.-based companies. We wrote about MCC in our 3rd quarter letter. Our 4th quarter purchase was an add-on investment as MCC's shares weakened and we took advantage of an even deeper discount to the company's reported net asset value, NAV, as compared to our first purchase.

The investment thesis on MCC is pretty straightforward. MCC is now trading at approximately a 40% discount to its most recently reported NAV (as of 9/30/17). MCC is comprised of roughly 68% 1st Lien Notes, 16% 2nd Lien Notes and 16% Equity. MCC's discount is unusually high, and pays a dividend of $0.16/quarter, which it is currently earning, resulting in a yield exceeding 12%. Importantly, MCC's balance sheet is well constructed with an average maturity of 2.8 years on the loans it holds and a weighted

average maturity of liabilities of 5.1 years. Moreover, the portfolio is also well-positioned if interest rates rise —84% of its loans are floating-rate while 66% of its debt is fixed-rate.

Although we do not have access to underlying financial statements of the privately placed Notes inside MCC's portfolio, we believe aggressive stress-testing and default scenarios allow us to sufficiently to conclude that MCC is a real bargain-priced security.

MCC has a credit rating system as follows:

Class 1 – Credit is performing better than expected.

Class 2 – Credit is performing as expected.

Class 3 – Credit is performing below expectations, but no loss is expected.

Class 4 – Credit is performing materially below expectations and while MCC does not expect a loss of principal, there could be a loss of interest payments. In many cases payments are delinquent, but normally not more than 180 days.

Class 5 – Credit is performing substantially below expectations, risk of loss has increased substantially, most or all covenants have been breached and payment is substantially delinquent. Some principal loss is expected.

If we assume dramatic credit degradation—Class 4 and Class 5 assets have a total loss ratio of 100%—the NAV drops from $8.45/share to $6.10/share compared to a current price of about $5.30/share, i.e., still a discount of 13%. As noted earlier in the MVC write-up, the 1940 Investment Company Act restricts the amount of leverage a BDC can have to 2x equity ($1 of equity can be leveraged by $1), thereby structurally protecting the equity from the effects of outsized leverage often found in other financial vehicles. If we go a step further, and wipe-out 25% of Class 3 assets, the NAV falls to roughly $5.50/share (still above the most recent market quote, but roughly 8% below our average purchase price). This most draconian stress test, and resultant NAV loss, would be offset by the quarterly income generated by the portfolio and still result in an ultimately positive investment return. Based on this analysis, would we take MCC private "in a heartbeat"? Absolutely.

MCC is not without "hair", as is commonly found in our investments, although, in our opinion, it's more than accounted for in its price. First, the company's NAV is not derived from public marks as are found in closed-end funds holding high-yield bonds. The marks are independently derived and are audited, but nothing can take the place of a liquid public mark. Second, the restriction on leverage (an attribute we very much like about BDCs), could put MCC in the position of being a forced seller. Third, these are primarily smaller, riskier issuers, albeit 68% are 1st lien. It should be noted that roughly 40% of MCC's portfolio is comprised of post-2014 loans as the company moved away from 2nd lien and direct small company lending and began buying pieces of larger syndicated loans issued by much larger companies with sturdier financial profiles.

That said, some of the mispricing of MCC's shares is likely the result of investors not properly understanding the company's balance sheet and the amount of flexibility management has in managing it if losses meaningfully rise from current levels. MCC's $150 million loan from the SBA (not due until 2023) is not counted toward regulated debt. Thus, MCC's regulated debt is roughly 75% of equity, not the 108% GAAP number. MCC's losses would have to drop roughly 15% more in order to hit the regulated debt limit of 100%. In this scenario, MCC could sell some of its Class 1 asset level loans to reduce leverage.

Moreover, few investors seem to understand that the '40 Act leverage restriction only has to be met *if* the company wants to pay a dividend. The company could choose to temporarily suspend the dividend (Pimco did this on some leveraged loan funds during the financial crisis) if it believed the marks were not properly reflecting the underlying value of its loans. Shareholders would be better served by being patient for recoveries to occur (either through maturities and/or better marks), than being forced sellers. Interest would simply accrue to MCC's balance sheet during this suspension period and could be distributed at a later date. To be clear, the suspension of the dividend would in all likelihood result in a drop in the share price, but if done for the right reasons, this event would be a temporary mark and provide another opportunity to average down.

As we go to print, MCC just announced a material debt issuance conducted in Israel at a yield of 5.05%, maturing in 2024. The Note issuance interest rate and maturity are attractive terms that will allow the company to, among other possible uses, pay down existing higher cost debt while extending its maturity schedule. The Note was rated A+ by S&P Global Ratings Maalot, Ltd. MCC simultaneously announced that its common stock will have a dual listing on the Tel Aviv Stock Exchange.

Finally, in the past several months there has been meaningful inside buying by MCC's investment manager, Medley Management, Inc. (MDLY), which is controlled by MCC's CEO Brook Taube, at significantly higher prices than today's, i.e., purchases were done at roughly $6.35/share versus today's price of about $5.30/share. We recently sat down with Brook at MCC's headquarters in New York and found him to be open and honest, forthcoming and non-promotional. MCC is not "out of the woods" yet, but we believe its price more than factors in significant credit stress testing while providing high current income and an opportunity for a meaningful closing of the discount to its underlying NAV over time.

RiverNorth Marketplace Lending Corp 5.875% Series A Term Preferred Stock due October 31, 2024, RMPL.P. RiverNorth Marketplace Lending Corporation is a closed-end investment company (closed end fund or CEF) that has registered as an investment company under the Investment Company Act of 1940 (the "1940 Act"). The investment objective of the Fund is to seek a high level of current income by investing at least 80% of its Managed Assets in consumer and small business loans.

We purchased the new issuance of preferred stock at $25 par. The preferred stock will be redeemed at par on October 31, 2024 and pays dividends quarterly, beginning February 15, 2018. The preferred stock is senior to all common stock and is rated AA by the independent ratings company Egan-Jones. This rating indicates that in the opinion of the independent rating agency, the credit quality of this preferred stock is "very strong". We find the risk/reward of this highly-rated preferred to be quite attractive as it currently yields approximately 166 basis points higher than high yield corporate bonds (BB rated). Compared to AA rated corporate bonds, this preferred stock yields an incremental 296 basis points. Additionally, as discussed in more detail below, there are significant regulatory leverage protections we are afforded.

Regulatory restrictions under the 1940 Act limit the amount of debt and preferred stock that a closed end fund can have outstanding. Generally, a CEF may not issue any class of indebtedness (including preferred stock) unless, immediately after such issuance, it will have asset coverage of at least 200%. For example, like the BDC examples noted above, if a CEF has $1 million in assets, it can borrow up to $1 million, which would result in assets of $2 million and debt of $1 million. If RiverNorth were to breach this regulatory limit it would be forced to take action to come back into compliance. The company would not be able to pay any common stock dividends until it was in compliance. These actions could include the sale of assets and repayment of a portion of the debt or the issuance of new common equity, all of which protect us as owners of the preferred stock.

The 1940 Investment Company Act debt limit restriction brings us a great deal of comfort that our preferred stock is well protected by significant, and persistent, asset coverage. As referenced above, with over 40% of ten-year rolling periods for the S&P 500 failing to generate an 8% annualized return, we are satisfied with securing this relatively safe 5.875% return.

Disclosure: The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for advisory clients, and the reader should not assume that investments in the securities identified and discussed were or will be profitable. The top three securities purchased in the quarter are based on the largest absolute dollar purchases made in the quarter.

Roumell Asset Management, LLC
Balanced Composite
Annual Disclosure Presentation

		COMPOSITE ASSETS		ANNUAL PERFORMANCE RESULTS			3-YR ANNUALIZED STANDARD DEVIATION	
YEAR END	TOTAL FIRM ASSETS (MILLIONS)	USD (MILLIONS)	NUMBER OF ACCOUNTS	COMPOSITE NET	THOMSON US BALANCED MUTUAL FUND	COMPOSITE DISPERSION	COMPOSITE NET STANDARD DEVIATION	THOMSON US BL MF STANDARD DEVIATION
2017	105	8	21	10.35%	13.16%	6.00%	7.28%	5.92%
2016	91	9	24	14.25%	7.00%	6.48%	7.49%	6.51%
2015	94	12	37	-11.35%	-1.71%	4.41%	7.32%	6.56%
2014	170	49	93	-7.71%	6.00%	4.25%	6.23%	6.08%
2013	288	82	140	11.85%	15.73%	5.69%	6.62%	8.06%
2012	286	82	156	10.50%	11.71%	3.02%	6.50%	9.79%
2011	306	79	173	-5.19%	0.53%	4.28%		
2010	311	83	167	12.25%	11.75%	2.59%		
2009	249	55	124	33.19%	23.19%	5.79%		
2008	166	40	121	-22.82%	-26.97%	5.01%		
2007	270	75	154	-7.58%	5.76%	3.71%		
2006	280	87	158	14.00%	10.47%	3.69%		
2005	199	73	142	8.56%	4.22%	2.67%		
2004	123	66	119	16.48%	7.79%	3.82%		
2003	66	42	100	28.26%	18.60%	3.94%		
2002	41	27	79	-9.70%	-11.36%	3.77%		
2001	31	17	39	21.18%	-4.19%	4.75%		
2000	19	10	23	8.47%	1.95%	4.53%		
1999	16	9	22	12.53%	8.35%	2.63%		

Balanced Composite contains fully discretionary accounts. Roumell Asset Management, LLC (Roumell) is an opportunistic capital allocator with a deep value bias. On average, Balanced accounts have a target of 65% equity (provided an appropriate number of securities are found that meet Roumell's deep value investment criteria), with the remaining 35% in fixed income and cash. The equity allocation is all cap with a focus on smaller companies. In selecting bond investments, Roumell exercises its value discipline and buys only fixed income securities that it believes represent value on a risk-adjusted basis. It may buy individual government agency, investment grade and high-yield corporate, municipal, and foreign bonds and closed-end bond funds. When fully invested, accounts will hold about 25 to 30 positions. Roumell will hold cash in the absence of sufficient investment opportunities. For comparison purposes, the Balanced Composite is measured against the Thomson US Balanced Mutual Fund Index. In presentations shown prior to March 31, 2006, the composite was also compared against the Lipper Balanced Index. Additionally, in presentations prior to December 2006, the composite was measured against the Vanguard Balanced Index Fund. The Thomson US Balanced Mutual Fund Index is a blend of more than 500 balanced mutual funds and is therefore deemed to more accurately reflect the strategy of the composite. The Balanced Composite was created January 1, 1999.

Roumell Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Roumell Asset Management, LLC has been independently verified for the periods January 1, 1999 through December 31, 2017. 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 Balanced Composite has been examined for the periods January 1, 1999 through December 31, 2017. The verification and performance examination reports are available upon request.

Roumell Asset Management, LLC is an independent registered investment adviser. The firm maintains a complete list and description of composites, which is available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results.

The U.S. dollar is the currency used to express performance. Returns are presented net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. From 2010 to 2013, for certain of these accounts, net returns have been reduced by a performance-based fee of 20% of profits, paid annually in the first quarter. Net returns are reduced by all fees and transaction costs incurred. Wrap fee accounts pay a fee based on a percentage of assets under management. Other than brokerage commissions, this fee includes investment management, portfolio monitoring, consulting services, and in some cases, custodial services. Prior to and post 2006, there were no wrap fee accounts in the composite. For the year ended December 31, 2006, wrap fee accounts made up less than 1% of the composite. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. Returns include the effect of foreign currency exchange rates. Exchange rate source utilized by the portfolios within the composite may vary. Composite performance is presented net of foreign withholding taxes. Withholding taxes may vary according to the investor's domicile.

The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite for the entire year. Dispersion calculations are greater as a result of managing accounts on a client relationship basis. Securities are bought based on the combined value of all portfolios of a client relationship and then allocated to one account within a client relationship. Therefore, accounts within a client relationship will hold different securities. The result is greater dispersion amongst accounts. The 3-year annualized ex-post standard deviation of the composite and/or benchmark is not presented for the period prior to December 31, 2012, because 36 monthly returns are not available. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The investment management fee schedule for the composite is as follows: for Direct Portfolio Management Services: 1.30% on the first $1,000,000, and 1.00% on assets over $1,000,000; for Sub-Adviser Services: determined by adviser; for Wrap Fee Services: determined by sponsor. Actual investment advisory fees incurred by clients may vary.

Roumell Asset Management, LLC
Opportunistic Value Composite
Annual Disclosure Presentation

YEAR END	TOTAL FIRM ASSETS (MILLIONS)	COMPOSITE ASSETS: USD (MILLIONS)	COMPOSITE ASSETS: NUMBER OF ACCOUNTS	ANNUAL PERFORMANCE RESULTS: COMPOSITE NET	60% RUSSELL 2000 VALUE/ 40% BARCLAYS US GOVT CREDIT	S&P 500	RUSSELL 2000 VALUE	COMPOSITE DISPERSION	3-YR ANNUALIZED STANDARD DEVIATION: COMPOSITE NET STD DEV	60% RUSSELL 2000 VALUE/ 40% BARCLAYS US GOVT CREDIT STD DEV	S&P 500 STD DEV	RUSSELL 2000 VALUE STD DEV
2017	105	14	40	12.67%	6.42%	21.84%	7.84%	1.19%	8.83%	7.94%	9.92%	13.97%
2016	91	17	50	15.00%	19.99%	11.97%	31.74%	2.34%	9.09%	9.10%	10.59%	15.50%
2015	94	23	77	-15.27%	-4.26%	1.38%	-7.46%	2.80%	9.23%	8.12%	10.47%	13.46%
2014	170	61	163	-10.74%	5.18%	13.70%	4.22%	3.41%	7.97%	7.71%	8.97%	12.79%
2013	288	130	281	12.83%	18.61%	32.38%	34.51%	3.12%	8.90%	9.16%	11.94%	15.82%
2012	286	157	367	13.92%	12.82%	16.00%	18.05%	1.86%	8.63%	11.36%	15.09%	19.89%
2011	306	175	466	-9.51%	0.59%	2.11%	-5.49%	2.17%				
2010	311	189	479	14.71%	17.97%	15.06%	24.49%	2.17%				
2009	249	153	414	42.19%	15.13%	26.47%	20.57%	5.57%				
2008	166	104	413	-27.35%	-15.77%	-36.99%	-28.93%	3.40%				
2007	270	178	549	-7.67%	-3.05%	5.49%	-9.78%	2.68%				
2006	280	176	458	16.89%	15.40%	15.79%	23.48%	2.18%				
2005	199	111	312	12.38%	4.00%	4.91%	4.71%	2.59%				
2004	123	47	125	20.18%	14.92%	10.88%	22.25%	2.69%				
2003	66	15	46	32.13%	28.38%	28.69%	46.03%	4.04%				
2002	41	8	44	-10.15%	-2.31%	-22.10%	-11.43%	4.33%				
2001	31	5	30	32.76%	12.26%	-11.89%	14.02%	6.33%				
2000	19	2	12	7.97%	18.50%	-9.10%	22.83%	4.05%				
1999	16	2	9	26.02%	-1.54%	21.04%	-1.49%	3.92%				

Opportunistic Value Composite contains fully discretionary accounts. Roumell Asset Management, LLC (Roumell) is an opportunistic capital allocator with a deep value bias. Opportunistic Value accounts can have up to 100% of their assets invested in stocks in the ideal situation where an appropriate number of securities are found that meet Roumell's deep value investment criteria. Historically, these accounts have emphasized common stocks (all cap with a focus on smaller companies). However, Roumell will also selectively purchase a mixture of high yield bonds and discounted closed-end bond funds if it is believed that these offer a favorable risk/reward profile. When fully invested, accounts will hold about 25 to 30 positions. Roumell will hold cash in the absence of sufficient investment opportunities. For comparison purposes, the Opportunistic Value Composite is measured against the S&P 500, a blend of 60% Russell 2000 Value and 40% Barclays U.S. Government Credit (calculated on a monthly basis), and Russell 2000 Value Indices. Presentations provided prior to January 1, 2014, showed the Russell 2000 in place of the blended index. The change was made to better reflect the opportunistic strategy of the composite. As noted before, the composite's allocation to equity, fixed income, and cash will vary depending on Roumell's investment decisions. The S&P 500 Index is used for comparative purposes only and is not meant to be indicative of the Opportunistic Value Composite's performance. In presentations shown prior to March 31, 2005, the composite was also compared against the Nasdaq Index. The benchmark was eliminated since it did not represent the strategy of the composite. The Opportunistic Value Composite was created January 1, 1999. Prior to January 1, 2014, this composite was known as the Total Return Composite.

Roumell Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Roumell Asset Management, LLC has been independently verified for the periods January 1, 1999 through December 31, 2017. 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 Opportunistic Value Composite has been examined for the periods January 1, 1999 through December 31, 2017. The verification and performance examination reports are available upon request.

Roumell Asset Management, LLC is an independent registered investment adviser. The firm maintains a complete list and description of composites, which is available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results.

The U.S. dollar is the currency used to express performance. Returns are presented net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. Net returns are reduced by all fees and transaction costs incurred. Wrap fee accounts pay a fee based on a percentage of assets under management. Other than brokerage commissions, this fee includes investment management, portfolio monitoring, consulting services, and in some cases, custodial services. Wrap accounts are included in the composite. As of December 31 of each year 2006 through 2017, wrap fee accounts made up 33%, 36%, 31%, 33%, 41%, 40%, 41%, 43%, 31%, 13%, 9% and 6% of the composite, respectively. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. Returns include the effect of foreign currency exchange rates. Exchange rate source utilized by the portfolios within the composite may vary. Composite performance is presented net of foreign withholding taxes. Withholding taxes may vary according to the investor's domicile.

The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite for the entire year. Dispersion calculations are greater as a result of managing accounts on a client relationship basis. Securities are bought based on the combined value of all portfolios of a client relationship and then allocated to one account within a client relationship. Therefore, accounts within a client relationship will hold different securities. The result is greater dispersion amongst accounts. The 3-year annualized ex-post standard deviation of the composite and/or benchmark is not presented for the period prior to December 31, 2012, because 36 monthly returns are not available. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The investment management fee schedule for the composite is as follows: for Direct Portfolio Management Services: 1.30% on the first $1,000,000, and 1.00% on assets over $1,000,000; for Sub-Adviser Services: determined by adviser; for Wrap Fee Services: determined by sponsor. Actual investment advisory fees incurred by clients may vary