



June 20, 2016

Mr. Mark Hillman
Hillman Capital Management
7250 Woodmont Avenue
Suite 310
Bethesda, MD 20814

Report of Independent Verification

Dear Mark:


We are pleased to report that we have examined whether Hillman Capital Management (HCM) has complied with all the composite construction requirements of the Global Investment Performance Standards (GIPS®) on a firm-wide basis for the period June 30, 2011 through December 31, 2015 and designed its processes and procedures to calculate and present performance results in compliance with GIPS as of December 31, 2015. HCM's management is responsible for compliance with GIPS, the design of its processes and procedures, and for the performance presentations. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with the guidelines provided by GIPS, including the *Guidance Statement for Verification*. The verification included examining, on a sampling basis, evidence about HCM's compliance with the GIPS requirements, evaluating the design of HCM's processes and procedures, and performing the procedures for a verification set forth by GIPS as well as other procedures we considered necessary. Verification does not ensure the accuracy of any specific composite presentation. We believe that our examination provides a reasonable basis for our opinion, which is that Hillman Capital Management has, in all material respects:

- Complied with all composite construction requirements of the Global Investment Performance Standards on a firm-wide basis for the period June 30, 2011 through December 31, 2015, and
- Designed its processes and procedures to calculate and present performance results in compliance with the Global Investment Performance Standards as of December 31, 2015.

We greatly appreciate the opportunity to conduct this verification for you.

Sincerely,



David D. Spaulding, DPS, CIPM
Founder/CEO

Where Performance Professionals Get Solutions to Their Problems
Your Partner in Performance MeasurementSM

33 Clyde Road • Suite 103 • Somerset, NJ 08873 • (732) 873-5700 • Fax (732) 873-3997 • www.SpauldingGrp.com

Disclosure Statements

Past performance is not indicative of future results. This material is not financial advice or an offer to sell any product. The portfolio characteristics shown relate to the Hillman Advantage Equity Composite. Not every client's account will have these exact characteristics. The actual characteristics with respect to any particular client account will vary based on a number of factors including but not limited to: (i) the size of the account; (ii) investment restrictions applicable to the account, if any; and (iii) market exigencies at the time of investment. Hillman Capital Management, Inc. reserves the right to modify its current investment strategies and techniques based on changing market dynamics or client needs. The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account's portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed may not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any of the securities transactions, holdings or sectors discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein.

Hillman Capital Management, Inc. is a registered investment advisor. More information about the advisor including its investment strategies and objectives can be obtained by visiting www.hillmancapital.com. The firm maintains a complete list and description of composites, which is available upon request. Visit our website for a fully compliant performance presentation.

The investment objective of the Advantage Equity Composite (the "Composite") is long-term capital appreciation utilizing a strategy comprised of 45 securities. The volatility (beta) of the Composite may be greater or less than its respective benchmark. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the composite for the entire year. The three-year annualized standard deviation measures the variability of the composite and the benchmark over the preceding 36-month period. Leverage is not used in these composites. Non-fee-paying accounts are not included in these composites. The U.S. dollar is the currency used to express performance. The S&P 500 Total Return Index is the Standard & Poor's Composite Index of 500 stocks and is a widely recognized, unmanaged index of common stock prices. It is not possible to invest in this index.

Hillman Capital Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance the GIPS standards. Hillman Capital Management, Inc. has been independently verified for the periods April 1, 1998 through December 31, 2015. A copy of the verification report is available upon request.

The Advantage Equity Composite was created April 1, 1998. 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 Advantage Equity Composite has been examined for the periods April 1, 1998 through December 31, 2015. The verification and performance examination reports are available upon request.

** Returns are presented gross and net of investment advisory fees and include the reinvestment of all income. Gross returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. For example, a 3% annual fee deducted quarterly (.75%) from an account with a ten year annualized growth rate of 14% will produce a net result of 10.8%. Actual performance results will vary from this example. Net returns will be reduced by additional fees (outside of investment advisory fees) and transaction costs that may be incurred in the management of the account. Net of fee performance was calculated using actual management fees.

The fee schedule for Hillman's investment advisory services is 1.00% for the first \$5 million, 0.85% for the next \$15 million, 0.75% for the next \$50 million, and 0.50% thereafter. Actual investment advisory fees incurred by clients may vary. A complete description of Hillman's fee schedule can be found under Form ADV Part 2 at www.hillmancapital.com. Additional information regarding policies for valuing portfolios, calculating performance and preparing compliant presentations is available upon request. HCM-16-46

ADVANTAGE EQUITY COMPOSITE

Year End	Total Firm	Composite Assets			Annual Performance Results				
	Assets (M)	USD (M)	Number of Accounts	Composite Gross	Composite Net	Composite 3-yr St Dev	S&P 500	Benchmark 3-yr St Dev	Composite Dispersion
2015	89,409	1,183	Five or fewer	-0.23%	-0.99%	10.38%	1.38%	10.47%	0.03%
2014	88,121	0,843	Five or fewer	14.45%	13.50%	9.62%	13.69%	8.97%	NA
2013	86,226	0,816	Five or fewer	37.87%	36.58%	12.25%	32.39%	11.94%	NA
2012	68,644	0,842	Five or fewer	14.42%	13.81%	15.22%	16.00%	15.09%	0.35%
2011	157,936	66,446	9	1.04%	0.75%	20.05%	2.11%	18.71%	0.68%
2010	453,968	84,464	11	10.68%	10.30%	24.05%	15.06%	21.85%	0.75%
2009	508,001	69,144	10	43.66%	43.14%	22.12%	26.46%	19.63%	1.42%
2008	314,427	32,061	7	-38.04%	-38.26%	16.35%	-37.00%	15.06%	0.50%
2007	1,259,282	59,888	7	1.57%	1.24%	8.42%	5.49%	7.68%	0.20%
2006	671,883	84,686	8	15.92%	15.43%	7.94%	15.80%	6.82%	0.40%
2005	365,505	51,873	7	8.98%	8.46%	10.15%	4.91%	9.04%	NA

N.A. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

Disclosure Statements

FOCUSED ADVANTAGE EQUITY COMPOSITE

Past performance is not indicative of future results. This material is not financial advice or an offer to sell any product. The portfolio characteristics shown relate to the Hillman Focused Advantage Equity Composite. Not every client's account will have these exact characteristics. The actual characteristics with respect to any particular client account will vary based on a number of factors including but not limited to: (i) the size of the account; (ii) investment restrictions applicable to the account, if any; and (iii) market exigencies at the time of investment. Hillman Capital Management, Inc. reserves the right to modify its current investment strategies and techniques based on changing market dynamics or client needs. The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account's portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed may not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any of the securities transactions, holdings or sectors discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein.

Hillman Capital Management, Inc. is a registered investment advisor. More information about the advisor including its investment strategies and objectives can be obtained by visiting www.hillmancapital.com. The firm maintains a complete list and description of composites, which is available upon request.

The investment objective of the Focused Advantage Equity Composite (the "Composite") is long-term capital appreciation, utilizing a concentrated strategy focusing on 20 securities. The volatility (beta) of the Composite may be greater or less than its respective benchmark. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the composite for the entire year. The three-year annualized standard deviation measures the variability of the composite and the benchmark over the preceding 36-month period. Leverage is not used in these composites. Non-fee-paying accounts are not included in these composites. The U.S. dollar is the currency used to express performance. The S&P 500 Total Return Index is the Standard & Poor's Composite Index of 500 stocks and is a widely recognized, unmanaged index of common stock prices. It is not possible to invest in this index.

Hillman Capital Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance the GIPS standards. Hillman Capital Management, Inc. has been independently verified for the periods April 1, 1998 through December 31, 2015. A copy of the verification report is available upon request.

The Focused Advantage Equity Composite was created on April 1, 1998. 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 Focused Advantage Equity Composite has been examined for the periods April 1, 1998 through December 31, 2015. The verification and performance examination reports are available upon request.

** Returns are presented gross and net of investment advisory fees and include the reinvestment of all income. Gross returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. For example, a 3% annual fee deducted quarterly (.75%) from an account with a ten year annualized growth rate of 14% will produce a net result of 10.8%. Actual performance results will vary from this example. Net returns will be reduced by additional fees (outside of investment advisory fees) that may be incurred in the management of the account. Net of fee performance was calculated using actual management fees.

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Year End	Total Firm	Composite Assets		Annual Performance Results					
	Assets (M)	USD (M)	Number of Accounts	Composite Gross	Composite Net	Composite 3-yr St Dev	S&P 500	Benchmark 3-yr St Dev	Composite Dispersion
2015	89,409	10,751	Five or fewer	2.92%	2.05%	12.20%	1.38%	10.47%	0.12%
2014	88,121	10,329	Five or fewer	11.73%	11.23%	11.56%	13.69%	8.97%	0.48%
2013	86,226	9,282	Five or fewer	41.77%	40.89%	15.08%	32.39%	11.94%	0.57%
2012	68,644	14,330	5	14.06%	13.72%	17.63%	16.00%	15.09%	0.21%
2011	157,936	24,039	6	-5.15%	-5.59%	21.43%	2.11%	18.71%	0.25%
2010	453,968	279,361	10	14.81%	14.23%	24.66%	15.06%	21.85%	0.88%
2009	508,001	274,985	11	43.11%	42.45%	22.76%	26.46%	19.63%	2.21%
2008	314,427	122,118	15	-43.39%	-43.75%	16.92%	-37.00%	15.08%	1.20%
2007	1,259,282	633,936	41	-1.79%	-2.58%	10.25%	5.49%	7.68%	0.40%
2006	671,883	138,079	28	13.99%	13.05%	10.15%	15.80%	6.82%	0.40%
2005	365,505	108,137	22	17.31%	16.20%	12.26%	4.91%	9.04%	1.60%

N.A. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.