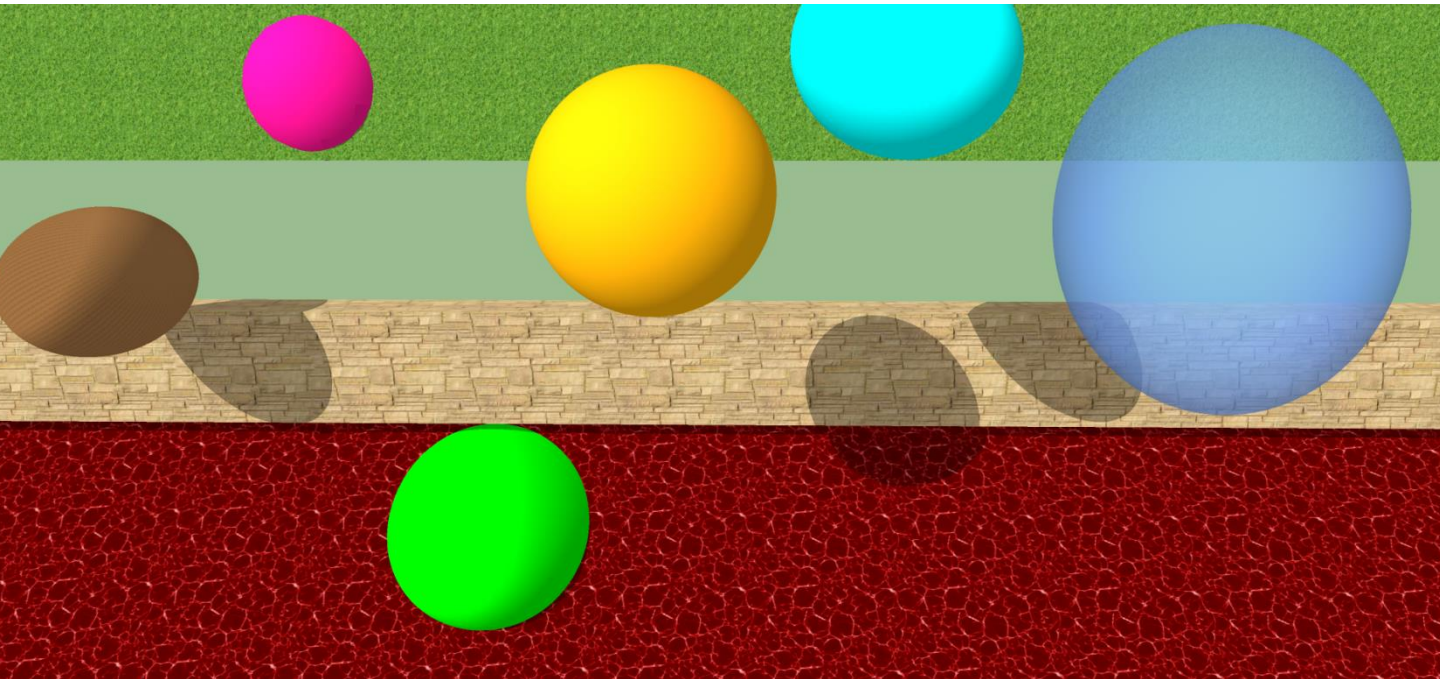




**REDHAWK<sup>®</sup>**  
**WEALTH ADVISORS**



High Dividend Stock Portfolio  
Investment Philosophy

Q4, 2019

## Your Advisory Team

We offer an independent and customized approach to investment management that is well suited to meet the needs of individuals and family's intent on protecting and increasing wealth. We begin with a personalized risk assessment and the development of a personalized investment policy statement ("IPS").

We have partnered with Redhawk Wealth Advisors, Inc. ("Redhawk") to guide the process of stock selection, drawing on in-depth knowledge of dividend paying stocks across small/mid-cap and large-cap companies. ***We are a fiduciary and committed to identifying investment strategies that are in the best interest of our clients.*** Our experience with mass affluent and high-net-worth individuals has taught us that successful management of private wealth can be a collaborative effort, often involving a client's legal and tax advisors. We are dedicated to a high level of personal communication, including education of family members new to investing, in order to give you the peace of mind you deserve.



### OUR FIDUCIARYSHIELD<sup>™</sup> PROMISE IS TO ALWAYS:

- Give 100% accurate, complete, straightforward & timely information about your investments.
- Act in your best interest when selecting, monitoring, and replacing investments in your portfolio.
- Avoid conflicts of interest and disclose all material facts.
- Ensure that costs are fair and reasonable.





## Redhawk Corporate Overview

Redhawk is headquartered in Minneapolis Minnesota and is an independent, employee owned, investment management firm that works with individual clients, retirement plan sponsors, financial institutions, non-profit organizations, captive insurance companies, and endowments as a fiduciary. ***We provide customized investment advisory services to assist clients in achieving their investment objectives while fulfilling our fiduciary obligations.*** We currently advise over \$1.4 billion in total client assets located throughout the US. We do not have affiliations with broker-dealers, investment companies, or other financial institutions so we are totally unbiased with our investment recommendations. We receive compensation for investment management services solely from our clients so as to avoid any conflicts of interest. Our mission is to provide customized investment management services to assist our clients in achieving their investment objectives.

### Our Goal is a Better Financial Outcome:

To develop and manage a better financial outcome for your retirement by preserving capital and growing your investments. Our investment philosophy focuses on three key objectives:



## High Dividend Stock Strategy

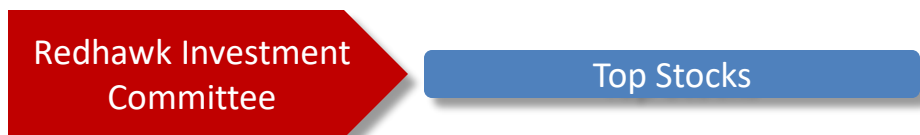
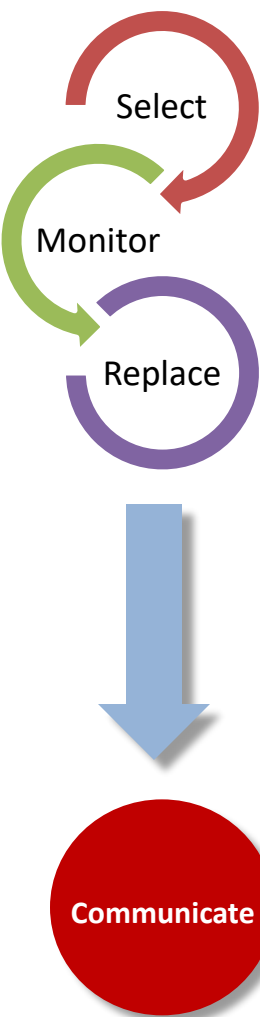
Redhawk manages the high dividend stock portfolio using companies with strong balance sheets, fundamentals, and that pay a high quarterly dividend.



Companies that pay shareholders at least a 3.5% annual dividend.

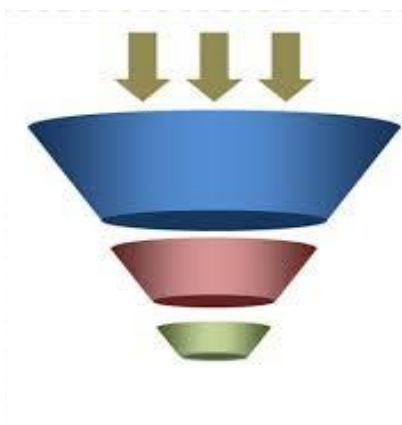
## Our Process

In a highly volatile investment world, how can you build a plan for long-term success? What does it take to sift through thousands of stock opportunities and identify the relative handful that compliment your specific goals, time horizon, and risk tolerance? ***That's why we have a formal investment committee called the Redhawk Investment Committee ("RIC") that meets weekly to select, monitor, and replace investments.*** The RIC's overall goal is to always be invested in the top stocks within each asset class.



## Stock Selection

The selection of dividend paying stocks is a disciplined process and Redhawk analyzes all of the major stock asset classes during the selection process. We use our proprietary scoring screening methodology to determine the top performing stocks to include in the high dividend stock strategy.

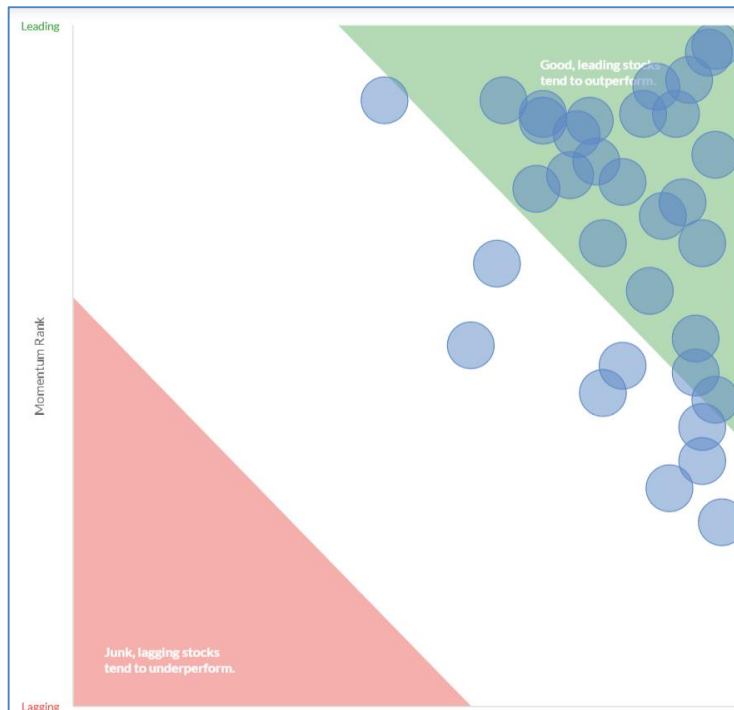
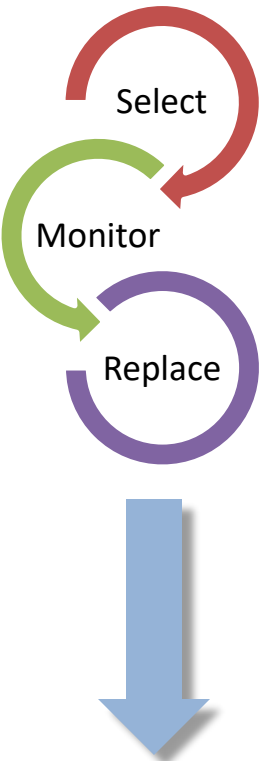


Basic Materials  
Consumer Goods  
Financials  
Healthcare  
Industrials  
Services  
Technology

Top Dividend Paying Stocks

## Stock Monitoring

The ongoing monitoring of investments is a regular process and monitoring confirms that the criteria remain satisfied and that a stock continues to be appropriate. The investment committee uses both fundamental analysis and technical analysis to monitor the stocks on a weekly basis.

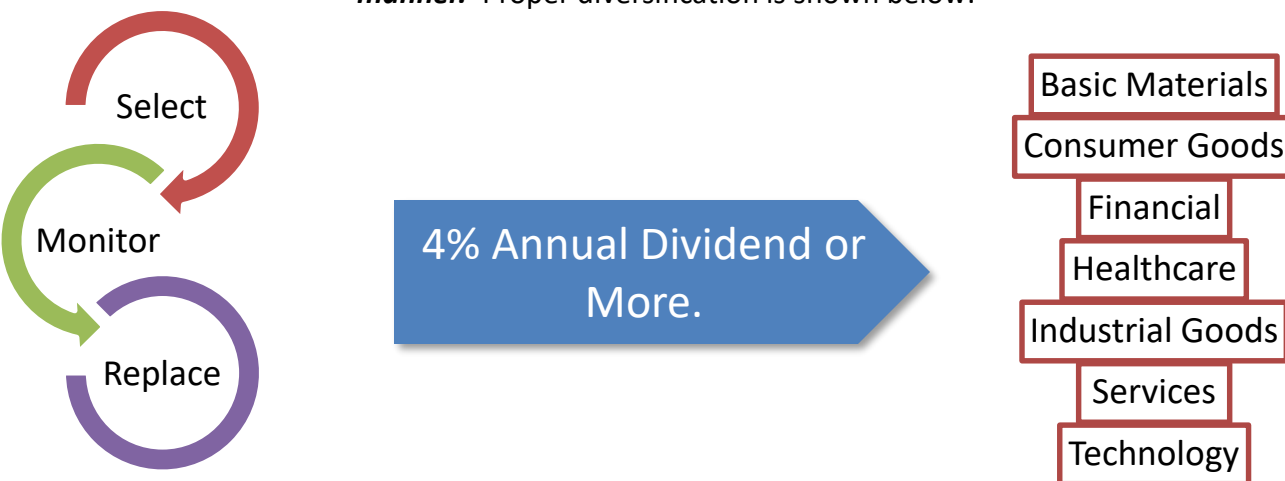


Ticker	Name	Last Price	Change	% Change	Yield	Stock Rank™	Growth Rank	Quality Rank	QV Rank	QM Rank
BKE	Buckle Inc	21.71	-0.3	-1.4	4.6	99	23	97	98	99
CATO	Cato	17.05	-0.1	-0.7	7.5	99	20	92	99	91
SWM	Schweitzer-mauduit International Inc	40.12	+0.2	+0.5	4.5	99	62	88	94	96
BMJ	Bristol-myers Squibb Co	54.37	-0.4	-0.7	3.0	98	96	96	89	99
EPD	Enterprise Products Partners Lp	27.41	0.0	-0.1	6.4	98	70	91	91	95
CAH	Cardinal Health Inc	49.40	-0.6	-1.2	3.8	98	67	75	94	94
GILD	Gilead Sciences Inc	65.98	-0.6	-0.9	3.8	98	42	97	93	96
CINR	Ciner Resources Lp	18.09	0.0	-0.1	7.6	98	34	94	99	82
CVS	Cvs Health	64.88	-0.7	-1.1	3.0	98	49	71	90	87
VZ	Verizon Communications Inc	60.59	-0.3	-0.5	4.0	97	49	86	88	94
STX	Seagate Technology	56.14	+0.0	+0.1	4.5	96	74	79	90	88
CELP	Cypress Energy Partners Lp	9.46	-0.4	-4.0	8.6	95	36	78	84	90
VLO	Valero Energy	96.87	+3.0	+3.2	3.8	95	77	87	95	82
WSTG	Wayside Technology Inc	14.23	+0.0	+0.1	4.7	95	29	97	99	79
T	At&t Inc	36.65	-1.1	-2.9	5.3	94	51	70	88	81
VIV	Telefonica Brasil Sa	13.37	-0.1	-0.6	14.2	94	76	80	92	82
IPHS	Innophos Holdings Inc	32.23	-0.2	-0.6	6.0	94	44	83	87	88



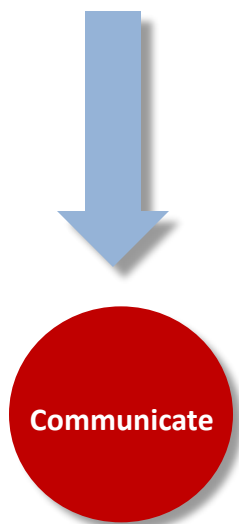
### Stock Replacement

A stock can be replaced based on the technical and fundamental analysis. When a stock is replaced, we follow a disciplined process to ensure proper diversification in the portfolio. ***Best of all, you don't have to do anything because we have full discretion to make changes to your account in a timely manner.*** Proper diversification is shown below:



### Client Communication and Account Access

Redhawk is a big believer in communicating to clients on a frequent basis and providing the capability for the client to access their accounts. We know that you want to stay on top of your investments.



Anytime access to the Orion Client Portal for performance reporting.



Weekly Update email and podcast with market commentary and investment signals.



Quarterly performance statement e-mailed to you by your advisor.

## Fees

Redhawk firmly believes in disclosing all of the fees associated with your account and being fully transparent. We strive to keep fees as reasonable as possible while delivering a high-touch service. The total account fee is comprised of the following:

### Investment Management and Advisor Fee

These fees cover the investment management services for the high dividend stock strategy and for the services provided by your financial advisor. These fees are paid monthly in arrears and are deducted from your account.

Household Assets	Annual Investment Manager Fee	Annual Advisor Fee	Total Annual Investment Management Fee
Minimum - \$499,000	0.875%	0.875%	1.750%
\$500,000 - \$999,999	0.750%	0.750%	1.500%
\$1,000,000 - \$1,999,999	0.500%	0.500%	1.000%
\$2,000,000 - \$2,999,999	0.450%	0.450%	0.900%
\$3,000,000 - \$3,999,999	0.350%	0.350%	0.700%
\$4,000,000 or more	0.250%	0.250%	0.500%

Minimum investment amount: RUMA - \$150,000 and Wrap - \$250,000.

### Average Expense Ratio

The underlying investments for the high dividend stock portfolio is made up of individual stocks.

High Dividend Stock Portfolio	Risk Score	Average Expense Ratio	6-Month Comfort
Redhawk High Dividend Stock (RHDS)	70	0.00%	-15.03% to 24.49%

### Trading and Transaction Costs

For RUMA and Wrap accounts, Redhawk pays for all trading and transaction fees associated with your account.

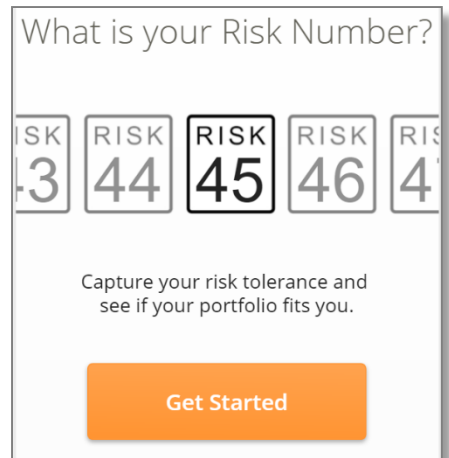
## Working With Your Advisor

Your advisor is focused on meeting your retirement objectives while managing risk. This tailored approach to the development of a personalized investment policy statement positions your portfolio to take advantage of market cycles.

The most important part of the approach is understanding your needs and risk tolerance. Only then can we begin building an IPS tailored to you.



Complete the online Riskalyze questionnaire to determine your risk score and acceptable level of risk.



What is your Risk Number?

RISK	RISK	RISK	RISK	RISK
3	44	45	46	47

Capture your risk tolerance and see if your portfolio fits you.

[Get Started](#)



Give your account statements to your advisor.







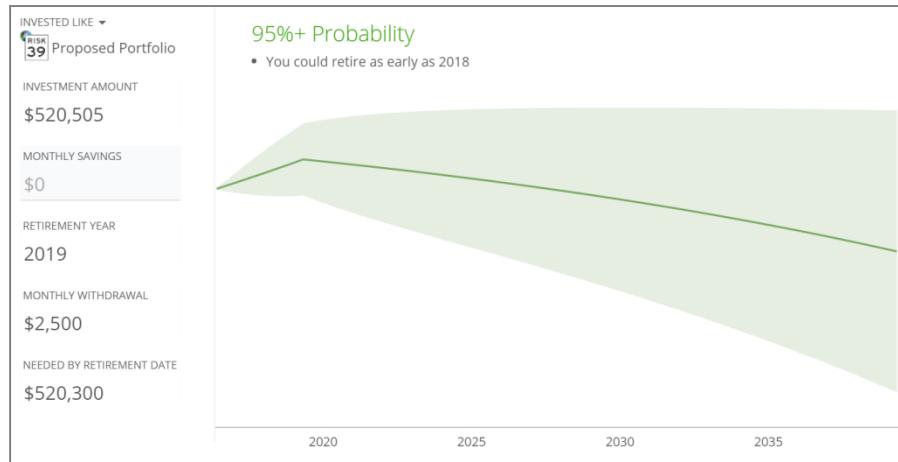
## Working With Your Advisor (continued)



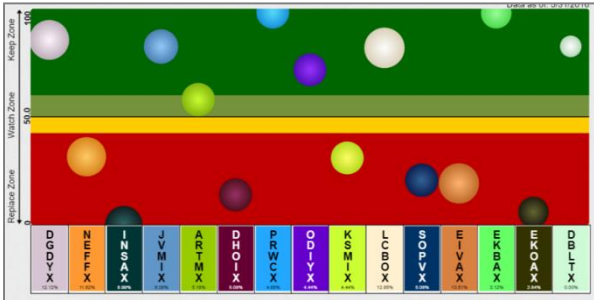
Step  
3

Your advisor will put together a personalized IPS, bubble reports, and scorecard for you.

### Investment Policy Statement



### Current Portfolio



### Proposed Portfolio



### Scorecard

Client Assumptions			
Maximum Monthly Withdrawal at Retirement	\$10,400		
Retirement Year	2028		
Monthly Savings Until Retirement	\$0		
Client Risk Score	40		
Investable Assets	\$867,682		
95% Probability of a Loss Over the Next 6 Months	-7.00%	(\$60,738)	
95% Probability of a Gain Over the Next 6 Months	11.00%	\$95,445	

Portfolio Comparison			
	Current	Redhawk	S&P 500
Portfolio Risk Score	55	36	72
95% Probability of a Loss Over the Next 6 Months (%)	-11.10%	-5.80%	-15.70%
95% Probability of a Loss Over the Next 6 Months (\$)	(\$96,076)	(\$50,263)	
95% Probability of a Gain Over the Next 6 Months (%)	19.30%	15.50%	25.80%
95% Probability of a Gain Over the Next 6 Months (\$)	\$167,593	\$134,420	
Stocks Allocation	75.00%	34.00%	100.00%
Bonds Allocation	20.00%	52.00%	0.00%
Cash Allocation	5.00%	12.00%	0.00%
Other Allocation	0.00%	2.00%	0.00%
Bubble Score	52.75	98.62	75.10
Funds Average Expense Ratio	0.13%	0.70%	
Potential Annual Return	8.24%	9.70%	10.18%
3-Year Upside Capture Ratio	96.45%	88.21%	99.50%
3-Year Downside Capture Ratio	93.62%	3.50%	100.06%
Annual Dividend	2.08%	3.88%	1.78%
1-Year Alpha	-0.23%	6.01%	-0.09%
Needed by Retirement Date	\$2,352,200	\$1,797,700	
Legacy Assets	\$221,295	\$3,372,988	
Retirement Probability	55%	95%	



## Working With Your Advisor (continued)

### Step 4

Sign the necessary forms and agreements and give them to your advisor.

1. RUMA New Account Establishment Kit, or
2. Wrap New Account Establishment Kit.
3. Investment Policy Statement.
4. Custodian Forms.





**RUMA**  
**New Account Establishment Kit**

This kit contains all the Redhawk Wealth Advisors, Inc. information and documents needed to establish a new institutional brokerage account. Please complete all the information and all parties should sign under Section 5.

All documents shown below are required to establish a new account.

- ☐ **Section 1:** Financial Planning Agreement.
- ☐ **Section 2:** RUMA Investment Management Agreement.
- ☐ **Section 3:** Rollover Checklist.
- ☐ **Section 4:** Prohibited Transaction Exemption 84-24 Disclosure Statement.
- ☐ **Section 5:** Signatures.

These documents must be included as a separate attachment.

- ☐ **Attachment 1:** Investment Policy Statement ("IPS") from Riskalyze.
- ☐ **Attachment 2:** Insurance carrier's suitability forms if included in the IPS.

You can scan and email the kit to [operations@redhawkwa.com](mailto:operations@redhawkwa.com).

Questions can be directed to:

1. [operations@redhawkwa.com](mailto:operations@redhawkwa.com)
2. (952) 835-4295

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Strategy overviews are for descriptive purposes only and do not take into account your particular investment objectives, tolerance for risk, financial situation, or needs. They are not suitable for all investors and this is not a solicitation or recommendation of any investment strategy. All investments and/or investment strategies involve risk including the possible loss of principal. There is no assurance that any investment strategy will achieve its objectives. For a complete description of investment risks, fees and services, review the Redhawk ADV Part 2A firm brochure and ADV Part 2A Appendix 1 wrap brochure which is available from your Investment Advisor Representative or by contacting Redhawk.

Investment Advisory Services are offered through Redhawk Wealth Advisors, Inc., an SEC registered investment advisor.

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Additional information about Redhawk is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). However, please note that registration as an Investment Advisor or Investment Advisor Representative does not imply any level of skill or training.