

## Introduction

The Dividend Value Discipline™ (DVD) portfolio is a specialized discretionary portfolio designed to achieve medium to long-term growth through dividends, interest, and moderate capital gains. It is our premier investment service offered to clients and receives our highest level of attention.

## Investment Objective

The goal of the portfolio is to provide consistent stable income with additional capital growth. We strive to do this with careful security selection that is faithful to our time-tested investment process.

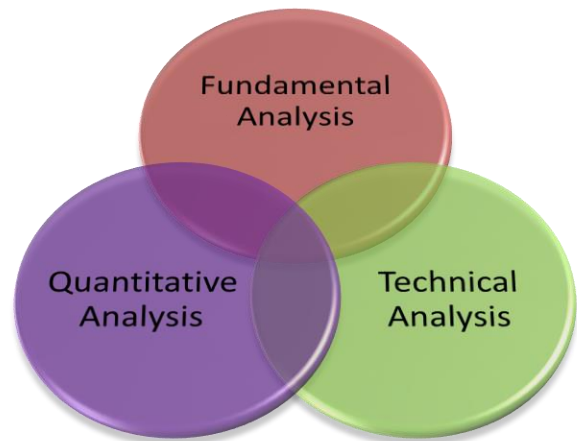
Since inception through 2021, the average portfolio has returned 7.4% after all fees\*.

Year	DVD	Year	DVD	Year	DVD
2001	11.4%	2008	-16.4%	2015	1.5%
2002	10.3%	2009	12.8%	2016	10.1%
2003	13.5%	2010	9.5%	2017	9.1%
2004	14.9%	2011	1.5%	2018	-3.6%
2005	12.6%	2012	5.4%	2019	15.4%
2006	15.6%	2013	14.0%	2020	0.3%
2007	0.9%	2014	8.0%	2021	15.4%

\*Performance is aggregated from accounts as of Dec 31, 2021

Our process results in a highly controlled portfolio with low volatility, predictable income streams and consistent performance. The portfolio strategy focuses on three key components:

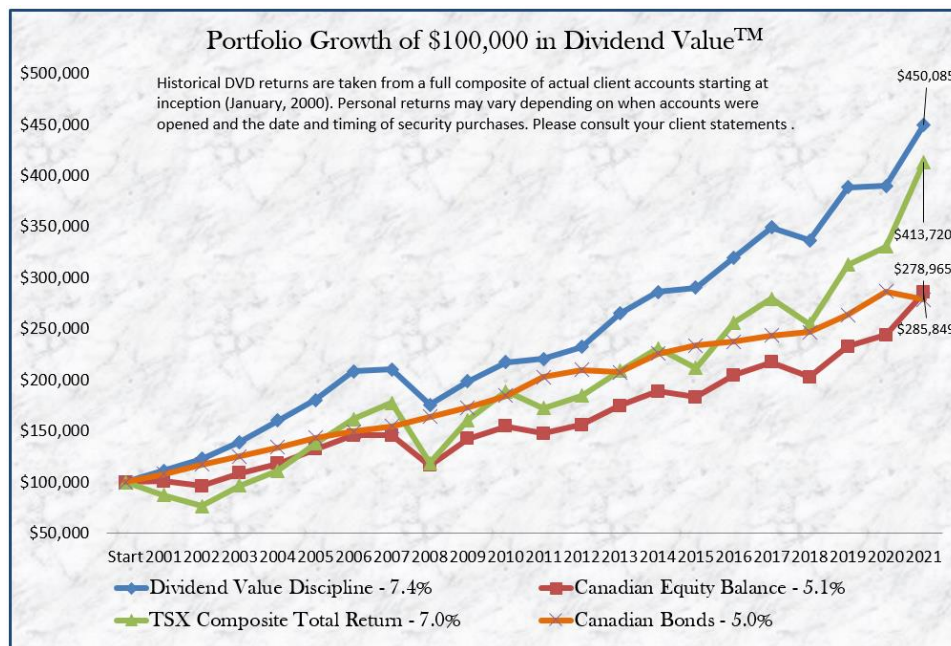
Inception (Jan '01)	DVD	TSX TR	Equity Balance	Canadian Bonds
Return	350%	313%	186%	180%
Volatility*	7.8%	16.4%	9.3%	15.0%



**Fundamental Analysis:** Stocks that pay rising dividends tend to outperform other stocks over time. Furthermore, our research has found that stocks with other value characteristics such as high return on equity, low debt, low price to sales, and low price to book value also tend to outperform. We screen for these and other fundamental measures in our search for undervalued stocks.

**Quantitative Analysis:** We next identify a company's earnings quality and trend, as well as analysts' estimates and future price expectations. We source this information through quantitative services unavailable to the average investor. Thousands of data points are updated daily to assist in our analysis.

**Technical Analysis:** Finally, we study buying and selling pressure, as well as the primary trend of a stock's price. This part of the process becomes very useful in helping to determine entry and exit points.

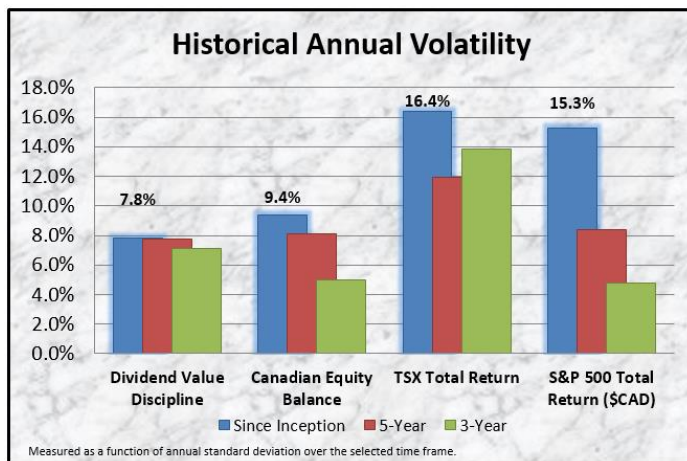


Performance aggregated as of Dec 31<sup>st</sup>, 2021

## Why Dividend Value™?

We believe that one of the most important ways to maximize long-term wealth is to minimize declines by recognizing mistakes and dealing with them quickly. A portfolio that is down 50% needs to appreciate by 100% in order to break even. While we cannot prevent losses caused by market movements, we strive to reduce the severity and the amount of time by focusing on three core tenets:

- **Income** in the portfolio is derived through a combination of dividends & interest. Dividends from the stocks we own have a tendency to increase over time, thereby increasing returns. Interest is earned on the bonds held in the fixed income allocation of the portfolio.
- **Value** for quality holdings is determined through comprehensive fundamental analysis. This determines which securities have an intrinsic value greater than current market value. Intrinsic value is defined as the inherent worth of a common stock based on its ability to generate an internal or operating return to its owner. Therefore, companies with market values significantly lower than the intrinsic value imply "value".



As of Dec. 31, 2021

- **Risk management** techniques and carefully defined valuation tests are applied to the equity and fixed income investments to ensure that disciplined buy and sell strategies are maintained. These elements are critical to providing a highly controlled portfolio that will preserve capital and provide moderate growth. Other elements of discipline include ongoing monitoring and appropriate periodic adjusting of asset allocation, as well as limited exposure to any one particular holding using pre-defined maximums.
- Historically we have been successful in keeping the volatility of the DVD portfolio below that of some comparable investment alternatives.

## Fee Schedule

The Dividend Value Discipline is constantly monitored and reviewed for an annual management fee of 1.75% per annum for accounts up to \$1,000,000.

For balances in excess of \$1,000,000, the fee declines to 1.25%. There are no commissions or transaction fees, and for registered accounts there are no annual administration fees.

Unlike most funds and other discretionary mandates, we do not charge the management fee for cash held in the portfolio. As such, most clients will realize a fee that is less than stated. This management fee is calculated based on the value of the account at the end of each month and charged monthly. Unlike commissions, these management fees are annually tax-deductible for non-registered accounts.

## About Us

The Dividend Value Partners team provides money management services to people and their companies, as well as small to medium sized institutions. Our philosophy is to do most of our research ourselves, as we have the confidence that our methods have worked well for a long time. We try to deliver the best service possible, and employ some of the best people in our industry:

**Paul Siluch (Senior Portfolio Manager)**

**Lisa Hill (Senior Portfolio Manager)**

**Peter Mazzoni (Associate Portfolio Manager)**

**Sharon Mitchell (Associate Portfolio Manager)**

**Lincoln Jiang (Associate Portfolio Manager & Research Analyst)**

**Dimitri Karatsikis (Investment Representative)**

**Joanne Davidson (Licensed Financial Advisor Assistant)**

**Hailey Lanctot (Licensed Financial Advisor Assistant)**

Since estate and tax planning have become far more important in recent years, we also have estate planning experts to advise us in these areas.

Financial planning is another key part of our investment partnership with you. It helps us answer the important questions – how much do I need, and how long will my money last?