

## THE SOUND INCOME DIVIDEND RIVER STRATEGY

Dividend River is an all-equity strategy that seeks to generate excess income from higher-yielding stocks and long-term capital appreciation as a secondary objective. The Dividend River Strategy is both a stand-alone vehicle and a sub-component to the Core Income allocation, to enhance that product's performance and diversification characteristics. Like all Sound Income products, the Dividend River portfolio is built based on rigorous, bottom-up security analysis, complimented by the risk mitigation aspects of modern portfolio theory.

### Investment Universe

- 12,000+ U.S listed equities
- Market Capitalization >\$1.5 Billion

### Investment Due Diligence

- Fundamental business and financial analysis
- Rigorous assessment of competitive positions, investment catalysts and threats.
- Frequent interaction with companies, analysts, and competitors to test investment theses.

### Investment Parameters

Dividend Yield: Minimum 2.0X S&P 500  
Dividend Objective: 4.00%+ Annual Yield  
Dividend Requirement: Yes, for ALL positions

Sound Income Strategies invests in all the GICS sectors except for Real Estate due to the lack of qualified dividends found in this sector. Sound Income Strategies does not invest in the tobacco industry.

Fund yield objectives may change subject to market conditions.

- Inception Date of Strategy and Benchmark (S&P 500 Index): 11/01/2015

## SINCE INCEPTION ANNUALIZED STATISTICS

	Dividend River Net	S&P 500 Index
Portfolio & Return	Benchmark	
Performance	8.38%	14.03%
Standard-Deviation	16.22%	15.37%
Batting Average	0.409	
Sharpe Ratio	0.47	0.82
Semi-Deviation	11.60%	
Sortino Ratio	0.73	1.27
Skewness	0.01	-0.45
Kurtosis	1.12	0.55
Beta	0.88	
Jensen Alpha	-4.18%	
R2	0.70	
Tracking Error	9.13%	
Treynor Ratio	2.50%	
M2	8.98%	
Information Ratio	-0.55	
Calmar Ratio	0.35	
Max Drawdown	-23.97%	
Up-Market Capt.	80.36%	
Down-Market Capt.	97.40%	
Capture Ratio	82.50%	
Arithmetic Excess	-5.65%	
Geometric Excess	-4.95%	

### Period - As of 12/31/2024

	Gross Returns	Net Returns	Benchmark Returns
1-Year	2.96%	1.89%	25.00%
3-Year	2.44%	1.42%	8.92%
5-Year	7.82%	6.79%	14.50%
Since Inception	9.41%	8.38%	14.03%