



Blue Current Global Dividend Strategy
Separately Managed Account

Confidential
JUNE 2017



BLUE CURRENT ASSET MANAGEMENT

Incepted in January 2009

Key statistics (as of 6/30/2017)

- Firm assets: \$400mm*
- Independent, privately owned firm with significant employee ownership
- Strategies
 - Blue Current Enhanced Cash
 - Blue Current Global Dividend (SMA/mutual fund)
 - Strategy Assets: \$300mm*



Blue Current Global Dividend Strategy Overview

Investing in dividend growth companies since 2009 (GIPS verified track record)

Primary objective of dividend growth, followed by total return

Global universe targeting developed markets

Invests in common stock, preferred equity, MLPs, REITs

Sub-advised by Edge Advisors
Based in Atlanta, Ga

WHY DO DIVIDEND GROWERS OUTPERFORM?

QUALITY

A company committed to the dividend and its growth is more likely to have a long-term sustainable business model that produces cash flow throughout the business cycle.

INCOME

The dividend is a meaningful contributor to an investor's total return, especially through a low growth environment.

INFLATION PROTECTION

Growing dividends enable investors to maintain purchasing power during an inflationary period.

LOWER VOLATILITY

Companies that pay an increasing dividend have historically been less volatile than the broader market.

Warren Buffett described the perfect investment as 'inflation-linked bonds with rising coupons'.

Fortune Magazine, May 1977

INVESTMENT UNIVERSE & PORTFOLIO CONSTRUCTION

UNIVERSE

The strategy seeks dividend paying securities globally in the form of common stock, ADRs, master limited partnerships (MLPs), and royalty trusts.

There are approximately 600 global companies in the eligible universe. Our focus is on developed markets including US, Canada, Western Europe, UK, and Japan.

Due to our highly selective quality requirements, the universe of potential investments is typically less than 100 securities.



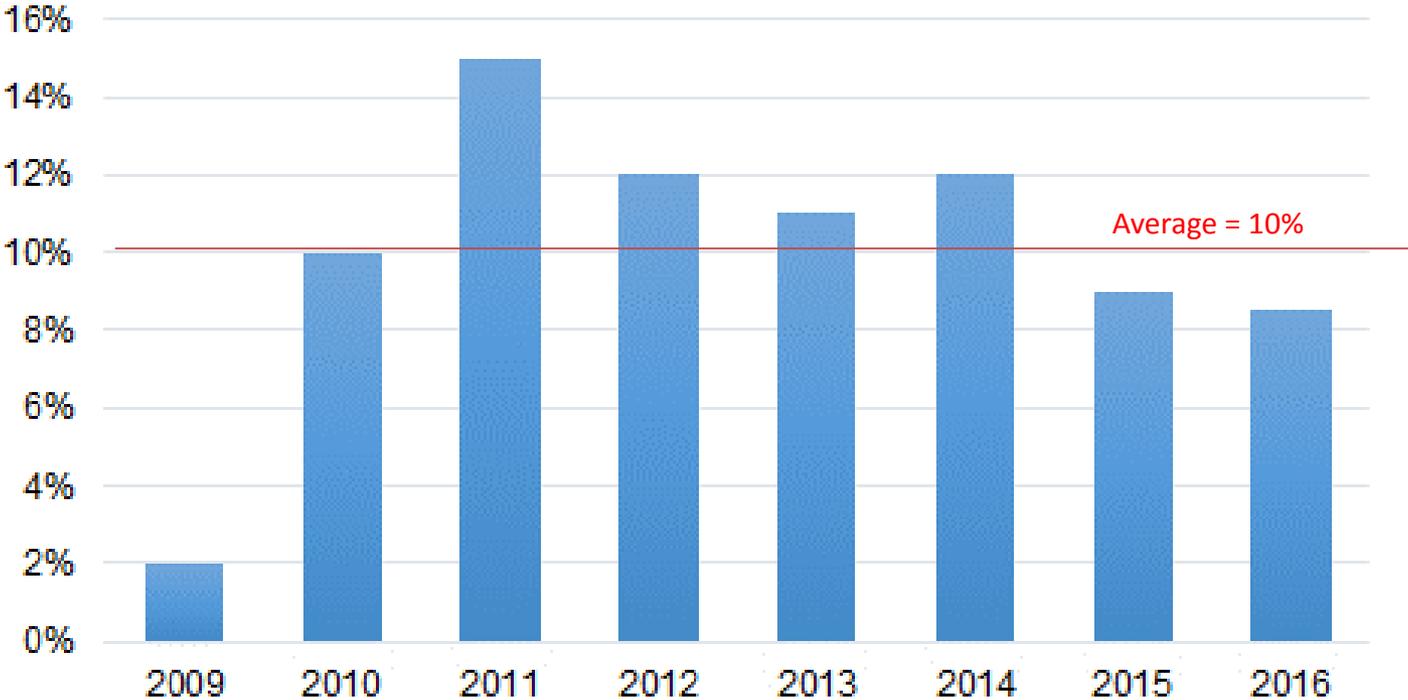
TARGET PORTFOLIO CONSTRUCTION

Holdings / Positions:	25-50
Position Size Range:	2-5%
Minimum Yield at Purchase	2%
Minimum International Exposure:	40%*
Sector Concentration Limit:	30%

*as defined by Morningstar corporate classification

CONSISTENT DIVIDEND GROWTH & ATTRACTIVE YIELD

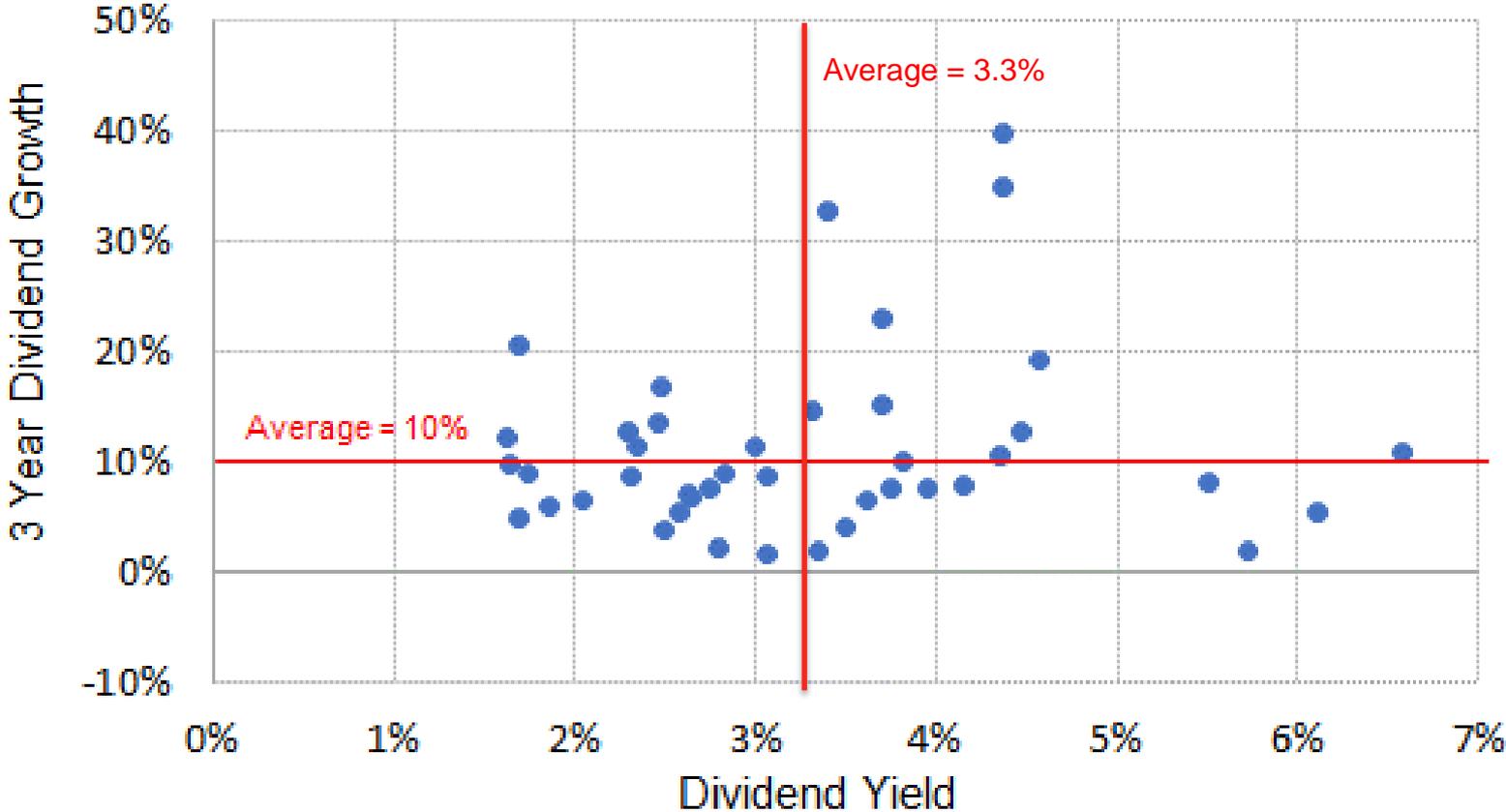
Blue Current SMA Historical Dividend Growth



Historical dividend growth rate is calculated annually and represents the average of the position weighted dividend growth rates of all companies in the portfolio during the calendar year. Special dividends (non-recurring) are excluded from the calculation. Calculations are gross of dividend withholding tax.

BLENDING YIELD WITH DIVIDEND GROWTH

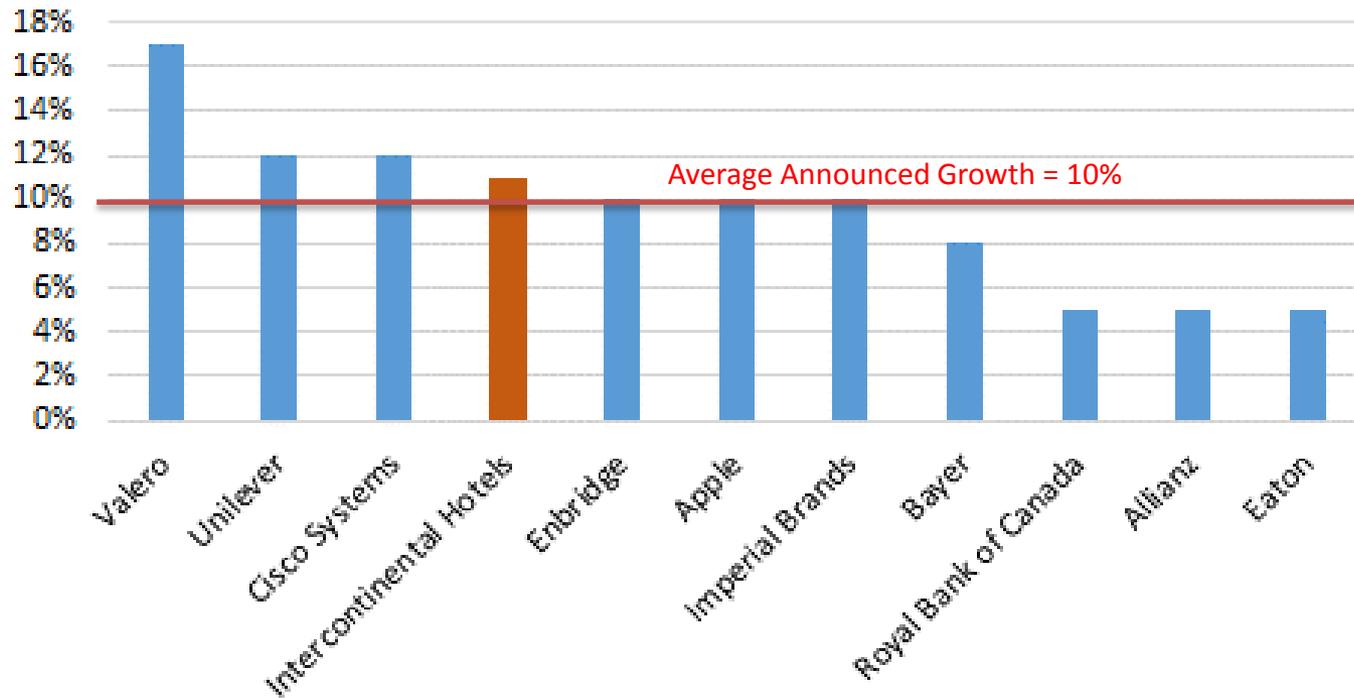
Plot of Individual Portfolio Positions (yield versus growth)



Portfolio statistics as of 5/19/17. 3 Year Dividend Growth is historical; Dividend Yield is indicated. Source: Bloomberg. For scaling purposes, the three year dividend growth rate of Crown Castle International has been reduced from the actual rate (+120%) to the average portfolio rate (10%).

INTERNATIONAL DIVIDEND GROWTH LEADING

Dividend Growth Announcements Year-to-Date



Intercontinental Hotels announced a \$400mm special dividend for 2017 and is not included in the above growth rate

INVESTMENT PROCESS



NARROWING THE UNIVERSE

DIVIDEND SUSTAINABILITY

35%

- Yield
- Dividend Coverage Ratio
- Free Cash Flow to Tangible Assets
- Dividend History (AAAA/AAA...)*

CORPORATE GROWTH

30%

- Revenue Growth
- EBITDA Growth
- ROIC Trends
- Estimate Revisions

VALUATION

25%

- Free Cash Flow Yield
- Total Return Ratio
- EV to EBITDA
 - Or appropriate

LEVERAGE

10%

- Debt to EBITDA

Each company is rated and assigned a unique score



Ratings are updated monthly

Companies eligible for fundamental review:

- Earn a score higher than the sector average
- Generate a steadily improving score over time

*Dividend History reflects a proprietary rating that evaluates that length of time a company has been increasing the dividend. This rating is not related to the Moody's or Standard and Poor's credit rating.

FUNDAMENTAL ANALYSIS

Our quantitative process is vetted to ensure company fundamentals, valuation, and dividend sustainability are consistent. Our fundamental analysis of each company focuses on:

✔ **Understand management's commitment to continually increase the dividend**

✔ **Identify competitive positioning with an emphasis on:**

- Pricing power
- Supplier relationships
- Core competitors
- Margin sustainability / increases

✔ **Quantify global revenue and expense exposure**

✔ **Evaluate emerging market exposure**

✔ **Review corporate filings and shareholder presentations**



Our fundamental analysis helps us identify 25 to 50 companies for the portfolio.

DIVIDEND QUALITY

AAAA

25+ Years of
Dividend Increases

Abbott
Chubb
Diageo Plc
Johnson & Johnson
Nestle
Nordstrom
Stanley Black Decker
Unilever
Walgreens Boots

AAA

10+ Years of
Dividend Increases

Anheuser Busch
Bayer
Danone
Diageo
Eaton Corp
Enbridge
Enterprise Products
Imperial Brands
Intercontinental Hotels
LVMH
Microsoft
Novartis
Roche
Sanofi
Texas Instruments
United Parcel Service
Vodafone

AA

5+ Years of
Dividend Increases

BB&T
Cisco
Comcast
Deutsche Post
Dow Chemical
GKN Plc
Johnson Controls
Royal Bank of Canada
Swiss Re
Valero Energy

A

5 Years or Less of
Dividend Increases

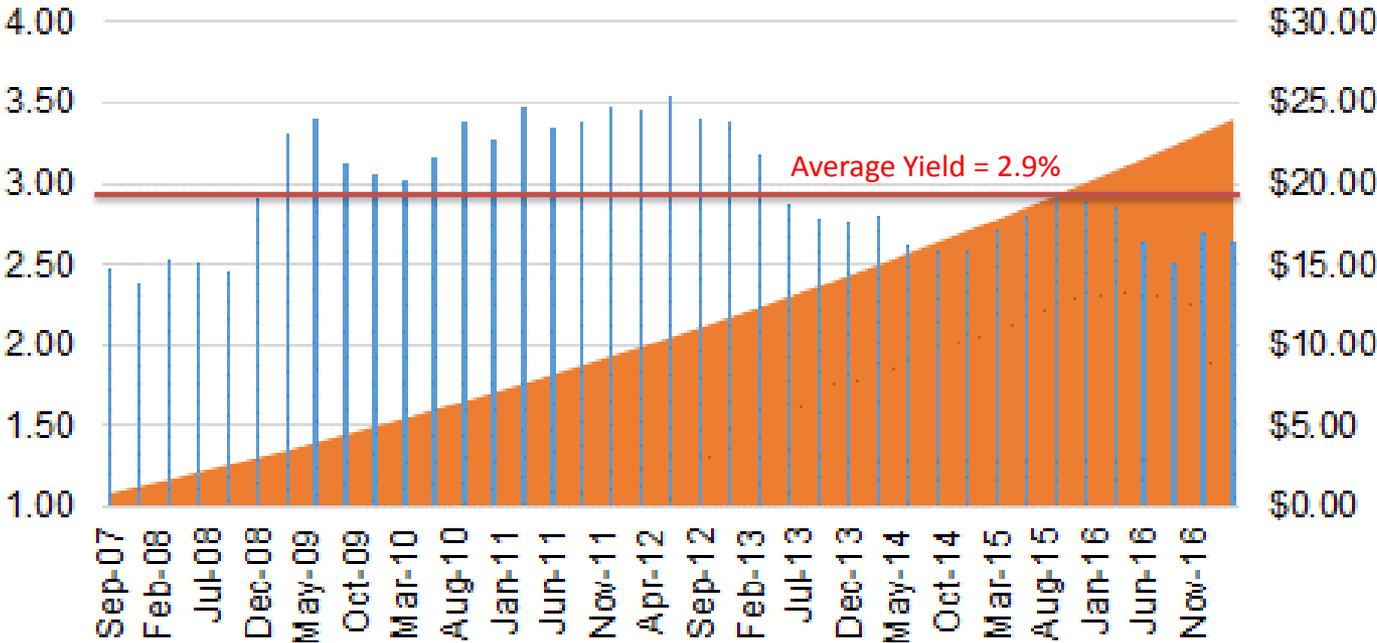
Allianz
Apple
British Petroleum
Crown Castle
Dominion Midstream
ING Groep NV

AAAA and AAA-rated companies historically represent 60-65% of the portfolio

Portfolio statistics as of 6.30.2017. Note Dividend Exposure refers to proprietary ranking.

CONSISTENT YIELD + GROWTH

Johnson & Johnson Historical Div Yield & Cumulative Dividends



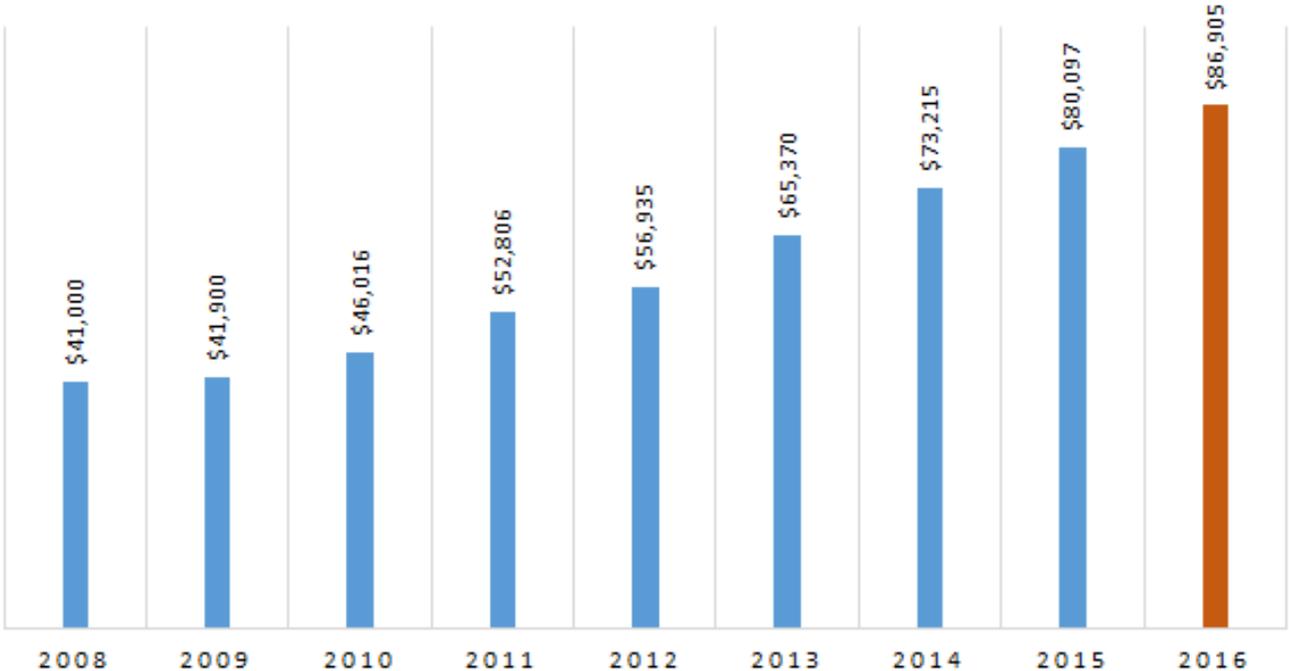
JNJ stock price: \$61.85 (6/30/2007)
 Cumulative dividends: \$24 per share
 10 year dividend growth: 7.5%

Dividend Yield: +2.9%
 + Dividend Growth: +7.5%
 = +10.4% estimated annualized return

ACTUAL RETURN*: +10.8%

HOW WE DEFINE SUCCESS

ASSUMING \$1MM PORTFOLIO AND 4.1% YIELD AT INCEPTION



Starting Value:
\$1,000,000

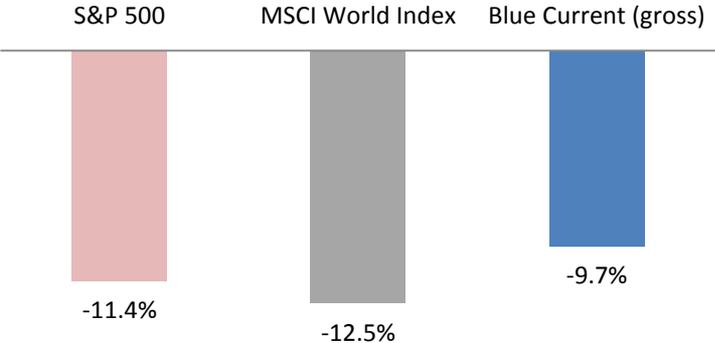
Ending Value:
\$2,375,223

Cumulative Cash Flow:
\$544,244

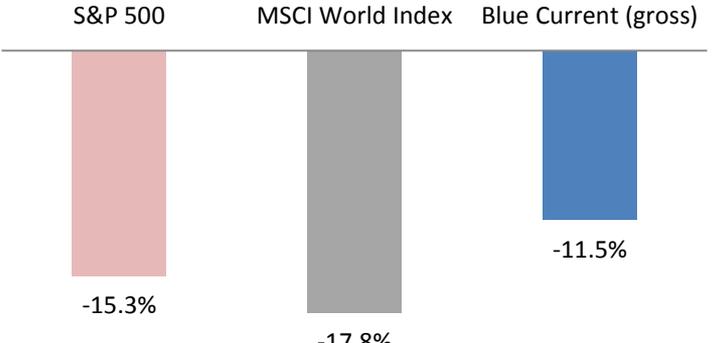
The calculation of dividend growth for the Blue Current composite takes the weighted average position size of each security held throughout each calendar year multiplied by the dividend growth rate of each security for each calendar year. The Blue Current composite includes securities owned and sold throughout the calendar year. The dividend growth rate excludes special dividends, including cash or distributions of stock. The dividend growth rate for international equities is the gross dividend in local currency. The dividend growth rate for the Blue Current composite assumes a fully invested portfolio and excludes cash. The dividend growth rate within the current calendar year is estimated based upon an annualized number from Bloomberg estimates or dividends declared. The S&P 500, MSCI All World, and Dow Jones Select Dividend are representative indices to compare historical dividend growth rates. One cannot invest directly in an index. The source of the dividend data for the Blue Current composite holdings and each benchmark is from Bloomberg as of December 2016. The hypothetical income growth for the Blue Current composite and indices assumes the estimated annual income as of 12/31/08 for a hypothetical \$1,000,000 portfolio and applies the actual dividend growth rate as described above for each calendar year. Backtested investment data (including historical performance) does not represent actual investment and should not be interpreted as an indication of such performance. Actual performance for client accounts may be materially lower. Backtested performance results have certain inherent limitations. Such results do not represent the impact that material economic and market factors might have on an Edge's decision-making process if Edge were actually managing client assets. Backtested performance also differs from actual performance because it is achieved through the retroactive application of the client's current investment objectives and investors should not place undue reliance on pro forma or hypothetical performance. All figures are estimated and unaudited. Past performance is not necessarily indicative of future results.

CAPITAL PRESERVATION THROUGH TOUGH MARKETS

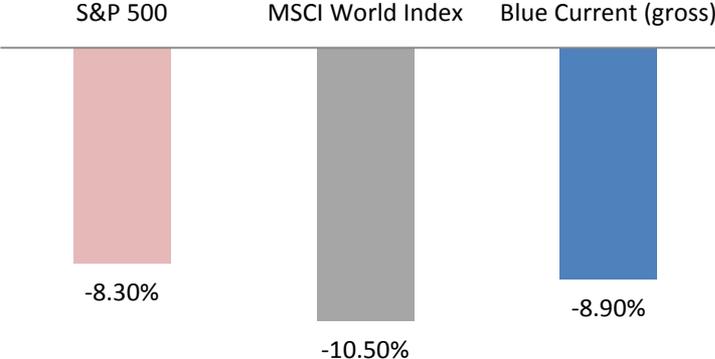
2010 Drawdown (April – June)



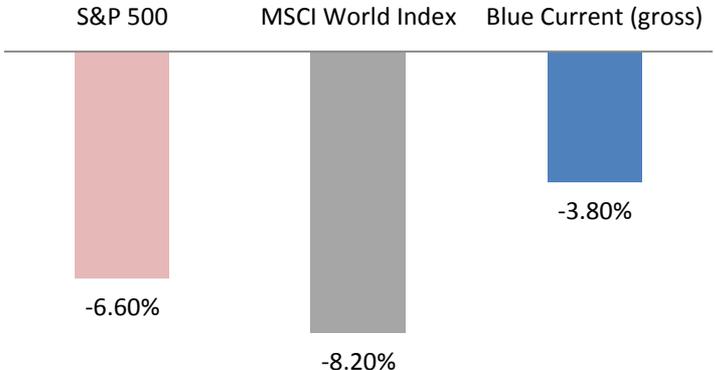
2011 Drawdown (June – Sept)



2015 Drawdown (June – Sept)



2016 Drawdown (Dec – Feb)



RISK/RETURN PROFILE

Investment Growth

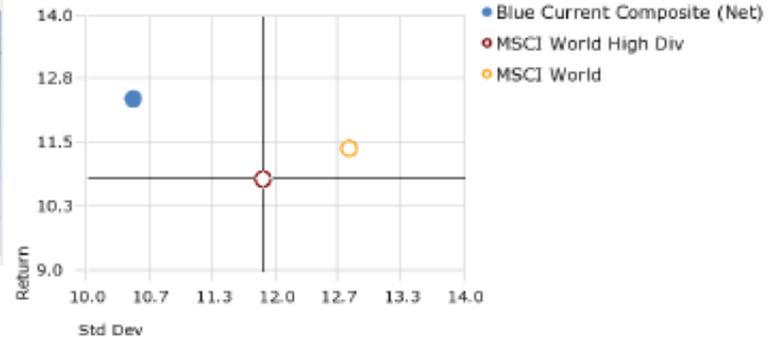
Time Period: 7/1/2010 to 6/30/2017



Risk-Reward

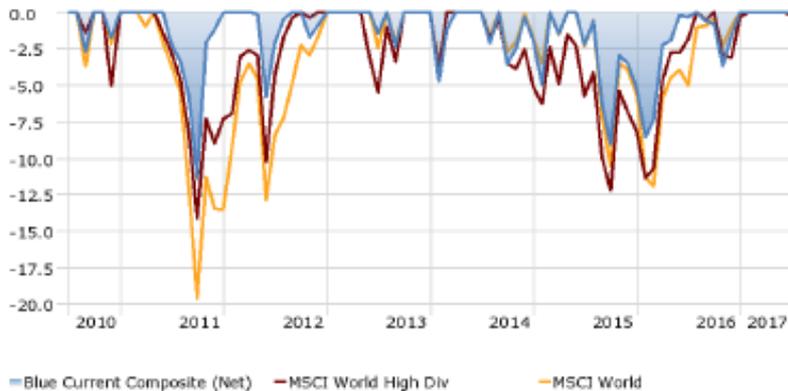
Time Period: 7/1/2010 to 6/30/2017

Calculation Benchmark: MSCI World High Dividend Yield NR USD



Drawdown

Time Period: 7/1/2010 to 6/30/2017



Calendar Year Returns

Date Point: Return

	YTD	2016	2015	2014	2013	2012	2011
Blue Current Composite (Net)	11.21	8.98	-2.03	3.35	28.88	11.40	8.58
MSCI World High Div	9.30	9.29	-3.20	2.48	21.91	12.24	3.89
MSCI World	10.66	7.51	-0.87	4.94	26.68	15.83	-5.54

Trailing Returns

Date Point: Return

	1 Year	3 Years	5 Years	7 Years
Blue Current Composite (Net)	15.23	5.24	10.61	12.35
MSCI World High Div	11.78	3.13	9.43	10.79
MSCI World	18.20	5.24	11.38	11.38

Performance

Time Period: 7/1/2010 to 6/30/2017

Calculation Benchmark: MSCI World High Dividend Yield NR USD

	Return	Cumulative Return	Std Dev	Sharpe Ratio	Max Drawdown	Up Capture Ratio	Down Capture Ratio	Alpha	Beta	R2	Correlation
Blue Current Composite (Net)	12.35	125.92	10.50	1.15	-11.37	92.91	74.68	3.30	0.81	84.14	0.92
MSCI World High Div	10.79	104.83	11.87	0.91	-14.16	100.00	100.00	0.00	1.00	100.00	1.00
MSCI World	11.38	112.61	12.78	0.90	-19.64	102.23	99.50	0.53	1.01	88.22	0.94

INVESTMENT TEAM



HARRY JONES, MBA

Co-Portfolio Manager

Harry Jones is a Co-Portfolio Manager of the Blue Current Global Dividend SMA strategy.

Harry's passion for investing began with a college internship on the New York Stock Exchange in 1991. Prior to Blue Current, Harry spent his entire professional career in the investment advisory business at Credit Suisse, Morgan Stanley, and as an analyst for the Excelsior Value & Restructuring Fund.

Harry earned a Bachelor of Arts in History and Economics with distinction (Omicron Delta Epsilon) from Hampden-Sydney College and graduated with a Master of Business Administration degree from the University of North Carolina Kenan-Flagler School of Business.

Harry is active with his community endeavors, including his time as a youth lacrosse coach and being awarded the 2011 Man of the Year award for Leukemia & Lymphoma Society's Georgia chapter. He is also a member of YPO and the Advisory Council of Woodberry Forest School and Pershing Advisory Solutions.



DENNIS SABO, CFA®

Co-Portfolio Manager

Dennis Sabo is a Co-Portfolio Manager of the Blue Current Global Dividend SMA strategy. Dennis graduated from the University of Miami with a Bachelor of Science in Electrical Engineering and was a member of the electrical and computer engineering honor society (Eta Kappa Nu). Following college, he worked in the telecommunications industry as an engineer and project manager.

In 2002, Dennis transitioned his career to the investments industry and graduated from the University of Georgia with a Master of Business Administration degree. After business school, Dennis spent several years as a sellside equity analyst, first with Robinson Humphrey of Suntrust (covering software technology) and later with the Credit Suisse Global Media Team where he was responsible for the US media sector.

After Credit Suisse, Dennis joined an emerging hedge fund, Jodocus Capital, that was founded by a former portfolio manager of Pequot Capital. While at Jodocus, Dennis was a sector generalist. After leaving Jodocus, Dennis joined the Blue Current team in 2010 and has worked with Harry Jones on the strategy since that time. Dennis became a CFA charterholder in 2010 and is a member of the Atlanta Society of Finance and Investment Professionals.

BLUE CURRENT GLOBAL DIVIDEND COMPOSITE

Blue Current Global Dividend												
Year	Blue Current	Blue Current	MSCI World	MSCI World	Blue Current			Internal	Number of	End of Period	End of Period Firm	
	Global	Global	High Div Yield	MSCI World	Global	MSCI World	MSCI World					
	Dividend	Dividend Net	Net Index	Net Index	Dividend	High Div Yield	Index Net	Dispersion	Portfolios	Assets	Assets	
	Gross Return	Return	Return	Return	Standard	Net Standard	Standard					
					Deviation	Deviation	Deviation					
2009	16.11%	14.97%	32.48%	29.99%	NA 2	24.23%	21.70%	NA 1	< 6	\$1,565,376	\$10,970,324	
2010	13.85%	12.71%	6.29%	11.76%	NA 2	25.89%	24.05%	NA 1	< 6	\$2,363,654	\$32,789,983	
2011	9.67%	8.58%	3.89%	-5.54%	14.98%	21.81%	20.44%	NA 1	< 6	\$19,499,442	\$77,655,266	
2012	12.50%	11.40%	12.24%	15.83%	12.58%	15.33%	16.98%	0.49%	16	\$30,917,548	\$190,942,763	
2013	30.14%	28.88%	21.91%	26.68%	10.53%	11.88%	13.73%	0.29%	46	\$71,025,142	\$267,812,275	
2014	4.40%	3.35%	2.48%	4.94%	8.84%	10.44%	10.37%	0.31%	57	\$115,318,155	\$337,317,537	
2015	-1.04%	-2.03%	-3.20%	-0.87%	10.37%	11.16%	10.80%	0.64%	58	\$122,654,070	\$325,139,286	
2016	10.05%	8.98%	9.29%	7.51%	10.00%	10.46%	10.92%	0.61%	56	\$144,576,804	\$384,252,050	

N.A.1 - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

N.A.2 - The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The three-year annualized standard deviation is not presented for periods with less than 36 months of data.

Blue Current Global Dividend Strategy Composite includes all fully discretionary, fee paying accounts under management following a common investment objective, including those accounts no longer with the firm. The Composite invests primarily in domestic or international securities the portfolio manager feels have the potential to deliver outperformance due to a combination of price appreciation and current income in the form of a dividend. The composite will typically invest in securities with a current dividend yield in excess of the broad equity markets with a history of consistently increasing the dividend rate and with what we believe to be strong fundamentals at an attractive price (i.e. low use of leverage, operating margins in excess of 5%, free positive cash flow yield, a price to earnings ratio at or below the market average, and earnings growth). The Global Dividend Equity Composite was created on 1 January 2009.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using the highest allowable annual management fee of 1% applied monthly. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Past performance is not indicative of future results.

The investment management fee schedule for the composite is 1% on the first \$5 million, 0.7% on the next \$5 million, 0.65% on the next \$10 million, 0.55% on the next \$30 million, 0.45% on the next \$50 million. Fees for assets over \$100 million are at a rate customized to the client. Actual investment advisory fees incurred by clients may vary.

The benchmark MSCI World Index includes 1611 stocks located across 24 developed countries and captures approximately 84% of the free float-adjusted market capitalization in each country. MSCI uses the maximum withholding tax rate applicable to institutional investors in calculating MSCI net dividends. Withholding taxes may vary according to the investor's domicile. Composite returns are calculated net of withholding tax and represent investors domiciled primarily in the United States. The MSCI Indices uses withholding tax rates applicable to GHI Country holding companies.

The benchmark MSCI World High Dividend Yield Index is based on the MSCI World Index, its parent index, and includes large and mid-cap stocks across 23 Developed Markets countries. The index is designed to reflect the performance of equities in the parent index (excluding REITs) with higher dividend income and quality characteristics than average dividend yields that are both sustainable and persistent. The index also applies quality screens and reviews 12-month past performance to omit stocks with potentially deteriorating fundamentals that could force them to cut or reduce dividends. MSCI uses the maximum withholding tax rate applicable to institutional investors in calculating MSCI net dividends.

Blue Current claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Blue Current Asset Management has been independently verified for the periods January, 2009 to December 2016 by Ashland Partners & Company. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Blue Current Global Dividend composite has been examined for the periods January, 2009 to December, 2016 by Ashland Partners & Company. The verification and performance examination reports are available upon request. Note: Blue Current firm AUM has been amended.

For additional information, please refer to bluecurrentportfolios.com.

Blue Current Asset Management is a division of Edge Advisors, LLC ("Edge") also referred to in previous presentations as Blue Current Investments. Edge is an independent registered investment adviser based in Atlanta, Georgia. Blue Current manages separate account strategies with defined investment objectives styles. Edge's total firm assets of approximately \$2.7B (as of December 31, 2016) include the assets managed by the Blue Current division of Edge (\$384M) as well as those managed by Edge but not by the Blue Current division. All employees who work within the Blue Current division of Edge may also manage assets for Edge outside of the Blue Current division. The firm's list of composite descriptions is available upon request.



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