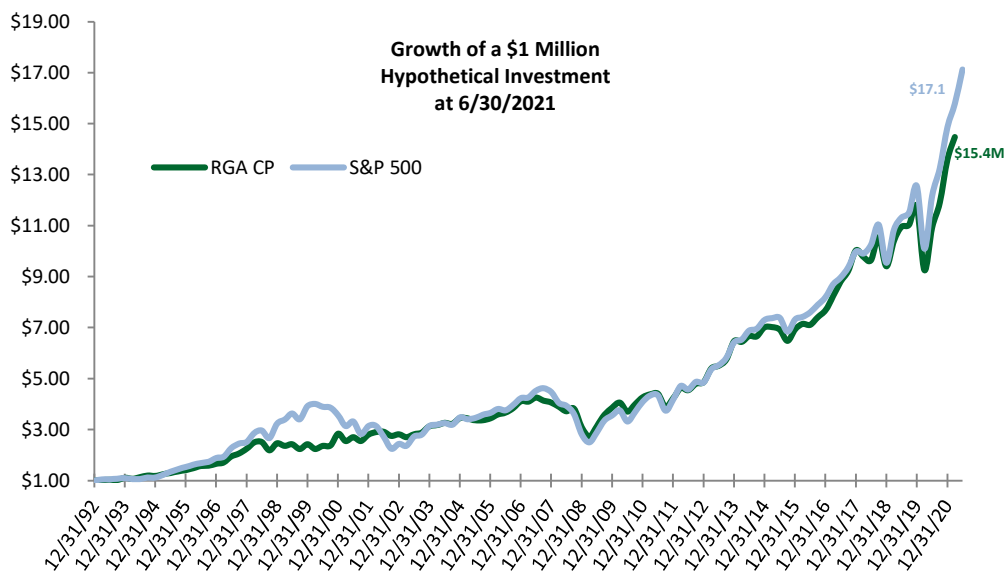


## Composite Summary

**R.G. Associates, Inc. Composite Performance** (RGA CP)**Portfolio Performance**<sup>1</sup>**Investment Objective**

The R.G. Associates, Inc. strategy pursues capital appreciation through a value-oriented approach to investment in equities of larger-capitalization domestic companies.

**The Portfolio**

R.G. Associates, Inc. employs a bottom-up strategy to investment. Investments are sought in companies with a demonstrated ability to generate sustainable and high returns on assets and common equity. The holdings are concentrated in a small number of meaningfully-sized positions. The total number of holdings is usually less than twenty-five. This creates a focus on the best investment ideas, but also may leave accounts exposed to more company-specific and industry-related risk.

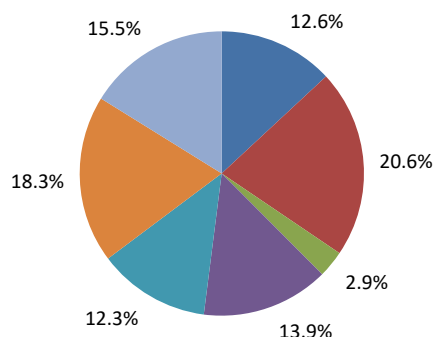
**Investment Process**

R.G. Associates, Inc. screens for investment candidates primarily based on their cash operating returns on assets, while giving consideration to returns on equity, financial leverage and valuation. Intellectually honest accounting is also a key consideration in the investment process, as financial reporting is the most crucial communication between a firm's management and its shareholders. A key attribute of the Firm's style of value investing: a long holding period. This puts time on the side of the investor, and helps to minimize portfolio transaction costs.

6/30/2021	Quarter	1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.	Inception
RGA CP	6.35%	40.98%	16.86%	16.70%	13.20%	10.03%
S&P 500	8.55%	40.79%	18.67%	17.64%	14.84%	10.52%

**Sector Allocation**

- Consumer Discretionary
- Consumer Staples
- Communication Services
- Financials
- Health Care
- Industrials
- Information Technology

**Top 5 Holdings**

Microsoft Corporation	MSFT
Abbott Laboratories	ABT
Union Pacific Corporation	UNP
T. Rowe Price Group Inc.	TROW
AbbVie Inc.	ABBV

Number of Equity Holdings 23

**Portfolio Statistics**<sup>2</sup>

Turnover Ratio - 3 Yr. (%)	9.4
Weighted Avg. Forward P/E	26.7
Median Holdings Market Cap (\$B)	125.07
Indicated Dividend Yield	2.0%
Std. Deviation (RGA CP) - 3 Yr. (%)	18.9
Std. Deviation (S&P 500) - 3 Yr. (%)	18.3

**Management**

**Jack T. Ciesielski**  
President and Portfolio Manager

**(443) 977-4370**  
[jciesielski@accountingobserver.com](mailto:jciesielski@accountingobserver.com)

<sup>1</sup> All performance data is net of advisory fees. 3, 5 & 10 year returns are annualized total returns. Inception is the annualized total return since 12/31/1992. S&P 500 Total Return sourced from [www.standardandpoors.com](http://www.standardandpoors.com).

<sup>2</sup> Data for Portfolio Statistics is sourced from QuoteMedia, Value Line, Zacks and MarketBeat. Dividend Yield and Weighted Avg. Market Cap: as of 7/20/2021. Weighted Avg. Forward P/E: estimates for 2021 full year.

Past performance is not indicative of future results.

Sector Allocation and Top 5 Holdings are shown as supplemental information to the GIPS compliant presentation on the following page.

## Composite Summary

**R.G. Associates, Inc. Composite Performance**

## Annual Disclosure Presentation

**R.G. ASSOCIATES, INC.*****R.G. ASSOCIATES, INC. COMPOSITE PERFORMANCE***  
GIPS Report

Year End	Total Firm	Composite Assets			Annual Performance Results				3 Yr. Standard	
	Assets	USD	% of Non-Fee-Paying	Number of Accounts	Composite Gross	Composite Net	S&P 500	Composite Dispersion	Deviation	
	(thousands)	(thousands)							S&P 500	Composite
2020	\$20,440	\$20,440	31%	25	16.74%	15.65%	18.40%	0.6%	18.53%	19.10%
2019	\$18,437	\$18,317	30%	24	26.15%	25.09%	31.49%	0.4%	11.93%	12.94%
2018	\$14,537	\$14,537	29%	23	-5.44%	-6.29%	-4.38%	0.3%	10.66%	12.27%
2017	\$16,830	\$16,830	26%	26	31.77%	30.60%	21.83%	0.4%	9.92%	10.36%
2016	\$12,968	\$12,968	27%	26	11.84%	10.84%	11.96%	0.3%	10.59%	10.85%
2015	\$11,942	\$11,942	26%	26	-1.40%	-2.27%	1.38%	0.1%	10.48%	10.98%
2014	\$13,108	\$13,108	24%	27	9.47%	8.49%	13.69%	0.1%	8.97%	8.74%
2013	\$11,987	\$11,987	23%	27	34.14%	32.98%	32.39%	0.4%	11.94%	9.92%
2012	\$8,272	\$8,272	24%	24	15.97%	14.94%	16.00%	0.4%	15.08%	12.06%
2011	\$7,439	\$7,439	22%	25	-0.21%	-1.09%	2.11%	0.4%	18.70%	16.41%

***R.G. Associates, Inc. Composite Performance*** contains fully discretionary accounts that follow a value-oriented strategy, with an emphasis on low turnover and high concentration of holdings. For comparison purposes the composite is measured against the S&P 500 index.

R.G. Associates, Inc. is a Maryland-registered investment advisor, founded in 1992. The firm provides investment management services chiefly to individuals, in both taxable and tax-exempt accounts, investing primarily in common stocks. The firm maintains a complete list of composite descriptions, 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 gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using a fee of 100 basis points per year (applied quarterly) for the period January 1, 1995 through December 31, 2000, and 90 basis points for the period January 1, 2001 through December 31, 2003. As of January 1, 2004 actual fees are used to calculate performance. For non-fee paying accounts, the highest fee of .225% is applied on a quarterly basis to calculate a net return. The annual composite dispersion and 3-year standard deviation are asset-weighted calculations using gross-of-fee returns for accounts in the composite during the entire year. Effective 7/1/2019, the minimum new account size for inclusion in the composite is \$35,000. Additional information regarding policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

The investment management fee schedule for the composite is 0.90% on beginning of period assets.

The R.G. Associates, Inc. Composite Performance was created March 15, 1996, based on returns from its inception date of May 29, 1992. R.G. Associates, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. R.G. Associates, Inc. has been independently verified for the periods May 29, 1992 through December 31, 2020. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The R.G. Associates, Inc. Composite has had a performance examination for the periods May 29, 1992 – December 31, 2020. The verification and performance examination reports are available upon request.

A GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.