

## COVERED CALL INCOME

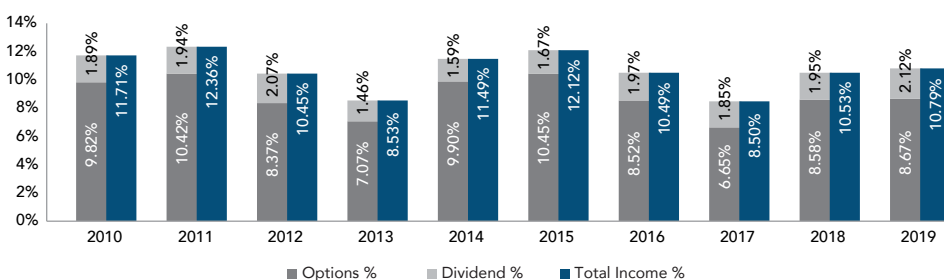
Covered Call Income is a separately managed account investment strategy

### Fact Sheet – 12/31/2019

All data below is current as of 12/31/2019 unless otherwise specified.



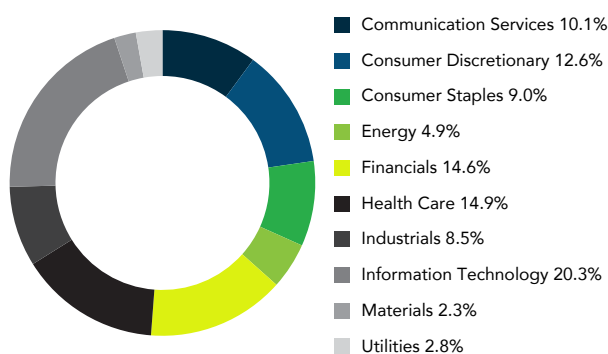
### Annual Income Breakdown <sup>1</sup>



### Composite Trailing Returns – 10 Years <sup>2</sup>

	1-Year	3-Years	5-Years	7-Years	10-Years	4Q19	YTD 12/31/19
<b>Gross</b>	21.24%	10.41%	7.18%	9.28%	8.83%	5.85%	21.24%
<b>Net</b>	17.82%	7.21%	4.05%	6.10%	5.67%	5.10%	17.82%
<b>CBOE S&amp;P 500 BuyWrite Index</b>	15.68%	7.58%	7.00%	7.68%	7.05%	4.33%	15.68%
<b>S&amp;P 500</b>	31.49%	15.27%	11.70%	14.73%	13.56%	9.07%	31.49%

### Underlying Sector Weightings <sup>1</sup>



### Composite Calendar Year Returns – 10 Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Gross</b>	11.49%	1.16%	11.07%	21.94%	7.92%	-1.90%	7.10%	16.20%	-4.47%	21.24%
<b>Net</b>	8.27%	-1.85%	7.86%	18.50%	4.77%	-4.83%	3.97%	12.88%	-7.34%	17.82%
<b>CBOE S&amp;P 500 BuyWrite Index</b>	5.86%	5.72%	5.21%	13.26%	5.64%	5.24%	7.07%	13.00%	-4.77%	15.68%
<b>S&amp;P 500</b>	15.06%	2.12%	16.00%	32.41%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%

<sup>1</sup> Model Portfolios are based on a hypothetical account managed during the current quarter. Actual characteristics and income may differ materially from model.

<sup>2</sup> Returns greater than one year are annualized.

<sup>3</sup> Beta is measured against the secondary benchmark, S&P 500.

The current quarter's data is preliminary. Net performance was calculated using the hypothetical highest annual all-inclusive wrap fee of 3% applied quarterly.

### Morningstar Rating™



OVERALL

Overall rating in the Options-based category as of 12/31/2019.

### Strategy Objective:

The Crossmark Covered Call Income strategy seeks to generate current income with capital appreciation potential.

- Current Income
- Capital Appreciation Potential
- Diversified Equity Portfolio and
- Decreased Volatility

### Model Portfolio Characteristics <sup>1</sup>

Number of underlying holdings: 36

Number of stocks covered: Typically 90-100%

Average option duration: Market directed (average 2 - 4 months)

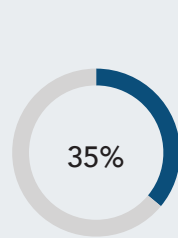
### Underlying Stock Model Characteristics <sup>1</sup>

Market Capitalization \$ 130.27 Billion

Dividend Yield: 2.36%

Beta of Portfolio: <sup>3</sup> 0.77

### Top 10 Model Holdings <sup>1</sup>



35%

- Lowe's, Inc.
- Medtronic PLC
- Nike, Inc.
- Intel Corp.
- Coca Cola Co.
- Qualcomm, Inc.
- Abbott Labs
- Cisco Systems, Inc.
- Citigroup, Inc.
- Walmart, Inc.

% of Total Portfolio: 35%

© 2020 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Not FDIC Insured - No Bank Guarantee - May Lose Value

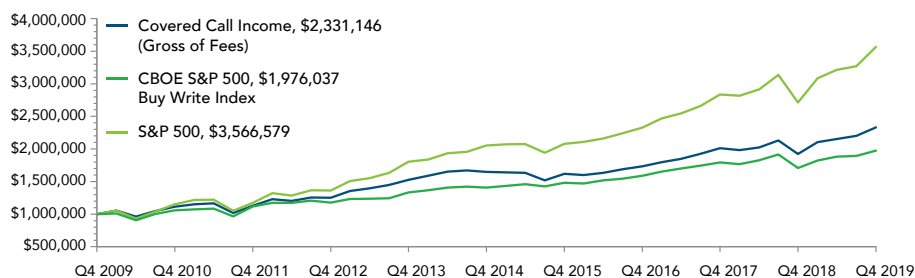
# COVERED CALL INCOME

Covered Call Income is a separately managed account investment strategy

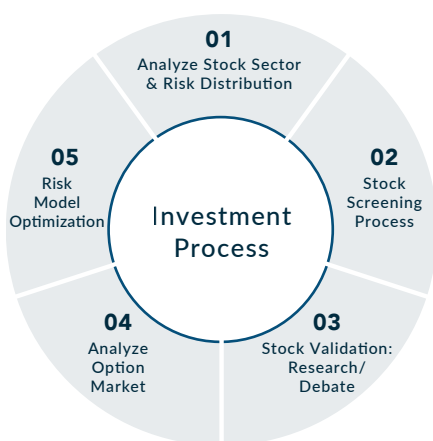
## Fact Sheet – 12/31/2019

All data below is current as of 12/31/2019 unless otherwise specified.

### Composite Growth of \$1 Million – 10 Years <sup>1</sup>



<sup>1</sup> Source: Zephyr StyleADVISOR.



### Investment Process

The Strategy employs a four-step process that combines dividend income style with relative risk controlled portfolio construction and values screening policies:

Crossmark Global Investments, Inc. is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Crossmark claims compliance with the Global Investment Performance Standards (GIPS®). Prospective clients can obtain a compliant presentation and/or list of composite descriptions by sending a request to: [advisorsolutions@crossmarkglobal.com](mailto:advisorsolutions@crossmarkglobal.com)

Crossmark Covered Call Income Wrap Composite contains fully discretionary wrap accounts that are invested in the Covered Call Income strategy. The composite excludes portfolios for which the clients have imposed restrictions or requirements that impede the manager from fully executing their strategy such that the results will not be representative of the strategy. For comparison purposes the composite is compared against the CBOE S&P 500 Buy Write Index (BXM) and the S&P 500 Index. The CBOE S&P 500 Buy Write Index is a benchmark index designed to reflect the hypothetical return on a portfolio that consists of a long position in the stocks in the S&P 500 Index and a short position in an S&P 500 call option.

The U.S. Dollar is the currency used to express performance. The performance reflects the reinvestment of dividends and other earnings to the extent that client accounts included in the composite elected to reinvest dividends and earnings. Performance figures shown gross of fees do not reflect the payment of investment advisory fees.

Options are not suitable for every investor. Writing call options to generate income and to potentially hedge against market declines by generating option premiums involves risk. These risks include, but are not limited to, potential losses if equity markets or an individual equity security do not move as expected, and the potential for greater losses than if these techniques had not been used. If the market price of a security increases, a call option written against that security limits the gain that can be realized. And, there are significant differences between the securities and options markets that could result in an imperfect correlation between these markets, causing a given transaction not to achieve its objectives.

**Past performance is not an indicator of future results. Investments made using this strategy involve risk of loss, including the potential loss of principal. The principal risks associated with the Covered Call Income investment strategy are equity market risk and loss of market upside potential (traded for option premiums).**

**GIPS® is a registered trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement.**

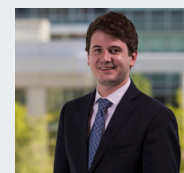


### Our Firm:

Crossmark Global Investments is a boutique investment management firm that provides a full suite of investment strategies to institutional investors, financial advisors, and the clients they serve. For over 30 years we have delivered uniquely-constructed products based on our proprietary, disciplined, and repeatable process. We are especially known for helping our clients align their investments with their values by creating socially-conscious, responsible investment strategies. Founded in 1987, we are headquartered in Houston, Texas and manage approximately \$5.1 billion in AUM as of December 31, 2019.



**PAUL TOWNSEN**  
Managing Director



**ZACK WEHNER**  
Portfolio Manager

27 years of combined experience.

Supported by the entire Crossmark Global Investments team.

### Morningstar Rating™

★★★★	OVERALL
★★★★★	3 YEAR
★★★★	5 YEAR
★★★★	10 YEAR

Overall, 3 Year, 5 Year and 10 Year rating in the Options-based category as of 12/31/2019.

The Morningstar Rating™ or “star rating”, is calculated for separate accounts with at least a three-year history. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product’s monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

15375 Memorial Drive, Suite 200, Houston, TX 77079  
888.845.6910 [advisorsolutions@crossmarkglobal.com](mailto:advisorsolutions@crossmarkglobal.com)  
[crossmarkglobal.com](http://crossmarkglobal.com)