



## Equity Growth and Income

3 Portfolio Managers with over 65 years experience



Overall Morningstar Rating™

Sycamore Growth and Income Composite was rated three stars against 604 Large Blend category funds overall for the period ending 3/31/2022

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# Retail Fee Schedule

## Fee Schedule

No minimum account size

1.5% on first \$0.5 million

1.0% on next \$1 million

0.8% on next \$8.5 million

0.6% above \$10 million

# Performance Disclosures

## Sycamore Growth and Income Composite

Year	Firm Assets (\$M)	USD (\$M)	Composite Assets		Annual Composite Performance				3-yr Annualized ex-post Standard Deviation	
			Accts	% Non-Fee-Paying	S&P 500	*Pure Gross Return	Net Return	Dispersion	Composite	S&P 500
2020	505.8	328.6	518	<2%	18.4%	14.0%	12.8%	2.6%	17%	19%
2019	443.6	295.2	502	<2%	31.5%	27.3%	26.0%	1.5%	12%	12%
2018	372.2	230.6	470	<4%	-4.4%	-5.8%	-6.7%	1.6%	11%	11%
2017	409.9	248.4	447	<2%	21.8%	21.3%	20.0%	2.5%	10%	10%
2016	349.0	202.1	404	<2%	12.0%	14.8%	13.7%	1.9%	10%	11%
2015	312.7	177.3	381	<2%	1.4%	1.3%	0.3%	2.3%	11%	10%
2014	314.8	178.2	365	<2%	13.7%	11.9%	10.8%	1.8%	9%	9%
2013	269.6	155.3	333	<1%	32.4%	35.3%	34.0%	2.5%	11%	12%
2012	191.0	86.7	281	<1%	16.0%	14.7%	13.7%	2.2%	14%	15%
2011	161.4	63.7	238	<1%	2.1%	4.6%	3.4%	2.2%	18%	19%
2010	153.3	58.3	212	<1%	15.1%	15.1%	13.8%	2.5%	21%	22%
2009	136.5	43.2	196	<1%	26.5%	23.5%	22.2%	3.5%	18%	20%
2008	113.0	34.0	185	<1%	-37.0%	-29.7%	-30.5%	3.4%	13%	15%
2007	155.3	43.1	169	<1%	5.5%	7.0%	5.9%	2.9%	7%	8%
2006	123.3	32.8	126	<1%	15.8%	19.3%	18.1%	1.9%	6%	7%
2005	90.1	26.1	122	N.A.	4.9%	2.7%	1.6%	2.2%	9%	9%
2004	69.8	21.5	106	N.A.	10.9%	13.0%	11.9%	2.3%	13%	15%
2003	50.0	13.7	70	N.A.	28.7%	25.3%	24.1%	2.7%	13%	18%
2002	23.1	8.2	45	N.A.	-22.1%	-11.5%	-12.4%	3.7%	13%	19%
2001	17.6	6.3	33	N.A.	-11.9%	3.1%	2.1%	2.6%	--	--
2000	13.0	4.9	24	N.A.	-9.1%	7.5%	6.5%	6.1%	--	--
1999	9.6	3.3	18	N.A.	21.0%	3.1%	2.2%	3.7%	--	--
1998	4.8	1.5	8	N.A.	28.6%	13.5%	12.5%	5.8%	--	--
1997	2.7	0.6	4	N.A.	33.4%	24.6%	23.9%	3.6%	--	--

Sycamore Growth and Income composite contains only fully discretionary growth and income equity accounts that invest in securities on the Sycamore approved trading list, (which consist only of common and preferred stocks) and for comparison purposes is measured against the S&P 500 Index. The minimum account value for inclusion in the composite is \$100,000, as of October 1, 2013, if for any reason a portfolio falls below \$60,000 for 2 consecutive quarters it will be removed from the composite. Sycamore Financial Group claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Sycamore Financial Group has been independently verified for the periods September 30, 1996 through December 31, 2020. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Growth & Income composite has been examined for the periods September 30, 1996 through December 31, 2020. The verification and performance examination reports are available upon request. Sycamore Financial Group is an independent registered investment adviser. The firm maintains a complete list of composite descriptions, which is available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Returns include the effect of foreign currency exchange rates. Composite performance is presented gross of foreign withholding taxes on dividends, interest income, and capital gains. Withholding taxes may vary according to the investor's domicile. Composite returns represent investors domiciled primarily in the United States. Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and custodial fees and include the reinvestment of all income. Both gross and net returns are reduced by trading expenses for accounts that pay commissions on trades. Beginning in 2015, certain accounts pay an asset-based fee to their custodian that includes all trading expenses. This results in a "pure gross" return for these accounts as only net of fees returns are reduced by this asset-based fee. Pure gross returns are shown as supplemental information to net of fee returns. Net of fee performance was calculated using actual fees. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request. The composite dispersion and 3yr annualized standard deviation are calculated using gross returns. The investment management fee schedule for the composite is 1.5% on the first \$0.5million, 1% on the next \$1 million, 0.8% on the next \$8.5 million, and .6% on amounts above \$10 million. Actual investment advisory fees incurred by clients may vary. The Sycamore Growth and Income Composite was created, September 30, 1996. Inception date is also Sept. 30, 1996. \*Pure Gross returns are shown as supplemental information. See above for important disclosures. "N.A. = not available"

# Independent Firm Founded in 1983

*\$618 Million Under Management*

- SEC Registered Investment Advisor
- Independently owned and operated
- Consistent implementation of conservative investment process since 1996
- Individually tailored portfolios

*Sycamore's goal is purposeful growth with long-term clients. Customized portfolios contain quality stocks selected for growth and earnings over multiple market cycles.*



# Investment Strategy

## *Conservative Core Investments*

- Buying right the first time, and holding securities as companies grow
- Risk management with diversified portfolios of 50-100 securities
- Minimizing downside is paramount
- Nimble and streamlined decision making process
- 100% in-house bottom-up, fundamental research

**Overall Risk** for the Sycamore Growth and Income Composite measured by Morningstar was **Below Average** compared to 604 funds in the Large Blend Category at 3/31/2022

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# Consistency and Transparency

## *A Common Sense Investment Process*

- Low client turnover – building relationships through customer satisfaction
- Repeatability – a common sense investment process consistently applied since 1996
- Firm’s GIPS compliance verified by an industry recognized CPA firm for the period September 30, 1996 through December 31, 2020, with performance examinations
- Transparency – all client assets are held by independent third party custodians



# Investing in Quality Companies

## *Growth and Earnings Over Multiple Market Cycles*

- Build tax efficient diversified Growth and Income portfolios.
- Invest in high quality blue-chip investments for the long term.
- Portfolio Managers select companies that demonstrate an ability to:
  - *Deliver superior earnings*
  - *Provide dividend growth over a long period of time*
- Evaluate companies, not stocks.
- Look for reasonable prices combined with growth potential.
- Tax consequences for clients are considered in purchase and sell decisions.

*Diversification does not assure a profit and does not protect against losses in declining markets.*



# Generation of Ideas

## *Names from the Numbers, Not the Headlines*

- Sycamore reviews a universe of 2,000 companies.
- Quantitative fundamental analysis narrows the list of securities.
- Qualitative information is checked and verified prior to adding a company to Sycamore's internal data base.
  - *Where will future profits come from?*
  - *Screen out companies with volatile sources of revenue*





# Intensive Fundamental Internal Research

## *Database Screening*

- Proprietary database formulas narrow the 'eligibility list' to around 500 companies.
- A 'bargain list' is then generated by analysis of security prices compared to the market.



# Portfolio Construction

## *How Do Stocks Get into the Portfolio?*

- Each portfolio manager has discretion to build client portfolios from the 'bargain list' of up to 350 stocks.
- Holdings are diversified appropriately across all sectors.
- Client requested adjustments are made.
  - *50-100 holdings*
  - *Fully invested – no market timing*

*Diversification does not assure a profit and does not protect against losses in declining markets.*



# Investment Discipline

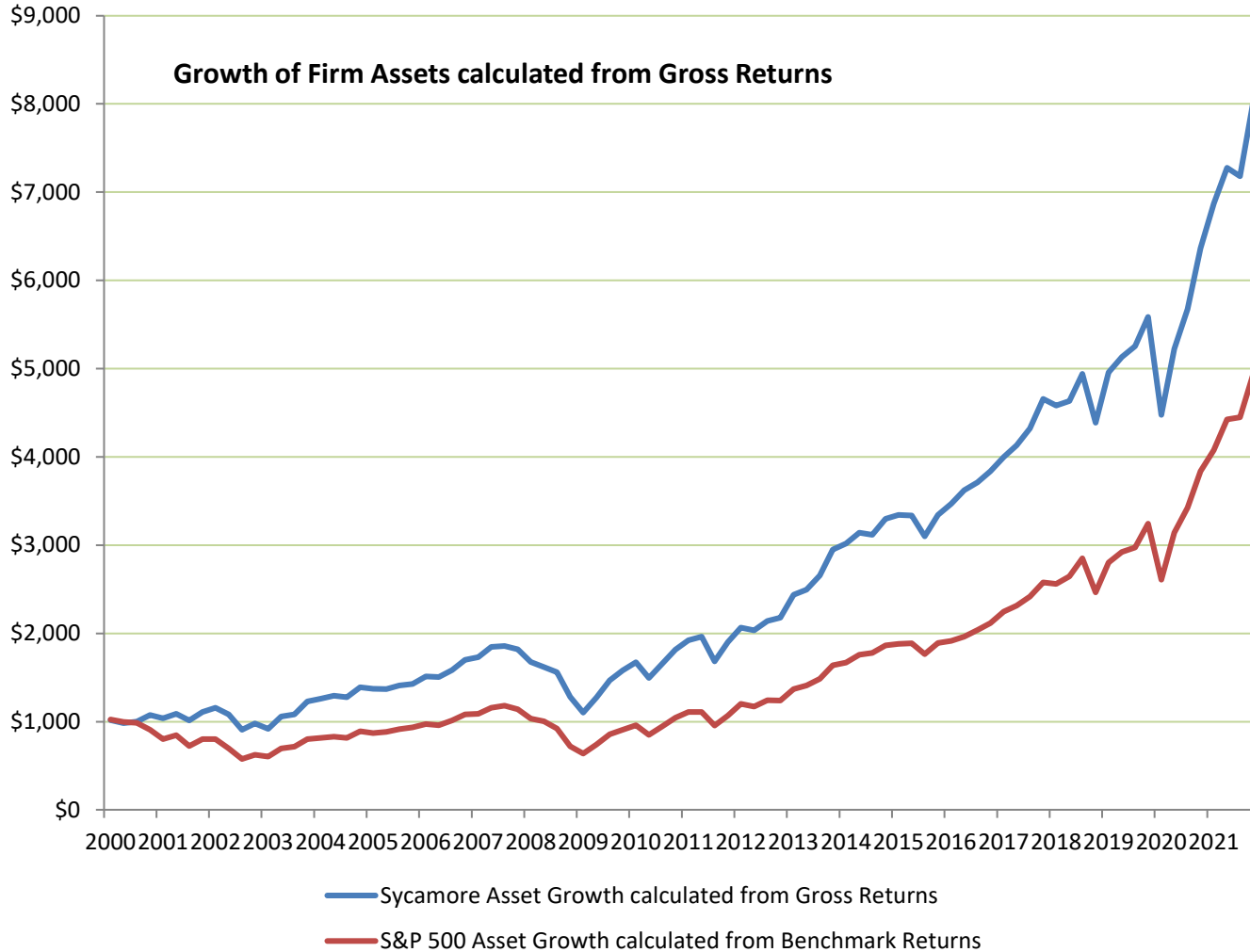
## *Picking the Right Security... and Letting it Grow*

- Sell criteria: securities are sold when they become significantly overvalued
- Securities are re-evaluated continuously.
- Cautious security selection creates low turnover of 5%-15%.



# Growth of Composite Assets

## through March 31, 2022



Supplementary information only. Please refer to the full performance disclosure on page 3 and term definitions on page 17. Past performance is not indicative of future results.



# Consistent Top Quartile Performance

Source: Morningstar Essentials™

Time Period	Quartile Rank	Morningstar Rating™	Morningstar Return	Morningstar Risk	Funds In Category
3 Years	3	★★★	Average	Below Average	604
5 Years	3	★★★	Average	Below Average	565
10 Years	2	★★★	Average	Below Average	413
Overall	3	★★★	Average	Below Average	604

Morningstar Category: Large Blend  
As 3/31/2022

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For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. Sycamore Growth and Income Composite was rated against the following numbers of U.S.-domiciled Large Blend Category funds over the following time periods: 604 funds in the last three years, 565 funds in the last five years, and 413 funds in the last ten years. With respect to these Large Blend Category funds, Sycamore Growth and Income Composite received a Morningstar Rating of 3 stars, 3 stars and 3 stars for the three-, five- and ten-year periods, respectively. Past performance is no guarantee of future results.



# Experienced Investment Professionals

## *Biographies*



**Craig Smith, CFP**  
*President and Principal  
Portfolio Manager, Analyst  
for Growth & Income  
strategy*

- Founded Sycamore Financial Group in 1983
- Industry start year: 1973
- Registered Investment Representative
- Securities licenses: 24, 63, 4, 7, 27, 53
- Indiana State University



**Anita L. Faulkner**  
*Vice President, Principal*

- Industry start year: 1980
- Firm start year: 1987
- Registered Paraplanner
- Registered agent
- Securities licenses: 63, 7, 24



**Karen Conrad**  
*Operations and Client*

- Registered Agent
- Industry start year: 1980
- Firm start year: 1985



# Experienced Investment Professionals

## *Biographies*



**Kathy Carter**  
*Operations, Account  
Administration*

- Industry start year: 2005
- Firm start year: 2005
- B.S., Taylor University



**Allison T. Rumschik**  
*Portfolio Manager  
and Client Service*

- Industry start year: 2006
- Firm Start Year: 2017
- Registered Investment Representative
- Securities licenses: 7, 24, 63, 66
- University of Connecticut



**Brent A. Yard**  
*Portfolio Manager  
and Client Service*

- Industry start year: 2017
- Firm start year: 2017
- Registered Investment Representative
- Securities licenses: 7, 63, 65
- University of Indiana, Kokomo



## Contact information

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or Brent Yard

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# Separate Account Additional Information

## Performance

The performance data given represents past performance and should not be considered indicative of future results. General market conditions and or economic conditions can have significant impact on the performance of this composite or your individual investment. Principal value and investment return will fluctuate, so that an investor's shares when redeemed may be worth more or less than the original investment. The separate account is not FDIC-insured, may lose value and is not guaranteed by a bank or other financial institution.

Our separate account performance data is reported as a "composite" of similarly managed portfolios. As such, investors in the same separate account may have slightly different portfolio holdings because each investor has customized account needs, tax considerations and security preferences.

These performance results contain portfolios that reinvest dividends and interest as well as portfolios that withdraw all or a portion of this income.

## Index comparison

We have compared our composite performance to the S&P500 index. This index contains 500 widely held stocks and is often used as a proxy for the stock market. Your portfolio may fluctuate more or less than this index. An investor cannot invest directly in an index.

## Risk

Diversification does not assure profit and will not necessarily protect against loss in a declining market.

## Definitions

### Alpha

Alpha measures the difference between a separate account's actual returns and its expected performance, given its level of risk (as measured by beta). Alpha is often seen as a measure of the value added or subtracted by a portfolio manager.

### Beta

Beta is a measure of a separate account's sensitivity to market movements. A portfolio with a beta greater than 1 is more volatile than the market, and a portfolio with a beta less than 1 is less volatile than the market.

### Up-Market Capture Ratio

The up-market capture ratio is a measure of a manager's performance in up markets relative to the index during the same period. A ratio value of 115 indicates that the manager has outperformed the market index by 15% in periods when the index has risen.

### Down-Market Capture Ratio

This ratio is the direct opposite of the up-market capture ratio, gauging performance of the manager relative to the index in down markets. A ratio value of 80 would indicate the manager has declined only 80% as much as the declining overall market, indicating relative outperformance.

