

# Our Custom Equity Model Portfolios

## Dividend Growth Portfolio

Seeks companies that can provide consistent, annual dividend growth over a long-term investment horizon. Through consistent dividend growth, the goal is to help investors stay ahead of the wealth eroding effects of inflation.

### Key characteristics:

- **Attractive yield** – generally higher than the S&P 500 at the time of inclusion
- **Healthy dividend growth** – generally in excess of 4% annually
- **Strong dividend consistency** – generally longer than 10 years

The primary objective in the stock selection process is to identify those companies that can sustainably generate strong dividend and earnings growth over the next several years. Although the portfolio is actively managed, it's our intention to hold stocks in the portfolio over a multi-year time horizon and realize relatively low levels of overall portfolio turnover. Portfolio holdings will generally vary from 30-35 stocks.

## Quality Growth Portfolio (Q-GARP)

Seeks companies that can provide a combination of quality growth at a reasonable price or Q-GARP for short.

### Key characteristics:

- **Quality** – high and stable profitability
- **Reasonable Price** – attractive valuation relative to peers
- **Earnings Per Share Growth** – strong secular growers

The primary objective in the stock selection process is to identify those companies that can generate above-average earnings growth over the next several years. Although the portfolio is actively managed, it's our intention to hold stocks in the portfolio over a multi-year time horizon and realize relatively low levels of overall portfolio turnover. Portfolio holdings will generally vary from 30-35 stocks.

## Portfolio Allocation Options

For more conservative investors, the **Dividend Growth Portfolio** is available with allocations of 80/20, 70/30, 60/40, and 50/50, equity to fixed income investments and the **Q-GARP Portfolio** is available with allocations of 80/20, 65/35, 50/50, equity to fixed income investments.

**Prospective clients should carefully review the Wells Fargo Advisors advisory disclosure document for a full description of our services, including fees and expenses.**

### Investment and Insurance Products are:

- **Not Insured by the FDIC or Any Federal Government Agency**
- **Not a Deposit or Other Obligation of, or Guaranteed by, the Bank or Any Bank Affiliate**
- **Subject to Investment Risks, Including Possible Loss of the Principal Amount Invested**

**Disclosures:**

The [Quantitative Choice / Fundamental Choice / PIM] program is not designed for excessively traded or inactive accounts and is not appropriate for all investors. Please carefully review the advisory disclosure documents for a full description of our services. The minimum account size for this program is \$50,000. All investing involves risks including the possible loss of principal. Equity securities are subject to market risk which means their value may fluctuate in response to general economic and market conditions and the perception of individual issuers. Investments in equity securities are generally more volatile than other types of securities. Investments in fixed-income securities are subject to interest rate, credit/default, liquidity, inflation and other risks. Bond prices fluctuate inversely to changes in interest rates. Therefore, a general rise in interest rates can result in the decline in the bond's price. Credit risk is the risk that an issuer will default on payments of interest and principal. This risk is higher when investing in high yield bonds, also known as junk bonds, which have lower ratings and are subject to greater volatility. If sold prior to maturity, fixed income securities are subject to market risk. All fixed income investments may be worth less than their original cost upon redemption or maturity.

Dividends are not guaranteed and are subject to change or elimination.