



Verity Dividend Builder Strategy

We seek to invest in outstanding companies with high and growing dividends. We are committed to these investment principles:

- 1. Buy Quality.** We seek to invest primarily in established market leaders with these characteristics:
 Long records of earnings and dividend growth.
 Sustainable competitive advantages.
- 2. Buy Value.** We seek to invest only in stocks with above average dividend yields at prices near or below estimated fair value.
- 3. Invest efficiently.** We manage taxable accounts to maximize after-tax returns with the goal of long-term capital gains and qualified dividends.

Portfolio Manager: Malcolm M. Trevillian, CFA has managed portfolios professionally for more than 30 years. He draws on his experience as a portfolio manager in the Trust Division of a major southeastern bank in the 1980s and 1990s and his work with client portfolios in the two decades since. Malcolm joined Verity in 2008.

Customizable Strategies to Meet Your Goals:

Growth and Income

For investors seeking maximum total return.

Targeted dividends: 3% current yield with 6% – 7.5% dividend growth.

Target Profile: Market-leading companies with long-term competitive advantages.

Maximum Income

For investors seeking high and rising income.

Targeted dividends: 4% current yield with 5% – 5.5% dividend growth.

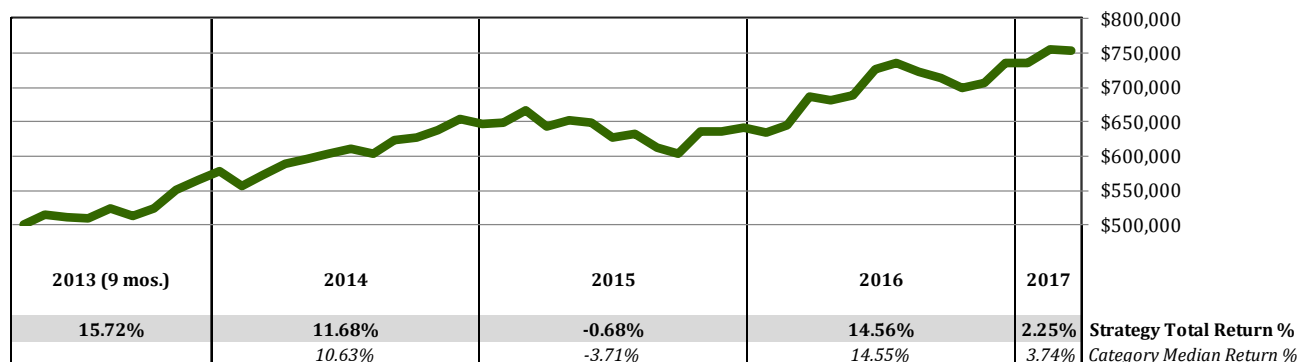
Target Profile: Approximately 60% is typically invested in market-leading companies and 40% in utilities and stocks of companies that distribute most of their earnings in dividends.

Flexibility

Your individually managed account can be customized to emphasize either approach.

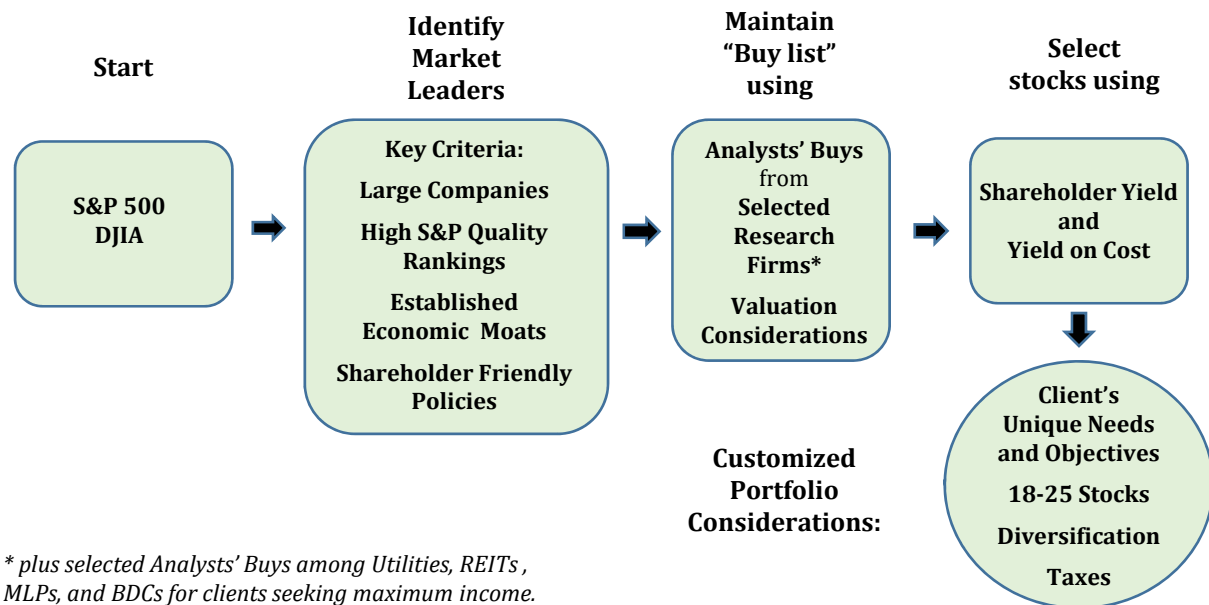
Growth of \$500,000

Performance versus the median return in the Morningstar Large Cap Value Fund Category
 March 31, 2013 to March 31 2017



In 2014 and 2016, performance ranked in the top half of more than 1200 mutual funds in Morningstar's Large Cap Value Category; 2015 rank was in the top 25%. See Important Disclosures on back of page for more information.

Building Portfolios of Market Leading Companies with High, Reliable and Rising Dividends



Definitions:

S&P Quality Rankings: Standard & Poor's has provided Earnings and Dividend Rankings, commonly referred to as Quality Rankings, on common stocks since 1956. The Quality Ranking reflects the long-term growth and stability of a company's earnings and dividends.

Economic Moats: A sustainable competitive advantage, or combination of advantages, that enables a company to earn excess returns on capital for a long period. (source: Morningstar.com)

REITs: Real Estate Investment Trusts. **MLPs:** Master Limited Partnerships. **BDCs:** Business Development Companies. These companies typically distribute most or all of their earnings to shareholders through dividends. They have specialized business structures allowing them to avoid corporate taxation on profits that are distributed as dividends. Their yields tend to be higher than traditional corporations and their dividend growth rates tends to be lower.

Yield on Cost: Projected dividends in five years divided by the current stock price. This calculation measures projected dividend growth in order to avoid buying stocks with low or no projected dividend growth.

Shareholder Yield: The sum of current dividends plus corporate share buy-backs over the prior year. This calculation is a broader measure of how much corporate management is returning capital to shareholders than just dividends alone.

Important Disclosures:

Composite performance is based upon all Verity accounts fully invested in the strategy during the period illustrated. The Strategy is primarily invested in U.S. dividend-paying stocks in diversified sectors. Dividends are not guaranteed. All investing involves risk of loss. Portfolio values will fluctuate with changing market conditions, and there is no guarantee that strategies that have been successful in the past will be similarly successful in the future. Portfolio manager may buy stocks that do not conform to all strategy rules. This material contains forward looking statements. There is no guarantee that these outcomes will be achieved.

Please review Verity's Form ADV Part 2 before investing. Performance is expressed in U.S. Dollars using a time-weighted total rate of return net of maximum fees. Results reflect all transaction costs, including commissions, foreign withholding taxes, if any, and include the reinvestment of all income. Composite inception date was March 31, 2013. The minimum account size is \$250,000. Fees are 1.65% of assets under management annually on the first \$250,000. Fees on additional assets decline on a sliding scale to 0.80% on assets over \$2,500,000.

The source for Morningstar Category quartile performance is Morningstar, Inc. This category was selected to represent an appropriate universe to compare the Verity Dividend Builder Strategy's performance on a total return basis. As of 3/22/2017 there were 1223 mutual funds included in the Large Capitalization Value Morningstar Category. This category includes both actively managed and index mutual funds. Other funds within this category may have different objectives than the Verity Dividend Builder Strategy. Category returns are not available for the period 3/31/2013 through 12/31/2013.

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