

OBJECTIVE

- Invest in high-quality firms with secular growth opportunities that have significant upside potential
- Outperform the S&P 500 over a five year time horizon
- Concentrated portfolio largely comprised of small to mid-cap stocks

STRAIGHTFORWARD COMMUNICATIONS

- ✓ Trade Notifications
- ✓ Weekly Market Commentary
- ✓ Monthly Investment Outlook
- ✓ Quarterly Market Videos

FINDING OPPORTUNITIES IN A LOW-GROWTH ENVIRONMENT

The Perennial Growth strategy is a concentrated stock portfolio for clients with longer investment time periods that seek capital appreciation over preservation. Perennial Growth will move independently of the S&P 500 over time with performance driven by investment selection rather than broad market moves.

- Despite the current low growth economic environment, there are many companies with significant appreciation potential over the intermediate term
- Identifying these companies requires a fundamental, bottoms-up, research-driven approach
- Growth investing requires a longer term time horizon and higher risk tolerance

“Risk comes from not knowing what you’re doing.”

– WARREN BUFFETT

INVESTMENT PROCESS

1



Firm Identification:

The manager seeks firms that have certain quality aspects such as strong margins, high returns on capital, healthy balance sheets and meaningful barriers to entry. Such prospects are found through screens, industry articles, third-party research or through researching companies in related fields.

2



Fundamental Analysis Stage 1:

After identifying promising prospects, the manager will begin the due diligence process to gain a thorough understanding of the firm's operations, competition and market. This includes reading Securities and Exchange Commission (SEC) filings, transcripts of earnings, investor presentations and analyst conferences. Often, the manager will interview the company's management team and also speak with its competitors, suppliers and customers.

3



Fundamental Analysis Stage 2:

After gaining a comprehensive understanding of the company's current situation and long-term strategy, the manager will build out a financial model to determine the firm's earnings potential over the next three to five years. If the stock is trading at a significant discount to this long-term projection, the position is then added to the portfolio.

INVESTMENT OBJECTIVE

- Investment Horizon: Minimum of 5 Years
- Investment Minimum: \$25,000
- Benchmark: S&P 500 PR
- Investment Objective: Aggressive Growth

No strategy assures success or protects against loss. Stock investing involves risk including loss of principal. This information is presented as an introduction to the portfolio strategy and for educational purposes. As such, it is not intended as a solicitation or offer. Prospective investors should contact his/her advisor for more detailed portfolio information and the product's suitability in meeting your financial investment objectives.

Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client or prospective client's investment portfolio. This content cannot be copied without express written consent of CWM, LLC.

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