Greenfield Seitz
CAPITAL MANAGEMENT

2015 Mid-Year Letter

August 3, 2015

Dear Investor,

The Greenfield Seitz Core Composite was up 2.8% (net-of-fees) for the six months ended June 30th versus 1.2% for the S&P 500 Index and 2.2% for the MSCI International Index.[1]

Economic Update
The combination of a strong dollar hurting exports and a 60% decline in earnings from the energy sector will result in slower earnings growth this year.[2] In fact, full year 2015 earnings growth estimates for the S&P 500 are now just 1.5%.[2]

Europe
During the first quarter, the European Central Bank began its own quantitative easing program. The ECB will purchase 60 billion euros worth of bonds per month. This has lowered interest rates (10-yr German government bonds yield just 0.8%) which: (1) helps companies and individuals borrow at lower rates, thus stoking demand; (2) pushes investors into stocks to find yield; and (3) reduces interest costs to European governments. Quantitative easing (money printing) has also lowered the euro currency 12% which helps European exporters. We note that quantitative easing by the Federal Reserve helped the S&P 500 gain 180% since November 2008.

While the short-term benefits of quantitative easing on the stock market are clear, we are skeptical of the long-term effects. QE is a tax on savers and a subsidy to borrowers. The long-term consequences of quantitative easing are not fully understood but economics teaches us that suboptimal allocation of capital will ultimately result in lower output and standard of living. In fact, while US equities are near all-time highs, real median household income is 9% lower than 1999.[3]

With all of this in mind, we believe the ECB's bond purchasing program will be a positive for European stocks. GSCM portfolios currently have a roughly 25% allocation to Europe.

Holdings Review
Below is a sampling of a recent addition to our portfolio and the rationale behind it. Last summer, we reviewed Bank of the Ozarks and the DirecTV (which was bought by AT&T). Those stocks have gained 47% and 12% (respectively) since the time of our letter and we still own them today.

> **FireEye** is a network security company that protects against cyber threats and provides automated threat forensics. FireEye has more than 3,500 customers in 67 countries, including more than half of the Fortune 500 companies. Last year, worldwide spending on cyber security was $71 billion and is growing 8% annually.[4]
>
> The world of hacking is transforming. Now the threats are well funded militaries and criminals and the stakes are higher than ever. Companies and governments are playing catch up to protect their data. This has become an "arms race" with the attackers and defenders constantly evolving, which we believe is good for FireEye's business prospects.
>
> More than 95% of all major cyber crime is initiated by email when the user unknowingly opens a malware attachment. In the past, security software could only check emails for known viruses and was unprotected from new viruses. FireEye has a unique software system (virtual execution machine) that opens suspicious emails in a virtual machine to analyze them and make a threat assessment before allowing the user to open it. In today's fast-moving world of cyber crime the threats are constantly changing and the old system of looking

for previously known virus signatures is ineffective. In a recent survey, 74% of corporations ranked FireEye as the top cyber security service.[4]

We were originally attracted to FireEye because of its impressive management team, that includes the former CEO of McAfee (world's largest software security company), the former CEO of Symantec (world's 2nd largest software security company), the former head of Google internet security, the Chief Technology Officer of Vodafone (world's 2nd largest telecom company), and the Chief Information Security Officer for the U.S. Department of Defense.

Since its 2013 IPO, FireEye has grown its sales from $83 million to over $600 million this year. In the most recent quarter, sales grew 69%. While the company has an impressive 70% gross margin, it is not profitable on the bottom line. We rarely invest in unprofitable businesses but believe FireEye is investing in its future and in the long-run will be very profitable as the cyber security market grows.

(This information is supplemental to the GIPS Compliant Presentation and is not an offer or a solicitation to buy or sell any securities)

Outlook
We believe the U.S. stock market continues to show signs of slowing in its sixth year of this bull market. The S&P 500 Index trades at 21.5x trailing P/E which is well above the historical average of 15.5x. As mentioned before, this rich valuation doesn't seem validated by weak earnings growth. Full year 2015 earnings growth is now projected to be just 1.5%, which is the worst since 2009.

Only three previous Bull markets have gained more or lasted longer than our current bull market. With stocks at historically high valuations and earnings growth slowing, this may be a time to be fearful when others are greedy. We continue to keep high levels of cash and while this has been a drag on performance we believe it is also reducing our risk.

As always, please contact us anytime if you have any questions.

Sincerely,

Greenfield Seitz Capital Management

GREENFIELD SEITZ CAPITAL MANAGEMENT

Past performance does not guarantee future results.
1 MSCI ACWI-ex U.S.
2 Standard & Poors. 2015
3 Financial Times. "QE will lower living standards long term" March 24, 2015
4 Gartner. 2015

All company figures are from company reports or S&P.

Greenfield Seitz Capital Management has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®).

Firm Information: Greenfield Seitz Capital Management ("GSCM") is a registered investment advisor based in Dallas, Texas. GSCM specializes in managing separate investment accounts for high net-worth individuals, with a focus on equities. GSCM is structured as a Limited Liability Corporation. GSCM utilizes Raymond James Financial, Inc. as its custodian of assets.

Composite Characteristics: The Greenfield Seitz Capital Management Core Composite is comprised of accounts whose primary objective is growth of principle by investing primarily in stocks of U.S. and international companies. Before investing with GSCM, all clients agree to the investment style so all accounts are employing GSCM's investment strategy. The composite contains all discretionary accounts that exceed the minimum asset level. The GSCM Core Composite is the only composite for GSCM and contains no carve-outs. A complete list and description of all firm composites is available upon request (GSCM Core Composite is the only composite for Greenfield Seitz Capital Management). The minimum portfolio size for the GSCM Core Composite is $1,000,000. Accounts may include up to 20% fixed income investments. As a whole, fixed income securities represent less than 5% of total composite assets. The start date for the GSCM Core Composite was January 1, 1997 and the composite was created in October 2004. The composite benchmark is the S&P 500 Index, which represents two-thirds of U.S. equity market value. New accounts are added to the composite at the beginning of the first full calendar month that they meet the composite definition. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. Accounts are removed on a monthly basis from the composite when assets fall below 70% of the minimum. Dispersion is only shown on annual periods.

Calculation Methodology: Valuations and returns are computed and stated in U.S. dollars, and individual portfolios are revalued monthly. Pricing information is supplied by ISS. The firm uses the trade date monthly returns and links these returns geometrically to produce an accurate time-weighted rate of return. Prior to January 2002, some accounts may have employed the use of settlement date accounting to calculate performance results. Time-weighted total returns include both capital appreciation and reinvested dividends. The GSCM Composite performance is the total return including cash and cash equivalents, of an asset-weighted composite of all discretionary portfolios managed by Stuart Greenfield and Yancey Seitz. Composite returns are asset-weighted. Net of fees returns are calculated net of management fees, transaction costs, and custodian fees. To calculate gross of fees returns, please review our fees and add applicable fees back into returns accordingly. Returns are calculated gross of all withholding taxes on foreign dividends. The dispersion measure is the asset-weighted standard deviation of accounts in the composite for the entire year. On 2/28/06, the composite changed software to Advent Axys. After the change in software programs, composite returns are now calculated using modified dietz and cash-basis dividends.

Key Manager Change: In February 2002, Stuart Greenfield assumed co-responsibility for stock selection and investment management from Eric Greenfield. Yancey Seitz has had investment management responsibility during all periods of the Composite.

Net-of-Fee Performance: Net of fee performance shown reflects the deduction of actual fees. To calculate gross of fees returns, please review our fees and add applicable fees back into returns accordingly. Actual fees are expected to be lower than the maximum scheduled rate of 1%. All charts and tables are shown Net of Fees.

Benchmark: The S&P 500 is an unmanaged index of the shares of large U.S. companies. It includes reinvested dividends and is presented gross of fees.

Statistical Definitions: Tracking error/Standard Deviation is the square root of the variance. Beta is measure of a portfolio's volatility relative to the market. R2 is the relative predictive power of a model. Alpha is the extra return above what CAPM determines for the amount of risk taken, risk adjusted return. Excess Return is return in excess of the risk-free rate.

Custodian Transfer: On 4/1/05, GSCM changed asset custodians. There were no disruptions in performance and no trading activity during transfer.

Retail Fee Schedule: 1.00% on assets under management

Other Disclosures: Greenfield Seitz Capital Management has received a firm-wide GIPS® Verification for the period January 1, 1997 – June 30, 2015 from ACA Beacon Verification Services. Past performance does not guarantee future results. This performance report should not be construed as a recommendation to purchase or sell any particular securities held in composite accounts. Market conditions can vary widely over time and can result in a loss of portfolio value. To obtain performance data current to most recent month end, please contact us. You should consider our investment objectives, risks, and fees carefully before you invest. Additional information regarding policies for calculating and reporting returns is available upon request.

Past performance does not guarantee future results. The market value of securities fluctuates and you may incur a profit or a loss. This analysis does not include transaction costs and tax considerations. The material included in this presentation is for informational purposes only, and is not intended as an offer or a solicitation to buy or sell any securities.

Any views or opinions presented in this presentation are solely those of GSCM. While the information contained in this presentation is believed to be reliable, no representation or warranty, whether express or implied, is made and no liability or responsibility is accepted by GSCM as to the accuracy or completeness thereof.

Special risks are involved with global and international investing related to market and currency fluctuations, economic and political instability, and different financial accounting standards. These risks are magnified by emerging markets.

Please visit www.gscapital.net for additional disclosures or to view our updated Form ADV.

ACA
COMPLIANCE GROUP
PERFORMANCE SERVICES

589 8th Avenue, 7th Floor
New York, NY 10018
212.868.5940 PHONE
212.868.5947 FAX

Verification Report

Greenfield Seitz Capital Management, LLC
2100 McKinney Avenue, Suite 1420
Dallas, TX 75201

We have verified whether Greenfield Seitz Capital Management, LLC (the Firm) (1) complied with all the composite construction requirements of the Global Investment Performance Standards (GIPS®) on a firm-wide basis for the periods from January 1, 1997 through June 30, 2015, and (2) designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of June 30, 2015. The Firm's management is responsible for compliance with the GIPS standards and the design of its policies and procedures. Our responsibility is to express an opinion based on our verification. We conducted this verification in accordance with the required verification procedures of the GIPS standards. We also conducted such other procedures as we considered necessary in the circumstances.

In our opinion, the Firm has, in all material respects:

- Complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the periods from January 1, 1997 through June 30, 2015; and
- Designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of June 30, 2015.

This report does not relate to or provide assurance on any composite compliant presentation of the Firm and does not ensure the accuracy of any specific composite compliant presentation.

ACA Performance Services, LLC

ACA Performance Services, LLC
July 30, 2015

GREENFIELD SEITZ CAPITAL MANAGEMENT

Core Composite Returns (accounts over $1 million)
Net-of-Fees

Year	Total Return	S&P 500 %	Number of Portfolios	Dispersion %	Total Composite Assets (millions)	Total Firm Assets End of Period (millions)	Percentage of Firm Assets %	3-Yr Ex-Post Standard Deviation GSCM	3-Yr Ex-Post Standard Deviation S&P 500
1997	17.10%	33.36%	22	6.14	$43.80	$138.69	31.6%		
1998	8.94%	28.58%	22	7.66	$42.99	$165.11	26.0%		
1999	15.15%	21.04%	24	6.61	$50.65	$179.31	28.2%		
2000	14.81%	-9.11%	32	5.10	$63.92	$194.67	32.8%		
2001	3.68%	-11.88%	36	4.53	$70.85	$201.94	35.1%		
2002	-14.32%	-22.10%	37	4.25	$64.62	$172.01	37.6%		
2003	28.77%	28.68%	38	6.04	$76.22	$200.36	38.0%		
2004	14.79%	10.88%	45	3.59	$100.21	$231.78	43.2%		
2005	16.62%	4.90%	55	4.77	$123.77	$226.25	54.7%		
2006	18.85%	15.79%	61	2.94	$150.21	$267.49	56.2%		
2007	7.22%	5.50%	63	2.74	$149.20	$273.20	54.6%		
2008	-34.43%	-37.00%	60	3.75	$97.13	$186.79	52.0%		
2009	29.17%	26.46%	55	6.15	$103.07	$197.42	52.2%		
2010	14.81%	15.06%	52	3.59	$116.64	$220.98	52.8%		
2011	-6.97%	2.11%	62	4.60	$229.41	$308.02	74.5%	15.96	18.7
2012	11.46%	15.99%	53	2.05	$250.49	$335.13	74.7%	13.37	15.09
2013	18.90%	32.40%	61	2.73	$240.21	$386.47	62.2%	11.9224	11.9366
2014	6.24%	13.69%	60	2.14	$228.27	$355.34	64.2%	9.27	8.98
6/30/2015	2.76%	1.24%	65	n/a	$241.71	$356.08	67.9%		

Cumulative Return	319.17%	286.93%

Annualized Rate Return:	GSCM %	S&P 500
Since Inception (12/31/96)	9.37%	8.82%
10 Years	6.59%	7.67%
5 Years	8.50%	15.45%
3 Years	12.08%	20.41%
Worst 3-yr Period	-9.19%	-37.61%

*Past performance is no guarantee of future results. Annualized and cumulative returns are as of 6/30/2015. See important disclosures and information at www.gscapital.net.