

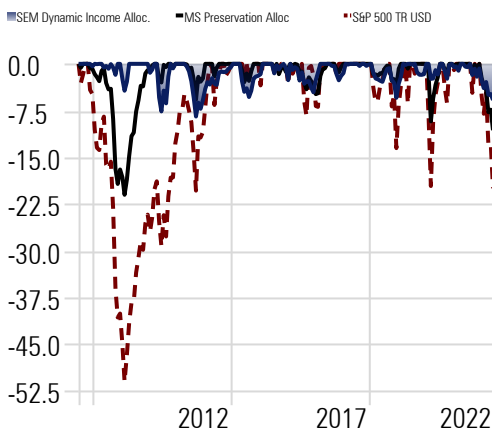
# SEM Dynamic Income Alloc.

Return Date: 6/30/2022

Benchmark: MS Preservation Alloc

## Drawdown - SEM (shaded) vs. Benchmark & S&P

Time Period: 7/1/2007 to 6/30/2022



	SEM Dynamic Income Alloc.	MS Preservation Alloc
Max Drawdown	-8.45	-21.00
Max Drawdown # of Periods	5	16
Max Drawdown Peak Date	5/1/2011	11/1/2007
Max Drawdown Valley Date	9/30/2011	2/28/2009

## Investment Goal

SEM's Dynamic Income Allocation (DIA) program seeks to actively manage exposure to income generating assets. The DIA program deploys dynamic portfolio management which increases or decreases allocations to specific fixed income assets based on overall risk in the bond market.

## Investment Strategy

DIA utilizes an asset allocation model that seeks to adjust the income allocation based on the current portion of the economic and business cycle. Based on economic, market, and interest rate policy indicators, the model seeks to increase sensitivity to interest rates (duration) to take advantage of moves in the fixed income markets.

DIA uses the Morningstar Preservation Allocation portfolio as the starting point and adjusts the asset allocation based on a proprietary econometric model. If the economic indicators are pointing to a "bullish" environment for the economy, DIA will hold a higher allocation to dividend paying stocks and high yield bonds. During "bearish" times, DIA will be comprised of mostly lower credit risk bonds, such as US Government Bonds.

## What to Expect

Over the long-term DIA is expected to provide exposure to the general trend in the bond market, both up and down. Historically DIA has averaged nearly the same overall return as the benchmark allocation, with less volatility and downside participation. The advantage of the portfolio stems from the time spent in each asset class. The goal is to enhance returns by having additional exposure to higher risk assets at opportune times, while lowering market exposure when the fixed income market is struggling. Typically DIA adjusts the allocation 4-6 times per year. During prolonged periods of stock market growth, DIA may underperform a passive investment.

## Risk/Return Statistics

Time Period: 7/1/2007 to 6/30/2022

Calculation Benchmark: S&P 500 TR USD

	SEM	Benchmark	S&P 500
Annualized Return	4.58	3.03	8.54
Sharpe Ratio	0.69	0.38	0.50
Alpha	2.20	-0.56	0.00
Beta	0.20	0.35	1.00
Std Dev	5.64	6.11	15.77
Gain/Loss Ratio	1.89	1.53	1.57
Up Capture Ratio	28.56	33.30	100.00
Down Capture Ratio	17.01	32.80	100.00

Overall DIA is suitable for intermediate-term investments (3-7 years) or for investors that need some fixed income exposure without the volatility that comes from buying and holding higher risk bonds. Investors should be comfortable with some degree of losses.

For additional information, go to [SEMWealth.com/Models](https://SEMWealth.com/Models)

## Investment Growth

Time Period: 7/1/2002 to 6/30/2022



## Program Information

Inception Date: 5/1/2016  
 Category: Preservation Alloc.  
 Maximum SEM Fee: 0.75%\*  
 Max. Financial Advisor Fee: 1.00%

\*Avail. on Adhesion, Axiom, & FTJ Fundchoice at different costs depending on platform.

## Manager(s) (start date):

Jeffrey Hybiak, CFA (1998)

## Trailing Returns

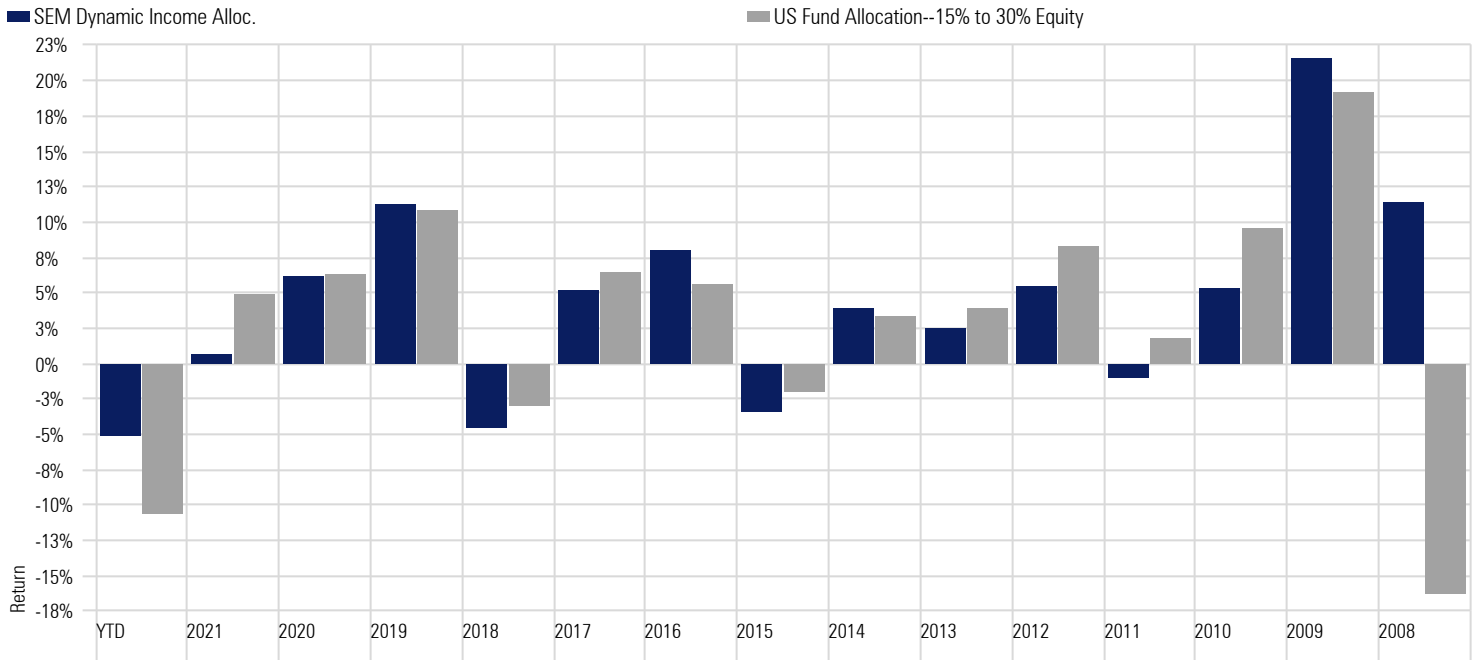
	YTD	1 Year	3 Years	5 Years	10 Years	15 Years
SEM Dynamic Income Alloc.	-5.10	-5.11	0.97	1.87	2.61	4.58
MS Preservation Alloc	-10.65	-9.19	0.94	1.93	2.82	3.03

SOURCE: Morningstar Direct | Results are net of maximum advisory fees and assumes all dividends and capital gains are reinvested. Past performance is not a guarantee of future results. Please see disclaimer on next page for additional information.



## Calendar Year Returns - SEM (Blue) vs. Benchmark (Grey)

Calculation Benchmark: US Fund Allocation--15% to 30% Equity



	YTD	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
SEM Dynamic Income Alloc.	-5.10	0.62	6.15	11.26	-4.52	5.18	7.97	-3.44	3.86	2.55	5.50	-1.00	5.32	21.57	11.36	4.61
US Fund Allocation--15% to 30% Equity	-10.65	4.83	6.28	10.89	-3.09	6.48	5.67	-2.09	3.38	3.95	8.34	1.78	9.62	19.19	-16.26	5.05

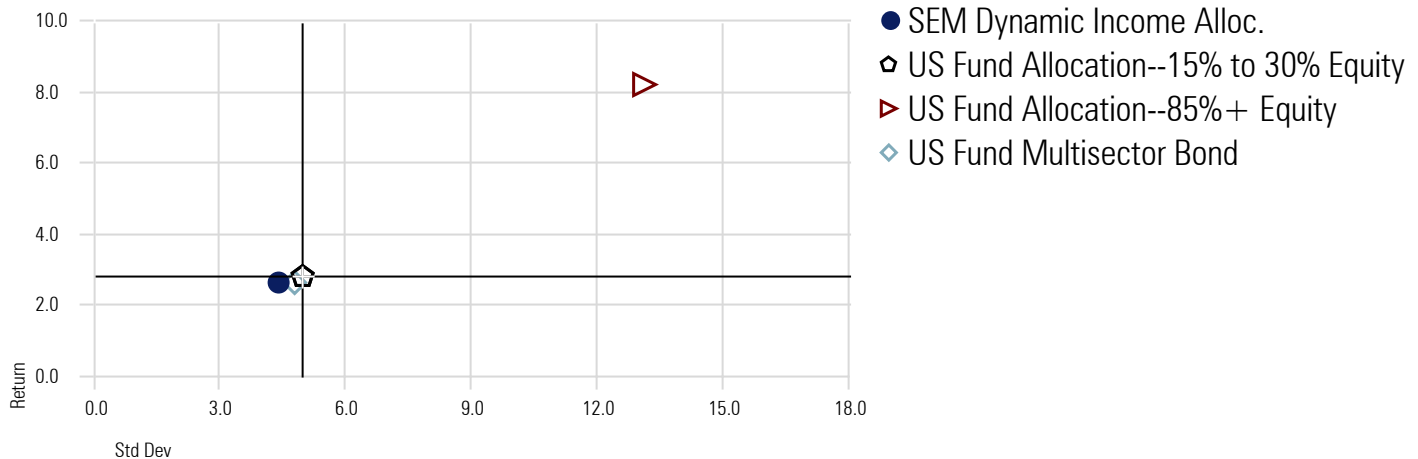
## Quarterly Performance (Results prior to 5/2016 are HYPOTHETICAL model results)

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
2022	-2.19	-2.97			-5.10
2021	-1.11	1.76	-1.07	1.07	0.62
2020	1.02	0.71	1.57	2.72	6.15
2019	6.56	2.80	1.89	-0.33	11.26
2018	-1.38	-0.54	2.25	-4.79	-4.52
2017	1.89	1.35	1.47	0.38	5.18
2016	4.97	4.19	0.31	-1.58	7.97
2015	0.20	-1.72	-0.13	-1.81	-3.44
2014	2.76	1.32	-0.91	0.67	3.86
2013	2.16	-2.25	0.19	2.50	2.55
2012	2.61	-0.05	2.12	0.73	5.50

## Risk-Reward

Time Period: 7/1/2012 to 6/30/2022

Calculation Benchmark: US Fund Allocation--15% to 30% Equity



#### DISCLAIMER:

Unless otherwise stated, all performance numbers are net of all maximum fees which would have been incurred by investors including any fees incurred inside a manager's model portfolio. Actual advisory fees may vary among clients with the same investment strategy. SEM's fee schedules are available in Form ADV Part 2 or upon request. All dividends and capital gains were reinvested. Past performance is not indicative of future results. All investments involve risk including those managed by SEM or the underlying managers. Clients are encouraged to consider the investment objectives, risks, fees, and other factors prior to investing. Unless otherwise stated, data was supplied by Morningstar and was deemed to be reliable. SEM has not independently verified the data provided by Morningstar or the calculations.

Prior to May 1, 2016 results are hypothetical results of the quantitative investment systems being utilized in the investment model. These systems 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 using available mutual funds and ETFs. While the use of mechanical systems 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. The underlying models were assembled by retroactively applying the investment strategy against historic market data with the benefit of hindsight. The model or strategy could have been changed in an attempt to obtain the desired performance results. The results are for illustrative purposes only and are not indicative of the manager or financial advisor's ability to select winning strategies. There is no guarantee future performance will continue to exhibit good return to risk. While blending multiple trading systems into single portfolios should help reduce risk, not all risk can be eliminated. Hypothetical performance does not represent actual performance or the impact of market factors. 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. Material changes in market and economic conditions from the past could result in higher risks and lower returns. Clients should expect future volatility and losses to exceed the hypothetical results. The use of a particular investment is not an endorsement by SEM of that investment or a recommendation for investments with that fund/ETF outside of the model.

Beginning on May 1, 2016 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 SEM. 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 SEM's Firm Brochure, which is available at SEMWealth.com 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 SEM. The investments discussed in this presentation may not be suitable for all investors.

#### Benchmark Descriptions and Comparison to SEM Programs

There are material differences between the programs SEM manages and the benchmarks selected that impact performance. The objective of the benchmark is to represent a passive investment in similar asset classes to the indicated investment model. The objective of each SEM investment model 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 may utilize 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. 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).

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.

**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)