

## MANAGER



**Jerome Jacobs, CFA**  
Chief Market Strategist  
Portfolio Manager

## OVERVIEW

- Seeks to outperform the High Yield Index utilizing a wide range of income oriented categories
- Utilizes a proprietary screening technology to exploit the inefficiencies of closed-end funds
- Managed utilizing a highly tactical approach to increase potential return and manage risk.
- The highly flexible approach exploits relative value and isolates “sweet spots” of categories or funds that have high return potential compared to risk.
- Sector composition will vary widely depending upon opportunity. We seek to create a diversified portfolio with no single sector having a weighting of more than 40%, there will be times or greater sector concentration.

## CONTACT

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## Argent Strategic Income

The Argent Strategic Income Strategy is a total return fixed income strategy with a secondary objective of generating a high level of current income. The strategy leverages the portfolio managers credit expertise to seek opportunities across the broad fixed income marketplace. The portfolio manager has the flexibility to strategically and tactically allocate assets across fixed income ETF's and mutual funds, closed end funds (CEFs), and limited partnership (LP) asset classes seeking return potential or risk control depending on market conditions. The strategy seeks to outperform the High Yield Index (HYG) over the long-term utilizing a wide range of fixed income categories.

### Credit Quality Breakdown

	Argent Strategic Income	Bloomberg Barclays VLI/ High Yield
A	20.4	-
BBB	25.4	-
BB	-	-
B	41.6	100.0
Below B	-	-
Cash	12.6	-

### Effective Duration

	Argent Strategic Income	Bloomberg Barclays VLI/High Yield
Effective Duration	2.84	3.80

### Sector Breakdown

	Argent Strategic Income	Bloomberg Barclays VLI/High Yield
Corporate	45.7	-
Bank Loans	13.1	-
High Yield	28.6	100.00
Cash	12.6	-

## Disclosures

**Policies and Procedures:** The Argent Wealth Management (“Argent”) Strategic Income Composite Portfolio performance results are for the Strategic Income Composite Portfolio (the “Portfolio”) during the corresponding time period. Argent currently utilizes the Portfolio in managing actual client portfolios. Argent Wealth Management’s policies and procedures manual for calculating performance is available upon request.

**Definition of Firm:** Argent Wealth Management is an independent investment advisory firm not affiliated with any parent organization.

**Composite Description:** The Argent Strategic Income strategy is a fundamental and tactical investment strategy with an investment objective that seeks a high level of total return with a secondary objective of generating an above average level of current income. The strategy seeks to meet its objective by investing in a diversified mix of open end bond mutual funds, closed end bond funds, and bond ETFs. The mix of investments can vary from 100% closed end funds to 100% open end funds. The strategy can and does hold cash opportunistically. A significant portion of the underlying holdings seek a high yield and high distribution streams. Investors should be aware that high yielding bond securities can also carry high credit risk and risk of loss. Investors should be willing to bear this risk for the potential of a higher total return and above average income generation. The overall distribution of the strategy varies widely depending on the opportunities available in the fixed income marketplace. The Registrant reserves the right to change the characteristics of the model portfolios at any time in its sole discretion.

**Benchmark Description:** The Bloomberg Barclays VLI/High Yield Index is generally considered to provide a broad representation of the U.S. high yield corporate bond market. Argent believes that there is no single benchmark that accurately reflects the strategy. The composite’s holdings often differ significantly from the benchmark.

**Fees:** The performance results are reported inclusive of dividends and other account earnings, and net of Argent’s investment management fee. A fee schedule is available upon request. Argent’s management fee will differ based upon the amount of assets a client places under Argent’s management per Argent’s management fee schedule set forth on Part 2A of its Form ADV (i.e., the greater the amount of assets, the lower the management fee). Prior to 1/1/2015, the fee charged is net of the max fee Argent charges on the strategy of 1%. At the end of 2015, 3.6% of assets were not charged a fee. At the end of 2016, 2.8% of assets were not charged a fee. At the end of 2017, 12.41% of composite assets were not charged a fee.

**Other Composites:** A list of other composite portfolio descriptions is available upon request. This composite portfolio was created on 12/31/2008.

**Minimum Account Size:** The minimum account size to be included in this composite portfolio is \$100,000 when it is first placed into the composite portfolio.

**Dispersion:** Internal Dispersion is the equal weighted standard deviation of gross returns of all accounts in the composite portfolio for the full calendar year. The Portfolio results may materially differ from actual client results based upon various factors. Internal dispersion in 2017 is high as households were mostly managed as if they were one composite account until the end of 2017 when we switched to Orion.

**Standard Deviation:** Standard deviation is calculated by annualizing the prior 36 month standard deviation of returns for both the composite portfolio and benchmark. For composite portfolios with less than three full years of performance, standard deviation is not presented.

**Please Note:** Past performance may not be indicative of future results. Therefore, no current or prospective client should assume that future performance will be profitable, equal the performance results reflected, or equal the corresponding historical benchmark or blended benchmark index. Historical index performance results for the comparative indices reflect reinvested dividends, but do not reflect the deduction of an investment management fee, the deduction of which would have the effect of decreasing indicated historical index performance results. The historical performance results are provided exclusively for comparison purposes only, so as to provide general comparative information to assist an individual client or prospective client in determining whether the Portfolio performance meets, or continues to meet, his/her investment objective(s). Please Also Note: (1) a description of each of the comparative indices set forth above; (2) performance results do not reflect the impact of taxes; (3) It should not be assumed that account holdings will correspond directly to any such comparative benchmark index; and, (4) comparative indices may be more or less volatile than the Portfolio.

For reasons including variances in account holdings, variances in the investment management fee incurred, market fluctuation, the date on which a client engaged Argent’s investment management services, and any account contributions or withdrawals, the performance of a specific client’s account may have varied substantially from the indicated Portfolio performance results.

In the event that there has been a change in a client’s investment objectives or financial situation, the client is encouraged to advise Argent immediately. Different types of investments and/or investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or investment strategy (including the investments purchased and/or investment strategies devised or undertaken by Argent), will be either suitable or profitable for a client’s or prospective client’s portfolio.

All performance results have been compiled by Argent and have not been independently verified. Information pertaining Argent’s investment advisory operations, services, and fees is set forth in Argent’s current written disclosure statement, a copy of which is available from Argent upon request.

**Any Questions:** Argent’s Chief Compliance Officer, Richard D. Kahn, remains available to address any questions that a client or prospective client may have regarding the Strategy results.