A Smarter Way to Invest

Dividend Growth

Data as of 6/30/18

Risk Score ™

RISK 68

Riskalyze: #SWDG

Investment Discipline

At any given time, the Dividend Growth model will hold 20 common stocks. In order to be considered for inclusion, a stock must have a track record of at least 5 years of rising annual dividends as well as a dividend yield above our predetermined threshold. Stocks are assigned a score based on fundamental data and valuation. The highest scoring stocks are included in the model and held until a sell criteria is reached.

Model Objective

This model focuses on providing a rising stream of dividend income. This can be reinvested to further compound the growth effect on the dividends or be withdrawn for income. A secondary objective for this model is to provide growth in line with equity benchmarks. This model does tend to hold stocks that fall into the value category.

Dividend Yield

YIELD 3.4%

Returns (net of max fee)

2012	3.01%
2013	21.01%
2014	6.02%
2015	-2.82%
2016	25.20%
2017	18.80%
2018	-1.71%

Return Statistics

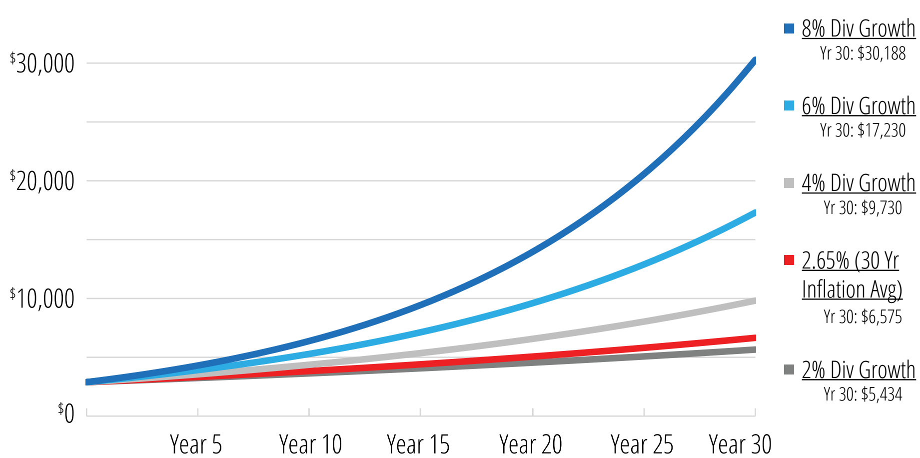
Annualzd Since Incept	10.19%
Last Quarter	1.04%
Trail 12 Months	8.89%
3 Year Annualized	13.22%
5 Year Annualized	11.14%
1 Yr Div Growth Rate	14.13%
3 Yr Div Growth Rate	14.72%

Risk Statistics

Max Drawdown	-16.27%
Recovery Time	7.8 mos
MAR Ratio	0.63
Alpha (5 Year)	0.42%
Beta (5 Year)	0.96
Std Dev (5 Year)	13.98%
Sharpe (5 Year)	0.66

The Effects of Rising Dividends

This graph demonstrates the impact that dividend growth rates can have on annual dividend payouts over time. The Dividend Growth model aims to acheive a 6-8% annual dividend growth rate to help outpace the harmful effects of inflation. In this illustration, the red line represents the average annual inflation over the last 30 years. For a $100,000 portfolio with a starting dividend yield of 3%, the first year would pay $3,000 of dividends. From there, that amount would grow at the different rates shown. In 30 years, the average inflation rate would grow that $3,000 of dividend income to $6,575, while the 6% growth rate targeted by our model would grow the $3,000 to $17,230.



Disclosures

Past results are not a guarantee or implied guarantee of future performance, returns, profit, or growth. Investors should thoroughly evaluate financial objectives, goals, and parameters such as risk tolerance with their Advisor before investing. Investment account values will be subject to fluctuation in capital markets. Fiduciary does not guarantee any level of investment performance, superior than the appropriate benchmark or otherwise.

Carefully consider the investment objectives, risk factors, and charges and expenses before investing with A Smarter Way to Invest. This and other information can be found in A Smarter Way to Invest's Form ADV Part 2A, which can be obtained from your financial advisor, by calling (810) 588-6178 or by visiting www.ASmarterWaytoInvest.com. There are risks involved with investing, including possible loss of principal.

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