

Severin Current Equity Income



SEVERIN ASSET MANAGEMENT

Investment Strategy

Severin Current Equity Income seeks dividend income with moderate growth potential. The managers select dividend-paying equities that they believe have sustainable dividends, moderate growth potential, and strong quality indicators. The strategy seeks a collective current yield that is higher than the broad market average.

Firm Information

Name	Severin Asset Management
Investment Type	Separate Account
Lead Portfolio Manager	Jeffrey J Severin, MBA
Level 1 Portfolio Manager	Tess Severin Butler, JD
Firm City	Saint Louis
Firm State or Province	Missouri
Firm Phone	866-983-2707
Website	http://www.severinassetmanagement.com/

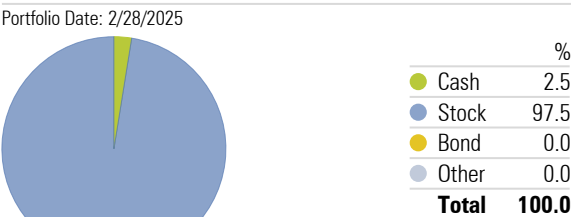
Fund Statistics

Inception Date	12/31/2013
Fund Size (\$mil)	29.62
# of Holdings	101
Average Market Cap (mil)	66,227.37
Morningstar Rating Overall	★★★
Forward Dividend Yield	3.22%
Minimum Investment (Base Currency)	100,000
P/E Ratio (TTM)	16.77

Market Performance

Time Period: 3/1/2020 to 2/28/2025	
Return	12.70
Alpha	2.91
Beta	0.92
Sharpe Ratio	0.63
Std Dev	17.16

Asset Allocation



Source: Morningstar Direct

Investment Growth



— Current Equity Income (Gross) ■ Current Equity Income (Net)

Returns (periods longer than one year are annualized)

	Since Inception	10 Year	5 Year	1 Year	YTD
Current Equity Income (Gross)	10.20	9.79	12.70	20.22	5.01
Current Equity Income (Net)	9.65	9.24	12.14	19.62	4.92

Equity Sectors

Portfolio Date: 2/28/2025	
Basic Materials	4.09%
Consumer Cyclical	5.29%
Financial Services	23.69%
Real Estate	4.32%
Consumer Defensive	8.85%
Healthcare	13.89%
Utilities	5.25%
Communication Services	4.52%
Energy	6.70%
Industrials	12.49%
Technology	10.93%

Top 10 Holdings

Portfolio Date: 2/28/2025	
	Weight %
JPMorgan Chase & Co	2.52
AbbVie Inc	2.19
Cardinal Health Inc	1.74
Wells Fargo & Co	1.73
Philip Morris International Inc	1.72
Walmart Inc	1.66
UnitedHealth Group Inc	1.63
OneMain Holdings Inc	1.50
AT&T Inc	1.40
Bank of America Corp	1.38

Morningstar Style Box

Portfolio Date: 2/28/2025

Market Cap	%	Value	Blend	Growth
Market Cap Giant %	10.9	Large	42.2	8.7
Market Cap Large %	41.9			
Market Cap Mid %	33.4	Mid	12.9	19.5
Market Cap Small %	10.5			
Market Cap Micro %	3.3	Small	7.5	5.4
				0.9



Portfolio Construction

The investment process for this portfolio begins with a quantitative screening of a broad universe of equity securities with a process that looks first, but not exclusively, at dividend yield, dividend growth potential, market capitalization, etc. Next a review of company fundamentals, such as valuation, earnings growth, financial condition, etc., helps the Investment Committee further focus on just those companies with dividends that appear reasonably sustainable with potential for moderate dividend growth. They also consider industry and sector guidance from Severin Investments strategists, quantitative factors, such as relative strength and stock rankings, and analysis provided by a variety of research providers.

The Investment Committee then constructs a portfolio that is composed of securities issued by sound companies, with reasonable trading liquidity, which seeks to generate an annual yield higher than the current market average. Further, the Investment Committee ensures the position sizes of each security in the portfolio are appropriate for the overall strategy, with initial purchase weightings generally between 1% and 3%, and is diversified across various sectors and industries. The Investment Committee may adjust the positions at any time to either reposition the portfolio or help reduce risk. The Portfolio's cash position will normally be less than 5%.

The Current Equity Income Portfolio is an actively managed portfolio. The Investment Committee monitors the portfolio on an ongoing basis and removal of a stock from the Portfolio may be initiated for a variety of reasons, including but not limited to a significant and/or prolonged deterioration in corporate fundamentals, the dividend is no longer viewed as secure, or the equity position has significantly increased since its original purchase. When the Investment Committee decides to add or remove a security from the Portfolio, transactions to reflect such changes will automatically be effected in every client account participating in the program.

Investment Philosophy

The Current Equity Income Wrap Composite is designed for investors seeking current equity income with potential long-term capital appreciation. This composite focuses on meeting its objective by utilizing dividend-paying equities that we believe have sustainable dividends, moderate growth potential, and a collective current yield that is higher than the current broad market average. It is comprised of U.S. Securities that have an above market dividend yield, have not had a dividend cut within 5 years, and have increasing projected dividends over the next 5 years. There is no restriction on market capitalization of the companies held, however the composite generally is comprised of more Large Cap Value oriented stocks. The composite generally holds between 50-100 securities and is fully invested in equities. This composite was created on 01/01/2014 and is benched to the Russell 1000 Value Index. The Benchmark is rebalanced once a year on the first of January.

Performance Disclosure

Severin Asset Management is a d/b/a for Severin Investments, LLC, an independent registered investment adviser. Severin Investments, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Severin Investments has been independently verified for the periods August 1st 2013-December 31st 2023. To receive a GIPS report or the verification report, please contact Severin Investments via email (info@severininvestments.com) or phone (866-983-2707).

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Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results.

Severin Current Equity Income is benched to the Russell 1000 Value Index (98%) and Cash (2%).

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of fees and include the reinvestment of all income. Net returns are reduced by a model fee of .50%, which represents the maximum investment management fee for this composite. Composite performance is presented net of foreign withholding taxes on dividends, interest income, and capital gains. "Pure" gross-of-fees returns do not reflect the deduction of any expenses, including trading costs and are provided as supplemental information to net returns.

The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing composites, calculating performance, and preparing compliant presentations are available upon request. Severin Investments will provide a complete list of composites and descriptions upon request.

Prospective Clients and clients should not assume identical performance results to those shown would have been achieved for their account if it was invested in SI Current Equity Income during the period. Clients of the firm may receive different performance than the composite. Client performance may differ due to factors such as time of investments, timing of withdrawals, and client-mandated investment restrictions. Wholesale, retail, and institutional clients of the firm may have differing performance due to timing of trades.

Current Equity Income received a 3-Star Overall Morningstar Rating™ out of the 496 funds in the Large Value category as of 12/31/2024. © 2025 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.