

# Genter Capital Management Dividend Income

Portfolio Date: 09/30/2024

## Investment Objective & Philosophy

**EQUITY INVESTMENT PHILOSOPHY** - The strategy seeks to provide stable, tax-efficient cash-flow for the income-oriented investor as well as long-term capital appreciation by investing in Dividend Income paying stocks of large-cap companies. As a secondary consideration, investments exposing clients to less volatility to overall markets are favored.

## Investment Process

**INVESTMENT DECISION-MAKING PROCESS** - The strategy is designed to take advantage of the reduced tax on dividends and provide principal protection during periods of rising interest rates. The portfolio's target dividend payout ratio is less than 60% to provide confidence that the dividend payout is sustainable. Our relevant universe of available services consists of approximately 6,000 securities, representing almost the entire common US equity marketplace (and all ADRs). From this universe the equity analyst group exclude securities with a market-cap less than \$2 billion, non-investment grade debt ratings, and a yield less than 2.5%. This screen condenses the universe of securities to approximately 200-250 issues. Analysts continue to further reduce the universe as fundamental and quantitative analysis is performed. A working list of 50-75 securities is eventually achieved. The final portfolio is normally constructed with 25-35 securities. After a security has been presented to the equity strategy group, there is a detailed review by portfolio management prior to inclusion in the strategy officially. If the name is deemed appropriate, the final decision is made by the Director of Equity, David Pescherine, CFA.

## Characteristics

As of 09/30/2024

Dividend Yield	3.50%
Forward P/E 2025	14.80X
Price to Cash Flow	13.30x
Weighted Market Cap (\$MM)	\$161,000.00
Number of Holdings	31.00

## Risk / Return

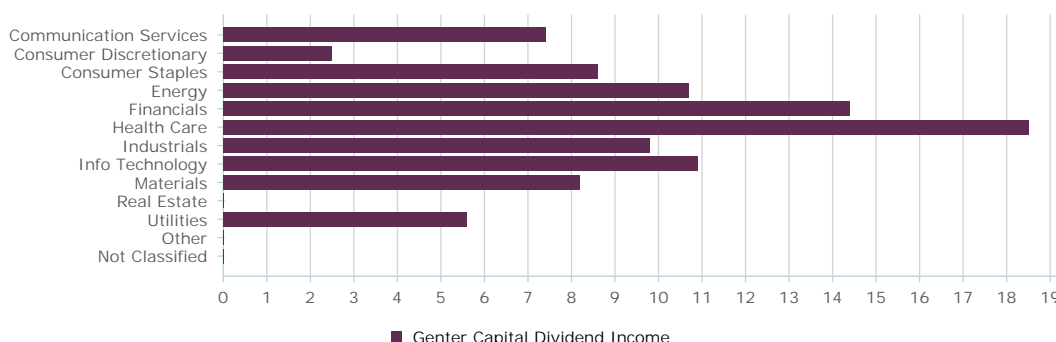
October 2014 - September 2024

	ALPHA	BETA	STANDARD DEVIATION	SHARPE RATIO	R-SQUARED	UP CAPTURE	DOWN CAPTURE RATIO
Genter Capital Dividend Income	1.23	0.97	15.90	0.53	93.65	100.00	90.17
Genter Capital Dividend Income (Net of Max. Wrap Fee)	(1.77)	0.96	15.78	0.33	93.65	85.72	99.00
iShares Russell 1000 Value	0.00	1.00	15.83	0.47	100.00	100.00	100.00

The "Genter Dividend Income (Net. of Max Wrap Fee)" stream is calculated using a maximum wrap advisory fee of 3% annually (or 0.25% Monthly).

## Equity Sector Allocation

As of 09/30/2024



Portfolio Characteristics are as of 09/30/2024. The Dividend Yield is not used to indicate the performance an investor should receive if invested in one of the firm's strategies, but rather to provide measurable metrics of the securities under various scenarios. The information herein is subject to change at any time due to market conditions or management decisions as the portfolio is actively managed. <sup>1</sup>Total Strategy Assets are reflective of all assets invested in the Dividend Income strategy, even those not included in the composite. <sup>2</sup>Composite assets are reflective of the Dividend Income Composite, please see page 2 for a full disclosure of the composite. The portfolio characteristics and top holdings are supplemental information and are not required by GIPS. The securities identified and described do not represent all of the securities purchased, sold, or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable.

## Portfolio Details

Investment Type	SMA
Strategy Inception Date	Jan 2004
Total Strategy Assets <sup>1</sup>	\$1,549.82m
Composite Assets <sup>2</sup>	\$174.26m
Turnover Ratio	17.60
Benchmark	iShares Russell 1000 Value

## Top Ten Holdings

NAME	WEIGHT
JPMORGAN CHASE & CO	4.44
AT&T INC	4.18
M & T BANK CORP	4.15
ENBRIDGE INC	4.01
ABBVIE INC	3.91
CHEVRON CORP	3.82
ALTRIA GROUP INC	3.78
AIR PRODUCTS & CHEMICALS INC	3.68
CISCO SYSTEMS INC	3.60
CVS HEALTH CORPORATION	3.57

## Portfolio Management Team

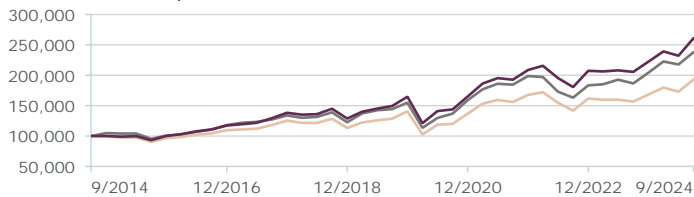
Mr. David Pescherine, CFA  
 SVP, Director of Equities  
 30 Years of Industry Experience

Mr. David Klatt, CFA  
 FVP, Portfolio Manager  
 25 Years of Industry Experience

# Gener Capital Management Dividend Income

## Growth of \$100,000\*

October 2014 - September 2024

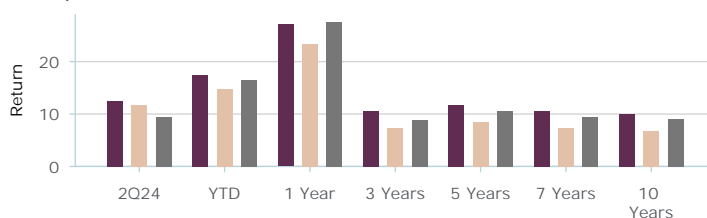


- Gener Capital Dividend Income
- Gener Capital Dividend Income (Net of Max. Wrap Fee)
- iShares Russell 1000 Value

\*Based on a hypothetical investment of \$100,000 in the Dividend Income Strategy beginning 10/01/2014 with the assumption that dividends are reinvested. The Net of Max. Wrap Fee return is calculated by reducing the gross return stream by the maximum wrap fee (3% Annually or 0.25% Monthly).

## Manager vs. Benchmark: Returns

As of Sep 2024



- Gener Capital Dividend Income
- Gener Capital Dividend Income (Net of Max. Wrap Fee)
- iShares Russell 1000 Value

## Manager vs Benchmark: Return

As of Sep 2024

	3Q24	YTD	1 YEAR	3 YEARS	5 YEARS	7 YEARS	10 YEARS
Gener Capital Dividend Income	12.49	17.42	27.09	10.66	11.80	10.56	10.08
Gener Capital Dividend Income (Net of Max. Wrap Fee)	11.68	14.84	23.39	7.41	8.52	7.31	6.84
iShares Russell 1000 Value	9.37	16.56	27.62	8.88	10.53	9.37	9.06

## GIPS Composite Report

Calendar Year Returns	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Composite (gross)	6.32%	0.09%	17.09%	17.86%	-6.86%	27.92%	0.32%	26.24%	-0.64%	7.31%
Composite (net)	3.19%	-2.88%	13.67%	14.42%	-9.63%	24.20%	-2.65%	22.57%	-3.58%	4.13%
iShares Russell 1000 Value ETF (IWD)	13.21%	-3.95%	17.09%	13.47%	-8.40%	26.34%	2.67%	24.92%	-7.72%	11.40%
3-Yr Standard Deviation – Composite/Benchmark	9.03% / 9.18%	11.23% / 10.67%	11.27% / 10.76%	10.31% / 10.19%	10.44% / 10.80%	11.25% / 11.83%	18.70% / 19.61%	18.42% / 19.05%	20.77% / 21.25%	15.75% / 16.51%
Total Firm Assets (millions)	4,454	3,704	3,776	3,933	3,772	4,307	4,330	4,707	4,241	4,359
Composite Assets (millions)	154	142	160	194	168	185	93	85	96	95
# of Accounts in Composite	174	164	162	168	173	170	99	84	93	86
Composite Dispersion	0.4%	0.4%	0.6%	0.4%	0.5%	1.0%	0.6%	0.3%	0.4%	0.4%

**The Dividend Income Composite** contains fully discretionary equity accounts invested in stocks based almost entirely on dividend yield and dividend history. Key risks include the possibility of equity positions declining in value, causing the composite to underperform the benchmark. The iShares Russell 1000 Value ETF (IWD) aims to produce similar returns to the Russell 1000 Value Index. The ETF returns reflect the deduction of all expenses and transaction costs incurred by the IWD ETF. As of December 31, 2023, the expense ratio was 0.19%. The IWD ETF returns reflect the closing prices, which are determined by the last traded price of the ETF. The minimum account size for this composite is \$200 thousand. The Dividend Income Composite was created and inception on January 1, 2004. The firm's full list of composite descriptions and broad distribution pooled funds are available upon request.

RNC Capital Management LLC is a registered investment adviser under the Securities and Exchange Commission pursuant to the Investment Advisors Act of 1940, as amended, doing business as Gener Capital Management. Prior to January 2022, the firm was doing business as RNC Gener Capital Management. Beginning January 1, 2005, the firm has been redefined to include all the assets of Gener Advisors LLC.

Results are based on fully discretionary accounts under management including those accounts no longer with the firm. Composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow greater than or equal to 10% of portfolio assets. Additional Information regarding the treatment of significant cash flows is available upon request.

The U.S. Dollar is the currency used to express performance. Composite time-weighted returns are presented gross and net of management fees and include realized and unrealized gains and loss, cash and cash equivalents, and reinvestment of related interest income and accrued based dividends. Gross returns are stated gross of all fees and net of transactions costs. Net returns are calculated by subtracting the highest applicable wrap fee (3.00% on annual basis, or 0.25% Monthly) from the gross composite returns. The highest fee of 3% assumes an all-inclusive/Bundled/Wrap fee that includes investment management, portfolio monitoring, consulting services and in some cases, custodial services. The actual fee paid by each client will vary based on each wrap programs fee schedule. As the investment advisor, Gener Capital receives a portion of that highest fee to cover the management fee. In addition, in a traditional wrap program the gross returns are gross of all fees and transaction costs. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. In this presentation, the gross returns have been reduced by transaction costs as the composite does not currently include wrap accounts. Composite dispersion is measured by the asset-weighted standard deviation of annual gross returns of those portfolios included in the composite for the full year. The 3-year annualized standard deviation measures the variability of the composite gross returns and benchmark returns over the preceding 36-month period. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Prior performance is not indicative of future results.

The standard wrap fee schedule in effect is 3.00%. Actual Investment advisory fees incurred by clients are negotiable and may vary.

Gener Capital Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Gener Capital Management has been independently verified for the periods January 1, 2001 through December 31, 2023. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report

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.