

Key Highlights: High Alpha + Low Beta = Modern Dividend Investing

- Competitive returns (over 9% per year since 2007)
- Annualized Alpha of over 5% versus S&P 500 indicating significant “value-added” from YARP™’s risk-managed technique
- About 1/2 the Standard Deviation of its peers (4 ETFs with combined AUM of over \$140mm as of 8/31/2021)
- Less than 1/3 the volatility (via Beta) of the S&P 500, and much less than its peers
- Consistent, substantial outperformance of peers during the market most threatening period
- Up/Down Capture which shows the benefits of a dividend approach that plays a defense in addition of offense.
- Calmar Ratio of 1.16, indicating YARP™’s potential to deliver the type of outcome many investors seek

About YARP, The Isbitts Ratio, And YARP Focused 25 Model

YARP™ (Yield at a Reasonable Price) investing applies the Isbitts Ratio™ (an investment factor created by the model’s portfolio manager) to the analysis of dividend stocks, to narrow down the selection and timing process for active or passive portfolio management. YARP™ can be a total solution, or it can be a filtering process.

YARP™ Focused 25 Model holds up to 25 stocks at any time, with each stock having a 4% weighting at cost. Unlike mainstream, traditional dividend investing approaches, the number of stocks held is based strictly on how many meet YARP™’s strict criteria at any point in time. Thus, the model will hold as many as 25 stocks and as few as zero. (In the case where no stocks currently qualify). This is YARP™’s key differentiator.

This model selected stocks from a universe of 90 companies that paid regular quarterly dividends for at least 22 consecutive years, and eliminated companies whose dividend yields were rarely over 2%. In selecting the 90-stock universe, larger companies were favored over smaller ones.

Performance Highlights (Annualized)

Total Return	Alpha vs S&P 500 TR
9.52%	6.40%
Beta vs S&P 500 TR	R Square vs S&P 500 TR
0.29	0.31

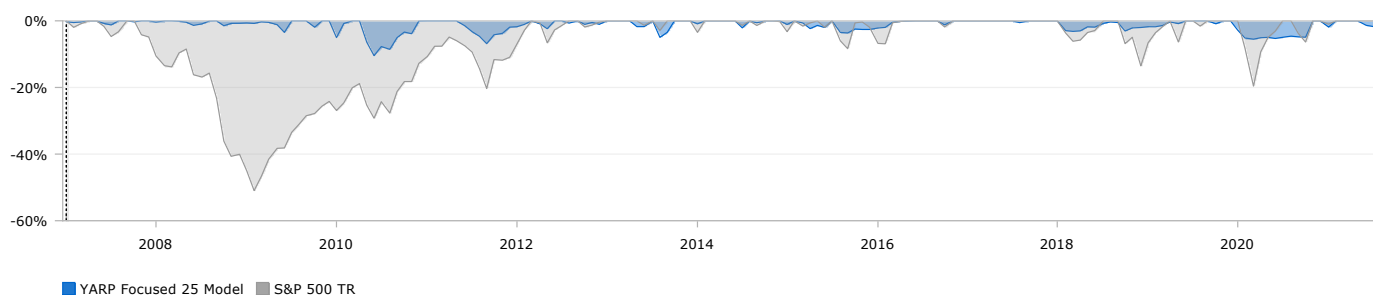
About The Strategy

Company	Sungarden Investment Publishing
Manager	Rob Isbitts
Start	02 Jan 2007
End	31 Aug 2021
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Model Type	Hypothetical Backtest

YARP Focused 25 Model: A Compelling Alternative To Traditional Dividend Approaches

	YARP Focused 25 Model	SPDR® S&P Dividend ETF (SDY)	Vanguard Dividend Appreciation ETF (VIG)	Vanguard High Dividend Yield ETF (VYM)	iShares Select Dividend ETF (DIVY)	S&P 500 TR
Total Return Annualized	9.52%	9.05%	10.05%	8.41%	7.39%	10.48%
Standard Deviation Annualized	7.90%	15.32%	13.32%	14.76%	15.69%	15.22%
Max Drawdown	-10.46%	-49.27%	-41.11%	-51.79%	-57.39%	-50.95%
Worst 12 months	-0.83%	-22.88%	-26.69%	-31.91%	-32.87%	-37.00%
Calmar Ratio	1.52	0.45	0.95	0.45	0.33	0.92
Sortino Ratio	2.43	0.83	1.08	0.79	0.63	0.97
Sharpe Ratio	1.19	0.65	0.79	0.62	0.54	0.73
Total Return Cumulative	279.30%	256.42%	307.11%	226.69%	184.59%	331.58%

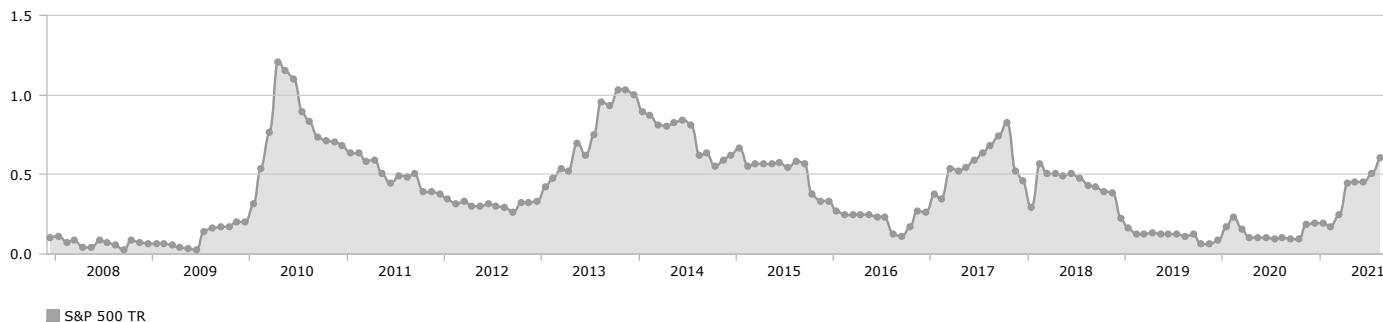
Dividend Investing With Defense: A Viable Bond Replacement Strategy



Drawdown History: YARP Focused 25 Model Draws The Line Around 10%

No.	Depth (%)		Length (Months)		Recovery (Months)		Start date		End date	
	YARP 25	S&P 500 TR	YARP 25	S&P 500 TR	YARP 25	S&P 500 TR	YARP 25	S&P 500 TR	YARP 25	S&P 500 TR
1	-10.46	-50.95	2	16	7	37	05/2010	11/2007	01/2011	03/2012
2	-6.86	-19.60	4	3	6	4	06/2011	01/2020	03/2012	07/2020
3	-5.51	-13.52	3	3	8	4	01/2020	10/2018	11/2020	04/2019
4	-5.03	-8.36	1	2	2	8	01/2010	08/2015	03/2010	05/2016
5	-4.97	-6.60	1	2	2	3	08/2013	04/2012	10/2013	08/2012

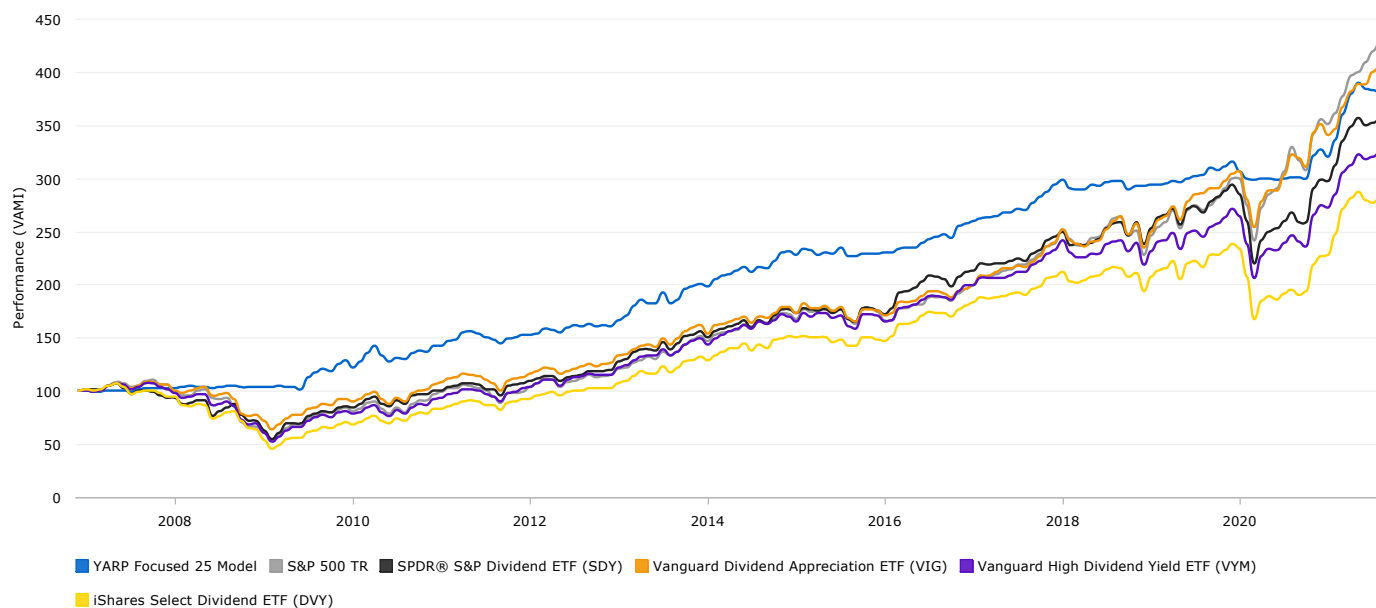
12-Month Rolling Beta: YARP Focused 25 Model Automatically Adjusts Market Exposure



Rolling Return Analysis: Defensive Dividend Investing Produces Consistent Results

Period	Best	Worst	Average	Median	Last	Winning %
1 Month	11.35	-6.42	0.79	0.45	-0.94	65.34
6 Months	27.09	-5.30	4.94	3.40	12.92	78.95
1 Year	36.52	-3.13	9.69	9.17	26.00	91.52
3 Years	57.66	6.30	32.96	31.31	27.36	100.00
5 Years	114.22	27.63	62.22	61.31	54.74	100.00
10 Years	196.64	110.60	160.24	163.84	155.36	100.00

Performance: YARP Focused 25 Model Plays Defense In Bear Cycles And Outperforms In Between



Monthly and Annual Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YARP Focused 25 Model: Annual Performance	S&P 500 TR
2021	-1.87	4.85	7.03	5.43	2.79	-1.35	-0.38	-0.94					16.18	21.58
2020	-2.81	-2.42	-0.36	0.46	0.11	-0.35	0.36	0.37	-0.23	-0.12	7.20	1.52	3.46	18.40
2019	0.24	-0.02	0.39	1.09	-0.52	1.16	0.78	0.41	2.23	-0.89	1.28	1.40	7.78	31.49
2018	1.67	-2.95	-0.23	0.16	1.25	-0.09	1.14	0.45	-0.19	-2.56	0.96	0.13	-0.36	-4.38
2017	0.92	1.21	0.18	0.41	1.22	0.36	1.08	-0.54	2.49	2.09	1.78	2.30	14.33	21.83
2016	0.44	0.19	1.58	0.29	0.08	1.74	1.78	0.80	0.71	-1.21	4.60	0.76	12.28	11.96
2015	-1.09	2.34	-0.66	-1.68	0.97	-0.61	2.62	-3.48	-0.17	1.23	-0.14	0.00	-0.83	1.38
2014	-0.92	3.19	1.68	0.98	1.61	1.43	-2.12	2.36	-0.58	3.06	3.46	0.41	15.39	13.69
2013	3.00	2.89	5.47	3.16	-1.75	0.01	5.36	-4.97	1.58	5.24	1.67	0.66	24.10	32.39
2012	0.12	0.70	3.07	-0.92	-1.47	2.75	1.34	-0.69	1.63	-1.08	0.59	-0.57	5.49	16.00
2011	0.24	3.02	1.21	4.49	0.30	-1.51	-1.79	-1.40	-2.34	2.85	0.48	1.92	7.46	2.11
2010	-5.03	4.43	6.67	4.71	-6.42	-4.32	3.06	-0.93	3.85	1.77	-0.52	3.99	10.75	15.06
2009	0.10	-0.15	0.50	-0.17	-0.71	-2.34	11.35	4.40	2.85	-1.93	5.32	2.92	23.58	26.46
2008	-0.37	1.02	0.69	-0.10	-0.31	-0.96	0.47	0.86	0.39	-1.47	0.72	0.03	0.93	-37.00
2007	-0.24	-0.29	0.21	0.68	0.22	-0.78	-0.47	2.09	0.91	-0.31	0.72	0.18	2.93	5.49

Manager Bio

Rob Isbits has spent the past 35 years as an investment strategist, advisor, researcher, thought-leader and journalist. He has devoted his career to busting common investment myths, helping investors and financial advisors make sense of chaotic markets, and growing a team of next-generation leaders to continue developing his Intellectual Property and investment approach. That includes the Isbits Ratio™, the investment statistical factor he created that is the basis for the stock selection process used in the Sungarden Core Portfolio strategy.

Rob has managed money multiple bull and bear market cycles. He creates innovative investment strategies that represent an alternative to outdated, overhyped traditional approaches. He is a 3-time mutual fund manager and creator of separately managed accounts and investment indexes.

Rob is a senior contributor to Forbes.com, a contributor to U.S. News & World Report and has written regularly for TheStreet, MarketWatch and RIA Biz. Rob has written 3 books on investing, including the 2021 e-book *Dividend Investing: A Modern Approach*.

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