

# ARGENT DIVIDEND SELECT

SEPARATE ACCOUNT

Argent

September 30, 2022 | 3Q 2022

## INVESTING IN CHANGE

Since 1998, Argent Capital Management has been helping institutional investors, investment advisors and high net worth individuals meet their investment goals. We are a boutique investment management firm specializing in U.S. equities. Our focus is on seeking opportunities where change is driving the potential for superior investment results over the long-term.

Firm AUM: \$2.6B

Argent Dividend Select AUM: \$653M

Argent Dividend Select Inception: 01/31/2005

## INVESTMENT OBJECTIVE AND STRATEGY

The Argent Dividend Select strategy is geared toward investors seeking both current income and long-term growth. Argent applies its time-tested and disciplined investment process to identify higher yielding companies that also embrace Argent's Change-Based<sup>SM</sup> investment approach.

Stocks considered for inclusion in the Argent Dividend Select strategy include those with a history of dividend payment. Over and above dividend distributions, Argent targets those companies that have consistently increased their dividend yield over time. On a portfolio basis, Argent's goal is to generate a dividend yield between 125% - 175% greater than the market.

## PERFORMANCE

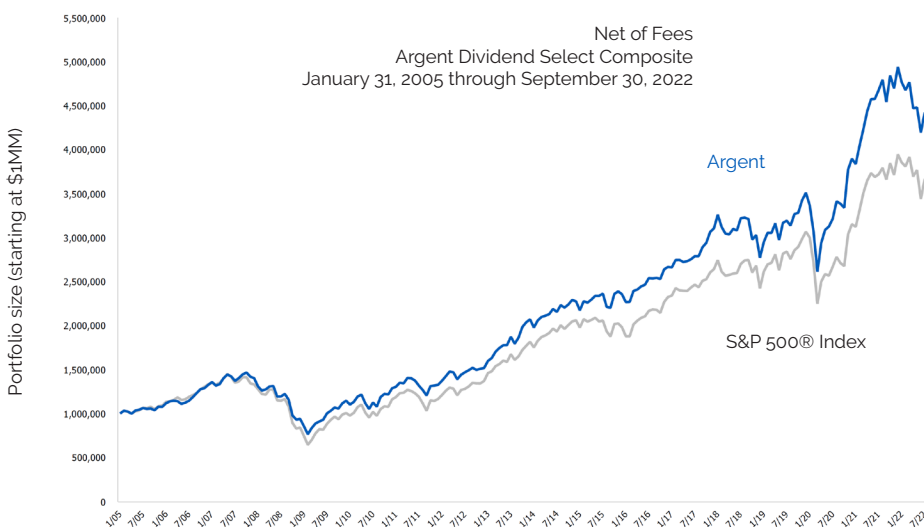
	3Q22	1 Year	3 Yr.*	5 Yr.*	10 Yr.*	15 Yr.*	S.I.**
Argent Capital - Net	-4.83%	-12.12%	6.91%	6.66%	10.14%	7.01%	8.15%
Russell 1000 Value	-5.62%	-11.36%	4.36%	5.29%	9.17%	5.71%	6.89%

\*Annualized

\*\*Since Inception, 01/31/2005, Annualized

Market returns during the most recent quarter were negatively impacted by rising inflation, uncertainty surrounding the mid-term elections in the U.S., and global concerns about the escalation of the war in Ukraine.

## SINCE INCEPTION PERFORMANCE



## CHARACTERISTICS

	Argent Dividend Select	Russell 1000 Value
Number of Holdings	36	855
Weighted Avg Market Cap (MM)	\$166,117	\$137,714
Dividend Yield	3.5%	2.5%
Dividend Growth Rate (Median)	8.7%	5.3%
Forecasted P/E	12.1x	12.1x
Price to Book Ratio	3.8x	2.2x
Price to Sales Ratio	2.5x	2.7x
Estimated Sales Growth (NTM)	4.0%	4.8%
Estimated EPS Growth (NTM)	7.0%	6.0%
Downside Capture	86.5%	100.0%

## INVESTMENT TEAM

### Dividend Select Portfolio Managers

**Scott A. Harrison, CFA** Portfolio Manager  
26 Years Experience

**Kenneth H. Crawford** Portfolio Manager  
31 Years Experience

### One Argent - Intentional Collaboration

**Kirk McDonald, CFA** Portfolio Manager  
20 Years Experience

**Peter Roy, CFA** Portfolio Manager  
24 Years Experience

**Jed Ellerbroek, Jr., CFA** Senior Research Analyst  
17 Years Experience

**Brian Reynolds, CFA, CFP** Senior Research Analyst  
13 Years Experience

**Steven K. Smith, CFA** Senior Research Analyst  
9 Years Experience

**Bill Weeks, Ph.D., CFA** Senior Research Analyst, Quantitative  
17 Years Experience

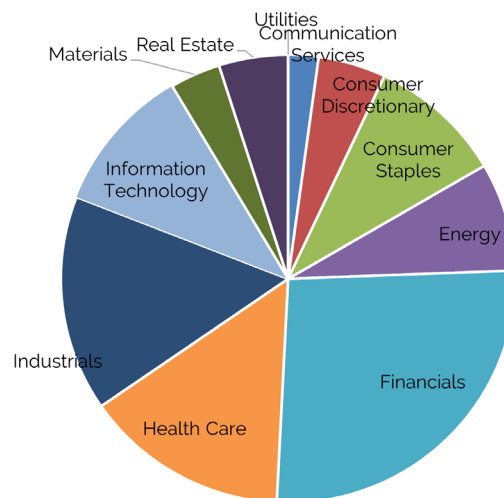
**Parker Moses, CFA** Research Analyst  
2 Years Experience

**Ward Brown** Chairman of Argent Investment Committee  
27 Years Experience



## TOP TEN HOLDINGS & SECTOR ALLOCATION

	Weight (%)
Chevron Corporation	4.4
Northrop Grumman Corporation	4.4
UnitedHealth Group, Incorporated	4.2
JPMorgan Chase & Co.	4.2
Eaton Corporation plc	4.2
Automatic Data Processing, Inc.	3.8
Booz Allen Hamilton Holding Corp.	3.7
Principal Financial Group, Inc.	3.6
AbbVie Inc.	3.4
PepsiCo, Inc.	3.3



## ARGENT LARGE CAP DIVIDEND SELECT COMPOSITE DISCLOSURES - JANUARY 31, 2005 THROUGH SEPTEMBER 30, 2022

For the period ending December 31.	Composite Return % Gross-of-Fees	Composite Return % Net-of-Fees	Russell 1000 Value Return (%)	Composite 3-Yr St. Dev (%)	Russell 1000 Value 3-Yr St. Dev (%)	Number of Composite Accounts	Composite Assets (\$ millions)	Principal Business Assets (\$ millions)	Internal Dispersion (%)
2021	27.11	26.75	25.16	18.39	19.05	257	814	3,517	0.32
2020	11.36	11.04	2.80	19.15	19.62	236	640	2,874	0.68
2019	26.98	26.62	26.54	11.80	11.85	213	642	3,019	0.58
2018	-10.47	-10.73	-8.27	10.30	10.82	209	528	2,542	0.65
2017	16.84	16.49	13.66	8.97	10.20	203	611	2,898	0.38
2016	13.54	13.18	17.34	9.59	10.77	193	540	2,604	0.66
2015	3.88	3.55	-3.83	10.57	10.68	178	452	2,357	0.38
2014	10.24	9.88	13.45	9.28	9.20	155	404	2,817	0.38
2013	36.93	36.50	32.53	11.24	12.70	115	282	2,478	2.30
2012	14.82	14.36	17.51	14.34	15.51	75	113	1,782	0.57
Three -Year Annualized	21.59	21.24	17.64						
Five -Year Annualized	13.44	13.11	11.16						
Ten -Year Annualized	14.40	14.05	12.97						
Fifteen -Year Annualized	9.62	9.16	7.51						

### Information for period(s) September 30, 2022

3rd Quarter 2022	-4.75	-4.83	-5.62	19.42	20.16	279	653	2,624	
Rolling 1 - Year	-11.86	-12.12	-11.36						
Rolling 3 - Year	7.22	6.91	4.36						
Rolling 5 - Year	6.97	6.66	5.29						
Rolling 10 - Year	10.47	10.14	9.17						
Rolling 15 - Year	7.44	7.01	5.71						
Since Inception Annualized	8.62	8.15	6.89						

### Disclosures:

1. Argent Capital Management, LLC ("Argent") is an independent investment management firm comprised of two distinct business entities: the Non-Wrap Fee/SMA Business of Argent Capital Management, LLC ("Principal Business"), which does not include wrap fee/SMA clients; and the Wrap Fee/SMA Business of Argent Capital Management, LLC ("Wrap Business"), which includes only wrap fee/SMA clients. The Principal Business claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. The Principal Business has been independently verified for the periods January 1, 2003 through December 31, 2021. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Argent Large Cap Dividend Select Composite has had a performance examination for the periods January 31, 2005 through December 31, 2021. The verification and performance examination reports are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

2. This composite represents investment performance for portfolios with an Equity Income investment objective for which Argent has sole investment discretion. Portfolios typically include 30 - 40 equity holdings with a history of dividend payments, zero fixed investments, and cash targeted to be less than 10% of the total portfolio. Prior to 7/1/21 accounts in the composite were eligible if they held 80% equities, excluding mutual funds and 20% of fixed income, mutual funds and preferred investments. The composite inception date is January 2005 and was created in September 2011. A list of composite descriptions and broad distribution pooled funds are available upon request. The name was changed from Argent Large Cap Equity Income Composite to Argent Large Cap Dividend Select Composite in September 2012.

3. The benchmark is the Russell 1000 Value Index which measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. Performance results prior to December 31, 2012 were measured against the S&P 500 Index. Effective September 30, 2018 we will no longer present the S&P 500 Index. Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a presentation of Argent. Russell Investment Group is not responsible for the formatting or configuration of this material or for any inaccuracy in Argent's presentation thereof.

4. Valuations are computed and performance reported in U.S. currency. Performance results are total return, (i.e. include the reinvestment of all income, including but not limited to dividends received). Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Past performance is no guarantee of future results. There is no guarantee that strategies, systems, indicators, or signals will result in profits or that they will not result in a full loss or losses. All investors are advised to fully understand all risks associated with any kind of investing they choose to do.

5. Gross-of-fee returns are presented before management and certain custodial fees, but after all trading expenses except where commissions have been waived. Net-of-fees performance is calculated by reducing gross performance by actual management fees incurred. The composite included portfolios where commissions were waived representing approx. 20% of composite assets in 2019 & 2020 and 29% in 2021.

6. Standard annual advisory fees are calculated as a percentage of assets under management according to the following schedule: 1% on the first \$1M, .80% on the next \$2M, .65% on the balance thereafter, although fees may be negotiated or waived in certain circumstances. Non-fee paying accounts represent less than 1% of the composite assets during the periods of 2012 - 2021.

7. Internal dispersion is calculated using the asset-weighted standard deviation of all portfolios that were included in the composite for an entire year, net of fees. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The external deviation is based on the 36-month gross-of-fees returns of the composite and the benchmark.