

## Drawdown - SEM (shaded) vs. Benchmarks

Time Period: 7/1/2005 to 6/30/2020



### AG-MOD MS-MOD AF-Gr/Inc

Max Drawdown	-32.26	-37.94	-43.64
# of Months	16	16	16
Peak Date	11/1/2007	11/1/2007	11/1/2007
Valley Date	2/28/2009	2/28/2009	2/28/2009

## Risk/Return Statistics

Time Period: 7/1/2005 to 6/30/2020

Calculation Benchmark: S&amp;P 500 TR USD

	SEM	MS	AF	S&P 500
Annualized Return	6.95	5.27	6.02	8.83
Sharpe Ratio	0.48	0.39	0.42	0.51
Alpha	-0.12	-1.19	-0.83	0.00
Beta	0.76	0.67	0.73	1.00
Std Dev	11.75	10.07	11.18	14.71
Gain/Loss Ratio	1.59	1.55	1.58	1.65
Up Capture Ratio	80.09	65.03	71.28	100.00
Down Capture Ratio	81.12	68.40	73.34	100.00

## Program Information

Minimum Equity Exposure:	50%
Maximum Equity Exposure:	90%
Inception Date:	6/1/2017
Category:	Moderate Alloc.
Maximum SEM Fee:	0.50%
Max. Financial Advisor Fee:	1.00%

## Manager(s) (start date):

Jeffrey Hybiak , CFA (1998)

**SEM AmeriGuard-Moderate** is a blend of "strategic" & "dynamic" management models that utilize the funds available at American Funds & Vanguard, two of the top mutual fund managers in the country. The goal of the portfolio is to provide consistent exposure to the targeted benchmark while still providing some risk management by allocating to the top ranked funds in the strongest segments.

## Why American Funds?

Founded in 1931, American Funds is one of the oldest mutual fund companies in our country. American Funds takes a long-term approach. American Funds is known for their consistent approach to investing and ignoring the short-term fluctuations of the market. According to the company their portfolio managers have been with the company an average of 21 years.

## Why Vanguard?

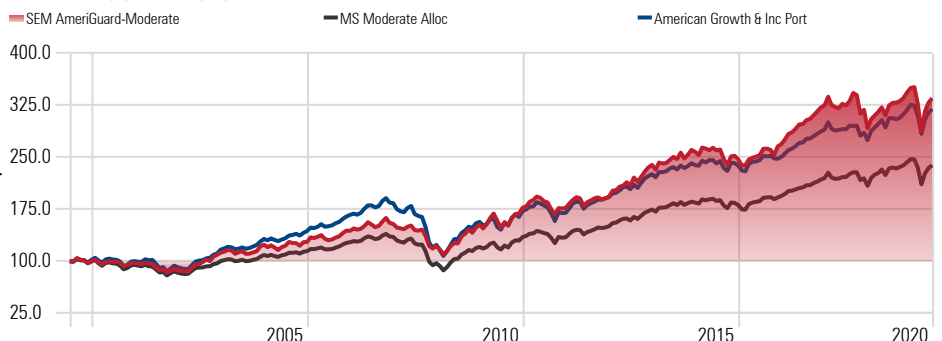
Launched in 1975, Vanguard was a pioneer in the world of investing. In 1976 Vanguard launched the world's first index fund, the Vanguard 500 fund. They followed in 1986 by launching the first bond index fund. In addition to their index funds, Vanguard owns the Wellington fund family, the country's oldest balanced mutual fund (founded in 1929). Vanguard is known for providing some of the lowest cost funds in the industry.

## Why SEM?

Since 1992 SEM Wealth Management has helped clients overcome the emotions that arise during prolonged bull markets and the subsequent crashes. The focus of SEM is to provide Scientifically Engineered Models that seek to find the best return vs. risk investments across the financial landscape.

## Investment Growth-SEM (shaded) vs. MS (solid) & American Funds (dashed)

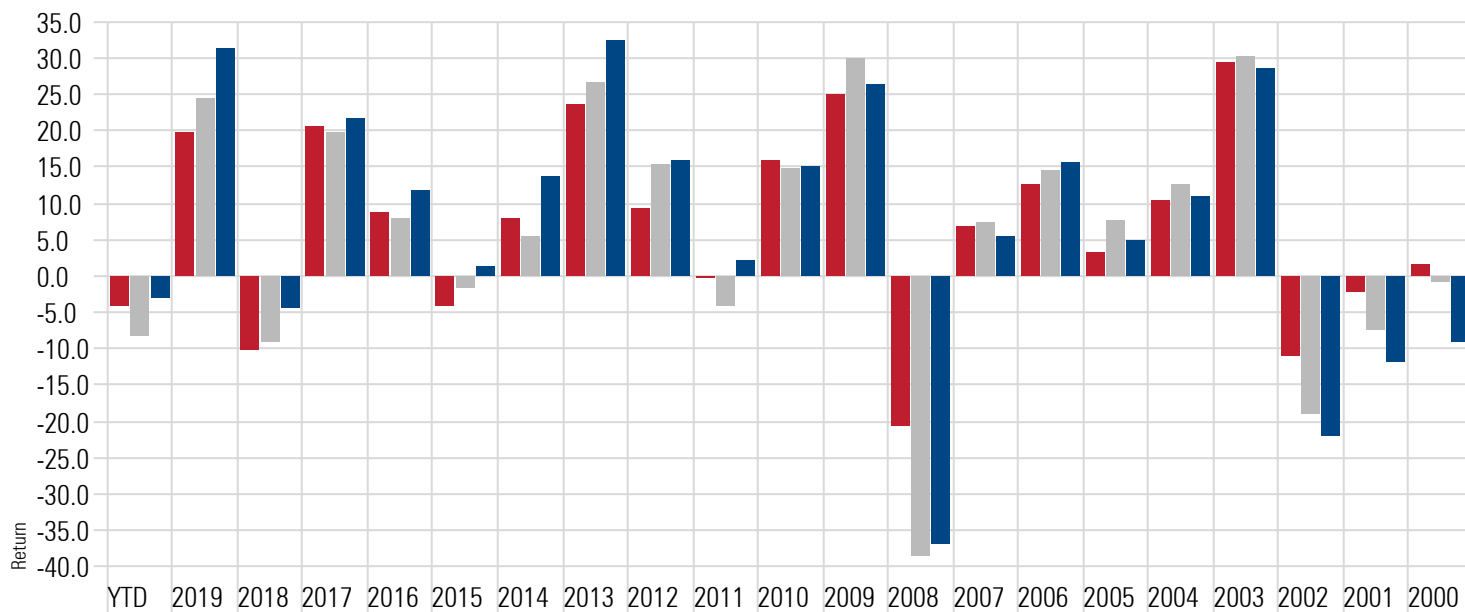
Time Period: 7/1/2000 to 6/30/2020



## Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	15 Years
SEM AmeriGuard-Moderate	-4.24	3.27	4.02	5.22	8.50	6.95
MS Moderate Alloc	-3.59	2.23	4.75	4.89	7.33	5.27
American Growth & Inc Port	-1.89	4.37	5.64	5.82	8.19	6.02

# Calendar Year Returns (results prior to 6/2017 are HYPOTHETICAL model results)



■ SEM AmeriGuard-Moderate

■ MS Aggressive Alloc

■ S&P 500

	YTD	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
SEM AmeriGuard-Moderate	-4.24	19.88	-10.11	20.73	8.87	-4.17	7.89	23.80	9.29	-0.41	16.01	25.17	-20.58	6.93	12.54	3.22	10.33	29.38	-10.96	-2.14	1.53
MS Aggressive Alloc	-8.25	24.45	-9.24	19.73	7.94	-1.80	5.48	26.72	15.43	-4.17	14.84	30.09	-38.47	7.53	14.64	7.77	12.51	30.14	-19.11	-7.48	-0.80
S&P 500	-3.08	31.49	-4.38	21.83	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46	-37.00	5.49	15.79	4.91	10.88	28.68	-22.10	-11.89	-9.10

## Quarterly Performance (results prior to 6/2017 are HYPOTHETICAL model results)

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
2020	-17.79	16.48			-4.24
2019	8.07	2.87	2.02	5.70	19.88
2018	-0.69	0.77	4.55	-14.09	-10.11
2017	6.32	4.09	4.34	4.55	20.73
2016	-0.08	2.45	2.98	3.27	8.87
2015	1.76	-0.98	-8.16	3.56	-4.17
2014	0.81	3.96	-0.88	3.87	7.89
2013	7.44	0.99	5.80	7.84	23.80
2012	8.88	-3.73	3.75	0.50	9.29
2011	6.10	-0.89	-10.26	5.54	-0.41
2010	6.14	-8.67	9.28	9.53	16.01

### DISCLAIMER:

All results assume the maximum management fee of 1.5%/year was deducted in arrears and capital gains and dividends were reinvested. Prior to June 1, 2017 results for the AmeriGuard portfolios are the result of the investment models being utilized in the AmeriGuard portfolios. These models look at the overall trends in the market and the various asset classes using mathematical formulas. From there they allocate in the available asset classes at American Funds and Vanguard. While the use of mechanical models removes most subjectivity, it should not be assumed the past market environment will be repeated, which could cause the models to have significantly different performance in the future. There are inherent limitations in HYPOTHETICAL results. Actual mutual fund prices are utilized where available. Where HYPOTHETICAL results were obtained using the actual indices prices, mutual fund expenses are approximated using expense ratios of the funds. Results do not include the benefit of money market dividends used when the active systems are on defense. Real time results WILL deviate from the HYPOTHETICAL results due to several factors such as mutual fund expenses, differences between the time the trade was placed and the actual market closing price, tracking differences between the fund and the index, the fact that material economic and market factors might have an impact on the investment advisor's decision making process, and the fact that tested results occurred in an unusually strong market environment. Advisor reserves the right to add or replace trading systems during real time without restating model performance results if they believe the return/risk profile will not change substantially. All accounts within a program at a specific custodian are managed in a similar manner.

Beginning on June 1, 2017 results are an asset weighted composite of all accounts in the program for the entire period. For more details on the composite construction, please contact Strategic Equity. Individual client results may vary from the performance of the composite. Some or all of the following may occur: There could be cash flows into or out of the account. The advisor could select a different fund in the same asset class for different client accounts. Different custodians could have different fund availability, annual costs, and fees. The advisor may use different trading systems or system allocations at different custodians. Clients in the same program can be charged different fees. Fee schedules are available in Strategic Equity Management's Firm Brochure or upon request. Benchmark results were provided by Morningstar or the index provider and include dividends unless otherwise indicated. Past performance is no guarantee of future results. There is potential for loss as well as gain in security investments of any type, including those managed by Strategic Equity Management, Inc. The investments discussed in this presentation may not be suitable for all investors. Strategic Equity Management's Firm Brochure is available at SEMWealth.com or upon request.

### Benchmark Descriptions and Comparison to SEM Programs

There are material differences between the programs Strategic Equity Management manages and the benchmarks selected that impact performance. The objective of the benchmark is to represent a passive investment in similar asset classes to this program. The objective of each AmeriGuard portfolio is to provide benchmark type returns with lower volatility over a full market cycle. The returns should be expected to vary from the returns of the benchmark due to our active management style, which utilizes money market funds and inverse funds or sub-accounts with the goal of reducing volatility. The following is a description of the benchmark used in the performance materials:

**Morningstar Allocation Category Benchmarks (MS):** Each Morningstar allocation portfolio seeks to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. These portfolios tend to hold larger positions in stocks than moderate-allocation portfolios. Each category is designed to represent specific investment objectives, capping the amount of stock exposure and investing the rest in bonds & cash. BAL = Balanced (30-50% stocks), MOD = Moderate (50-70% stocks), GRW = Growth (70-85% stocks), AGR = Aggressive (85%+ Stocks). Each MS Category is the relevant benchmark for the AmeriGuard portfolio with the same name. The benchmark for AG-MAX is MS-AGR.

**S&P 500 Index:** The S&P 500 index is an unmanaged capitalization weighted group of 500 stocks as selected by Standard & Poor's. They are usually the 500 largest companies in terms of market capitalization and are chosen to represent the entire market's value. The S&P 500, while not a benchmark for any specific SEM program, is often used by institutional investors to compare performance of the overall "stock market". The index is not available for direct investment and therefore does not include any management fees, transaction costs, or other expenses.

**American Funds Growth & Income Portfolio:** Actual results of the C-shares of the American Funds portfolio series from 5/18/2012 to the present. Results prior to this date are hypothetical model results based on the allocations provided on American Funds' website on June 30, 2017. The hypothetical portfolio was rebalanced monthly using the underlying American Funds investments. This semi-passively managed portfolio has a 1% fee payable to the advisor and offers a direct comparison of SEM's AmeriGuard management to the management of the American Funds portfolio series.

There is no representation made as to the future results of SEM's programs or if they will be profitable.

CONTACT Information can be found at [www.semwealth.com](http://www.semwealth.com)