

SMALL & MID CAP Portfolio Strategy

Stock Selection

The AMG Capital Management (ACM) Small and Mid Cap Portfolio Strategy provides clients with a diversified portfolio of small and mid capitalization (SMID) stocks. The stocks selected for the portfolio are financially strong and well-managed companies that we believe are selling at attractive valuations. We look for companies that are cheap on a variety of valuation metrics, generally carry less debt than their peers and are improving fundamentally.

Most often the companies in ACM SMID Portfolio Strategy are thinly covered by sell-side research analysts on Wall Street. Instead of relying on analyst coverage, we pay close attention to the track record of each company's management in creating wealth for shareholders and improving fundamentals. We perform an analysis of the company's long-term financial strength and evaluate the uniqueness of its competitive position.

The combination of thin analyst coverage, cheap valuations, strong balance sheets and improving fundamentals allows us to select companies that will typically create economic value for shareholders over the long run.

Model Portfolio Metrics*			
	ACM SMID	R2500V	R2500
Weighted Average Market Cap	\$3.7B	\$3.6B	\$5.2B
Price-to-Earnings (trailing)	20.4	22.3	29.0
Price-to-Book Value	1.5	1.6	2.2
Dividend Yield (trailing)	2.0%	2.3%	1.8%
Standard Deviation (5 Year Annualized)	15.4%	14.3%	14.7%

As of 9/30/2019

*Source: Bloomberg, Morningstar, and Russell

Model Portfolio Top 10 Holdings	
SYNEOS HEALTH INC	UMPQUA HOLDINGS CORP
WHITE MOUNTAINS INSURANCE GP	CATO CORP-CLASS A
STIFEL FINANCIAL CORP	EMCOR GROUP INC
ALLEGHANY CORP	UMB FINANCIAL CORP
WABTEC CORP	GREIF INC-CL A

As of 9/30/2019

Portfolio Metrics and Top Ten Holdings Information are supplemental to the GIPS-compliant presentation for the composite. The specific securities listed do not represent all of the securities purchased, sold or recommended for the Portfolio Strategy, and it should not be assumed that the investments in the securities identified have been or will be profitable. Actual holdings will vary for each client, and there is no guarantee that a particular client's account will hold any or all of the securities listed.

Portfolio Construction and Risk Control

ACM begins with a universe of more than 2,500 securities between \$100 million and \$4 billion in equity market capitalization. The broad universe of stocks is reduced to a well-diversified SMID portfolio holding between forty and sixty stocks. The portfolio positions are spread across a majority of market sectors and are not overly concentrated in any one stock or industry.

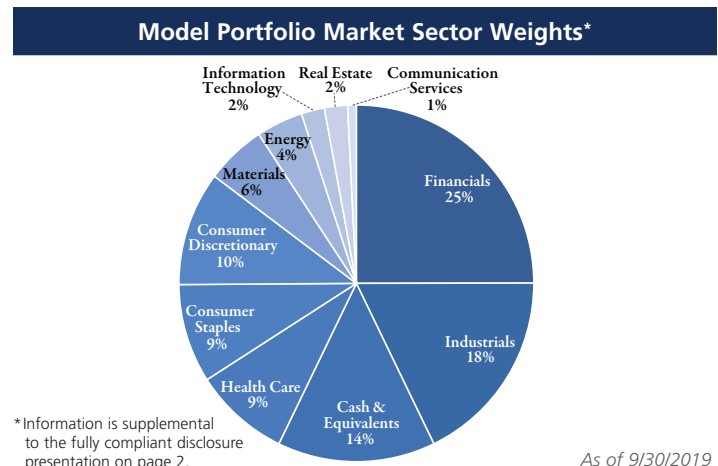
At the stock level, we use forensic accounting methods to identify potential problems with company cash flows and the balance sheet. We are also mindful of both positive and negative catalysts, including such events as changes in key leadership positions.

We keep a close eye on the impact of trading on tax efficiency. Our aim is to provide a portfolio of smaller capitalization domestic stocks that produce a solid long-term, after-tax return. While we rebalance client accounts regularly, we look to keep turnover relatively low.

Client Composite Performance				
	ACM SMID* (gross of fees)	ACM SMID* (net of fees)**	R2500V	R2500
3 Months	-0.2%	-0.4%	0.1%	-1.3%
YTD	11.9%	11.1%	15.4%	17.7%
One Year	-9.0%	-9.8%	-4.4%	-4.0%
Three Years	5.5%	4.5%	6.9%	9.5%
Five Years	6.8%	5.8%	7.0%	8.6%
Ten Years	10.2%	9.2%	11.0%	12.2%
Since Inception (7/1/2005)	7.6%	6.6%	7.3%	8.6%

As of 9/30/2019

*Returns annualized for periods greater than 1 year.
**Returns are shown net of maximum ACM portfolio management fee.
Past performance is no guarantee of future results.



*Information is supplemental to the fully compliant disclosure presentation on page 2.

As of 9/30/2019

Year End	Total Firm Assets (USD) (millions)	Portfolio Strategy Assets (USD) (millions)	Portfolio Strategy Number of Accounts	Russell 2500 Value Index	Portfolio Strategy Annual Gross Return	Portfolio Strategy Annual Net Return	Portfolio Strategy Dispersion	Portfolio Strategy 3-Year EX-Post Standard Deviation	Benchmark 3-Year EX-Post Standard Deviation
2018	\$235.5	\$35.3	40	-12.36%	-9.79%	-10.60%	1.33%	14.67%	13.58%
2017	\$260.0	\$38.4	37	10.36%	4.34%	3.41%	0.05%	13.46%	11.81%
2016	\$192.0	\$29.1	24	25.20%	23.50%	22.41%	0.46%	14.14%	13.17%
2015	\$162.2	\$22.3	18	-5.49%	-0.20%	-1.09%	0.10%	12.20%	12.02%
2014	\$163.6	\$18.5	11	7.11%	4.66%	3.73%	0.36%	10.27%	11.25%
2013	\$166.7	\$27.9	12	33.32%	40.31%	39.08%	0.36%	12.21%	15.07%
2012	\$154.2	\$19.9	12	19.21%	14.27%	13.26%	0.28%	14.20%	18.41%
2011 ¹	\$140.5	\$19.7	13	-3.36%	-0.41%	-1.30%	0.44%	18.74%	24.23%
2010	\$160.2	\$20.0	12	24.82%	17.82%	16.78%	0.41%	21.41%	26.97%
2009	\$130.3	\$16.5	11	27.68%	26.71%	25.59%	2.05%	20.27%	24.61%
2008	\$115.3	\$5.3	10	-31.99%	-20.65%	-21.37%	3.82%	16.06%	18.38%
2007	\$165.7	\$6.3	11	-7.27%	-6.06%	-6.91%	0.46%	N.A. ²	N.A. ²
2006	\$148.5	\$6.0	9	20.18%	12.40%	11.40%	0.29%	N.A. ²	N.A. ²
2005 ³	\$76.3	\$5.3	9	4.52%	4.42%	3.95%	N.A. ⁴	N.A. ²	N.A. ²

¹ Prior to 2011, the ACM Small & Mid Cap Portfolio Strategy was referred to as ACM SMALL & MID CAP COMPOSITE.

² 3-Year annualized EX-Post Standard Deviation is not presented because 36 monthly returns were not available.

³ Portfolio Strategy and Benchmark performance are for the period 07/01/2005 through 12/31/2005.

⁴ Portfolio Strategy dispersion is not statistically meaningful due to the Portfolio Strategy having less than a full year of data.

⁵ The investment performance service division of Ashland Partners, LLP was acquired by ACA Performance Services, LLC on June 28, 2017

Prior to January 1, 2012 the minimum account size for the composite was \$250,000 for clients who have a relationship with AMG.

ACM Small & Mid Cap Portfolio Strategy is comprised of accounts that hold small and mid capitalization domestic stocks. Stock selection is generally focused on valuation and business quality. The minimum account size for this strategy is \$100,000 for clients who have a relationship with AMG and \$500,000 for prospects that currently do not have a relationship with AMG that extends beyond AMG Capital Management. Illiquid securities are not a significant part of the Portfolio Strategy.

The Russell 2500 Value Index (the "Benchmark") is provided for comparison purposes. The Benchmark measures the performance of those Russell 2,500 companies with lower price-to-book ratios and lower forecasted growth values. These stocks are selected from the 2,500 smallest companies in the Russell 3000 Index, representing approximately 20% of the total market capitalization of the Russell 3000 Index.

Disclosures

ACM claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. ACM has been independently verified for the periods January 1, 2004 through June 30, 2016 by Ashland Partners & Company LLP⁵ and July 1, 2016 through December 31, 2018 by ACA Performance Services, LLC.

Verification assesses whether (i) the firm has complied with all the portfolio strategy construction requirements of the GIPS standards on a firm-wide basis and (ii) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The ACM Small & Mid Cap Portfolio Strategy has been examined for the periods July 1, 2005 through December 31, 2018. The verification and performance examination reports are available upon request.

ACM is the portfolio strategy division of AMG National Trust Bank (AMG) and is held out as its own division. There have been no changes in ACM that would alter historical portfolio strategy results. A complete list and descriptions of all ACM Portfolio Strategies is available upon request.

Performance results are based on fully discretionary accounts under management, including those accounts no longer with the firm. ACM Portfolio Strategy policy requires the temporary removal of any account incurring a client-initiated significant cash inflow or outflow of at least \$1,000,000 (a "Significant Cash Flow"). The temporary removal of an account having a Significant Cash Flow occurs at the beginning of the month in which the Significant Cash Flow occurs and the account re-enters the portfolio strategy three months after the Significant Cash Flow event. Additional information regarding the treatment of Significant Cash Flows is available upon request. Withholding taxes may vary according to the investor's domicile. Past performance is not indicative of future results. The annual Portfolio Strategy dispersion presented is an asset-weighted standard deviation calculated for the accounts in the Portfolio Strategy for the entire year.

The U.S. dollar is the currency used to calculate performance. Returns are presented gross and net of management fees and include the reinvestment of all income. A model fee of 0.90% was used to calculate net returns. Policies for valuing accounts, calculating performance, and preparing compliant presentations are available upon request.

The ACM Small & Mid Cap Portfolio Strategy was created January 1, 2010.

Illiquid securities are not a significant part of the Portfolio Strategy. The Portfolio Strategy does not use leverage, derivatives or short positions.

ACM Fees & Minimums – The current investment management fee for an account in this portfolio strategy is 0.70% of the first \$20 million of assets, 0.60% on the next \$20 million, 0.50% on the next \$20 million, 0.40% on amounts over \$80 million. Accounts also incur a fee of \$0.06 or less per share traded. If the client has other investment assets managed by AMG on a discretionary basis, the current additional portfolio strategy investment management fee is 0.40% of portfolio strategy assets plus a fee of \$0.06 or less per share traded. Actual investment advisory fees incurred by clients may vary based on account size, investment strategy, relationship, and other factors, and may differ between accounts.

No Guarantee – Investments in the ACM SMID Portfolio Strategy are not insured. Past returns are not a guarantee of, and should not be considered indicative of, future returns, which could differ substantially. Investments in securities are subject to risk and may lose all value. Loss of total principal is possible.

Model Portfolio – Client accounts in the ACM SMID Portfolio Strategy will be managed individually to a model strategy to the extent possible. The model portfolio represents the proposed investment for a fully discretionary account. Allocations and securities are subject to change.

Portfolio Concentration & Risk – The ACM SMID Portfolio Strategy invests in a relatively small number of securities. Consequently, if one or more of the securities held in its portfolio declines in value or underperforms relative to the market, it may have a greater impact on an account's performance than if the account held a larger number of securities. An account invested using the ACM SMID Portfolio Strategy may experience more volatility, especially over the short term, than an associated index or an account with a greater number of holdings.

The information provided in this material should not be considered a recommendation or solicitation to purchase or sell any security. There is no assurance that any securities referenced herein will remain in the portfolio's holdings or that securities sold have not been repurchased. The securities discussed do not represent the entire portfolio. It should not be assumed that any of the referenced securities were or will be profitable, or that the investment decisions we make in the future will be profitable.

Contact

For more information, please contact your AMG National Trust Bank financial advisor or Emily Nelson Musser, Director of Business Development, at 800.999.2190.

Non-Deposit Investment Products: Not FDIC insured • No bank guarantee • May lose value
ACM claims compliance with Global Investment Performance Standards

Glossary of Terms

Russell 2500 Value Index – See description at left.

Russell 2500 Index – The Russell 2500 Index measures the performance of the small to mid-cap segment of the U.S. equity universe, commonly referred to as "smid" cap. The Russell 2500 Index is a subset of the Russell 3000 Index. It includes approximately 2500 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2500 Index is constructed to provide a comprehensive and unbiased barometer for the small to mid-cap segment.

Portfolio Metrics – These are calculated using a weighted average of the positions in the model portfolio.

Price-to-Earnings (trailing) – This represents the quarter-end price of a stock divided by trailing twelve-month earnings per share.

Price-to-Book Value – This represents the quarter-end price of a stock divided by the per-share book value of equity on the company's balance sheet.

Dividend Yield (trailing) – This represents the per-share amount of dividends paid over the previous year divided by the quarter-end share price for the stock.

Market Sector Weights – This chart shows the diversification of the AMG portfolio strategy by GICS (Global Industry Classification Standards) sectors. The GICS standard was created by Standard & Poor's and Morgan Stanley Capital International (MSCI) to describe and segment equity markets.